

NOTATION VOTE

RESPONSE SHEET

TO: John C. Hoyle, Secretary

FROM: COMMISSIONER DICUS

SUBJECT: SECY-97-041 - PROPOSED AMENDMENTS TO 10 CFR  
PARTS 30, 40, 50, 70, AND 72--SELF-GUARANTEE  
OF DECOMMISSIONING FUNDING BY NON-PROFIT AND  
NON-BOND ISSUING LICENSES

Approved XX Disapproved \_\_\_\_\_ Abstain \_\_\_\_\_

Not Participating \_\_\_\_\_ Request Discussion \_\_\_\_\_

COMMENTS:

Comments attached

Greta Joy Dicus  
SIGNATURE

Release Vote /XX/

March 18, 1997  
DATE

Withhold Vote / /

Entered on "AS" Yes X No \_\_\_\_\_

Comments on Secy-97-041

1. The proposed rule is a Division II level of compatibility, and indicated that States would therefore have the option of whether to allow self-guarantee. Generally, a Division II level of compatibility for a rule requires Agreement States to address the rule, but allows the States to address it in their own way. A Division III level of compatibility allows the States the option of adopting a rule.

If the staff's intent is that, by making the rule a Division II level of compatibility, Agreement States, by being more restrictive, do not have to develop a rule allowing self-guarantee, the staff should explain this in the rule to eliminate confusion on the part of Agreement States. Another option is to make the rule a Division III level of compatibility.

2. The staff should ensure that all regulations that will require amendments to encompass this rule have been identified.
3. Before the rule becomes final, the staff should ensure that regulatory guidance in need of modification to encompass this rule is identified and modified in a timely fashion.
4. Editorial comment on the public announcement is attached.

NRC PROPOSES TO ALLOW MORE LICENSEES  
TO USE SELF-GUARANTEE FOR DECOMMISSIONING FUNDING

The Nuclear Regulatory Commission is considering amending its regulations to allow additional licensees who meet stringent financial criteria to ~~themselves~~<sup>self-</sup> guarantee adequate funds for decommissioning.

Since 1993, NRC regulations have permitted financially strong for-profit corporate licensees with bond ratings of A or better to make use of a procedure called "self-guarantee" to ensure that adequate funds will be available for decommissioning.

Other methods--available to all licensees--include a surety bond or letter of credit, prepayment, insurance, or external sinking fund.

Under a self-guarantee, the licensee gives the Commission a written commitment that the licensee will fund and carry out the required decommissioning activities. Licensees who use this option must pass an annual financial test and report promptly to the NRC any deterioration in financial condition.

The proposed amendments would extend the option of using a self-guarantee to non-profit licensees, such as universities and hospitals, and to for-profit licensees who do not issue bonds. They would have to meet the following financial criteria:

--For colleges and universities, either (1) a bond rating of A or better; or (2) for institutions that do not issue bonds, an unrestricted endowment of at least \$50 million or at least 30