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TASK FORCE REPORT SAYS NRC REGULATORY STRUCTURE ADEQUATE FOR OVERSIGHT AT 3 DOE PILOT PROJECT SITES

The Nuclear Regulatory Commission has sent Congress a task force report saying NRC's existing regulatory structure could adequately handle most of the technical, policy, and regulatory issues involved in oversight of three Department of Energy (DOE) nuclear facilities studied in a 15-month pilot program.

The report further says it believes the NRC could be the sole external radiological safety regulator of DOE at the facilities studied, contingent on adequate funding and staffing.

These and other findings and recommendations -- most of them generally supportive of regulating DOE sites -- are contained in the report which the Commission has forwarded to appropriate oversight committees of both the House and Senate, as well as to the Secretary of Energy.

In letters transmitting the report, NRC Chairman Greta Joy Dicus said the pilot project found no significant issues "that would impede NRC regulation of similar DOE non-defense nuclear facilities." She said NRC would take a "risk-informed" approach to regulation of DOE facilities, if so assigned, imposing new requirements only when they were necessary for safety.

The task force report summarizes NRC's experience, from October 1997 to January of this year, in conducting a pilot program of "simulated regulation," which evaluated each of three DOE facilities against safety standards NRC believed appropriate: the Lawrence Berkeley National Laboratory in California; the Radiochemical Engineering Development Center at Oak Ridge National Laboratory in Tennessee; and the Receiving Basin for Off-site Fuel at the Savannah River Site in South Carolina.

The pilot project did not involve any DOE defense programs. Because DOE facilities, by law, are largely exempt from regulation by NRC, any change in that status would require Congressional legislation. DOE has long self-regulated the safety of its facilities, many of which are operated by contractors.

The NRC pilot program began as a result of recommendations for external regulation of DOE nuclear activities by both a departmental advisory committee and an internal DOE working group, and was supported by stakeholder comments on NRC's strategic assessment and rebaselining initiative. An NRC-DOE Memorandum of Understanding putting the pilot program into effect was signed in November 1997.

The NRC task force found that for the pilot facilities studied, agency oversight would require few, if any, changes in DOE facilities, calculations, safety programs, or procedures. It said it believes that DOE's cost estimates for the transition to NRC oversight are higher than

NRC believes is justified. Additionally, the task force said NRC regulation of DOE facilities could provide added credibility because NRC processes lend themselves to public scrutiny and stakeholder participation.

By statute, NRC already regulates a number of DOE facilities, including spent fuel storage facilities at the Fort St. Vrain nuclear power plant decommissioning site in Colorado, and at the Idaho National Engineering and Environmental Laboratory (INEEL). NRC also monitors and advises DOE on some activities, such as the West Valley Demonstration Project in New York. The law also assigns NRC responsibility for licensing a planned mixed-oxide fuel fabrication facility and the spent nuclear fuel repository proposed for Yucca Mountain, Nevada.

The NRC addressed many issues raised during the pilot program when it licensed the Three Mile Island-2 Independent Spent Fuel Storage Installation in March. This license, the first of its kind issued to DOE, authorizes the storage of nuclear fuel debris from the damaged Three Mile Island Unit 2 in Pennsylvania in dry storage at INEEL near Idaho Falls.

The NRC report, entitled, "External Regulation of DOE Nuclear Facilities: A Pilot Program" (NUREG-1708), will be available for purchase from the Government Printing Office and has been placed in the NRC Public Document Room. It also will be published on the NRC Internet web page at <http://www.nrc.gov/NRC/NMSS/doepilot.html>.

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