cc: L. Gossick

L. Bickwit

J. Fitzgerald

A. Kenneke S. Chilk

C. Kammerer

H. Denton

V. Stello

S. Levine

W. Dircks

R. Minogue

H. Shapar

N. Haller

J. Shea R. Ryan M. Rogovin



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

August 28, 1979

MEMORANDUM FOR: Chairman Hendrie

Commissioner Gilinsky Commissioner Kennedy Commissioner Bradford Commissioner Ahearne

THRU:

Original signed by James J. Cummings, Director Jemes J. Cummings

Office of Inspector and Auditor

FROM:

Corenthis Kelley, Inspector/Auditor /s/

Office of Inspector and Auditor

SUBJECT:

HEARINGS HELD BY THE PRESIDENT'S COMMISSION ON THE

ACCIDENT AT THREE MILE ISLAND

The President's Commission on the Accident at Three Mile Island (TMI) held its sixth session of public hearings on the campus of Georgetown University on August 21-23. This is believed by some Commission staff members to have been the last session of public hearings. The Commission had not voted on that measure as of the conclusion of the hearings. This session of hearings featured the Governor of Pennsylvania, NRC officials and an attorney for an intervenor. The hearing agenda is shown as Attachment 1.

Testifying on the morning of August 21, Pennsylvania Governor Thornburgh explained how he came about issuing an advisory for pregnant women and small children on March 30. His statements on this matter were essentially the same as those made previously by other witnesses from the State of Pennsylvania. Governor Thornburgh told of inconsistencies and confusion in the information he was receiving prior to the arrival of Harold Denton, Director, Office of Nuclear Reactor Regulation (NRR), NRC. He added he was more satisfied with NRC as a source of information after Friday, March 30.

Many of the Commissioners pursued Governor Thornburgh's reasons for not ordering an evacuation especially since there were inconsistencies in the information he was receiving. Also, many Commissioners did not

appear to have much appreciation for Governor Thornburgh's reasons for not ordering an evacuation.

The testimony of Joseph LaFleur, Jr., Deputy Director, Office of International Programs, NRC, primarily concerned a 1974 incident at a Westinghouse plant in Switzerland and the exchange of information between the United States and foreign countries. The Commission drew similarities in the Beznau incident and the event at TMI. It was pointed out that Westinghouse did not report the Switzerland incident at the Beznau plant until April 1979. Cording to LaFleur, Westinghouse was under no obligation to report the incident to NRC at the time it happened because the incident preceded the establishment of requirements for domestic vendors to disclose events involving reactors in foreign countries. (See Attachments 2 and 3 respectively for LaFleur's statement and the Westinghouse report on the 1974 Beznau incident.)

The Commission asked many questions on the possible impact earlier disclosure of the Beznau incident would have had on NRC with regard to applying "coincidence logic." It was LaFleur's belief that "coincidence logic" would not have been eliminated in the United States in 1974 even if the Beznau incident had been reported to NRC.

LaFleur stated foreign countries are not as liberal as the United States at disclosing information surrounding events at power plants. He added that in many cases the only way NRC gets the information is with a promise to protect; the confidentiality of the documents.

During his testimony, James Creswell, Reactor Inspector, Region III, NRC, related alleged frustration he experienced with trying to surface what he considered to be serious safety concerns as a result of the 1977 Davis Besse incident. Creswell explained the sequence of events with regard to his efforts to surface his concerns and essentially relayed a message that NRC is reluctant to come to grips with safety issues. Creswell used the experiences of Robert Pollard, former NRC employee, James Conran, NRR, and Daniel Sternberg, Region V, NRC, to substantiate his position. Creswell used Conran and Pollard as examples of his feeling that to surface and actively pursue safety issues may ultimately mean not working for NRC or being placed in other organizations. He added his last performance appraisal was not positive and drew a subtle connection between his pursuit of trying to satisfactorily resolve his concerns and the negative comments in his performance appraisal. Creswell said he has had no problems working for NRC since TMI.

Creswell was queried on the approach he decided to take for trying to resolve his concerns. He stated he felt bringing his concerns to the attention of the licensing boards would be the quickest way to resolve

them. He again used the experience of Sternberg to support his feelings. (See Attachment 4 for memoranda conveying information to licensing boards.) When asked why he chose to discuss his concerns with Commissioners Bradford and Ahearne instead of Chairman Hendrie or Commissioners Gilinsky and Kennedy, Creswell responded he chose Commissioner Bradford because of his balance and Commissioner Ahearne because he has a reputation for pursuing technical questions.

Creswell was asked whether he thinks it would do any good if the President's Commission would make recommendations to change the structure of NRC yet have the same people in charge; he responded, there have been many reorganizations within NRC and the Commission should study the effects of those reorganizations and judge the benefits for itself.

