DOCKET NUMBER
PROD. & UTIL. FAC. 50-250,251

DOCKET NUMBER
PROD. & UTIL. FAC. 50-335,389

FLORIDA POWER & LIGHT COMPANY
MIAMI, FLORIDA

MARSHALL McDONALD
CHAIRMAN OF THE BOARD

March 3, 1981

Mr. Joseph M. Hendrie, Chairman
Nuclear Regulatory Commission
1717 H Street, N. W.
Washington, D. C. 20555

Dear Mr. Chairman:

I wrote to your predecessor regarding the subject matter of this letter and, in view of your subsequent appointment as Chairman of the NRC, I wish to address my concerns to you.

Florida Power & Light Company serves half the state of Florida and is a major nuclear utility which operates Turkey Point Units #3 and #4 and St. Lucie Unit #1 and has St. Lucie Unit #2 under construction. The construction of St. Lucie #2 has met virtually every major milestone on the critical path schedule established some four years ago. St. Lucie #2 is approximately 65% completed with construction at the present time and is scheduled for fuel load on October 29, 1982.

We cannot voluntarily accept the NRC schedule for licensing of this unit. The NRC staff, despite our protests to the contrary, insists on a licensing schedule assuming a completion date of December, 1983. It appears that the NRC schedule is predicated on average construction times of many plants over a number of years. This is very inaccurate when used to predict the completion date of a specific plant which is meeting the schedule milestones shown on Attachment A. If that schedule is not changed by the NRC to reflect the date when we will complete the plant, the results will be as follows:

a) FPL will complete the unit in October, 1982. The unit will be operative but remain idle for lack of an operating license for 13 months.

8103180653

b) FPL will burn 9,750,000 barrels of foreign oil which would not otherwise be used but for the lack of an operating license.

c) That oil will cost FPL's 2,000,000 customers more than $300,000,000 over and above the nuclear fuel which would have been used in the 13 month period but for lack of an operating license.

d) The capital cost of the unit will increase by $164,000,000 because of the continued accrual of AFUDC and site maintenance costs during the period between October, 1982, and December, 1983, thus causing $32,000,000 each year (at current rates of return) of unnecessary costs over the life of the unit.

These unnecessary costs would have to be paid by our customers. In addition, the unnecessary delay in getting St. Lucie Unit #2 on line would delay our ability to convert oil fired generation to coal fired generation.

In view of our nation's policy of reducing dependence on foreign oil, our Company's desire and obligation to maintain reliable service, and most importantly, our obligation to provide, and our customers' desire to receive, the most economically priced electric service possible, the foregoing sequence of events must not be permitted to happen. I urge you to instruct the NRC Staff to base the NRC licensing schedule for St. Lucie Unit #2 on an October, 1982, completion date.

We are cognizant of the limited resources of the NRC and the backlog of licensing applications confronting your agency. In view of that and in order to take every step possible to avoid the potentially scandalous and unnecessary results set forth above, Dr. Robert E. Uhrig, of our company, and Mr. Denton, of your staff, have been searching for a means to expedite the licensing procedure.

They have arrived at an innovative, independent review process that can result in a very significant reduction in the review schedule, thereby expediting the issuance of the Safety Evaluation Report. This independent review is estimated to cost Florida Power & Light Company about $3,000,000 and is undertaken with the expectation that the benefits will be commensurate with this cost and the very large extra effort on the part of our staff that is involved in this procedure. This independent review process is expected to very substantially reduce the NRC manpower requirements for the review. Indeed, it is expected that the primary product of the independent review will be a document that is essentially a draft safety evaluation report. We willingly undertake this additional burden in an effort to leave no stone unturned in an effort to keep St. Lucie #2 on its original schedule. Acceptance of this independent design review approach will require NRC support at all levels.

We will willingly undertake the required expenditure of resources if the NRC will agree that its licensing will keep pace with our construction schedule.

At this stage of the project, the necessary adjustments to the licensing schedule can still be made in order to avoid the virtually certain delay which will result if the present NRC schedule is not changed. Once again, I urge you to instruct the staff to revise the licensing schedule to reflect an October, 1982, completion date of St. Lucie #2 nuclear unit.

