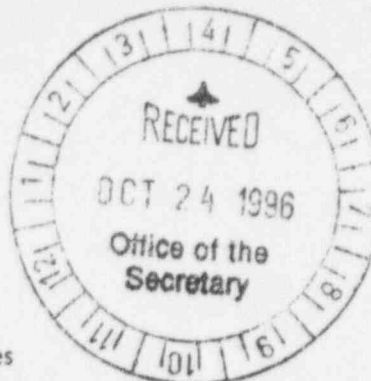




Organization of Agreement States



DSI-6

(3)

Robert Quillin, Chair
Richard A. Ratliff, P.E., Past Chair

Roland Fletcher, Chair-Elect
Thomas Hill, Secretary

October 21, 1996

Mr. John C. Hoyle
Secretary of the Commission
U.S. Nuclear Regulatory Commission
Attn: Chief of Docketing and Services Branch
Washington, D.C. 20555-0001

Dear Mr. Hoyle:

As you know, there are currently 29 states that have entered agreements with the NRC under Section 274 of the Atomic Energy Act of 1954. The agreement state program is an excellent example of the ability of states to conduct regulatory programs in an effective and efficient manner. The Organization of Agreement States (OAS) provides a vehicle for Agreement States to interact on common issues that affect individual states or all 29 Agreement States.

The OAS has received comments from individual Agreement States on the Direction Setting Issue Papers issued as part of the NRC's Strategic Assessment of Regulatory Activities. These comments have been summarized for each of the Direction Setting Issue Papers and are attached for consideration in this matter. Many of the individual Agreement States will provide state specific comments as well.

If you have any questions, please contact me.

Sincerely,

Richard A. Ratliff

Robert Quillin, Chair
Organization of Agreement States
Radiation Control Division
Department of Health
4300 Cherry Creek Drive South
Denver, Colorado 80222-1530

DIRECTION SETTING ISSUE 6

"HIGH-LEVEL WASTE AND SPENT FUEL"

Issue

In recognition of current uncertainties, how should NRC approach the present high-level waste situation?

Preferred Option(s)

Each state which commented on this DSI currently have operating power reactors within its boundaries. States providing comments were split between Options 2, 3, and 5 as the preferred option.

Option 2 -- As the courts have decided that the DOE is legally obligated to take the spent fuel from electric utilities in 1998, the NRC should proceed on the assumption that they (DOE) will. Resources should be dedicated accordingly. NRC should assume that the important elements of the national HLW program include not only a repository and centralized interim storage, but also on-site dry cask storage. Simplification of the hearing process, pursuing binding resolution and early negotiation of issues are all worthwhile for the NRC to explore.

Option 3 -- NRC should maintain its existing HLW repository program.

Option 5 -- Something must be done soon to address the storage of spent fuel in the near term before a repository opens. This option offers the clearest option for this to occur. Interim storage of spent fuel should be a preferred option. Options that short-circuit the characterization process should not be accepted. The repository itself has become very politicized. Whatever is done with HLW and spent fuel must be safe. Full licensing of the repository is preferred. No shortcuts should be allowed. If Yucca Mountain proves to be unsuitable, it should not be used. If that occurs, a fall back such as interim dry-cask storage should already be in place to avoid a crisis. In the event Yucca Mountain is unsuitable, other long term should be in place. The most cost effective option is to allow dry storage at this point. The NRC should encourage Congress to move towards dry storage AND using DOE sites for MRS facilities. DOE owes the electric utilities something for all the waste of time and utilities' money on this issue. DOE should be a part of the interim solution. Look at how long it is taking for DOE to get the WIPP started. At DOE's current pace, the process of finally siting a repository will outlast the lifetime of all our reactors.