



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
WASHINGTON, D.C. 20460

26 FEB 1979

OFFICE OF THE  
ADMINISTRATOR

Mr. Robert C. DeYoung  
Director  
Division of Site Safety & Environmental  
Analysis  
Office of Nuclear Reactor Regulations  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555

58-437

Dear Mr. DeYoung:

The Environmental Protection Agency has reviewed the final environmental impact statement (EIS) related to the manufacture of Floating Nuclear Power Plants -- Part III.

Throughout this multi-EIS process there has been a continuing dialogue between EPA and NRC concerning siting of FNP's in estuarine and barrier island areas. Our major concern has been that prospective applicants for licenses to construct FNP's in these sensitive areas be made aware of the difficulties involved. By emphasizing these concerns at this stage in the FNP licensing process, we hope to avoid future time consuming and non-productive debate on inappropriate site proposals.

To this end we are pleased that the NRC staff has concluded that "...finding acceptable FNP sites in estuaries, rivers or near barrier islands will most likely be extremely difficult..." and has specified a series of requirements that must be met before a site specific application will be processed beyond the Environmental Report stage. We believe that rigorous and complete fulfillment of these requirements is essential for the protection of these areas. EPA intends to work closely with NRC in the detailed review of all such information.

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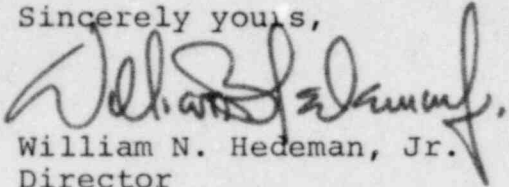
To insure the complete success of this process, however, we believe that prospective purchasers of FNP's should be advised to work with EPA and NRC to determine site suitability before final commitment to purchase.

With respect to the radioactive release potential from FNP's, the FEIS compares the risks and consequences of accidents involving FNP's versus land based plants (LBP). We agree that the risks for FNP and LBP are similar, but maintain that the consequences of accidents beyond the design basis (core melt-through of containment) are significantly greater for an FNP, at least through the liquid pathway.

Much of the discussion in the FEIS reflects conclusions of the Reactor Safety Study (WASH 1400), commonly known as the Rasmussen Report. In view of the recent NRC agreement with long-standing criticisms of the Rasmussen Report, the accuracy of the final EIS is questioned. Particularly noteworthy, the executive summary of the Rasmussen Report did not reflect the adverse consequences described in the body of the report. Similarly, the Summary and Conclusions in this FEIS does not, in our opinion, give the clearest picture of the consequences of a core meltdown. For example, on page xii it is stated that "The monetized risk of radioactive release to the liquid pathway from core-melt accidents at an FNP for the most likely case is low and over the lifetime of the plant represents...about \$3 to 65 million ...for the estuarine site." The reader is not cautioned that "monetized risk" refers to the cost of the event adjusted to its probability. As stated in the text (page 3-43 and 3-53) the unadjusted cost of a core-melt in an estuary might run into the tens of billions of dollars, and might require restrictions on fishing and other water uses for up to one hundred years. We believe that such unadjusted costs should be highlighted during final deliberations by the Commission on this license application.

We look forward to a continued close working relationship with you in the implementation of your recommendation.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "William N. Hedeman, Jr.", written in a cursive style.

William N. Hedeman, Jr.  
Director  
Office of Federal Activities (A-104)

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