

Sept. 24 1985

Subject NRC letter dtd June 20 1985 and FRV 50 #110 regarding
"Financial Responsibility...".

'85 SEP 27 AIO:16

Secretary

US Nuclear Regulatory Commission
Washington D.C. 20555

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As noted in your cover letter there are numerous classes of nuclear users. Because of the variability in the types of users and their ability to financially withstand cleanup costs I would recommend that no action be taken to assign cleanup costs to users. Specifically the cost of insurance &/or performance bonds would be prohibitive, and in fact may not cover a given incident. Even if the entire worth of the contaminating ^{company} were available, the costs would probably frequently exceed the monies available. The result could be protracted litigation, delays, and inadequate cleanup.

What I do suggest is that the manufacturers of nuclear materials, individually or collectively, be held accountable for the cost of cleanup (life to death). Thus a mfg when selling a nuclear product would take into consideration spill exposure potential when calculating a price. Even though the cost of the product may be higher, it would be incremental and based upon use.

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In response to specific considerations on page 23962:

2. Let mfg develop criteria and cost based upon type & degree

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Acknowledged by card

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of exposure

b. This would end up assessing cost on a per use basis.

c. The financial responsibility should be on the mfg and should be the cost of clean up or the value of the the nuclear mfg industry, whichever is less.

d. No quantity or use should exempt any material from liability. Materials with short half-lives could be self limiting from a liability point of view. Further if a spill does occur the NRC could grant a "waiver" if the quantity & nature of the material could be declared "inconsequential." In these cases the NRC would assume the liabilities ^{associated with} materials not cleaned up

e. Let the mfg do their own policing, except that a 5% surcharge should be added to each sale. The resultant funds would be assigned to NRC to use to check mfg compliance and enforcement, and to spot check users

f. Legislation by the US Congress could assign fiscal liability to mfgs to include all of a company's assets in a manner such that a mfg could not duck their liability or hide assets thru a bankruptcy action or similar maneuver

g. The mfgs could initially establish an interest bearing fund by an assessment of a fixed percentage of their net worth. This fund would be periodically swept & any deficiencies made up & excesses returned to mfg.

h. No comments

j. The net worth of the nuclear mfg industry should be adequate.

k. See g above. The NRC should have 'checkwriting' capability against this fund. Insurance of legitimacy should rest with the NRC and be monitored under g. above.

l. The mfg of a nuclear material would retain an eternal liability for their product. Other products would be handled through existing channels such as EPA -.

m. Interface with the SEC, IRS, & other similar regulatory agencies so the NRC is automatically notified by these agencies.

n. An intentional release should always be treated as a criminal offense with the corporation paying a penalty equal to the cost of cleanup & the individuals going to jail.

Thank you for the opportunity to comment



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