

January 15, 1998

MEMORANDUM TO: L. Joseph Callan
Executive Director for Operations

Karen D. Cyr
General Counsel

FROM: John C. Hoyle, Secretary /s/

SUBJECT: STAFF REQUIREMENTS - SECY-97-253 - POLICY OPTIONS
FOR NUCLEAR POWER REACTOR FINANCIAL
QUALIFICATIONS IN RESPONSE TO RESTRUCTURING OF
THE ELECTRIC UTILITY INDUSTRY

The Commission has not provided the necessary majority for the staff to proceed with a proposed rulemaking as described in Option 1. Therefore, the NRC's existing regulatory framework as discussed in Option 2 is maintained. The Commission acknowledges that the staff will continue to conduct ad hoc reviews to determine whether licensees in States that are transitioning to a deregulated environment remain electric utilities. The staff should develop a coherent, efficient plan that would allow timely confirmation of the status of licensees (i.e., whether they meet the definition of "electric utility") as deregulation actions are finalized by States.

(EDO) (SECY Suspense: 4/15/98)

Additionally, the staff should provide a more detailed identification of the safety concerns that the NRC would like to address, the likely effects and timing of developments in deregulation and restructuring relating to operational safety, and identification of options for efficiently addressing the issues. The results of these further evaluations should be reported to the Commission in about six months.

(EDO) (SECY Suspense: 6/26/98)

In a related matter, the Office of the General Counsel should expedite for Commission consideration the paper requested by the Chairman addressing the issues associated with the NRC's hearing process in connection with the timely transfer of licenses under 10 CFR §50.80.

(OGC) (SECY Suspense: 2/2/98)

SECY NOTE: THIS SRM, SECY-97-253, AND THE COMMISSION VOTING RECORD
CONTAINING THE VOTE SHEETS OF ALL COMMISSIONERS WILL BE MADE
PUBLICLY AVAILABLE 5 WORKING DAYS FROM THE DATE OF THIS SRM.

cc: Chairman Jackson
Commissioner Dicus
Commissioner Diaz
Commissioner McGaffigan
OGC
CIO
CFO
OCA
OIG
Office Directors, Regions, ACRS, ACNW, ASLBP (via E-Mail)
PDR
DCS