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DEPARTMENT OF AGRICULTURE

Animal and Plant Health Inspection Service

9 CFR Parts 145 and 147

[Docket No. 96-070-2]

National Poultry Improvement Plan and Auxiliary Provisions

AGENCY: Animal and Plant Health Inspection Service, USDA.

ACTION: Final rule.

SUMMARY: We are amending the National Poultry Improvement Plan (the Plan) and its auxiliary provisions to establish new program classifications and provide new or modified sampling and testing procedures for Plan participants and participating flocks. These changes, which were voted on and approved by the voting delegates at the Plan's 1994 and 1996 National Plan Conferences, will keep the provisions of the Plan current with changes in the poultry industry and provide for the use of new sampling and testing procedures.

EFFECTIVE DATE: September 18, 1997.

FOR FURTHER INFORMATION CONTACT: Mr. Andrew R. Rhorer, Senior Coordinator, Poultry Improvement Staff, National Poultry Improvement Plan, Veterinary Services, APHIS, USDA, 1500 Klondike Road, Suite A-102, Conyers, GA 30207; (770) 922-3496.

SUPPLEMENTARY INFORMATION:

Background

The National Poultry Improvement Plan (referred to below as "the Plan") is a cooperative Federal-State-industry mechanism for controlling certain poultry diseases. The Plan consists of a variety of programs intended to prevent and control egg-transmitted, hatchery-disseminated poultry diseases. Participation in all Plan programs is voluntary, but flocks, hatcheries, and

dealers must qualify as "U.S. Pullorum-Typhoid Clean" before participating in any other Plan program. Also, the regulations in 9 CFR part 82, subpart C, which provide for certain testing, restrictions on movement, and other restrictions on certain chickens, eggs, and other articles due to the presence of *Salmonella enteritidis*, require that no hatching eggs or newly hatched chicks from egg-type chicken breeding flocks may be moved interstate unless they are classified "U.S. S. Enteritidis Monitored" under the Plan or they meet the requirements of a State classification plan that the Administrator of the Animal and Plant Health Inspection Service (APHIS) has determined to be equivalent to the Plan, in accordance with 9 CFR 145.23(d).

The Plan identifies States, flocks, hatcheries, and dealers that meet certain disease control standards specified in the Plan's various programs. As a result, customers can buy poultry that has tested clean of certain diseases or that has been produced under disease-prevention conditions.

The regulations in 9 CFR parts 145 and 147 (referred to below as the regulations) contain the provisions of the Plan. APHIS amends these provisions from time to time to incorporate new scientific information and technologies within the Plan. On March 11, 1997, we published in the **Federal Register** (62 FR 11111-11117, Docket No. 96-070-1) a proposal to amend the regulations to:

1. Standardize the time frame for the retesting of U.S. Pullorum-Typhoid Clean breeding flocks retained for more than 12 months by requiring the retesting to occur a minimum of 4 weeks after the induction of molt;

2. Establish a "U.S. Salmonella Monitored" program for primary meat-type chicken breeding flocks;

3. Establish a "U.S. M. Gallisepticum Monitored" classification for multiplier meat-type chicken breeding flocks that are not participating in the "U.S. M. Gallisepticum Clean" classification;

4. Establish a "U.S. M. Synoviae Monitored" classification for multiplier meat-type chicken breeding flocks that are not participating in the "U.S. M. Synoviae Clean" classification;

5. Amend the "U.S. M. Gallisepticum Clean" and "U.S. M. Synoviae Clean" classifications for meat-type chicken breeding flocks by augmenting testing when adding (spiking) males;

6. Add a procedure for swabbing or collecting chick papers for bacteriological examination for salmonella;

7. Add a 4 to 6 week surveillance test for *M. gallisepticum* to the "U.S. M. Gallisepticum Clean" classification for turkeys;

8. Make the qualification test sample size for "U.S. M. Meleagridis Clean" consistent with that for the "U.S. M. Gallisepticum Clean" and "U.S. M. Synoviae Clean" classifications for turkeys;

9. Simplify the description of the procedure for determining the status of flocks reacting to tests for *M. gallisepticum*, *M. synoviae*, and *M. meleagridis*;

10. Amend the "U.S. Sanitation Monitored, Turkeys" classification to remove the requirement for the environmental sampling of a laying house following the removal of a flock from the house;

11. Establish a "U.S. M. Synoviae Clean" classification for waterfowl, exhibition poultry and game birds; and
12. Raise from 75 to 150 the number of birds to be tested to qualify flocks for "U.S. M. Synoviae Clean" status.

