

# Proposed Rules

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This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

## NUCLEAR REGULATORY COMMISSION

### 10 CFR Part 50

RIN 3150-AG84

### Financial Information Requirements for Applications To Renew or Extend the Term of an Operating License for a Power Reactor

**AGENCY:** Nuclear Regulatory Commission.

**ACTION:** Proposed rule.

**SUMMARY:** The Nuclear Regulatory Commission (NRC) proposes to amend its regulations to remove the requirement that non-electric-utility power reactor licensees submit financial qualifications information in their license renewal applications, and to add a new requirement that licensees of nuclear power reactors who are electric utilities reorganizing as non-electric-utility entities without a license transfer must notify the NRC and submit information on their financial qualifications. The proposed rule would reduce unnecessary regulatory burden for licensees seeking renewal of operating licenses, and ensure that licensees reorganizing as non-electric-utility entities continue to be financially qualified to operate their facilities and maintain the public health and safety.

**DATES:** The comment period expires on August 19, 2002. Comments received after this date will be considered if it is practical to do so, but the Commission is only able to ensure consideration of comments received on or before this date.

**ADDRESSES:** Mail comments to Secretary, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, Attention: Rulemaking and Adjudications Staff. Deliver comments to 11555 Rockville Pike, Rockville, Maryland, between 7:30 a.m. and 4:15 p.m. on Federal workdays.

You also may provide comments via the NRC's interactive rulemaking Website at (<http://ruleforum.llnl.gov>).

This site provides the capability to upload comments as files (any format), if your Web browser supports that function. For information about the interactive rulemaking Website, contact Ms. Carol Gallagher at 301-415-5905 or e-mail [cag@nrc.gov](mailto:cag@nrc.gov).

Documents may be examined, and/or copied for a fee, at the NRC's Public Document Room, located at One White Flint North, 11555 Rockville Pike (first floor), Rockville, Maryland. Publicly available records will be accessible electronically from the Public Electronic Reading Room on the NRC Website at [www.nrc.gov](http://www.nrc.gov).

#### FOR FURTHER INFORMATION CONTACT:

George J. Mencinsky, Office of Nuclear Reactor Regulation, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, telephone (301) 415-3093, e-mail [gjm@nrc.gov](mailto:gjm@nrc.gov).

#### SUPPLEMENTARY INFORMATION:

##### Background

Section 182.a. of the Atomic Energy Act of 1954, as amended (AEA), provides that "each application for a license \* \* \* shall specifically state such information as the Commission, by rule or regulation, may determine to be necessary to decide such of the technical and financial qualifications of the applicant \* \* \* as the Commission may deem appropriate for the license." The NRC's regulations governing financial qualifications reviews of applications for licenses to construct or operate nuclear power plants are provided in 10 CFR 50.33(f).

Section 50.33(f)(2) currently requires all applicants for initial operating licenses and renewal of operating licenses to submit financial qualifications information, except applicants for and holders of operating licenses for nuclear power reactors that are electric utilities. This provision, adopted on September 12, 1984 (49 FR 35747), was based on the premise that the ratemaking process ensures that an applicant that is an electric utility and a holder of an operating license will have funds to operate the plant safely. Because entities other than electric utilities did not have recourse to ratemaking, they were required to submit information on financial qualifications in accordance with § 50.33(f), and the NRC was required to make a finding of financial qualification

for these nonutility entities under § 50.57(a)(4).

In issuing the License Renewal Rule, 10 CFR part 54 (56 FR 64943; December 13, 1991), the Commission reaffirmed that the basis of the 1984 rulemaking for eliminating financial qualifications review for electric utilities applies not only for the term of the original license, but also for the period of operation covered by a renewed license (56 FR at 64968). However, the findings required to issue a renewed license based on the standards contained in 10 CFR 54.29 do not require a finding regarding financial qualifications for non-electric-utility entities seeking a renewal license. The 1991 rule left unchanged the requirement in § 50.33(f)(2) that license renewal applicants that are not electric utilities submit financial qualifications information in their renewal applications and extended the 1984 rule's finding to applicants for renewal of operating licenses. The revision to 10 CFR part 54 published on May 8, 1995 (60 FR 22461), did not amend this requirement. Thus, while non-electric-utility entities are required to submit financial qualifications information, there is no requirement for a finding of financial qualifications for non-electric-utility entities, and no basis for the lack of such a finding requirement.

