FROM
Pennsylvania Power & Light Co.
John T. Keuffman
Allentown, Pa.

CONTROL NUMBER 8466

FILE LOCATION

DATE OF DOCUMENT 3/26/75

ACTION COMPLETION DEADLINE 4/11/75

TO
Chairman Anders

ACTION PROCESSING DATES
Acknowledged _____
Interim Reply _____
Final _____

PREPARE FOR SIGNATURE OF:
_____ Chairman
_____ Director of Regulation
X Gossick

DESCRIPTION Ltr X Original ☐ Copy ☐ Other

REMARKS DR-8083, 8084

Concern re delay in start-up of the NFS reprocessing plant which would have a serious detrimental effect on the supply of reload fuel for the Susquehanna plant

SECY 75-2520

REFERRED TO	DATE
Larson f/action	4/4/75

IS NOTIFICATION TO THE JCAE RECOMMENDED? _____

Cys: Gossick
Rehm
Shapar
Docket Files) 50-201
PDR ~~(2)~~ 50-387
50-388
Giambusso

Copy sent PDR

DO NOT DETACH THIS COPY

DIRECTOR OF REGULATION
COMMUNICATIONS CONTROL

Form HQ-32 (1-73)
USAEC

HQ 200a (11-73)

NO. 75-2520 NRC LOGGING DATE April 2, 1975

~~AEC~~ SECRETARIAT

TO: ☐ COMMISSIONER DATE: 4/3/75
☐ GEN. MANAGER ☐ GEN. COUNSEL ☐ INFO. SERVICES
☐ DIR. REGULATION ☐ PLAN. & ANAL. ☐ SECRETARY
☒ Exec. Dir. for Operations

INCOMING FROM: John T. Kauffman
Pennsylvania Power & Light Company,
Allentown, Pa. 18101

DATE: 3/26/75 To: Chairman Anders

SUBJECT: Opposed to the delay in start-up of the NFS reprocessing plant

☒ PREPARE REPLY FOR SIGNATURE OF:
☐ CHAIRMAN
☐ COMMISSIONER
☐ GM, DR, GC, PA, IS, SECY
☐ SIGNATURE BLOCK OMITTED
x Exec. Director for Operations
☐ PLEASE RETURN ORIGINAL WITH RESPONSE

☐ FOR DIRECT REPLY

☒ SEND COPY OF REPLY TO: SUSPENSE DATE: 4/11/75
☒ SECY MAIL FACILITY (3).
☐ CHAIRMAN
☐ COMMISSIONERS
☐ SECRETARY

☐ FOR APPROPRIATE ACTION
☐ FOR INFORMATION
☐ FOR RECOMMENDATION

REMARKS: Cy to D&SS.
Note: See Secy ticket #75-2519, Rep. Yatron to Anders, dtd 3/31/75; also, Secy ticket #75-2147, Deuster to Anders (answered by EDO on 4/2/75).

FOR THE COMMISSION: [signature]

WHEN SEPARATED FROM ENCLOSURES HANDLE THIS DOCUMENT AS

EDO 8466

GPO 870-868 ACTION SLIP

H (2)

PP&L

TWO NORTH NINTH STREET, ALLENTOWN, PA. 18101 PHONE: (215) 821-5151

RECEIVED

'75 APR 1 PM 2:36

OFFICE OF THE SECRETARY

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

Rec'd Off. Dir.
4/4/75

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

John T. Kauffman
Vice President - System Power & Engineering

Distribution:

OGC Files (Beth/Gtown)
DR Central Files - 50-387 + 50-388
SECY Mail Facility (3) 74-5458
MARowden
AGiambusso
HKShapar
JMBecker
MGMalsch
RNewton
Gerrter (DR #7094)
LPDR
PDR
OCR (3)

JUN 5 1974

Honorable Daniel J. Flood
House of Representatives

Dear Mr. Flood:

This is in response to your inquiry regarding the impact of enactment of a bill introduced by Congressman Waldie on the construction of the Susquehanna Steam Electric Station, Units 1 and 2, by the Pennsylvania Power and Light Company near Berwick, Pennsylvania.

The bill referred to, H.R. 13716, was introduced on March 25, 1974. The bill would, if enacted, impose a moratorium on issuance of construction permits for civilian nuclear fission power plants by AEC until action by the Congress following a five year study and submission of a report on the nuclear fuel cycle by the Office of Technology Assessment. Since Pennsylvania Power and Light Company has already received construction permits for the Susquehanna nuclear power station, the prohibition would not apply and plant construction could proceed in the event H.R. 13716 were enacted in its present form.

A copy of AEC comments on a related bill, H.R. 11079, are enclosed for your information.

Sincerely,

Original signed by
William O. Doub

William O. Doub
Commissioner

Enclosure:
Comments on H.R. 11079

Copy sent PDR

LB

OFFICE	OGC	OGC	DR	OCR		HEARING
SURNAME	MGMalsch/ami HKShapar	MARowden	LGMuntzing			
DATE	05/29/74	05/31/74	05/31/74	05/3/74		

Form AEC-318 (Rev. 9-53) AECM 0240 GPO C43 16 81455-1 520-204

FEB 15 1974

Mr. Edward J. Bauser
Executive Director
Joint Committee on Atomic Energy
Congress of the United States

Dear Mr. Bauser:

This is in response to your request for AEC's comments on H.R. 11079, a bill "[t]o authorize an independent study of the civil nuclear power functions and special industrial operations of the Atomic Energy Commission".

AEC is strongly opposed to enactment of this bill. The bill would impose a moratorium on issuance of construction permits for nuclear power plants by AEC pending completion and submission of a report on civilian nuclear power by the National Academy of Sciences. Such a moratorium, which under the terms of the bill would last about one year, cannot be justified. The application of peaceful uses of nuclear fission to power generation has from the very beginning been subject to stringent licensing and regulation under the Atomic Energy Act of 1954, as amended. The safety record of the nuclear industry has been outstanding. Civilian nuclear power reactors have accumulated over 175 years of operation without a single radiation fatality and without resulting in exposure of any member of the public to radiation in excess of stringent radiation protection standards. The process of determining the acceptability of civilian nuclear power plants is more rigorous and more open to public participation than for any comparable industrial enterprise.

Furthermore, such a moratorium could have serious consequences in terms of meeting energy needs in the late 1970's and early 1980's. For example, present licensing review schedules indicate that should H.R. 11079 be enacted into law in March 1974, decisions on construction permit issuance for twenty-seven nuclear power reactors representing over twenty-seven million kilowatts of electric power could be affected by the moratorium.

We question whether a study of civilian nuclear power conducted by the National Academy of Sciences under an arrangement with the Joint Committee as called for by H.R. 11079 is needed at this time. Extensive hearings on this subject were conducted by the Joint Committee on Atomic Energy recently in 1969, 1970, 1971 and 1972, and hearings are currently in progress before the

Joint Committee on this subject. In addition, AEC has recently completed a comprehensive study on this subject entitled "The Safety of Nuclear Power Reactors and Related Facilities", WASH-1250, July 1973.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

/s/

Chairman

Distribution:
Commissioners (4)
Chairman (2)
OGC Files (Beth/Gtown)
DR Reading File
DR (2)
OCR (3)
EAGM
HBRagan
HKShapar
MGMalsch

SEE THE ATTACHED YELLOW FOR PREVIOUS CONCURRENCE

OGC	OGC	DL	DR	OCR
MGMalsch/jml				
HKShapar		JFO'Leary	LMMuntzing	