

published in the Federal Register and an appropriate press release is issued. A report from the Commission's Advisory Committee on Reactor Safeguards on the safety aspects of constructing and operating the facility is also published. In accordance with the Commission's Rules of Practice, persons whose interest may be affected are afforded an opportunity to intervene in the proceeding. (See Section 2.705 of Title 10, Code of Federal Regulation, Part 2, attached.)

At the construction permit hearing, the AEC staff, as one party, submits for the record the application and such amendments as may have been filed. Testimony is given by the applicant and by AEC staff members relating to the safety aspects of the reactor and to the applicant's technical and financial qualifications to construct the reactor. If there are intervenors, the testimony of the intervenors' witnesses is taken. After consideration of the application and the testimony, the examiner in due course renders an intermediate decision which becomes final on a specified date (not less than 20 days after the decision date) unless a party files an exception to the decision, or unless the Commissioners on their own initiative, undertake to review the examiner's intermediate decision.

If a construction permit is granted, the applicant will normally continue to submit for AEC review supplementary descriptive information and safeguards reports as design details of the facility are firmed up. Incorporation of part or all of this additional information as technical specifications for the facility may be approved by amendment of the construction permit. Prior to the issuance of a license to authorize operation of the facility, another public hearing is held. The procedures followed are similar to those with respect to issuance of the construction permit, i.e. a report is received from the Advisory Committee on Reactor Safeguards, and opportunity is provided for interested members of the public to intervene.

The Philadelphia Electric Company has not as yet submitted a formal application for a license to construct and operate the Peach Bottom facility. It is our understanding that they expect to submit such an application in July, 1960. However, by letter dated January 15, 1960, Philadelphia Electric requested a preliminary opinion from the AEC regarding the feasibility of locating a reactor of the type proposed at the Peach Bottom site. Following evaluation of the information submitted by the Company and discussions with the AEC Advisory Committee on Reactor Safeguards, it was concluded that such a site would be acceptable,

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Honorable Samuel N. Friedel

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provided the design included adequate protection to the Canowingo Pond. Copies of the ACRS letter and the AEC letter to Philadelphia Electric are included.

Sincerely yours,

Harold L. Price, Director
Division of Licensing and Regulation

Enclosures:

- 1. cpy ltr ACRS to AEC dtd 3/14/60
- 2. cpy ltr AEC to Philadelphia Electric dtd 4/6/60
- 3. Section 2.705 of Title 10, Code of F.R. Part 2.

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