

FROM Rep. Heriman T. Schneebeli (Pa.)	CONTROL NUMBER 8505	FILE LOCATION
	DATE OF DOCUMENT 4/4/75	ACTION COMPLETION DEADLINE 4/16/75
TO CA, NRC	ACTION PROCESSING DATES Acknowledged 4/9/75	PREPARE FOR SIGNATURE OF: _____ Chairman _____ Director of Regulation X Gossick
	Interim Reply _____ Final _____	

DESCRIPTION Let. Original Copy Other
 Encl ltr fm John T. Kauffman, Pennsylvania Power & Light, to Anders concerning the start-up of the NFS plant and the effect on supply of reload fuel for the Susquehanna plant

REMARKS DR-8083, 8-84, 8466, 8468
8471

REFERRED TO	DATE	IS NOTIFICATION TO THE JCAE RECOMMENDED?
Shapar f/action	4/9/75	_____

Cys: Gossick
Rehm
Giambusso
~~Shapar~~
Docket Files) 50-201
PDR 50-387
LPDR 50-388 ✓

Copy sent
Copy sent PDR

HOUSE OF REPRESENTATIVES, U.S.
WASHINGTON, D.C.

April 4, 1975

Respectfully referred to

Nuclear Regulatory Commission
Office of Congressional Affairs
Room 1047
1717 H Street, N.W.
Washington, D. C. 20555

I would very much appreciate your assistance in providing an analysis of the issues raised in the enclosed letter from Mr. John T. Kauffman of the Pennsylvania Power and Light Company.

Very respectfully,



Herman T. Schneebeli

Rec'd Off. Dir. i M.C., 17th Pa. District.
Date 4-8-75
Time 11:00 3505



JOHN T. KAUFFMAN
Vice President, System Power & Engineering
821-5043

March 26, 1975

Mr. William A. Anders, Chairman
U.S. Nuclear Regulatory Commission
Washington, DC 20555

Dear Mr. Chairman:

It has been brought to my attention by Mr. Ralph Deuster, President of Nuclear Fuel Services, Inc. (NFS) that two major events have taken place recently which may seriously delay start-up of the NFS reprocessing plant and, in turn, have a serious detrimental effect on the supply of reload fuel for our Susquehanna Plant. These events are the letter of Mr. Edson Case of the NRC relating to the possibility that the NFS final environmental statement may not be issued until the GESMO action is completed and the letter by Mr. R. W. Peterson stating that the Council on Environmental Quality believes that the GESMO Draft Impact Statement does not meet the requirements of the National Environmental Policy Act.

We are not in a position to discuss the merits of these two actions, but we feel the issues should be attacked on an urgent basis and with consideration of the total impact on the U.S. Energy Supply. We have already seen NFS' projected operating date delayed by a year since we began negotiations with them last September (culminating in a contract signed in January). That delay, plus those which the above two letters might provoke, could prevent us from obtaining hoped for plutonium purchases in 1982 or recycle of our own plutonium in 1984.

We would then need additional U_3O_8 and enrichment with both the prices and sources uncertain. A negative ruling on plutonium recycle would also considerably increase our needs for U_3O_8 even though the need for additional enrichment would then be satisfied by the contingency plan in our enrichment contracts. These problems are recognized as common in the industry just as it is recognized that reasonable caution in the utilization of plutonium is necessary. We admit that readily acceptable solutions are hard to find and we assume you are already using all due effort to schedule the hearings and make the judgments necessary to get plutonium recycle approved and reprocessing plants licensed under proper conditions.

As one additional suggestion, we offer the concept of providing for plutonium safeguards by an adequate armed force both for transportation

8505

Mr. William A. Anders
March 26, 1975
Page 2

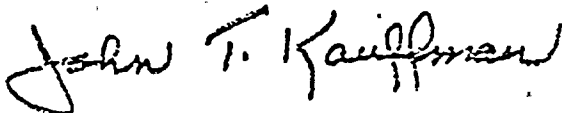
and for guarding the reprocessing plants and fabrication facilities. Right now, a large enough force could be dedicated so that it would be immediately clear to all that it would be adequate. As time went on, more detailed studies and hearings could perhaps justify a major reduction in the force. Meanwhile, the plants could be in operation and the resultant electrical energy available.

