

STATE OF FLORIDA

JOE GARCIA
CHAIRMAN



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Public Service Commission

April 1, 1999

The Honorable Dr. Shirley Ann Jackson
Chairman
U.S. Nuclear Regulatory Commission
11555 Rockville Pike
Rockville, MD 20852

Dear Chairman Jackson:

On behalf of the Florida Public Service Commission (FPSC), I am writing to express support for Florida Power & Light Company's (FPL) request for waiver of the applicable review fees upon FPL's submittal of an application for license renewal for Turkey Point Units 3 and 4.

The FPSC, pursuant to the Florida Statutes, has the authority to regulate electric utilities within the State of Florida. The FPSC is authorized to establish reasonable rates and charges and may allow utilities to recover from their customers prudently incurred costs relating to the operations of their power plants. In this regard, the FPSC has a substantial interest in minimizing external regulatory fees and charges imposed on electric utilities in Florida.

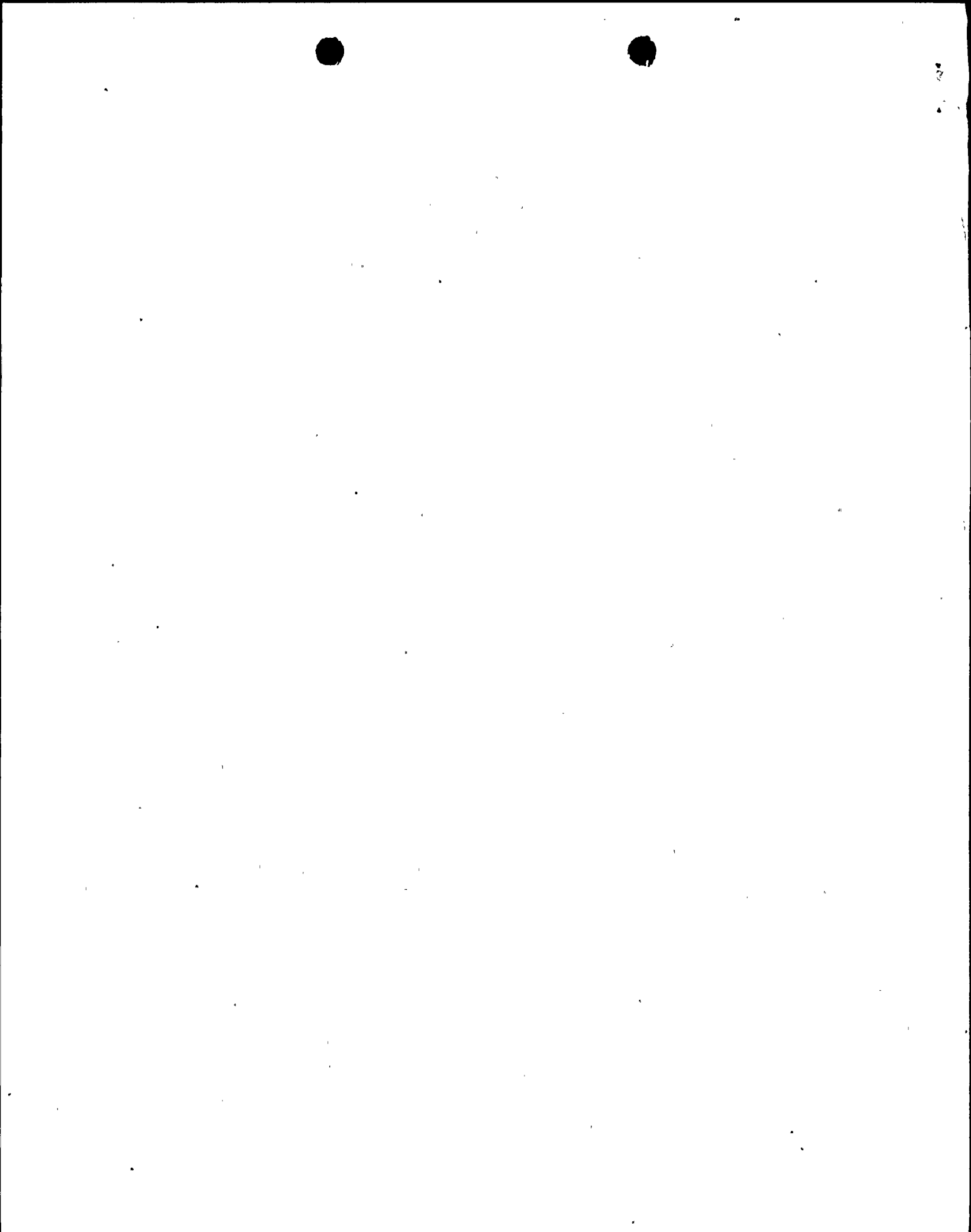
The FPSC recognizes the NRC's significant efforts to improve its current regulatory processes, including its process for reviewing license renewal applications. These efforts are likely to result in more efficient and less costly interaction between the NRC and its licensees, an outcome that we certainly support. In fact, the National Association of Regulatory Utility Commissioners (NARUC), of which the FPSC is a member, passed a resolution at its 1999 Winter Meetings in Washington, D.C., in support of the NRC's diligent efforts to improve its oversight of the nation's commercial nuclear power plants. For your convenience, we have attached a copy of this resolution.

