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1NRC ISSUES PROPOSED RULE TO REDUCE INSURANCE  
COVERAGE FOR SHUT-DOWN NUCLEAR REACTORS

The Nuclear Regulatory Commission is proposing to amend its regulations reducing on-site insurance liability coverage and off-site financial protection requirements for nuclear power plants that have been permanently shut down. The amendment is being proposed because of the reduced risks associated with a permanently shut-down plant, after an appropriate spent fuel cooling period.

Currently, licensees at facilities permanently out of service must request an exemption from the regulations in order to obtain a reduced level of insurance coverage. The proposed rule would eliminate the need for such an exemption.

Currently, licensees must obtain approximately \$1 billion of insurance to stabilize and decontaminate the reactor, and to provide coverage for on-site damage in the event of an accident. They are also required, under the Price-Anderson Act, to obtain a minimum of \$200 million for financial protection and to participate in a secondary financial protection system against damages and injuries which could occur off site.

Under the proposed rule, the amount of insurance coverage required on site would be reduced downwards to \$50 million or less, and the amount of coverage required off site would be reduced to \$100 million or less. These amounts would be based on certain configurations of the reactor and the spent fuel stored on site. For instance, reactors with spent fuel in the storage pool and fuel that is still above a certain temperature would require more insurance than reactors that have no spent fuel in the pool because of the possibility of a fuel cladding fire if the pool is accidentally drained. In addition, sites with an inventory of liquid radioactive waste, radioactive reactor components, or contaminated structural material, may require higher insurance coverage than sites without such materials.

The proposed rule will be published for comment shortly in the Federal Register. Comments may be submitted electronically through NRC's interactive rulemaking web site at

<http://ruleforum.llnl.gov> Comments may also be sent by mail to the Secretary, U.S. Nuclear Regulatory Commission, Washington, D.C., 20555-0001, Attention: Rulemakings and Adjudications Staff.

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