As another suggestion, we believe that reprocessing plants could be licensed without waiting for the GESMO decision. Although this would result in production of plutonium which could partially frustrate a negative decision on plutonium recycle, the plutonium would then be located only in a few, very easy to guard, plants. Also, a negative GESMO decision should be regarded as only a temporary situation because better safeguards technology or future acute need for plutonium could provide the impetus to reverse such a negative decision.

It is, of course, possible that without plutonium recycle some reprocessors would not want to go ahead with their plans. However, the way should be paved for reprocessing licenses on their own merits so that a significant amount of time could be saved if the reprocessor does decide to go ahead.

Thank you for your consideration in these matters.

Very truly yours,



John T. Kauffman
Vice President - System Power & Engineering



11/11/11

APR 25 1975

Honorable Richard Schweiker
United States Senate

Dear Senator Schweiker:

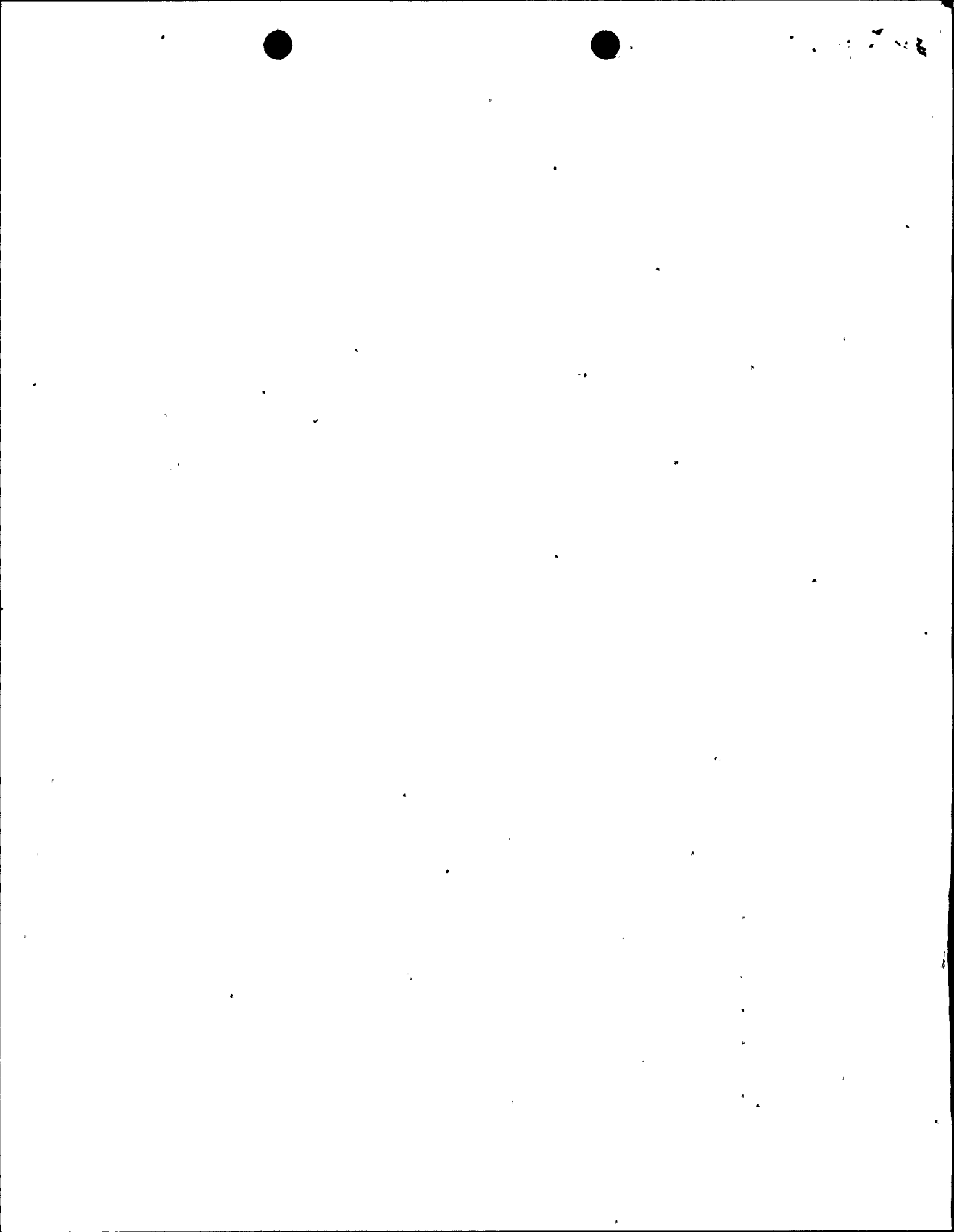
This is in response to your referral to us on April 7, 1975 of a letter to you from Mr. John T. Kauffman, Vice President, System Power and Engineering, Pennsylvania Power & Light Company, dated March 26, 1975. Mr. Kauffman in his letter enclosed a letter to Chairman Anders, dated March 26, 1975.