Since the 1995 rulemaking, the NRC has received numerous requests for license renewals and has granted eight renewed licenses for four plant sites to electric utilities. However, because of ongoing deregulation in the power market, new entities other than electric utilities may be created to become licensees of nuclear power plants. Some of these entities may decide to renew their licenses. Under the current rule they would be required to submit financial qualifications information under § 50.33(f)(2). Moreover, despite the language of § 54.29, the NRC must make a case-by-case finding of financial qualifications.

Such a case-by-case determination would be resource-intensive and may result in delays in approving renewal applications. The NRC staff has reviewed the license transfer process to determine if there was a basis in the regulatory process that would obviate the need for such a finding at license renewal. The NRC staff determined that, with one exception, the NRC does not need the financial qualifications

information from license renewal applicants that are not electric utilities since the NRC can obtain and track financial qualifications information from the licensees through means other than the license renewal process. The exception is the potential gap in the financial qualifications regulation for non-electric-utility entities when a licensee transitions from an electric utility to an entity other than an electric utility without transferring its license. Although almost all utilities transfer to non-utility status with a license transfer, this regulatory gap, if not closed, would prevent the NRC from making a generic determination that financial qualifications review is unnecessary at license renewal. Therefore, in this proposed rule the NRC proposes to adopt a provision to close the gap.

#### **Regulatory Oversight of Licensees' Financial Qualifications and Discussion of Proposed Rule**

With one exception, the NRC has provisions in its regulations to evaluate a nuclear power reactor applicant's or licensee's financial qualifications at several points—at initial licensing, before license transfers, and when circumstances warrant an ad hoc request for additional financial information. In addition, the NRC staff informally monitors the financial trade press for information on its licensees' financial situations. The one exception relates to a situation when a licensee transitions from an electric utility to an entity other than an electric utility without transferring its license. This proposed rule would rectify the regulatory gap by imposing a request for financial qualifications information from the licensee. With the addition of this provision, the Commission believes it has a basis for concluding that it is unnecessary to review financial qualifications information explicitly during the license renewal process for holders of operating licenses for nuclear power reactors. The NRC does not believe that there are any financial circumstances uniquely associated with license renewal that warrant a concomitant financial review.

The NRC staff relies on the requirement in 10 CFR 50.33(f)(2) to obtain financial qualifications information on applicants seeking renewal of nonpower reactor operating licenses. The license renewal process for nonpower reactors, unlike the license renewal process for power reactors, includes a financial qualifications review. The NRC staff does not propose to amend this requirement since the nature of nonpower reactor operations does not

permit the same level of ongoing financial qualifications oversight, thus necessitating a review of financial qualifications for nonpower reactor licensees at renewal.

#### **Initial Licensing Reviews**

The NRC performs financial qualifications reviews during initial licensing. These reviews form part of the licensing basis that the licensee must maintain for the 40-year term of the initial license and for any license renewal period. Financial qualifications reviews at the operating license stage distinguish between license applicants that are electric utilities as defined in 10 CFR 50.2 and those that are not. Applicants other than electric utilities are required to submit estimates for total annual operating costs for each of the first five years of operation of the facility, and indicate the sources of funds to cover these costs. The NRC evaluation of the financial qualifications of an entity other than an electric utility applicant is based on the submitted 5-year projections of income and expenses and on current information from a number of major financial rating service publications. The NRC publishes the results of its evaluation in a safety evaluation report. The NRC's regulations do not require additional formal financial qualifications reviews at scheduled intervals.

#### **License Transfer Reviews**

A license transfer under 10 CFR 50.80 may occur at any time during the period of the license. The NRC also reviews the financial qualifications of non-electric-utility applicants seeking to become licensees through direct license transfers (plant sales), and considers changes in the financial qualifications of an existing licensee, whether or not it is an electric utility, that might occur in connection with an indirect license transfer by a merger, acquisition, or restructuring action. For a direct license transfer, a non-electric-utility applicant must submit all the information required under § 50.33(f).

