

SIEMENS

DSI-7

(28)

November 21, 1996
LJM:96:092

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



Dear Mr. Hoyle:

Subject: Comments on NRC Direction - Setting Issue (DSI) No.7 - Materials/Medical Oversight

The following comments are being submitted by Siemens Power Corporation (SPC) in regards to DSI 7 (Materials/Medical Oversight) of NRC's Strategic Assessment and Rebaselining initiative. SPC, through its Nuclear Division, operates a low enriched uranium nuclear fuel fabrication plant located at Richland, Washington, and is regulated as a major materials licensee under 10 CFR Part 70.

While SPC recognizes that Part 70 licensees are not addressed in this DSI, we nonetheless feel that it is important that the NRC maintain oversight of such licensees, especially the major materials licensees such as fuel fabricators. Fundamental among the reasons for this position are:

1. The relatively small number and uniqueness of these facilities;
2. The competition among the facilities, which requires a "level playing field"; and
3. The fact that by and large, the states lack adequate resources to effectively regulate these facilities.

In addition, SPC agrees in principle with the comments on this subject submitted by NEI.

We appreciate the opportunity to actively participate in NRC's Strategic Assessment and Rebaselining effort via submittal of these comments. If you have questions, please feel free to contact me on 509-375-8537.

Very truly yours,

L. J. Maas, Manager
Regulatory Compliance

cc: F. Killar, NEI

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