We solicited comments concerning the proposed rule for 60 days ending May 12, 1997. We received no comments by that date. Therefore, based on the rationale set forth in the proposed rule, we are adopting the provisions of the proposal as a final rule without change.

Executive Order 12866 and Regulatory Flexibility Act

This rule has been reviewed under Executive Order 12866. The rule has been determined to be not significant for the purposes of Executive Order 12866 and, therefore, has not been reviewed by the Office of Management and Budget.

The changes contained in this document are based on the recommendations of representatives of member States, hatcheries, dealers, flockowners, and breeders who took part in the Plan's 1994 and 1996 National Plan Conferences. The changes will amend the Plan and its auxiliary provisions by establishing new program classifications and providing new or modified sampling and testing procedures for Plan participants and participating flocks. These changes will keep the provisions of the Plan current with changes in the poultry industry

and provide for the use of new sampling and testing procedures.

The Plan serves as a "seal of approval" for egg and poultry producers in the sense that tests and procedures recommended by the Plan are considered optimal for the industry. In all cases, the changes in this document have been generated by the industry itself with the goal of reducing disease risk and increasing product marketability.

Because participation in the Plan is voluntary, individuals are likely to remain in the program as long as the costs of implementing the program are lower than the added benefits they receive from the program. Nine of the 12 amendments involve minor procedural changes that will have negligible economic consequences. Plan participants may realize some cost savings because the testing requirements for the new "U.S. M. Gallisepticum Monitored" and "U.S. M. Synoviae Monitored" classifications are not as stringent as the testing requirements for the "clean" classifications for *M. gallisepticum* and *M. synoviae*. These savings will, however, likely be offset by the amendments to the "U.S. M. Gallisepticum Clean" and "U.S. M. Synoviae Clean" programs that will require additional tests for meat-type chicken breeding flocks when spiking males are introduced. Of the 3,979 pullorum-typhoid clean flocks currently participating in the Plan, 2,842 flocks are classified as "U.S. M. Gallisepticum Clean" and "U.S. M. Synoviae Clean;" the remaining 1,137 flocks are eligible for the new "U.S. M. Gallisepticum Monitored" and "U.S. M. Synoviae Monitored" programs. However, because participation in Plan programs is voluntary, the Agency cannot estimate the number of producers who may participate in the two new "monitored" classifications or use the new tests.

Under these circumstances, the Administrator of the Animal and Plant Health Inspection Service has determined that this action will not have a significant economic impact on a substantial number of small entities.

Executive Order 12372

This program/activity is listed in the Catalog of Federal Domestic Assistance under No. 10.025 and is subject to Executive Order 12372, which requires intergovernmental consultation with State and local officials. (See 7 CFR part 3015, subpart V.)

Executive Order 12988

This rule has been reviewed under Executive Order 12988, Civil Justice

Reform. This rule: (1) Preempts all State and local laws and regulations that are in conflict with this rule; (2) has no retroactive effect; and (3) does not require administrative proceedings before parties may file suit in court challenging this rule.

Paperwork Reduction Act

This rule contains no new information collection or recordkeeping requirements under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*).

List of Subjects in 9 CFR Parts 145 and 147

Animal diseases, Poultry and poultry products, Reporting and recordkeeping requirements.

Accordingly, 9 CFR parts 145 and 147 are amended as follows:

PART 145—NATIONAL POULTRY IMPROVEMENT PLAN

1. The authority citation for part 145 continues to read as follows:

Authority: 7 U.S.C. 429; 7 CFR 2.22, 2.80, and 371.2(d).

2. Section 145.10 is amended as follows:

a. In paragraph (e), the words "and § 145.43(e)" are removed and the words "145.43(e), and § 145.53(d)" are added in their place.

b. New paragraphs (o), (p), and (q) are added to read as set forth below.

§ 145.10 Terminology and classification; flocks, products, and States.

* * * * *

(o) *U.S. Salmonella Monitored.* (See § 145.33(i).)