Mr. Kauffman's letter to Chairman Anders referred to a letter from Mr. Case of the NRC staff relating to a delay in issuance of a final environmental impact statement for the NFS plant pending a decision on "GESMO" (generic environmental statement, mixed oxide fuel). This letter from Mr. Case represents only a staff position. The staff position reflects a concern regarding foreclosure of safeguards alternatives and unnecessary "grandfathering" with respect to licensing actions related to "GESMO" pending a Commission decision on the matter. This same concern was expressed by the Council on Environmental Quality in its letter of comment on the draft "GESMO". However NFS is free to argue before the presiding Atomic Safety and Licensing Board that the staff position is erroneous. The matter of adoption of the Council on Environmental Quality's recommendation regarding treatment of safeguards matters in "GESMO" is under active Commission consideration. We agree that the issues involved in the proposed wide-scale use of mixed oxide (recycle plutonium) fuel in light water nuclear power reactors and the related "GESMO" need to be addressed on an urgent basis.

Mr. Kauffman also referred to the possible use of an armed force for safeguarding plutonium. As you may know, a detailed study is presently underway

H. W. P.

OFFICE						
SURNAME						
DATE						



pursuant to section 204 of the Energy Reorganization Act of 1974 to assess the need for and feasibility of establishing a security agency for the performance of safeguards functions.

Sincerely,

(Signed) Lee V. Gossick

Lee V. Gossick
Executive Director
for Operations

Enclosure:
Incoming letter from Mr. Kauffman

Distribution:

MMalsch
HShapar
LVGossick
AGiambusso
TRehm
EDO Files
CA (3)
GErtter #8523
Docket Files 50-201
50-387
50-388

PDR
LPDR (2)
~~SECY (3)~~
Formal Files (4)
JShafer

OFFICE	FIELD	EDO	CA			
4/22/75:ls	Malsch/					
SURNAME	HShapar	LVGossick				
DATE	4/ /75	4/ /75	4/ /75			

APR 25 1975

Honorable Herman T. Schneebeli
House of Representatives

Dear Mr. Schneebeli:

Distribution:

OELD Files	SECY (3)
Malsch	Docket Files
HShapar	50-201
LVGossick	50-387
TRehm	50-388
AGiambusso	PDR
EDO Files	GErtter #8505
CA (3)	Formal Files (4)

This is in response to your referral to us on April 4, 1975 of a letter from Mr. John T. Kauffman, Vice President, System Power and Engineering, Pennsylvania Power & Light Company, to Chairman Anders, dated March 26, 1975.

