

UNITED STATES NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

April 14, 2020

The Honorable Nita Lowey Chairman, Committee on Appropriations United States House of Representatives Washington, DC 20515

Dear Madam Chairwoman:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to the direction to provide the NRC's "plan to maintain reactor safety during this current period of nuclear industry transition, as power plants close or plan to close, and in light of several consecutive years of agency resource reductions," as required by the report associated with Division C of Public Law 116-94, "Energy and Water Development and Related Agencies Appropriations Bill, 2020."

The NRC's mission is to license and regulate the Nation's civilian use of radioactive materials to provide reasonable assurance of adequate protection of public health and safety and to promote the common defense and security and protect the environment. As the report indicates, the agency has reduced its budget and FTEs. Since fiscal year 2014, NRC's budget has decreased by 19% and our workforce has dropped by 25%. To focus on the most significant issues impacting nuclear safety, the NRC continues to review its regulatory processes and consider changes to incorporate lessons learned and apply new risk insights when making licensing and oversight decisions. The NRC reviews activities to maintain an efficient and effective use of resources, and will continue to perform essential licensing and oversight activities consistent with its mission.

For reactor sites that have stopped power operations and entered decommissioning, NRC's Office of Nuclear Reactor Regulation (NRR) and Office of Nuclear Material Safety and Safeguards (NMSS) closely coordinate. NRR maintains oversight of all operating nuclear power plants, while NMSS maintains oversight of all decommissioning activities. With a number of nuclear operating reactors announcing plans to shut down, the NRC has updated its guidance to improve the process for transitioning power reactors to decommissioning.

The NRC uses its Reactor Oversight Process (ROP) to inspect, measure, and assess the safety and security performance of operating commercial nuclear power plants, and to respond to any decline in their performance. Operating nuclear plants that are planning to permanently cease operations are still subject to the full baseline inspection program to ensure adequate oversight. For plants transitioning to decommissioning, the NRC staff continues to

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implement the inspections prescribed in the ROP, with a focus on the most safety significant issues during the final operating cycles. The NRC developed specific oversight guidance that includes inspection guidance during the final operating cycles to ensure public safety is adequately maintained during the impending closure. This guidance recommends increasing inspection oversight in some areas of the baseline inspection program, such as operations and maintenance, where reduced licensee staffing and resources could potentially impact operational performance. However, it recommends decreasing inspection sample sizes where there may be fewer inspection samples because of lower risk or fewer anticipated plant modifications being implemented. It also provides inspectors guidance on which specific systems and components to consider as inspection samples based on the greatest risk and future plant configurations. The guidance incorporates lessons learned from the oversight of nuclear power plants that have permanently ceased operation such as Vermont Yankee, Kewaunee, Crystal River, and San Onofre Nuclear Generating Station, and ensures public safety is adequately maintained during the impending closure.

The NRC's licensing process also provides appropriate flexibilities to transition operating reactors to a decommissioning status, while ensuring reactor safety is maintained. Before reactor cessation of operation, licensees may request modifications to various aspects of the facility's license including staffing and emergency preparedness. These changes would commence after the reactor ceases operation. Based on NRC staff experience, risk insights are used while assessing these changes to ensure they adequately reflect the lower radiological hazards associated with a shutdown reactor and the appropriate fuel handling skills needed during the decommissioning period. NRC approval of these post-shutdown changes before reactor shutdown enables the licensee to smoothly transition into the decommissioning phase, while ensuring safety is maintained. The NRC is also developing a proposed rule intended to provide a more efficient regulatory process by reducing the need for licensees in the process of decommissioning to request exemptions and license amendments for these routinely requested changes.

The NRC staff uses its planning, budget, and performance management process to shift resources from its operating reactor business line to the decommissioning and low-level waste business line to reflect the transition of a reactor into a decommissioning status. The NRC also coordinates internally to ensure adequate training and knowledge transfer for all staff managing the power reactor decommissioning process. The NRC also actively monitors any potential impacts from licensees undergoing financial challenges on plant safety and security and the decommissioning fund. Specifically, NRC staff conducts inspections and assessments to evaluate whether financial conditions are affecting plant staffing, maintenance activities, and emergency preparedness capabilities.

The NRC continuously strives to be more effective, efficient, and timely in all its regulatory activities. The NRC has the resources necessary to perform all licensing and oversight activities needed to meet the agency's safety and security goals.

¹ Inspection Manual Chapter (IMC) 2515, Appendix G, "Baseline Inspection Guidance for Power Reactors Preparing for Transition to the Decommissioning Phase," Agencywide Documents Access and Management System (ADAMS) Accession No. ML15183A264.

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If you have questions or need additional information, please contact me or have your staff contact Eugene Dacus, Director of the Office of Congressional Affairs at (301) 415-1776.

Sincerely,

Kristine L. Svinicki

cc: Representative Kay Granger Representative Marcy Kaptur Representative Mike Simpson