

E Nemethy, Sec'y

July 9 -85

Sec'y - NRC

ATT: DOCKETING & SERVICE BRANCH

Re: Proposed rule: Financial
responsibility for licensees
in cleanup of accidents
Fed Reg - June 7-85, p 23960

Gentlemen =

'85 JUL 12 P3:13

It comes as a nasty surprise to learn - at this late date - that there's been no mechanism for making licensees (other than reactor operators, plutonium processors and fuel fabricators) financially responsible for cleaning up their messes.

(Incidentally, we wonder if NRC has sent copies of this notice to the various insurance carriers?)

- 1 - The notice says your proposed rule doesn't cover compensation to persons for injury or property damage. Nor are they covered by Price-Anderson. Are they covered by any other rules? If not, why couldn't these damages be included in this rule?
- 2 - We're at a loss to understand why the Commission is postponing the issue of financial responsibility for licensees who could create "significantly more costly cleanups". Also, why should any licensee be considered for "exemption"?
- 3 - As to method, why not base the level of financial responsibility on the quantity of radioactive material kept on hand by the licensee? Whether it has a long or short half-life (unless it's a matter of seconds), quantity should be a fair gauge of damage potential.
Whether the material is encapsulated seems immaterial. You cite an example in 1982 when a sealed source of americium-241 ruptured. The financial size of a licensee doesn't necessarily have a bearing on financial responsibility. A large hospital might handle a very small amount of radioactive material.
- 4 - If (as in your example of the tritium mfr in Tucson) a licensee can't provide for financial responsibility, what's to stop you from revoking his license? The same approach should apply to licensees with "poor safety and/or inspection histories."
- 5 - Finally, your proposal of a \$2 million "maximum" of financial responsibility seems unduly lenient. (Compare it with the EPA requirement that owners and operators of hazardous waste facilities carry coverage from \$1 million to \$6 million)

E. Nemethy

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