Mr. Kauffman's letter to Chairman Anders referred to a letter from Mr. Case of the NRC staff relating to a delay in issuance of a final environmental impact statement for the NFS plant pending a decision on "GESMO" (generic environmental statement, mixed oxide fuel). This letter from Mr. Case represents only a staff position. The staff position reflects a concern regarding foreclosure of safeguards alternatives and unnecessary "grandfathering" with respect to licensing actions related to "GESMO" pending a Commission decision on the matter. This same concern was expressed by the Council on Environmental Quality in its letter of comment on the draft "GESMO". However NFS is free to argue before the presiding Atomic Safety and Licensing Board that the staff position is erroneous. The matter of adoption of the Council on Environmental Quality's recommendation regarding treatment of safeguards matters in "GESMO" is under active Commission consideration. We agree that the issues involved in the proposed wide-scale use of mixed oxide (recycle plutonium) fuel in light water nuclear power reactors and the related "GESMO" need to be addressed on an urgent basis.

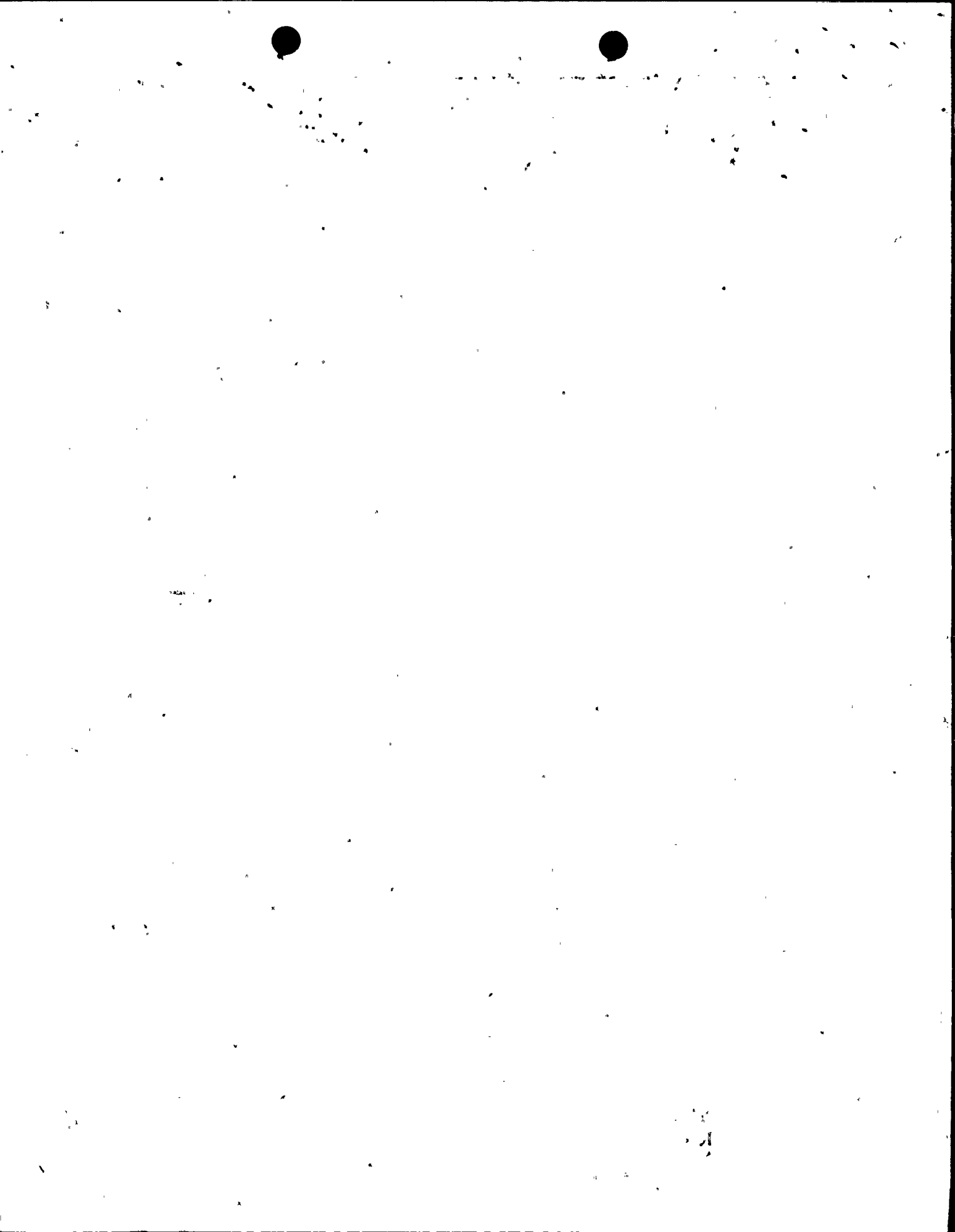
Mr. Kauffman also referred to the possible use of an armed force for safeguarding plutonium. As you may know, a detailed study is presently underway pursuant to section 204 of the Energy Reorganization Act of 1974 to assess the need for and feasibility of establishing a security agency for the performance of safeguards functions.