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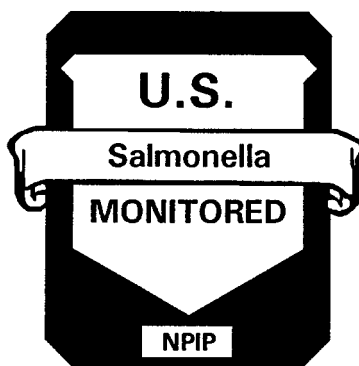


Figure 16

(p) *U.S. M. Gallisepticum Monitored.* (See § 145.33(j).)

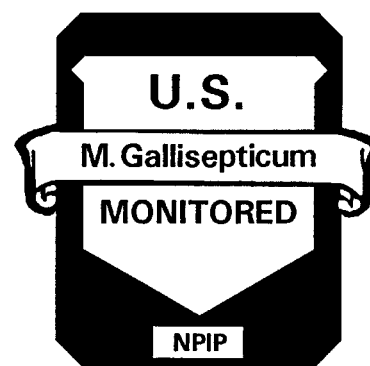


Figure 17

(q) *U.S. M. Synoviae Monitored.* (See § 145.33(k).)

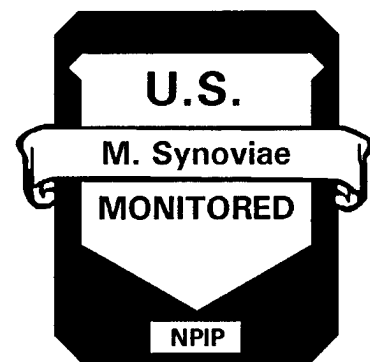


Figure 18

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§ 145.23 [Amended]

3. Section 145.23 is amended as follows:

a. In paragraph (b), in the introductory text, the words "at the discretion of the Official State Agency with the concurrence of the Service" are removed and the words "conducted a minimum of 4 weeks after the induction of molt" are added in their place.

b. In paragraph (e)(1)(ii), in the introductory text, the words "75 birds" are removed and the words "150 birds" are added in their place.

4. Section 145.33 is amended as follows:

a. In paragraph (b), in the introductory text, the words "at the discretion of the official State agency with the concurrence of the Service" are removed and the words "conducted a minimum of 4 weeks after the induction of molt" are added in their place.

b. A new paragraph (c)(4) is added to read as set forth below.

c. In paragraph (e)(1)(ii), in the introductory text, the words "75 birds" are removed and the words "150 birds" are added in their place.

d. A new paragraph (e)(4) is added to read as set forth below.

e. New paragraphs (i), (j), and (k) are added to read as set forth below.

§ 145.33 Terminology and classification; flocks and products.

* * * * *

(c) * * *

(4) Before male breeding birds may be added to a participating multiplier breeding flock, a sample of at least 3 percent of the birds to be added, with a minimum of 10 birds per pen, shall be tested for *M. gallisepticum* as provided in § 145.14(b) or by a polymerase chain reaction (PCR)-based procedure approved by the Department. The male birds shall be tested no more than 14 days prior to their intended introduction into the flock. If the serologic testing of the birds yields hemagglutination inhibition titers of 1:40 or higher, or if the PCR testing is positive for *M. gallisepticum*, the male birds may not be added to the flock and must be either retested or destroyed.

* * * * *

(e) * * *

(4) Before male breeding birds may be added to a participating multiplier breeding flock, a sample of at least 3 percent of the birds to be added, with a minimum of 10 birds per pen, shall be tested for *M. synoviae* as provided in § 145.14(b) or by a polymerase chain reaction (PCR)-based procedure approved by the Department. The male birds shall be tested no more than 14 days prior to their intended introduction into the flock. If the serologic testing of the birds yields hemagglutination inhibition titers of 1:40 or higher, or if the PCR testing is positive for *M. synoviae*, the male birds may not be added to the flock and must be either retested or destroyed.

* * * * *

(i) *U.S. Salmonella Monitored*. This program is intended to be the basis from which the breeding-hatching industry may conduct a program for the prevention and control of Salmonellosis. It is intended to reduce the incidence of Salmonella organisms in hatching eggs and chicks through an effective and practical sanitation program at the breeder farm and in the hatchery. This will afford other segments of the poultry industry an opportunity to reduce the incidence of Salmonella in their products.