The FPSC respectfully recognizes that the NRC's decision concerning whether to grant FPL's request for a fee waiver is contingent upon satisfaction of specific criteria. We understand that FPL will likely be the first utility to submit a license renewal application for a Westinghouse reactor. We also understand that the NRC has granted partial waivers of the applicable review fees to other utilities which were the first to apply for license renewal for a plant made by a certain manufacturer.

4/7...To CFO to Prepare Response for Chairman's Signature...Date due Comm: April 22
Cpy to: Chairman, RF, SECY to Ack..99-0310 ...Commission Correspondence

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We ask that FPL's request be given the utmost consideration. Given the precedent for partial fee waivers granted to other utilities, it seems appropriate that FPL also be granted a waiver. Thank you for your attention to this matter.

Sincerely,

Joe Garcia
Chairman

JAG:kt
Enclosure

Resolution Regarding the Nuclear Regulatory Commission's Efforts to Improve its Regulatory Processes

WHEREAS, State public utility commissions are concerned with the costs of the nuclear industry's compliance with Nuclear Regulatory Commission (NRC) regulations, in that these costs are passed on to the states' ratepayers; and

WHEREAS, Several state legislatures and public utility commissions have enacted legislation and issued orders establishing electric competition in their states, and several other states are considering similar actions; and

WHEREAS, Utilities including nuclear utilities, in states with and without electric competition, are reorienting themselves to become more competitive, and are seeking additional ways to reduce their costs; and

WHEREAS, The safety and reliability of the nuclear industry has improved markedly over the last decade, as evidenced by a decrease in the number of automatic shutdowns, a decrease in the number of significant safety problems, and a decrease in the number of outages caused by equipment problems; and

WHEREAS, There is concern that the NRC's regulatory approach fails to recognize the improvements achieved by the nuclear industry in the areas of safety, reliability, and economic performance; and

WHEREAS, The Senate Subcommittee on Clean Air and Wetlands, Private Property, and Nuclear Safety, at a July 30, 1998 hearing on NRC regulatory activities, expressed concerns regarding the timeliness and the consistency of NRC decisions; and

WHEREAS, The NRC has acknowledged that some of its regulatory activities could be improved to remove inefficiencies to mitigate subjective standards and improve clarity; and

WHEREAS, The NRC has responded to the concerns expressed by the nuclear industry, Congress, and public interest groups by revamping its inspection and oversight program for commercial nuclear power plants to focus its attention on activities where potential risks are greater and on plants that have experienced performance problems; and

WHEREAS, The NRC's proposed nuclear plant oversight program is anchored in the NRC's mission to ensure the continued public health and safety in the operation of such nuclear plants; now, therefore, be it

RESOLVED, That the Board of Directors of the National Association of Regulatory Utility Commissioners, convened at its 1999 Winter Meetings in Washington, D.C., urges the NRC to be cognizant of the potential impact deregulation may have on the safety and reliability of nuclear plants; and be it further

RESOLVED, That NARUC supports efforts by the NRC to improve its current regulatory processes, while at the same time maintaining a high level of safety, as those efforts will likely result in more efficient and less costly interaction between the NRC and nuclear plant licensees.