Sincerely,

(Signed) Lee V. Gossick

Lee V. Gossick
Executive Director
for Operations

OFFICE >	OELD	EDO	CA			
4/22/75;ls SURNAME >	Malsch	HShapar	LVGossick			



APR 21 1975

Honorable Fred B. Rooney
House of Representatives

JCutchin
RBlack
LBrenner
TEngelhardt
JGallo

Distribution: FF (4)
OELD Files GErtter #8471
Malsch Docket Files
HKShapar 50-201
HLarson 50-387
LVGossick 50-388 ✓
TRehm PDR
AGiambusso LPDR
EDO Files JShafer
CA (3) SECY (3)

Dear Mr. Rooney:

This is in response to your referral to us on March 31, 1975 of a letter from Mr. John T. Kauffman, Vice President, System Power and Engineering, Pennsylvania Power & Light Company to Chairman Anders, dated March 26, 1975.

Mr. Kauffman's letter to Chairman Anders referred to a letter from Mr. Case of the NRC staff relating to a delay in issuance of a final environmental impact statement for the NFS plant pending a decision on "GESMO" (generic environmental statement, mixed oxide fuel). This letter from Mr. Case represents only a staff position. The staff position reflects a concern regarding foreclosure of safeguards alternatives and unnecessary "grandfathering" with respect to licensing actions related to "GESMO" pending a Commission decision on the matter. This same concern was expressed by the Council on Environmental Quality in its letter of comment on the draft "GESMO". However NFS is free to argue before the presiding Atomic Safety and Licensing Board that the staff position is erroneous. The matter of adoption of the Council on Environmental Quality's recommendation regarding treatment of safeguards matters in "GESMO" is under active Commission consideration. We agree that the issues involved in the proposed wide-scale use of mixed oxide (recycle plutonium) fuel in light water nuclear power reactors and the related "GESMO" need to be addressed on an urgent basis.

Mr. Kauffman also referred to the possible use of an armed force for safeguarding plutonium. As you may know, a detailed study is presently underway pursuant to section 204 of the Energy Reorganization Act of 1974 to assess the need for and feasibility of establishing a security agency for the performance of safeguards functions.

Sincerely,

(Signed) Lee V. Gossick

Lee V. Gossick
Executive Director
for Operations

Handwritten initials: HZ and LB

OFFICE	OELD	MSS	EDO	CA		
SURNAME	Malsch / Shapar	Larson	LVGossick			
DATE	4/17/75	4/17/75	4/17/75	4/17/75		