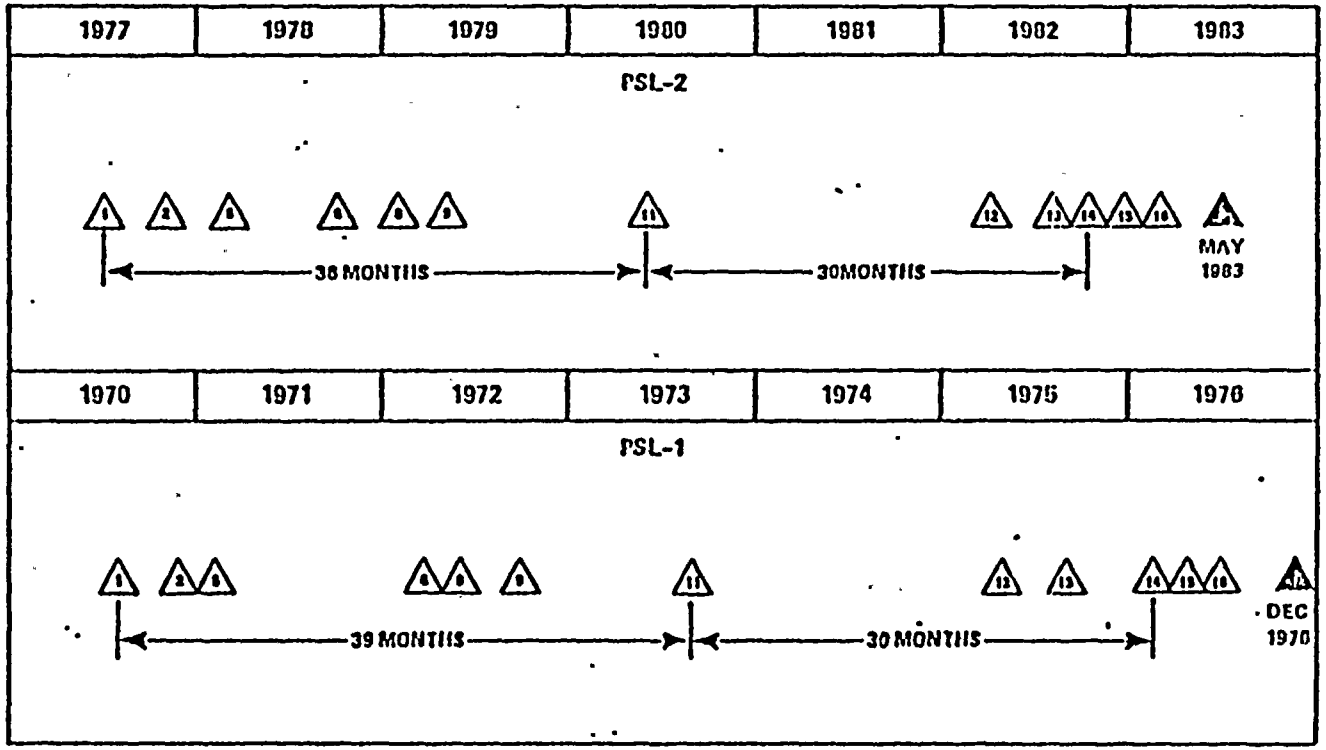
Sincerely,

Marshall McDonald

MMcD:mg
Attachment

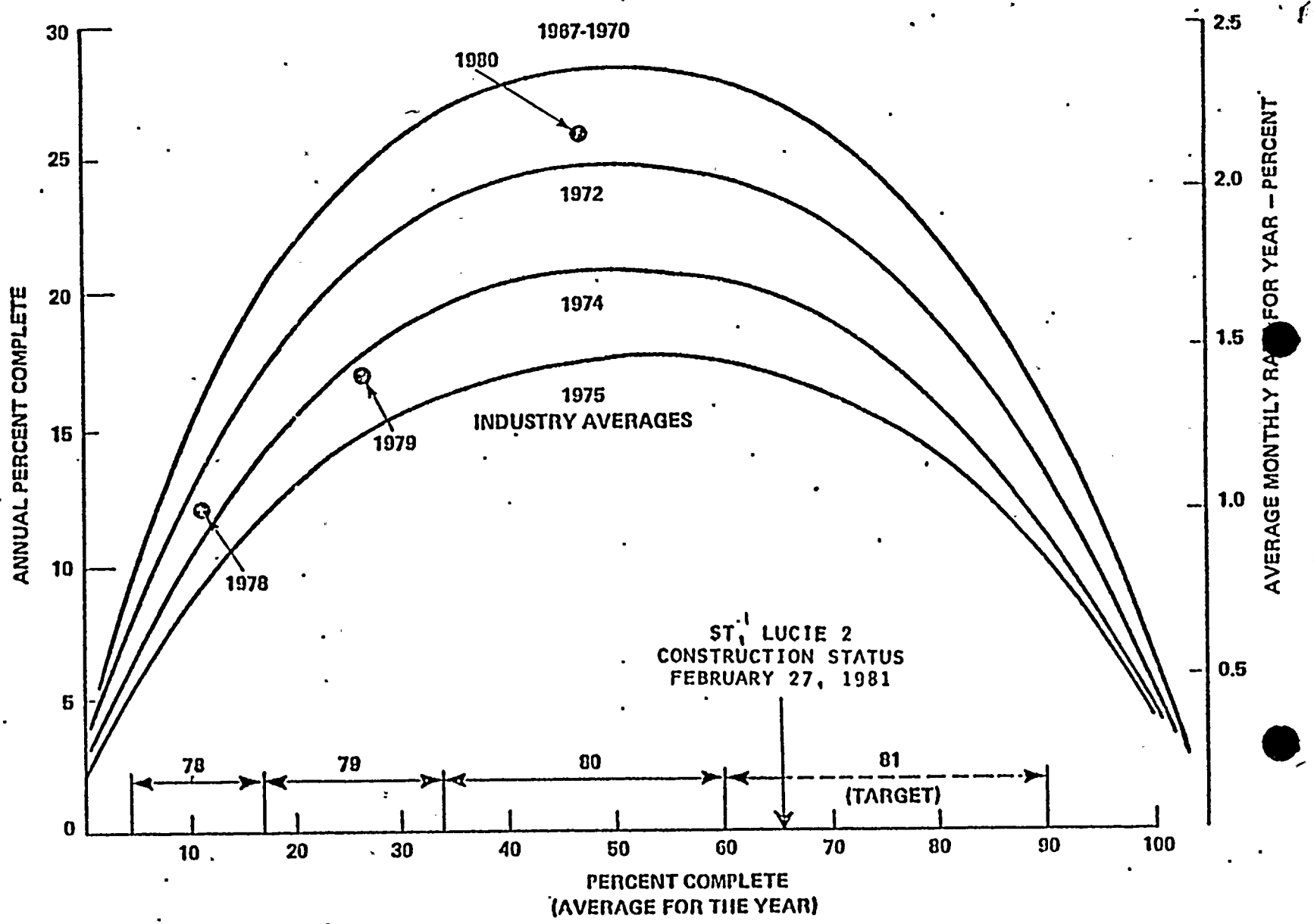
CC: Florida Congressional Delegation

UNIT #1 VS. UNIT #2 SCHEDULE MILESTONES



1. START RCB BASE MAT CONC.
2. START INTAKE STRUCTURE BASE MAT CONC.
3. START RAB BASE MAT CONCRETE
4. COMP ERECT & TEST STEEL CU TO EL 149'
5. START RCB INTERNAL CONCRETE
6. START FHB BASE MAT CONCRETE
7. START SETTING NSSS MAJOR EQUIPMENT
8. COMMENCE COLD HYDRO
9. START HOT OPS #1
10. COMMENCE CORE LOAD
11. START CRIT PERFORMANCE TESTS
12. COMMENCE POWER ESCALLATION
13. COMMENCIAL OPERATION

ATTACHMENT A



ST. LUCIE UNIT 2 PROGRESS VS. INDUSTRY PERFORMANCE