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NUCLEAR ENERGY INSTITUTE

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Working Group

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DIRECTOR,
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November 6, 1996

Mr. Richard L. Bangart
Director
Office of State Programs
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

Reference: Report of the Joint NRC-Agreement State Working Group for
Development of Implementing Procedures for the Final Policy
Statement on Adequacy and Compatibility of Agreement State
Programs

Dear Mr. Bangart:

The Nuclear Energy Institute¹ (NEI) appreciates the opportunity to comment on the Report of the Joint NRC-Agreement State Working Group for Development of Implementing Procedures for the Final Policy Statement on Adequacy and Compatibility of Agreement State Programs. NEI supports the Agreement State Program and we believe that the referenced report will be instrumental in the adoption of consistent programs across the Agreement States. Two issues, concern the industry even though they are briefly discussed in the report.

The first issue of concern is related to the reciprocity procedures. The report correctly identifies the undesirable consequences if reciprocity procedures are lax. We believe this issue should receive additional emphasis. Reciprocity procedures give the Agreement States the most flexibility; however this is the area that historically gives the industry the greatest problem with interstate commerce in Agreement States. For this reason this section needs to be expanded to provide greater clarity.

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¹ The Nuclear Energy Institute is the organization responsible for establishing unified nuclear industry policy on matters affecting the nuclear energy industry. NEI's purpose is to foster and encourage the continued safe utilization and development of nuclear energy to meet the nation's energy, environmental and economic goals. NEI represents over 250 companies and organizations worldwide, including electric utilities that own and operate nuclear power plants, nuclear plant equipment suppliers, engineering/construction firms, nuclear fuel cycle companies, and others in the nuclear energy industry.

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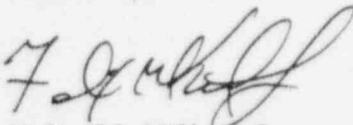
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Mr. Richard L. Bangart
November 6, 1996
Page 2

The second issue that causes NEI members concern is the potential for states to establish regulations beyond those established by the NRC. This is part of the reciprocity procedure. The report indicates that Agreement State regulations must be as stringent as the NRC's, with a provision that the regulations should not be adopted or implemented in such a manner as to preclude a future practice. The report identifies this, nonetheless, we believe additional emphasis and guidance needs to be incorporated. Similar to the first issue, this item has been a problem. Agreement States have established requirements beyond the NRC's and the licensees have had no recourse other than ceasing activity in that Agreement State. We believe that if a state deems it necessary to establish regulations more stringent than the NRC's, the state must seek prior approval from the NRC and, NRC's approval be based solely on public health and safety issues.

Thank you for the opportunity to comment. NEI looks forward to continued participation in this activity. If you have any questions concerning this material, please call me.

Sincerely,

A handwritten signature in dark ink, appearing to read 'F. Killar, Jr.', with a stylized, cursive script.

Felix M. Killar, Jr.