Jesse Ebersole, member, Advisory Committee on Reactor Safeguards (ACRS): NRC, testified that the ACRS relies heavily on the NRC staff for support and answers to questions. He added sometimes the answers are of low quality and gave question 6 of a list of 26 questions he raised with regard to the Pebble Springs plant as an example. (See Attachment 5 for the list of questions.)

Ebersole stated the safety evaluation reports (SER) are NRC's primary vehicle for bringing safety issues to the attention of the ACRS, but the SERs' tend to obscure safety issues rather than highlight them.

Much of Ebersole's testimony related to the Michelson report and the degree of consideration given to the issues the report raised. Ebersole stated that for personal reasons he was unable to follow up on the issues raised in the Michelson report and that he gave a copy of the report to Sanford Israel, NRR, NRC.

Ebersole was asked whether NRC is sympathetic to economic concerns of licensees when it comes to establishing safety requirements. He responded negatively and added that where generic issues are concerned NRC does not bring the burden to bear on licensees.

The testimony of Paul Collins, Chief, Operator Licensing Branch, Office of Assistant Director for Quality Assurance and Operations, NRF NRC, related primarily to the training of operators and the human/ma ine interface. Collins stated there is no regulation requiring that severe transient information be incorporated in training programs. According to Collins, NRC essentially leaves operator training to the licensees with a minimal amount of policing from NRC. Collins' answers to many questions left the impression that NRC does not adequately evaluate the training programs of licensees or the examinations given to operators. He indicated that the TMI accident demonstrated a need for change in the operator training area and told of some things that are being done to effect that change. Collins emphasized that his staff consists of nine full-time employees and 22 part-time employees with no experience in operator training. He added the NRC has given some hope that this situation will change.

During his testimony, Roger Mattson, Director, Division of Systems Safety, NRR, NRC, responded to questions concerning many TMI-related topics. He stated the Standard Review Plan calls for isolation of containment to be triggered on two signals and that TMI-2 was not bound by that requirement at the time of the accident. In responding to a question Mattson stated the case of implementing a new regulation is weighed against the incremental gain in safety.

In response to questions on the Michelson report, Mattson stated the training and procedures incorporating the issues in the Michelson report could have prevented the TMI accident.

After an extensive line of "who recommended what" type questioning, the Commission requested written clarification on the basis for Chairman Hendrie's recommendation to Governor Thornburgh concerning an evacuation.

Mattson commented on Creswell's testimony by stating Creswell's picture is not shared by him (Mattson). He added he encourages free flow of dissenting views in his office and pointed out that a review by the U. S. General Accounting Office found about 95 percent of the staff said they felt free to raise issues.

The planned hearing schedule and line of questioning were disrupted on August 23 when the President's Commission allegedly first became aware of Haroid Denton's intent to resume the licensing review process. Denton was questioned about three hours on such topics as the basis for his decision to recommend resumption of licensing reviews, the substance of Denton's August 20 memorandum to the NRC Commissioners (see Attachment 6), the recommendations of the Lessons Learned Task Force and whether Denton's recommendation to resume licensing reviews forecloses any recommendations that will be made by the various groups investigating the TMI incident. The Commission seemed outraged over an account of an interview with Denton which appeared in the Washington Post on August 23 and over Denton's August 20 memorandum to the NRC Commissioners.

Denton thoroughly explained his reasoning for his decision to resume licensing reviews and emphasized that such decisions have to be made based on what is available to him now. He pointed out that resuming the licensing process does not foreclose any future recommendations and that such recommendations will be given complete consideration. Denton further stated that if based on future information it is determined that there is a need for change, revocation of a license or other appropriate action, such would be taken without hesitation.

The Commission members seemed astonished that they were not notified of Denton's intent prior to reading it in the paper or prior to the August 20

memorandum being placed in NRC's public document room. This seemed to be the source of much of their dissatisfaction. Commissioner Lewis viewed Denton's decision as an act of NRC thumbing its nose at the President's Commission. This type attitude appeared prevalent among the Commission members.

Denton pointed out that his decision to resume the licensing process merely rescinds action he took about three months ago to put a moratorium on the licensing process pending the conclusion of the Lessons Learned Task Force investigation. He added he now has the recommendations of the task force and has incorporated them into the licensing process and on that basis decided to rescind his actions of three months ago.

Denton was asked to submit a copy of all memoranda between himself and the NRC Commissioners concerning the licensing process from the time of the moratorium until present.

At the conclusion of intense questioning of Denton, the Commission voted unanimously to subpoena one or all of the NRC Commissioners to appear before the President's Commission on the afternoon of August 23.

The Commission members were much less emotional during the testimony of Commissioner Kennedy who testified on the afternoon of August 23. Prior to Commissioner Kennedy's testimony, Denton was recalled and stated he was postponing action on his memorandum until the NRC Commissioners have had a chance to review his proposal.

