

# Exhibit 1

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December 20, 2000

Mr. Richard A. Meserve  
Chairman  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555

Dear Chairman Meserve:

I am writing in regard to the Commission's Daily Event Report #37596 (December 15, 2000) and the NRC Weekly Report from November 24, 2000, which report on two missing fuel rods from the Millstone Nuclear Power Station Unit 1. As you know, Millstone 1 is in the process of being decommissioned. During that procedure, workers have found that the box containing the two fuel rods, originally stored in a spent fuel pool at the plant, was not listed in any inventory after 1980—meaning that these highly radioactive spent fuel rods may have been missing for the last 20 years. This is disturbing news.

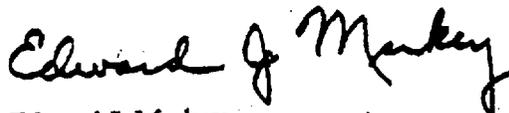
An article in *The New London Day* on December 15, 2000, reports on the possibility that the rods were shipped to low-level radioactive waste facilities in Barnwell, SC, or Richland, WA. The NRC Weekly Report suggests that they may have been shipped to General Electric (GE). More disturbing is the possibility that the rods are not in the possession of any licensed facility or have been stolen. In order to better understand the facts and circumstances surrounding this situation, I request your response to the following questions:

- (1) What Commission requirements govern the storage of spent fuel at nuclear power plants? What procedures and policies are licensees required to follow to verify that no material is lost, stolen, or diverted? What fines or other penalties can the Commission impose if a licensee fails to adhere to such requirements? Does the Commission intend to impose any such fines or penalties in this case?
- (2) According to the aforementioned article in *The Day*, Leon J. Olivier, a senior vice president and chief nuclear officer at Millstone, and Bruce Kenyon, president of generation for Northeast Utilities, indicated that they had no knowledge of any other commercial nuclear plant that had misplaced spent nuclear fuel. Is the Commission aware of any other instances of lost or misplaced spent fuel? Will the Commission require its licensees to review the inventories of all other nuclear power facilities in the U.S. to determine if other discrepancies exist? Are utilities required to periodically review their inventories to find whether these types of discrepancies exist? How can we know whether the missing rods at Northeast Utilities are an isolated incident or evidence of a more widespread phenomenon?

- (3) According to the article in *The Day*, radioactive waste at the facilities in South Carolina and Washington "is not buried in a precise location." Why not? Do these sites record at least the quantity of the materials that are buried? Why wouldn't these sites require a knowledge of the inventories on their premises? What are the potential public health consequences of storing high-level waste like the spent fuel rods at low-level radioactive waste facilities? What are the consequences for the workers at those facilities? What penalties are normally imposed on licensees for sending materials to an improper facility? Does the Commission intend to impose any fines or other penalties in this case?
- (4) According to the NRC Weekly Report, there is a box in the spent fuel pool at Millstone 1 that workers were not able to examine without assistance from GE. What sort of equipment and expertise was required from GE to do this examination? Why are those resources and expertise not located at the Millstone facility?
- (5) What assurances can the Commission provide that the spent fuel rods have not been stolen? What would be the proliferation consequences of the diversion of this material?
- (6) I would like to receive a copy of the written report that the licensee is required to file with the Commission 30 days after making the initial telephone report of the discovery, pursuant to 10 CFR 20.2201.

The regulation of nuclear material is vital to protecting our public's health and safety. Therefore, I urge the Commission to thoroughly investigate this matter and to take steps to prevent similar incidents from occurring in the future. I appreciate your attention to these matters, and I would appreciate a response by January 18, 2001. If you have any questions regarding my request, please contact Brendan Plapp or Jeff Duncan of my staff at 202-225-2836.

Sincerely,



Edward J. Markey  
Member of Congress