#### **Informal Screening of Financial and Nuclear Industry Trade Press and Other Information Sources**

To keep abreast of deregulation and other developments potentially affecting its power reactor licensees, the NRC staff screens the financial and trade press and other information sources (e.g., State legislative reports) to determine whether a licensee or license applicant remains an electric utility or otherwise requires additional review of its financial qualifications. To date, all utility-to-nonutility transitions by NRC

power reactor licensees have been accomplished through restructurings that involved license transfers. The NRC examines license transfers to determine whether a proposed transferee is, among other requirements, financially qualified to conduct the activities authorized by a license. If the licensee becomes an entity other than an electric utility without going through a license transfer, the NRC believes that it will become aware of the change through its informal screening process. The NRC can then request additional information under § 50.33(f)(4), as described in the next section.

#### **Ad Hoc Reviews Under 10 CFR 50.33(f)(4)**

Section 50.33(f)(4) states: "The Commission may request an established entity or newly formed entity to submit additional or more detailed information respecting its financial arrangements and status of funds if the Commission considers this information to be appropriate. This may include information regarding a licensee's ability to continue the conduct of the activities authorized by the license and to decommission the facility." This section permits the NRC to require license applicants or licensees to submit relevant financial information on the qualifications of the licensee to manage licensed activities at any time.

#### **Proposed Requirement for Additional Information That May Not Be Otherwise Obtained Under the NRC's Financial Qualifications Review Framework**

In some situations a licensee may transition from an "electric utility," as defined in 10 CFR 50.2, to a company whose rates are not regulated by a public utility commission or the Federal Energy Regulatory Commission on a cost of service basis. If such a transition were to occur in the absence of a license transfer, the NRC would then have no formal process to evaluate the licensee's financial qualifications (although, as discussed previously, the NRC's informal monitoring process would identify such transitions and could trigger, if warranted, a request for additional information pursuant to § 50.33(f)(4)). Therefore, the NRC proposes to create 10 CFR 50.76, a requirement segregated from § 50.33(f)(2), which would require licensees that are transitioning from an electric utility to a non-electric-utility, without going through license transfers, to submit financial information sufficient to allow the NRC to determine whether the licensee remains financially qualified to conduct the activities authorized by the license. Although the

NRC expects that this type of transition will occur rarely, if at all, this requirement would ensure a financial qualifications review resulting from all relevant triggering events and, thereby, enhance public confidence while maintaining regulatory efficiency and effectiveness.

The proposed new section 50.76 will be created to provide a separation from § 50.33, since the latter section focuses on applicants rather than licensees.

#### *Retention of Nonpower Reactor Financial Reviews at License Renewal*

The NRC will retain the financial qualifications requirements in § 50.33(f)(2) for nonpower reactor (NPR) applicants that wish to renew or extend their licenses. Nonpower reactor licenses are generally renewed for 20 years. The NRC does not normally perform follow-up financial reviews after the initial 20-year license is issued. The NRC staff does not normally follow changes in NPR licensee financial qualifications because NPR owners are primarily financially stable nonprofit educational or research institutions, either privately, State, or Federally owned, and do not report financial information to sources readily available to the NRC. Additionally, license transfers for NPRs and the associated financial reviews are rare. A small number of NPRs are owned and operated by private companies. Therefore, financial qualification problems are not likely to become obvious, at least in part because of the unavailability of accessible information, as cited above. In some cases, the NRC has found financial weaknesses or ambiguities during NPR license renewals that it would not have discovered otherwise. As a result of the review, the NRC was able to require the licensee to take corrective action. Therefore, the NRC considers it appropriate to review NPR licensees' financial qualifications when they apply to renew their licenses. The burden on NPR licensees to demonstrate their financial qualifications every 20 years is offset by the assurance that licensee management is committed to continued operation.

