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**THE MARTIN COMPANY**

*Baltimore 3, Maryland*

Nuclear Division

June 4, 1959

U. S. Atomic Energy Commission  
Washington 25, D. C.

Attention Department of Licensing and Regulation

Gentlemen:

The Martin Company has spent more than a year in the development of reactor systems for providing industrial process heat or steam. We believe that there is a very definite market for this type of system and are engaged in an intensive effort to sell steam reactors to private industrial customers.

We feel that a number of the issues raised in your notice of proposed rule making concerning the formulation of an amendment to your regulations on criteria for evaluation of proposed sites for nuclear power and test reactors will be quite detrimental to the conduct of our efforts.

The first question involves a basic definition. A process heat reactor is neither a power nor a test reactor. Consequently, we would prefer that process heat reactors be specifically excluded from the provisions of this amendment should it become a formal regulation. The technical basis for our position lies in the fact that our reactor is specifically designed to operate at low power levels to produce low pressure steam (i.e., less than 250 psi) and in the case of a pressurized water system, the primary loop pressure is designed to be less than 1,000 psi. These factors place the process heat reactor in an entirely different category than the high pressure power reactors or the high flux test reactors.

It is quite obvious that if process heat reactors were regulated by the suggested provisions mentioned in your notice, there would be no market for such reactors. For example, the provision, "an exclusion area . . . with . . . a minimum radius on the order of 1/4 mile will usually become necessary", would make it impossible to locate close to the industrial plant in which steam would be used. Another objectionable restriction is stated in paragraph (c) under Population Density and Surrounding Areas "nearness of the reactor to . . . factories is discouraged". This also would tend to exclude the process heat reactors from their logical market.

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*THE MARTIN COMPANY*

*Baltimore 3, Maryland*

June 3, 1959

We trust you will take our point of view into consideration when drafting the final regulations. We would welcome the opportunity to consult with you in more detail should the occasion arise.

Very truly yours,

THE MARTIN COMPANY

*J. U. Mowl*  
J. U. Mowl, Manager  
Economic Research

JUM/mew