



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

MAR 19 1980

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Ms. Dorothy Funderud
Remer, Minnesota 56672

Dear Ms. Funderud:

This is in reply to your letter of December 27, 1979, to President Carter, which was referred to the Nuclear Regulatory Commission by the Department of Energy on January 25, 1980.

President Carter's views on nuclear power are given in the enclosed statement of December 7, 1979, by him on the Kemeny Commission report on Three Mile Island.

The Three Mile Island accident resulted in a need for changes in the approach to safety. Some changes have been made and an action plan is being prepared for additional changes. I assure you that every effort is being made to protect the public health and safety at all nuclear power plants currently in operation and those that may begin operation in the future.

Sincerely,

A handwritten signature in dark ink, appearing to read "H. R. Denton".

Harold R. Denton, Director
Office of Nuclear Reactor
Regulation

Enclosure:
Statement by the President On The
Kemeny Commission Report on Three
Mile Island

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DECEMBER 7, 1979

OFFICE OF THE WHITE HOUSE PRESS SECRETARY

THE WHITE HOUSE

STATEMENT BY THE PRESIDENT ON THE KEMENY COMMISSION
REPORT ON THREE MILE ISLAND

Room 450, Old Executive Office Building

(AT 2:45 P.M. EST)

THE PRESIDENT: The purpose of this brief statement this afternoon is to outline to you and to the public, both in this country and in other nations of the world, my own assessment of the Kemeny Report recommendations on the Three Mile Island accident and I would like to add, of course, in the presentation some thoughts and actions of my own.

I have reviewed the report of the Commission, which I established to investigate the accident at the Three Mile Island nuclear power plant. The Commission, headed by Dr. John Kemeny, found very serious shortcomings in the way that both the Government and the utility industry regulate and manage nuclear power.

The steps that I am taking today will help to assure that nuclear power plants are operated safely. Safety, as it always has been and will remain, is my top priority. As I have said before, in this country nuclear power is an energy source of last resort. By this I meant that as we reach our goals on conservation, on the direct use of coal, on development of solar power and synthetic fuels, and enhanced production of American oil and natural gas, as we reach those goals, then we can minimize our reliance on nuclear power.

Many of our foreign allies must place much greater reliance than we do on nuclear power, because they do not have the vast natural resources that give us so many alternatives. We must get on with the job of developing alternative energy resources and we must also pass, in order to do this, the legislation that I have proposed to the Congress, making an effort at every level of society to conserve energy. To conserve energy and to develop energy resources in our country are the two basic answers for which we are seeking. But we cannot shut the door on nuclear power for the United States.

The recent events in Iran have shown us the clear, stark dangers that excessive dependence on imported oil holds for our nation. We must make every effort to lead this country to energy security. Every domestic energy source, including nuclear power, is critical if we are to be free as a country from our present over-dependence on unstable and uncertain sources of high priced foreign oil.

We do not have the luxury of abandoning nuclear power or imposing a lengthy moratorium on its further use. A nuclear power plant can displace 35,000 barrels of oil per day, or roughly 13 million barrels of oil per year. We must take every possible step to increase the safety of nuclear power production. I agree fully with the letter and the spirit and the intent of the Kemeny Commission recommendations, some of which are within my own power to implement, others of which rely on the Nuclear Regulatory Commission, or the NRC, or the utility industry itself.

To get the Government's own house in order I will take

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several steps. First, I will send to the Congress a reorganization plan to strengthen the role of the Chairman of the NRC, to clarify assignment of authority and responsibility and provide this person with the power to act on a daily basis as a chief executive officer, with authority to put needed safety requirements in place and to implement better procedures. The Chairman must be able to select key personnel and to act on behalf of the Commission during any emergency.

Second, I intend to appoint a new Chairperson of the Nuclear Regulatory Commission, someone from outside that agency, in the spirit of the Kemeny Commission recommendation. In the meantime, I have asked Commissioner Ahearne, now on the NRC, to serve as the Chairman. Mr. Ahearne will stress safety and the prompt implementation of the needed reforms.

In addition, I will establish an independent advisory committee to help keep me and the public of the United States informed of the progress of the NRC and the industry in achieving and in making clear the recommendations that nuclear power will be safer.

Third, I am transferring responsibility to the Federal Emergency Management Agency, the FEMA, to head up all off-site emergency activities, and to complete a thorough review of emergency plans in all the states of our country with operating nuclear reactors by June, 1980.

Fourth, I have directed the Nuclear Regulatory Commission and the other agencies of the Government to accelerate our program to place a resident Federal inspector at every reactor site.

Fifth, I am asking all relevant Government agencies to implement virtually all of the other recommendations of the Kemeny Commission. I believe there were 44 in all. A detailed factsheet is being issued to the public and a more extended briefing will be given to the press this afternoon.

With clear leadership and improved organization, the Executive Branch of Government and the NRC will be better able to act quickly on the crucial issues of improved training and standards, safety procedures, and the other Kemeny Commission recommendations. But responsibility to make nuclear power safer does not stop with the Federal Government. In fact, the primary day by day responsibility for safety rests with utility company management and with suppliers of nuclear equipment. There is no substitute for technically qualified and committed people working on the construction, the operation, and the inspection of nuclear power plants.

Personal responsibility must be stressed. Some one person must always be designated as in charge, both at the corporate level and also at the power plant site. The industry owes it to the American people to strengthen its commitment to safety.

I call on the utilities to implement the following changes; first, building on the steps already taken, the industry must organize itself to develop enhanced standards for safe design, operation, and construction of plants; second, the nuclear industry must work together to develop and to maintain in operation a comprehensive training, examination, and evaluation program for operators and for supervisors. This training program must pass muster with the NRC through accreditation of the training programs to be established.

Third, control rooms in nuclear power plants must be modernized, standardized, and simplified as much as possible, to permit

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better informed decision-making among regular operating hours and, of course, during emergencies.

I challenge our utility companies to bend every effort to improve the safety of nuclear power.

Finally, I would like to discuss how we manage this transition period during which the Kemeny recommendations are being implemented. There are a number of new nuclear plants now awaiting operating licenses or construction permits. Under law, the Nuclear Regulatory Commission is an independent agency. Licensing decisions rest with the Nuclear Regulatory Commission, and as the Kemeny Commission noted, it has the authority to proceed with licensing these plants on a case by case basis, which may be used as circumstances surrounding a plant or its application dictate.

The NRC has indicated, however, that it will pause in issuing any new licenses and construction permits in order to devote its full attention to putting its own house in order and tightening up safety requirements. I endorse this approach which the NRC has adopted, but I urge the NRC to complete its work as quickly as possible and in no event later than six months from today. Once we have instituted the necessary reforms to assure safety, we must resume the licensing process promptly so that the new plants we need to reduce our dependence on foreign oil can be built and operated.

The steps I am announcing today will help to insure the safety of nuclear plants. Nuclear power does have a future in the United States. It is an option that we must keep open. I will join with the utilities and their suppliers, the Nuclear Regulatory Commission, the executive departments and agencies of the Federal Government, and also the state and local governments to assure that the future is a safe one.

Now Dr. Frank Press, Stu Eizenstat, and John Deutsch will be glad to answer your questions about these decisions and about nuclear power and the future of it in our country. Frank?

END

(AT 3:00 P.M. EST)