#### *Conclusions on Eliminating Financial Qualifications Reviews for Power Reactor Licensees at License Renewal*

Section 50.33(f) requires all applicants for initial and renewed operating licenses to submit financial qualifications information, except applicants for and holders of operating licenses for nuclear power reactors that are electric utilities. Section 50.33(f)(2) requires an entity other than an electric

utility that seeks to renew its operating license for a nuclear power plant submit the same financial information in its application that is required for an application for an initial license.

The NRC does not believe that there are any financial circumstances uniquely associated with license renewal that warrant a separate financial review. First, the NRC's regulatory processes for financial qualifications reviews adequately ensure that the NRC can take appropriate regulatory action when warranted by changes in a licensee's financial qualifications. Second, the submission of financial qualifications information and a finding of financial qualifications for a nuclear power plant licensee at the license renewal stage, by itself, is not likely to have any impact on a licensee's financial qualifications, and therefore should not be a factor in the renewal decision. In contrast, there are valid regulatory reasons for conducting specified financial qualifications reviews at other stages—i.e., at initial licensing, when an applicant's financial qualifications need to be determined in accordance with the AEA's requirements; at the time of a license transfer, when deregulation initiatives are likely to affect an applicant's or licensee's financial qualifications through restructuring, plant sales, or other events; or at times of special circumstances, when ad hoc reviews under § 50.33(f)(4) may be warranted.

For these reasons, the NRC proposes to change the requirement in the last sentence of § 50.33(f)(2) with respect to entities other than electric utilities seeking renewal of operating licenses for nuclear power reactors. The proposed rule would (1) eliminate the need for such entities to provide financial qualifications information as part of the license renewal process, (2) retain the existing requirement in § 50.33(f) for nonpower reactors to provide financial qualifications information, and (3) add a new § 50.76, "Licensee's change of status; financial qualifications." Section 50.76 would require that any electric utility power reactor licensee that becomes an entity other than an electric utility without transferring the license must provide the same financial information that is required for obtaining an initial operating license. The proposed rule would not affect the submission of financial qualifications information and the need for a finding of financial qualifications with respect to direct transfers of nuclear power plant operating licenses, nor would the rule affect the review of whether an indirect transfer would change the

respective licensee's financial qualifications.

The NRC believes this proposed rule would be consistent with the NRC's Strategic Goals of making NRC activities and decisions more effective and efficient and reducing unnecessary regulatory burden. The proposed rule would help advance these goals by eliminating the need for "entities other than electric utilities" to submit information on financial qualifications, as is the case now for electric utilities, in connection with license renewal, and would make the financial qualifications review requirements consistent with the bases of the License Renewal rule in 10 CFR part 54, which does not require a finding of financial qualifications for those power reactor licensees applying for a renewed nuclear power plant operating license. The proposed rule would not have an adverse impact on maintaining safety; the provisions in § 50.33(f)(4) already ensure that financial information can be obtained from a licensee whenever the NRC considers this information appropriate.

#### **Section-by-Section Analysis**

##### *10 CFR 50.33, Contents of applications; general information.*

Section 50.33(f)(2) would be amended to replace a requirement that now states license renewal applicants must provide financial qualifications information with a requirement that states power reactor applicants for license renewal no longer need to provide financial qualifications information. Nonpower reactor applicants, on the other hand, would continue to submit financial qualifications information in the applications as is currently required. A new sentence would be added to § 50.33(f)(2) to specify that nonpower reactor license renewal applicants must continue to submit financial qualifications information in their applications.

##### *10 CFR 50.76, Licensee's change of status; financial qualifications.*

Section 50.76, a new requirement segregated from § 50.33(f)(2), would be adopted to cover situations in which a licensee changes from an electric utility to a non-electric-utility, i.e., a company that cannot obtain revenue from the cost of service ratemaking process, in a manner other than a license transfer under 10 CFR 50.80. The NRC proposes to require licensees that are transitioning from an electric utility to a non-electric-utility entity without transferring their licenses to submit financial information pursuant to the requirements of this new section. If a

licensee will cease to be an electric utility, the NRC proposes that the licensee shall notify the NRC 75 days before the transition and provide the financial information at that time.