(1) A flock and the hatching eggs and chicks produced from it that have met the following requirements, as determined by the Official State Agency:

(i) The flock shall originate from a source where sanitation and management practices, as outlined in § 145.33(d)(1), are conducted;

(ii) The flock is maintained in compliance with §§ 147.21, 147.24(a), and 147.26 of this chapter;

(iii) If feed contains animal protein, the protein products should be purchased from participants in the Animal Protein Products Industry (APPI) Salmonella Education/Reduction Program. The protein products must have a minimum moisture content of 14.5 percent and must have been heated throughout to a minimum temperature of 190 °F or above, or to a minimum temperature of 165 °F for at least 20 minutes, or to a minimum temperature of 184 °F under 70 lbs. pressure during the manufacturing process;

(iv) Feed shall be stored and transported in a manner to prevent possible contamination;

(v) Chicks shall be hatched in a hatchery meeting the requirements of §§ 147.23 and 147.24(b) and sanitized or fumigated (see § 147.25 of this chapter).

(vi) An Authorized Agent shall take environmental samples from the hatchery every 30 days; i.e., meconium and chick papers. An authorized laboratory for Salmonella shall examine the samples bacteriologically;

(vii) An Authorized Agent shall take environmental samples as described in § 147.12 of this chapter from each flock at 4 months of age and every 30 days thereafter. An authorized laboratory for Salmonella shall examine the environmental samples bacteriologically;

(viii) Owners of flocks may vaccinate with a paratyphoid vaccine: *Provided*, That a sample of 350 birds, which will be banded for identification, shall remain unvaccinated until the flock reaches at least 4 months of age.

(2) The Official State Agency may use the procedures described in § 147.14 of this chapter to monitor the effectiveness of the egg sanitation practices.

(3) In order for a hatchery to sell products of this classification, all products handled shall meet the requirements of the classification.

(4) This classification may be revoked by the Official State Agency if the participant fails to follow recommended corrective measures.

(j) *U.S. M. Gallisepticum Monitored*.

(1) A multiplier breeding flock in which all birds or a sample of at least 20 birds per house has been tested for *M. gallisepticum* as provided in § 145.14(b) when more than 4 months of age: *Provided*, birds per house shall be tested again at 36 to 38 weeks and at 48 to 50 weeks at a minimum: *And provided further*, That each 20-bird sample should come from two locations within the house (10 from the front half of the house and 10 from the back half of the house). A representative sample of males and females should be sampled.

The samples shall be marked "male" or "female."

(2) A participant handling U.S. M. Gallisepticum Monitored products shall keep these products separate from other products in a manner satisfactory to the Official State Agency: *Provided*, That U.S. M. Gallisepticum Monitored chicks from multiplier breeding flocks shall be produced in incubators and hatchers in which only eggs from flocks qualified under paragraph (j)(1) of this section are set. Eggs from U.S. M. Gallisepticum Monitored multiplier breeding flocks shall not be set in hatchers or incubators in which eggs from U.S. M. Gallisepticum Clean primary breeding flocks qualified under paragraph (c)(1)(i) of this section are set.

(3) U.S. M. Gallisepticum Monitored chicks shall be boxed in clean boxes and delivered in trucks that have been cleaned and disinfected as described in § 147.24(a) of this chapter.

(k) *U.S. M. Synoviae Monitored*. (1) A multiplier breeding flock in which all birds or a sample of at least 20 birds per house has been tested for *M. synoviae* as provided in § 145.14(b) when more than 4 months of age: *Provided*, That to retain this classification, a minimum of 20 birds per house shall be tested again at 36 to 38 weeks and at 48 to 50 weeks at a minimum: *And provided further*, That each 20-bird sample should come from two locations within the house (10 from the front half of the house and 10 from the back half of the house). A representative sample of males and females should be sampled. The samples shall be marked "male" or "female."

(2) A participant handling U.S. M. Synoviae Monitored products shall keep these products separate from other products in a manner satisfactory to the Official State Agency: *Provided*, That U.S. M. Synoviae Monitored chicks from multiplier breeding flocks shall be produced in incubators and hatchers in which only eggs from flocks qualified under paragraph (k)(1) of this section are set. Eggs from U.S. M. Synoviae Monitored multiplier breeding flocks shall not be set in hatchers or incubators in which eggs from U.S. M. Synoviae Clean primary breeding flocks qualified under paragraph (e)(1)(i) of this section are set.

