

PDR



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

April 10, 1997

CHAIRMAN

Mr. John Kamensky
Office of the Vice President
Washington, D.C. 20510

Dear Mr. Kamensky:

Thank you for providing me with the opportunity to comment on Secretary Peña's proposed Performance Agreement with the President for FY 1997 to assure that cross agency goals and objectives are addressed. In FY 1997, there are two critical areas that the U.S. Nuclear Regulatory Commission (NRC) is closely working on with the U.S. Department of Energy (DOE) that should be included in the Performance Agreement.

In reaching the President's and DOE's goals for the agency to be more efficient and effective, DOE intends to develop a stronger partnership with the private sector. The plan does not address DOE initiatives to privatize certain operations. In particular, a major privatization effort in which Congress appropriated funding for the NRC in FY 1997, is the Hanford Tank Waste Remediation System Project.

The plan is totally silent on the future external regulation of nearly all DOE nuclear facilities by NRC. Secretary Peña has endorsed NRC oversight of DOE nuclear facilities, and the coordination between DOE and NRC to proceed with this significant change should be reflected in the FY 1997 Performance Agreement.

In addition to these two critically important areas, the plan does not discuss two other important activities the NRC has been working on with DOE in FY 1997.

First, on page 7, the plan addresses DOE's activities related to limiting weapons-usable fissile materials worldwide. I believe it would be appropriate to clarify the role of the NRC in licensing any recycling of plutonium in this country or any use of recycled or excess weapons plutonium in fuel for commercial reactors in this section.

Second, the electric power industry transition to a competitive market represents challenges and considerations for the DOE in the development of legislation and policies, the importance of renewable energy, electric grid reliability, and programs for research and development of new technology. This significant change in the industry and the role of the DOE should be recognized in the plan.

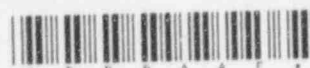
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Doris Mossburg

I am available to meet with you, at your convenience, if you would like to discuss these issues further.

Sincerely,

A handwritten signature in cursive script, reading "Shirley Ann Jackson".

Shirley Ann Jackson

cc: The Honorable Federico Peña
Secretary of Energy