#### Issues for Public Comment

The NRC encourages comments on the content, level of detail, and the implementation of the proposed amendments. Suggestions or alternatives other than those described in this document and estimates of the cost of implementation are encouraged.

The NRC is particularly interested in receiving comments on the following issues related to this proposed rule:

1. Are there rulemaking alternatives to this proposed rule that were not considered in the regulatory analysis for this proposed rule?
2. Should the requirement that nonpower reactor licensees provide financial qualifications information when they apply for license renewal be eliminated? On what basis?
3. Are the regulations dealing with financial qualifications oversight sufficiently flexible not to require this information from non-electric-utility applicants seeking license renewals for power reactors?

#### Availability of Documents

This **Federal Register** document, the regulatory analysis, and the environmental assessment are available at the NRC Public Document Room at 11555 Rockville Pike, Rockville, Maryland; through the NRC's interactive rulemaking Website at <http://ruleforum.llnl.gov>; and through the NRC's Public Electronic Reading room at <http://www.nrc.gov/reading-rm.html>.

The ADAMS accession number of the notice is ML020700359. The regulatory analysis number is ML020700372. The environmental assessment number is ML020700379.

Single copies of the **Federal Register** notice, regulatory analysis, and environmental assessment may be obtained from George J. Mencinsky, Division of Regulatory Improvement Programs, Office of Nuclear Reactor Regulation, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001 (301-415-3093), or [gjm@nrc.gov](mailto:gjm@nrc.gov).

#### Plain Language

The Presidential memorandum dated June 1, 1998, entitled "Plain Language in Government Writing," directed that the Government write in plain language. This memorandum was published on June 10, 1998 (63 FR 31883). In complying with this directive, editorial changes have been made in this proposed rule to improve readability of

the existing language of those provisions being revised. These types of changes are not discussed further in this document. The NRC requests comment on the proposed rule specifically with respect to the clarity and effectiveness of the language used. Comments should be sent to the address given in the ADDRESSES section.

#### Voluntary Consensus Standards

The National Technology Transfer and Advancement Act of 1995, Pub. L. 104-113, requires that Federal agencies use technical standards that are developed or adopted by voluntary consensus standard bodies unless the use of such a standard is inconsistent with applicable law or is otherwise impractical. In this proposed rule, the NRC would eliminate the requirement that applicants for power reactor license renewal provide financial qualifications information, and add a new requirement for submission of financial information on electric utilities holding operating licenses for nuclear power reactors, who cease to be electric utilities in a manner other than a license transfer under 10 CFR 50.80. This proposed rule would not constitute a standard that establishes generally applicable requirements, and the requirement to use a voluntary consensus standard is not applicable.

#### Finding of No Significant Environmental Impact: Availability

The Commission has determined that under the National Environmental Policy Act of 1969, as amended, and the Commission's regulations in subpart A of 10 CFR part 51 that this proposed rule, if adopted, would not be a major Federal action significantly affecting the quality of the human environment and, therefore, an environmental impact statement is not required.

There are no significant radiological environmental impacts associated with the proposed action, since the proposed action only addresses the submission of financial information to the NRC. The proposed action does not involve nonradiological plant effluents and has no other environmental impact. Therefore, NRC expects that no significant environmental impact would result from the proposed rule.

The determination of this environmental assessment is that there will be no significant offsite impact to the public from this action. However, the general public should note that the NRC is seeking public participation. The NRC has also committed to complying with Executive Order (E.O.) 12898, "Federal Actions to Address Environmental Justice in Minority

Populations and Low-Income Populations," dated February 11, 1994. The NRC evaluated environmental justice for this environmental assessment and has determined that there are no disproportionate high and adverse impacts on minority and low-income populations. In the letter and spirit of E.O. 12898, the NRC is requesting public comment on any environmental justice considerations or questions that the public thinks may be related to this proposed rule but somehow was not addressed. E.O. 12898 describes environmental justice as "identifying and addressing, as appropriate, disproportionately high or adverse human health or environmental effects of its programs, policies, and activities on minority populations and low-income populations." Comments on any aspect of the environmental assessment, including environmental justice, may be submitted to the NRC as indicated under the **ADDRESSES** heading.