(3) U.S. M. Synoviae Monitored chicks shall be boxed in clean boxes and delivered in trucks that have been cleaned and disinfected as described in § 147.24(a) of this chapter.

(Approved by the Office of Management and Budget under control number 0579-0007)

§ 145.43 [Amended]

5. Section 145.43 is amended as follows:

a. In paragraph (b), in the introductory text, the words "at the discretion of the official State agency with the concurrence of the Service" are removed and the words "conducted a minimum of 4 weeks after the induction of molt" are added in their place.

b. In paragraph (c)(1), at the end of the paragraph, the words "and at 4-6 week intervals thereafter" are added immediately after the words "28-30 weeks of age".

c. In paragraph (d)(1)(i), the words "60 birds" are removed and the words "100 birds" are added in their place.

d. In paragraph (d)(2), at the end of the paragraph, the words "of this chapter" are added immediately after the citation "§ 147.6(b)".

e. Paragraph (f)(7) is removed and paragraph (f)(8) is redesignated as paragraph (f)(7).

6. Section 145.53 is amended by adding a new paragraph (d) to read as follows:

§ 145.53 Terminology and classification; flocks and products.

* * * * *

(d) *U.S. M. Synoviae Clean*. (1) A flock maintained in compliance with the provisions of § 147.26 of this chapter and in which freedom from *Mycoplasma synoviae* has been demonstrated under the criteria specified in paragraph (d)(1)(i) or (d)(1)(ii) of this section.

(i) It is a flock in which a minimum of 300 birds has been tested for *M. synoviae* as provided in § 145.14(b) when more than 4 months of age: *Provided*, That to retain this classification, a sample of at least 150 birds shall be tested at intervals of not more than 90 days: *And provided further*, That a sample comprised of fewer than 150 birds may be tested at any one time with the approval of the Official State Agency and the concurrence of the Service, provided that a minimum of 150 birds is tested within each 90-day period; or

(ii) It is a multiplier breeding flock that originated as U.S. M. Synoviae Clean chicks from primary breeding flocks and from which a sample comprised of a minimum of 75 birds has been tested for *M. synoviae* as provided in § 145.14(b) when more than 4 months of age: *Provided*, That to retain this classification, the flock shall be subjected to one of the following procedures:

(A) At intervals of not more than 30 days, a sample of 50 birds shall be tested: *Provided*, That a sample of fewer

than 50 birds may be tested at any one time, provided that a minimum of 30 birds per flock with a minimum of 15 birds per pen, whichever is greater, is tested each time and a total of at least 50 birds is tested within each 90-day period; or

(B) At intervals of not more than 30 days, egg yolk testing shall be conducted in accordance with § 147.8 of this chapter.

(2) A participant handling U.S. M. Synoviae Clean products shall keep those products separate from other products in a manner satisfactory to the Official State Agency: *Provided*, That U.S. M. Synoviae Clean chicks from primary breeding flocks shall be produced in incubators and hatchers in which only eggs from flocks qualified under paragraph (d)(1)(i) or (d)(1)(ii) of this section are set.

(3) U.S. M. Synoviae Clean chicks shall be boxed in clean boxes and delivered in trucks that have been cleaned and disinfected as described in § 147.24(a) of this chapter.

(Approved by the Office of Management and Budget under control number 0579-0007)

PART 147—AUXILIARY PROVISIONS ON NATIONAL POULTRY IMPROVEMENT PLAN

7. The authority citation for part 147 continues to read as follows:

Authority: 7 U.S.C. 429; 7 CFR 2.22, 2.80, and 371.2(d).

