July 16, 1979

DR DONALD F KNUTH President

Mr. Samuel J. Chilk Secretary of the Commission U.S. Nuclear Regulatory Commission Washington, D.C. 20555

Dear Mr. Chilk:

On February 8, 1979, the Commission voted to delay the implementation date of February 23, 1979, for requiring pat-down searches of regular utility employees until August 1, 1979. The Commission action also provided that in order to allow more time to review the Hearing Board's recommendations on the R&U Clearances, that the staff not implement their interpretations for two-man rule and compartmentalization prior to August 1, 1979. On April 2, 1979, the Hearing Board issued its recommendations on the R&U Clearance program which, in summary, did not recommend adoption of the clearance rule; rather, indicated that an industry conducted screening program would be more appropriate. We believe the Commission should defer for an indefinite period the implementation of pat-down searches and imposition of such interpretations as two-man rule pending resolution of the Hearing Board's recommendations.

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The justifications which the Commission set forth in delaying the implementation date to August 1, 1979, are still valid and support a further deferral. Those reasons included the recognized value of a material access authorization program or its equivalent in protecting against the insider, the need to avoid an interim solution to the "insider threat" which might not be cost-effective, and the fact that compliance has generally been achieved for the other requirements of 10 CFR 73.55. In addition, it should be noted that the Hearing Board found that the record did not support the assertion that there is a serious risk to the common defense and security of the nation or a significant threat to the health and safety of the general public, as a consequence of an act of sabotage or theft at a nuclear power plant.

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Recognizing the general agreement on the need for some degree of reliability screening, see Hearing Board Report, p. 37, a 26-member utility group has been working to develop an appropriate screening program. Preliminary discussions have been held with the staff and we anticipate further meetings in the near future. We would hope to be able to agree with the staff upon the framework of an acceptable program.

Based on the considerations set forth above, we believe the Commission should indefinitely postpone implementation of employee pat-down searches and imposition of interpretations requiring two-man rule. We would be pleased to meet with the Commission and discuss our views should there be any questions.

Donne F Knuth

Donald F. Knuth

cc: Jim Miller Bob Purple

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