

Ellen C. Ginsberg
VICE PRESIDENT, GENERAL COUNSEL
AND SECRETARY

August 10, 2010

Mr. Scott Blake Harris General Counsel U.S. Department of Energy 1000 Independence Avenue, SW Washington, DC 20585

Subject: Convention on Supplementary Compensation for Nuclear Damage Contingent Cost Allocation; Request for Extension of Public Comment Period

Dear Mr. Harris:

On July 27, 2010, the Department of Energy (Department or DOE) published a Notice of Inquiry (NOI) in the Federal Register (75 Fed. Reg. 43,945) requesting public comment on issues related to funding obligations under the Convention on Supplementary Compensation for Nuclear Damage Contingent Cost Allocation (Convention or CSC) in the event of certain nuclear incidents. The NOI seeks public input to inform the Department's deliberations as it develops regulations to establish a retrospective risk pooling program by which nuclear suppliers would reimburse the United States government for its contribution to the international supplementary fund if the government were called upon to make such a contribution. Comments on the many, varied and complex issues that are the subject of the NOI currently are due to DOE by September 27, 2010. For the reasons stated herein, the Nuclear Energy Institute (NEI)¹ respectfully requests that the Department extend deadline for public comment in response to the NOI until October 27, 2010.

Section 934 of the Energy Independence and Security Act of 2007 (the Act) establishes a risk pooling program for nuclear suppliers under the CSC. As DOE is charged with promulgating regulations to implement section 934 of the Act, the Department appropriately is seeking comment from the public and the nuclear industry before issuing final regulations in December of this year. However, the breadth and number of topics on which comment has been requested will require substantial time and significant effort by nuclear suppliers to amass relevant data, analyses and other information to be considered by the Department.

The NOI not only seeks comment on a several definitions of terms central to a risk pooling program, but also seeks input on how the six factors enumerated in the Act should be taken into account in

¹ NEI is the organization responsible for establishing unified industry policy on matters affecting the nuclear energy industry, including the regulatory aspects of generic operational and technical issues. NEI's members include all entities licensed to operate commercial nuclear power plants in the United States, nuclear plant designers, major architect/engineering firms, fuel fabrication facilities, materials licensees, and other organizations and individuals involved in the nuclear energy industry.

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structuring the program. The factors include the nature, intended purpose, quantity and potential hazards of the good and services supplied, as well as the hazards associated with the covered installation to which goods and services are supplied, and the legal, regulatory and financial infrastructure of the covered installation. DOE also seeks public comment on its proposed application of the de minimis criteria.

Given the potential amount of the retrospective liability to be borne by individual companies, the varying impact of such liability on companies of vastly different sizes with vastly different revenues, the wide variety of goods and services supplied and the time over which they are supplied, nuclear suppliers are identifying a host of difficult issues related to the administration of any CSC risk pooling program. It is in this country's national interest to ensure that the CSC encourages U.S. nuclear suppliers to engage in international commerce or, at the very least, does not impede their ability to do so. As such, full and deliberate consideration should be given to their views and those of other stakeholders as the retrospective risk pooling program is structured. Development of those views is necessary to support comprehensive and meaningful comments and warrants the additional time requested herein.

Should you require additional information relating to this request for extension, please feel free to contact me.

Sincerely,

Ellen C. Ginsberg

c: Sophia Angelini

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