The NRC has sent a copy of the environmental assessment and this proposed rule to all State Liaison Officers and requested their comments.

#### Paperwork Reduction Act Statement

This proposed rule eliminates the burden on non-electric-utility power reactor licensees to submit financial qualifications information upon license renewal as required by the current § 50.33(f)(2). However, power reactor licensees that become non-electric-utility power reactor entities without transferring the license would still be required to provide this information under new § 50.76. The public burden reduction for this information collection is estimated to average 100 hours per request. Because the burden reduction for this information collection is insignificant, Office of Management and Budget (OMB) clearance is not required. Existing requirements were approved by the Office of Management and Budget, approval number 3150-0011.

#### Public Protection Notification

The NRC may not conduct or sponsor, and a person is not required to respond to, a request for information or an information collection requirement unless the requesting document displays a currently valid OMB control number.

#### Regulatory Analysis

The Commission has prepared a regulatory analysis on this proposed regulation. The analysis examines the costs and benefits of the alternatives considered by the Commission. The regulatory analysis may be examined, and/or copied for a fee, at the NRC's

Public Document Room at One White Flint North, 11555 Rockville Pike (first floor), Rockville, Maryland. The Commission requests public comment on the regulatory analysis. Comments should be submitted to the NRC in accordance with the instructions in the **ADDRESSES** section of this notice.

### Regulatory Flexibility Certification

In accordance with the Regulatory Flexibility Act, as amended, 5 U.S.C. 605(b), the Commission certifies that this proposed rule would not, if adopted, have a significant economic impact on a substantial number of small entities. This proposed rule would affect only the renewal of nuclear power reactor licenses. The companies that own these reactors are not "small entities" as defined in the Regulatory Flexibility Act or the Size Standards established by the NRC (10 CFR 2.810).

### Backfit Analysis

The NRC has determined that the backfit rule does not apply to this proposed rule. The proposed rule would (1) permissively relax the current requirement in § 50.33(f) for submission of financial qualifications information by entities other than electric utilities seeking renewal of their nuclear power plant operating licenses, and (2) impose a new requirement for submission of financial information on electric utilities who hold operating licenses for nuclear power reactors, who cease to be electric utilities in a manner other than a license transfer under 10 CFR 50.80. Such information collection and reporting requirements do not constitute regulatory actions to which the backfit rule applies. In addition, with respect to the permissive relaxation in § 50.33(f), such relaxations do not "impose" a requirement, which is an essential element of "backfitting" as defined in § 50.109(a)(1).

Accordingly, the proposed rule's provisions do not constitute a backfit and a backfit analysis need not be performed. However, the staff has prepared a regulatory analysis that identifies the benefits and costs of the proposed rule and evaluates other options for addressing the identified issues. As such, the regulatory analysis constitutes a "disciplined approach" for evaluating the merits of the proposed rule and is consistent with the intent of the backfit rule.

### List of Subjects in 10 CFR Part 50

Antitrust, Classified information, Criminal penalties, Fire protection, Intergovernmental relations, Nuclear power plants and reactors, Radiation protection, Reactor siting criteria,

Reporting and recordkeeping requirements.

For the reasons set forth in the preamble and under the authority of the Atomic Energy Act of 1954, as amended; the Energy Reorganization Act of 1974, as amended; and 5 U.S.C. 553, the NRC is proposing to adopt the following amendments to 10 CFR part 50.

## PART 50—DOMESTIC LICENSING OF PRODUCTION AND UTILIZATION FACILITIES

1. The authority citation for part 50 continues to read as follows:

**Authority:** Secs. 102, 103, 104, 105, 161, 182, 183, 186, 189, 68 Stat. 936, 938, 948, 953, 954, 955, 956, as amended, sec. 234, 83 Stat. 444, as amended (42 U.S.C. 2132, 2133, 2134, 2135, 2201, 2232, 2233, 2239, 2282); secs. 201, as amended, 202, 206, 88 Stat. 1242, as amended, 1244, 1246 (42 U.S.C. 5841, 5842, 5846).

