

assessments and make tests results more meaningful to parents. The teleconference (which will be held from 1:30 p.m. to 3:30 p.m.) is an effort to bring education policy makers together with governors, their education aides, state legislators, presidents of state boards of education and representatives of the business community to talk about education reform initiatives.

Dated: November 20, 1998.

Ken Nelson,

Executive Director, National Education Goals Panel.

[FR Doc. 98-31581 Filed 11-25-98; 8:45 am]

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NEIGHBORHOOD REINVESTMENT CORPORATION

Sunshine Act Meeting; Regular Board Meeting of the Board of Directors

TIME AND DATE: 2:00 p.m., Monday, December 7, 1998.

PLACE: Neighborhood Reinvestment Corporation, 1325 G Street, NW., Suite 800, Board Room, Washington, DC 20005.

STATUS: Open/Closed.

CONTACT PERSON FOR MORE INFORMATION: Jeffrey T. Bryson, General Counsel/Secretary, 202/376-2441.

AGENDA:

- I. Call to Order
- II. Approval of Minutes:
 - September 9, 1998, Regular Meeting
- III. Audit Committee Report:
 - September 8, 1998
- IV. Treasurer's Report
- V. Executive Director's Quarterly Management Report
- VI. Personnel Committee Report:
 - November 9, 1998, Closed Meeting
- VII. Adjourn

Jeffrey T. Bryson,

General Counsel/Secretary.

[FR Doc. 98-31799 Filed 11-24-98; 8:45 am]

BILLING CODE 7570-01-M

NUCLEAR REGULATORY COMMISSION

[Docket No. 50-213]

In the Matter of Connecticut Yankee Atomic Power Company (Haddam Neck Plant); Exemption

I

Connecticut Yankee Atomic Power Company is the holder of Facility Operating License No. DPR-61, which authorizes the licensee to possess the Haddam Neck Plant (HNP). The license

states, among other things, that the facility is subject to all the rules, regulations, and orders of the U.S. Nuclear Regulatory Commission (the Commission or NRC) now or hereafter in effect. The facility consists of a pressurized-water reactor located at the licensee's site in Middlesex County, Connecticut. The facility is permanently shut down and defueled, and the licensee is no longer authorized to operate or place fuel in the reactor.

II

Section 50.54(w) of 10 CFR Part 50 requires power reactor licensees to maintain onsite property damage insurance coverage in the amount of \$1.06 billion. Section 140.11(a)(4) of 10 CFR Part 140 requires a reactor with a rated capacity of 100,000 electrical kilowatts or more to maintain liability insurance of \$200 million and to participate in a secondary insurance pool.

NRC may grant exemptions from the requirements of 10 CFR Part 50 of the regulations which, pursuant to 10 CFR 50.12(a), (1) are authorized by law, will not present an undue risk to public health and safety, and are consistent with the common defense and security and (2) present special circumstances. Special circumstances exist when application of the regulation in the particular circumstances would not serve the underlying purpose of the rule or is not necessary to achieve the underlying purpose of the rule (10 CFR 50.12(a)(2)(ii)). The underlying purpose of Section 50.54(w) is to provide sufficient property damage insurance coverage to ensure funding for onsite post-accident recovery stabilization and decontamination costs in the unlikely event of an accident at a nuclear power plant.

NRC may grant exemptions from the requirements of 10 CFR Part 140 of the regulations which, pursuant to 10 CFR 140.8, are authorized by law and are otherwise in the public interest. The underlying purpose of Section 140.11 is to provide sufficient liability insurance to ensure funding for claims resulting from a nuclear incident or precautionary evacuation.

III

On October 7, 1997, the licensee requested exemption from the financial protection requirement limits of 10 CFR 50.54(w) and 10 CFR 140.11. The licensee requested that the amount of insurance coverage it must maintain be reduced to \$50 million for onsite property damage and \$100 million for offsite financial protection. The licensee stated that special circumstances exist

because of the permanently shutdown and defueled condition of HNP.

The financial protection limits of 10 CFR 50.54(w) and 10 CFR 140.11 were established to require a licensee to maintain sufficient insurance to cover the costs of a nuclear accident at an operating reactor. Those costs were derived from the consequences of a release of radioactive material from the reactor. Although the risk of an accident at an operating reactor is very low, the consequences can be large. In an operating plant, the high temperature and pressure of the reactor coolant system, as well as the inventory of relatively short-lived radionuclides, contribute to both the risk and consequences of an accident. In a permanently shutdown and defueled reactor facility, the reactor coolant system will never be operated and contains no short-lived radionuclides, which eliminates the possibility of reactor accidents. A further reduction in risk occurs because decay heat from the spent fuel decreases over time, which reduces the amount of cooling required to prevent the spent fuel from heating up to a temperature that could compromise the ability of the fuel cladding to retain fission products.

Along with the reduction in risk, the consequences of a release decline after a reactor permanently shuts down and defuels. The short-lived radionuclides contained in the spent fuel, particularly volatile components such as iodine and most of the noble gases, decay away, thereby reducing the inventory of radioactive materials that are readily dispersible and transportable in air.

Although the risk and consequences of a radiological release decline substantially after a plant permanently defuels its reactor, they are not completely eliminated. There are potential onsite and offsite radiological consequences that could be associated with the onsite storage of the spent fuel in the spent fuel pool (SFP). In addition, a site may contain a radioactive inventory of liquid radwaste, activated reactor components, and contaminated structural materials. For purposes of modifying the amount of insurance coverage maintained by a power reactor licensee, the potential consequences, despite very low risk, are an appropriate consideration.

In order to determine the insurance coverage sufficient for a permanently defueled facility, the cost of recovery from potential accident scenarios must be evaluated. At the HNP, spent fuel is the largest source term on the site. The spent fuel is stored in the SFP, which uses water to cool the fuel. By letter dated September 26, 1997, the licensee