

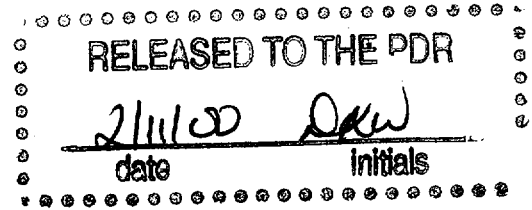


UNITED STATES  
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

January 20, 2000

COMMISSIONER



MEMORANDUM TO: Annette Vietti-Cook, Secretary

FROM: Nils J. Diaz *N. Diaz*

SUBJECT: COMNJD-99-006 - THE EFFECTS OF INDUSTRY  
CONSOLIDATION ON NRC OVERSIGHT

Naturally, I support COMNJD-99-006. Based on comments received from my fellow Commissioners, I also believe that a clarification of the scope and objective of COMNJD-99-006 may be useful.

As we know, the effects of recent trends in industry consolidation are national in scope and thus may have broad regulatory implications that are not exclusive to the Regions. In fact, it is my intention to focus on the national issues that are resulting, and will continue to emerge, from industry consolidation and de-regulation. Thus, my fundamental recommendation is that the agency become more fully prepared to address its regulatory oversight responsibilities by initiating a focused discussion and evaluation of the potential effects of new trends in industry consolidation on the discharge of those broad responsibilities. (I am using "oversight" in its plain dictionary meaning, not as a substitute for "inspection and assessment".) These include financial issues, licensing issues, operational safety issues, impacts on NRC's fee structure, as well as maintaining awareness of pertinent non-NRC regulatory issues. I also did not intend the staff to start with, or be constrained by, the "new reactor oversight process", but to factor it into their thinking.

To implement this initiative, I suggest the following steps:

- Dedicate 1-2 FTE to plan this endeavor and budget it for FY 2001.
- Implement the plan and initiate stakeholder meetings in October 2000, i.e., at the start of FY 2001.
- Present the Commission with recommendations during FY 2001.

cc: Chairman Meserve  
Commissioner Dicus  
Commissioner McGaffigan  
Commissioner Merrifield  
OEDO  
OCFO  
OCA  
OPA  
OGC  
NRR

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