Section 50.7 also issued under Pub. L. 95–601, sec. 10, 92 Stat. 2951, as amended by Pub. L. 102–486, sec. 2902, 106 Stat. 3123 (42 U.S.C. 5851). Section 50.10 also issued under secs. 101, 185, 68 Stat. 936, 955, as amended (42 U.S.C. 2131, 2235); sec. 102, Pub. L. 91–190, 83 Stat. 853 (42 U.S.C. 4332). Sections 50.13, 50.54(dd), and 50.103 also issued under sec. 108, 68 Stat. 939, as amended (42 U.S.C. 2138). Sections 50.23, 50.35, 50.55, and 50.56 also issued under sec. 185, 68 Stat. 955 (42 U.S.C. 2235). Sections 50.33a, 50.55a, and Appendix Q also issued under sec. 102, Pub. L. 91–190, 83 Stat. 853 (42 U.S.C. 4332). Sections 50.34 and 50.54 also issued under Pub. L. 97–415, 96 Stat. 2073 (42 U.S.C. 2239). Section 50.78 also issued under sec. 122, 68 Stat. 939 (42 U.S.C. 2152). Sections 50.80 and 50.81 also issued under sec. 184, 68 Stat. 954, as amended (42 U.S.C. 2234). Appendix F also issued under sec. 187, 68 Stat. 955 (42 U.S.C. 2237).

2. In § 50.33, paragraph (f)(2) is revised to read as follows:

### § 50.33 Contents of applications; general information.

\* \* \* \* \*

(f) \* \* \*

(2) If the application is for an operating license, the applicant shall submit information that demonstrates the applicant possesses or has reasonable assurance of obtaining the funds necessary to cover estimated operation costs for the period of the license. The applicant shall submit estimates for total annual operating costs for each of the first five years of operation of the facility. The applicant shall also indicate the source(s) of funds to cover these costs. An applicant seeking to renew or extend the term of an operating license for a power reactor need not submit the financial information that is required in an application for an initial license. Applicants to renew or extend the term

of an operating license for a nonpower reactor shall include the financial information that is required in an application for an initial license.

\* \* \* \* \*

3. Section 50.76 is added to read as follows:

### § 50.76 Licensee's change of status; financial qualifications.

An electric utility licensee holding an operating license (including a renewed license) for a nuclear power reactor, no later than 75 days prior to ceasing to be an electric utility in any manner not involving a license transfer under § 50.80 of this part, shall provide the NRC with the financial qualifications information that would be required for obtaining an initial operating license as specified in § 50.33(f)(2). The financial qualifications information must address the first full five years of operation after the date the licensee ceases to be an electric utility.

Dated at Rockville, Maryland, this 29th day of May 2002.

For the Nuclear Regulatory Commission.

Annette L. Vietti-Cook,

Secretary of the Commission.

[FR Doc. 02–13903 Filed 6–3–02; 8:45 am]

BILLING CODE 7590–01–P

## NATIONAL CREDIT UNION ADMINISTRATION

### 12 CFR Parts 702, 741 and 747

### Prompt Corrective Action

**AGENCY:** National Credit Union Administration (NCUA).

**ACTION:** Proposed rule.

**SUMMARY:** In 2000, the National Credit Union Administration (NCUA) adopted a comprehensive system of prompt corrective action consisting of minimum capital standards for federally-insured credit unions and corresponding remedies for restoring net worth. After six quarters of implementation experience, NCUA requests public comment on proposed revisions and adjustments intended to improve and simplify the system of prompt corrective action.

**DATES:** Comments must be received on or before August 5, 2002.

**ADDRESSES:** Direct comments to Becky Baker, Secretary of the Board. Mail or hand-deliver comments to: National Credit Union Administration, 1775 Duke Street, Alexandria, Virginia 22314–3428. You are encouraged to fax comments to (703) 518–6319 or e-mail comments to [regcomments@ncua.gov](mailto:regcomments@ncua.gov)