September 11, 2006

Mr. James E. Wells, Jr., Director Natural Resources and Environment U.S. Government Accountability Office 441 G Street, NW Washington, D.C. 20548

Dear Mr. Wells:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter dated August 23, 2006, requesting NRC review and comment on your draft report, "Nuclear Energy: Status of DOE's Effort to Develop the Next Generation Nuclear Plant" (GAO-06-1056). The Commission appreciates your providing the NRC an opportunity to review this draft report, the time and effort that you and your staff have invested in reviewing this important topic, and the care that you have taken to ensure that your report is accurate and constructive.

I would like to provide clarification regarding a few statements in the draft report. The statement on page 16 indicating that key licensing issues have not been resolved should be removed or revised because the U.S. Department of Energy and NRC have yet to identify any licensing issues. Regarding the last sentence of the first paragraph on page 17, I would note that the new technology-neutral framework would establish top-level safety requirements that, in theory, can be applied to non-light-water and light-water reactors alike. However, the top-level safety requirements need to be supplemented and/or supported by technology-specific regulatory guidance. Finally, in connection with the last sentence of the second paragraph on page 17, please note that the NRC plans to rely on expertise from various sources, including international research programs. The current report text omits this international connection.

Should you have any questions about these comments, please contact me at (301) 415-1700, Dr. Brian W. Sheron at (301) 415-6641 (or BWS@nrc.gov), or Ms. Melinda Malloy of my staff at (301) 415-1785 (or MXM@nrc.gov).

Sincerely,

/RA/ Luis A. Reyes Executive Director for Operations Mr. James E. Wells, Jr., Director September 11, 2006 Natural Resources and Environment U.S. Government Accountability Office 441 G Street, NW Washington, D.C. 20548

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/RA/

Luis A. Reyes Executive Director for Operations

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