8. Section 147.6 is amended as follows:

a. Paragraph (a) is removed and paragraph (b) is redesignated as paragraph (a).

b. The introductory text of newly redesignated paragraph (a) is revised to read as set forth below.

c. In newly redesignated paragraph (a)(2), the words "paragraphs (b)(3), (b)(4), and (b)(5)" are removed and the words "paragraphs (a)(3), (a)(4), and (a)(5)" are added in their place.

d. In newly redesignated paragraphs (a)(3), (a)(4), (a)(5), (a)(9), and (a)(10), the words "paragraph (b)(6)" are removed and the words "paragraph (a)(6)" are added in their place.

e. In newly redesignated paragraph (a)(5), in the first sentence, the words "in conjunction with any of the criteria described in paragraph (a)(1) of this section," are removed and, in the second sentence, the words "but none of the criteria described in paragraph (a)(1) of this section are evident," are removed.

f. In newly redesignated paragraph (a)(13), the word "both" is removed.

g. A new paragraph (b) is added and reserved.

§ 147.6 Procedure for determining the status of flocks reacting to tests for *Mycoplasma gallisepticum*, *Mycoplasma synoviae*, and *Mycoplasma meleagridis*.

* * * * *

(a) The status of a flock for *Mycoplasma* shall be determined according to the following criteria:

* * * * *

9. Section 147.12 is amended by adding a new paragraph (c) to read as follows:

§ 147.12 Procedures for collecting environmental samples and cloacal swabs for bacteriological examination.

* * * * *

(c) *Chick box papers*. Samples from chick box papers may be bacteriologically examined for the presence of salmonella. The Plan participant may collect the samples in accordance with paragraph (c)(1) of this section or submit chick box papers directly to a laboratory in accordance with paragraph (c)(2) of this section.

(1) Instructions for collecting samples from chick box papers:

(i) Collect 1 chick box paper for each 10 boxes of chicks placed in a house and lay the papers on a clean surface.

(ii) Clean your hands and put on latex gloves. Do not apply disinfectant to the gloves. Change gloves after collecting samples from 10 chick box papers or any time a glove is torn.

(iii) Saturate a sterile 3-by-3 inch gauze pad with double-strength skim milk (see footnote 11 to this section) and rub the pad across the surface of five chick box papers. Rub the pad over at least 75 percent of each paper and use sufficient pressure to rub any dry meconium off the paper. Pouring a small amount of double-strength skim milk (1 to 2 tablespoons) on each paper will make it easier to collect samples.

(iv) After collecting samples from 10 chick box papers, place the two gauze pads used to collect the samples (i.e., one pad per 5 chick box papers) into an 18 oz. Whirl-Pak bag and add 1 to 2 tablespoons of double-strength skim milk.

(v) Promptly refrigerate the Whirl-Pak bags containing the samples and transport them, on ice or otherwise refrigerated, to a laboratory within 48 hours of collection. The samples may be frozen for longer storage if the Plan participant is unable to transport them to a laboratory within 48 hours.

(2) The Plan participant may send chick box papers directly to a laboratory, where samples may be collected as described in paragraph (c)(1) of this section. To send chick box papers directly to a laboratory, the Plan participant shall:

(i) Collect 1 chick box paper for each 10 boxes of chicks placed in a house and place the chick papers immediately into large plastic bags and seal the bags.

(ii) Place the plastic bags containing the chick box papers in a clean box and transport them within 48 hours to a laboratory. The plastic bags do not require refrigeration.

(Approved by the Office of Management and Budget under control number 0579-0007)

Done in Washington, DC, this 13th day of August 1997.

Terry L. Medley,

Administrator, Animal and Plant Health Inspection Service.

[FR Doc. 97-21902 Filed 8-18-97; 8:45 am]

BILLING CODE 3410-34-U

NUCLEAR REGULATORY COMMISSION

10 CFR Part 50

Final Policy Statement on the Restructuring and Economic Deregulation of the Electric Utility Industry

AGENCY: Nuclear Regulatory Commission.

ACTION: Final Policy Statement.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) is issuing this final statement of policy regarding its expectations for, and intended approach to, its power reactor licensees as the electric utility industry moves from an environment of rate regulation toward greater competition. The NRC has concerns about the possible effects that rate deregulation and disaggregation resulting from various restructuring actions involving power reactor licensees could have on the protection of public health and safety.

EFFECTIVE DATE: This policy statement becomes effective on October 20, 1997.

FOR FURTHER INFORMATION CONTACT: Robert S. Wood, Office of Nuclear Reactor Regulation, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, telephone (301) 415-1255, e-mail RSW1@nrc.gov.

