June 23, 1980

Honorable Richard T. Kennedy Commissioner U.S. Nuclear Regulatory Commission Matomic Building 1717 H Street, NW Washington, D.C. 20555

Dear Dick:

Thank you for the additional information on the civilian nuclear power industry. I hope you are right in your assessment that TMI will ultimately lead to a "rebirth of a vigorous and increasingly safe technology."

I, too, truly believe that nuclear power is vital to the energy needs of the United States and even more important to the vast majority of the world. I also believe that a well-regulated, well-operated, nuclear plant presents a very low level of risk to even the employes in the plant, and a far smaller risk to the general public in the area. The key to our future success will be how well we each do our job ... regulation by the NRC and operation by the utility. As I have said before, we must keep all of our efforts in perspective and avoid diverting our limited talents chasing ghosts and worrying about the "once in a never" event. We must somehow restore realism with a reasonable safety factor as our guide instead of the worst case anyone can imagine. Unfortunately, some of that thinking seems to persist. I was thinking of the comment by Chairman Ahearne during the NSAC session last week concerning consequences of the operators continually doing the wrong thing. Even at TMI they didn't do everything wrong. In fact, they did most things right. Our efforts since then, I believe, have come a long way towards assuring they will respond better. Another area the regulators (especially the top management) must consider is the urgency of each new issue. It seems to me we have gone from one crisis to another for the last several years. As a result, we are constantly fighting fires. The most critical issues change from month to month and have gone from fire protection, security, ALARA, and transportation,

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to, in the last year, the many bulletins and orders and short-term lessons all with top priority. We will have expended over \$40 million on short-term lessons learned and bulletins and orders work by the end of this year, with roughly \$15 million to be carried into next year. Those dollars represent a lot of manhours and manpower directed toward many issues. This diversion of manpower and dollars is the main reason we have had to delay our Byron and Braidwood units, again. Unfortunately, there seems little hope that these fire fighting exercises will diminish.

You and others have been very complimentary of the NSAC and INPO organizations, but have expressed some concern about their fulfilling their promise. Let me say that their success will depend as much on the NRC as it does upon the industry. Somehow the NRC must allow them to work and must avoid duplicating or increasing everything they do. If all of these efforts merely end up being the base upon which the NRC adds its additional requirements, they too will go the way of many previous efforts in the standards area. The industry is often criticized for only doing what is required. I don't believe that, but where it does happen I am sure it is because we believe that the NRC will only require something beyond what is done or capable in the future, without a true determination of the value received.

Let me conclude by saying that the four most significant lessons learned from TMI mentioned in your Uruguay speech have been and are actively being pursued by the industry. If we can continue the cooperative effort which has developed between industry and the NRC staff in the past year, I believe we can develop meaningful and timely efforts to correct all four insufficiencies. One other area needing attention is the related to the enforcement program. The industry will try to work with the staff to develop a program that produces the desired performance without making a spectacle or a martyr of individual employes or companies. I find it hard to believe we will ever be able to convince the public that nuclear power is safe if the proposed enforcement plan is implemented.

Thanks once again for the opportunity to comment.

Sincerely,

Byron Lee, Jr.

Executive Vice-President