SUPPLEMENTARY INFORMATION:

I. Background

On September 23, 1996, the NRC issued a draft policy statement for public comment (61 FR 49711). The purpose of the draft policy statement was to provide a discussion of the NRC's concerns regarding the potential safety impacts on NRC power reactor licensees which could result from the economic deregulation and

restructuring of the electric utility industry and the means by which NRC intends to address those concerns. Because of the interest expressed by several commenters, the NRC extended the public comment period to February 9, 1997.

II. Summary of and Response to Comments

The NRC received 32 public comments on the draft policy statement: 14 from electric utility licensees or their representatives, 8 from State public utility commissions (PUCs) or other State agencies, 5 from public interest groups, 4 from private consultants and individuals, and 1 from a labor union. The following list provides the names and comment numbers referenced in this notice:

1. Nuclear Information and Resource Service—comment extension request only
2. Public Service Commission of Wisconsin
3. Engineering Applied Sciences, Inc.
4. TU Electric
5. Public Service Electric & Gas Company
6. Minnesota Department of Public Service
7. Spiegel & McDiarmid on behalf of 5 publicly-owned systems
8. IPALCO Enterprises, Inc., Citizens Action Coalition of Indiana, Inc., and Public Citizen, Inc.
9. Wisconsin Emergency Management, Bureau of Technological Hazards
10. Illinois Department of Nuclear Safety
11. International Brotherhood of Electrical Workers
12. Consolidated Edison Company of New York, Inc.
13. Centerior Energy
14. GPU Nuclear
15. Commonwealth Edison Company
16. Vermont Department of Public Service
17. Marilyn Elie
18. GE Stockholders' Alliance for a Sustainable Nuclear-Free Future
19. Women Speak Out for Peace and Justice
20. New England Power Company
21. Nuclear Information and Resource Service
22. New Jersey Division of the Ratepayer Advocate
23. Southern California Edison Company
24. Entergy Operations, Inc.
25. Nuclear Energy Institute
26. Arizona Public Service Company
27. Massachusetts Office of the Attorney General
28. Winston and Strawn on behalf of the Utility Decommissioning Group
29. Dave Crawford and Diane Peterson
30. National Rural Electric Cooperative Association
31. Schlissel Technical Consulting, Inc.
32. National Association of Regulatory Utility Commissioners

General Comments

Most commenters viewed the issuance of the draft policy statement as timely and appeared to understand the

reasons for the NRC's concerns. Some directly supported the NRC's overall approach, particularly the five actions listed in Section III. Commenter 14, for example, stated that these five actions should provide sufficient focus for NRC actions. Commenter 5 believes that the NRC's current authority is sufficient to cope with any safety issues raised by rate deregulation. Commenter 31 shares the NRC's concerns but indicated that the draft policy statement did not address the key issue, namely, whether economic deregulation of nuclear power is compatible with the protection of public health and safety.

Other comments, particularly from electric utility licensees and their representatives, suggested that some NRC concerns are overstated. For example, Commenter 4 recommended elimination of language in the policy statement that implies that deregulation is inevitable. Other commenters suggested that the policy statement should recognize that change will occur at different rates and, therefore, the NRC should individually evaluate restructuring as it affects each nuclear plant. In any case, restructuring will not occur so rapidly or secretly that the NRC will not know about it. Others stated that many services will remain regulated and that the PUCs will act responsibly. Further, there is no basis for the NRC to conclude that licensees will be unable to provide adequate financial assurance for safe operations and decommissioning. The National Association of Regulatory Utility Commissioners (NARUC) stated that in view of the experimental nature of many State actions, the NRC should approach deregulation cautiously. Finally, several commenters asked the NRC to avoid actions that would serve as impediments to deregulation.

Commenters representing public interest groups generally thought that the draft policy statement did not go far enough in addressing safety concerns related to deregulation. These commenters stated that the NRC should take immediate action with respect to on-line maintenance practices, extended refueling cycles and downtime during refueling, and up-front funding of decommissioning, among other issues. Some suggested that the policy statement specifically include discussion of possible negative safety risks from economic deregulation, such as cutting corners and deferring capital investments. These commenters also urged the NRC to expand its inspection and compliance resources to counter the adverse safety impacts that these commenters believe will result from deregulation.