Commissioner Kennedy explained his perception of Denton's August 20 memorandum and apologized to the President's Commission for not providing the Commission a copy prior to public release of the memorandum. Commissioner Kennedy reiterated parts of Denton's testimony and assured the Commission that their recommendations would be taken with complete seriousness. He also stated he would relay the concerns of the President's Commission to the other NRC Commissioners. (See Attachment 7 for the Commission's request of the NRC Commissioners.)

The testimony of Victor Stello, Director, Office of Inspection and Enforcement, NRC, related to many topics with emphasis on the power of the Director, Division of Operating Reactors, NRR, NRC, to grant exemptions to NRC regulations to licensees. The Commission was interested in the basis for and the frequency of exemptions to regulations and whether the granting of an exemption requires Commission approval.

Stello testified he believed there have been about 50 exemptions issued since the inception of NRC and that all exemptions require compensating measures to replace the application of the regulation.

The Commission asked many questions concerning an exemption for TMI-1 to a regulation relating to the emergency core cooling system (a copy of

August 28, 1979

the exemption is shown in Attachment 8). Stello was asked to submit the procedure a modification goes through and a description of any regulations that cannot be waived. (Attachment 9 was entered into the record during Stello's testimony.)

Stello indicated he wished to comment on the Creswell testimony but was asked by Chairman Kemeny to submit his comments in writing.

Throughout the testimonies of NRC officials the Commission members spoke of a "mind-set" on the part of NRC officials which directed their safety-related attention to equipment/hardware. The Commission was concerned that the "mind-set" caused NRC officials to essentially ignore the human/ machine interface.

Concluding a long day of hearings was Anthony Roisman, Staff Attorney, Natural Resources Defense Council, who tried to discredit NRC and the testimony of NRC officials before the President's Commission. Roisman stated NRC frequently misleads its audience and that NRC witnesses had tried to mislead the President's Commission during their testimonies. He added NRC staff documents often contain conclusions but no analysis and that Denton's August 20 memorandum is an example of such documents.

According to Roisman, NRC is an advocate of nuclear energy and the licensing process is inadequate. He added NRC, which he is no lover of, has had its knocks because of political reasons of which it has little control.

Roisman's testimony was filled with, what he termed, inadequacies of NRC and he offered his prepared statement for the record (see Attachment 10).

During the lunch break on August 22 and 23, Chairman Kemeny held press conferences. Kemeny answered many questions posed by the press. In responding to one question, Kemeny stated if the NRC Commissioners should decide to go ahead with the licensing process as recommended by Denton, the President's Commission may decide to provide President Carter with interim recommendations. In his answer to another question, Kemeny said he is suspicious that there is intentional significance to the timing of releases of major NRC documents on the hearing days of the President's Commission.

Kemeny indicated that if NRC officials such as Denton, were reading the transcripts of the Commission's hearings they would know that the President's Commission's silence did not give consent in the case of the Lessons Learned Task Force report.

Attachments 11-14 were available in the press room during the hearings.

Attachments: As stated above.

POOR ORIGINAL

FOR IMMEDIATE RELEASE

CONTACT: Mary Beth Franklin,

Wilma Hill, Holly Chaapel

(202) 653-7677

August 15, 1979

AGENDA SET FOR COMMISSION HEARINGS,

AUGUST 21-23

The agenda for the August 21-23 public hearings of the President's Commission on the Accident at Three Mile Island is as follows:

Tuesday, August 21, 1979, 9:00 a.m. - 10:30 a.m.

Richard Thornburgh - Governor of Pennsylvania

Wednesday, August 22, 1979, 9:00 a.m. - 6:00 p.m.

Joseph D. LaFleur, Jr. - Deputy Director of Office of International Programs and Assistant Director for International Cooperation, Nuclear Regulatory Commission (NRC)

James S. Creswell - Reactor Inspector, Region III, NRC

Jesse C. Ebersole - Member, Advisory Committee on Reactor Safeguards, NRC

Paul F. Collins - Chief, Operator Licensing Branch, Office of Assistant Director for Quality Assurance and Operations, NRC

Roger J. Mattson - Director, Division of Systems Safety, Office of Nuclear Reactor Regulation, NRC,

Thursday, August 23, 1979, 9:00 a.m. - 1:00 p.m.

Harold R. Denton - Director, Office of Nuclear Reactor
Regulation, NRC

Victor Stello, Jr. - Director, Office of Inspection and Enforcement, NRC

Anthony Z. Roisman - Staff Attorney, Natural Resources
Defense Council

The hearings will be held in the Hall of Nations, Edmund Walsh Building, Georgetown University, N Street, N.W., between 36th and Prospect Streets, N.W., Washington, D.C. Commission Chairman John G. Kemeny will meet with reporters during the lunch break on Wednesday, August 22, and after the hearing adjourns on Thursday, August 23.

A press room, with typewriters and telephones, will be maintained throughout the hearings. Roisman is expected to present a prepared statement. Copies of it and any materials introduced into the Commission's hearing record will be available to reporters at the time of their presentation.

POOR CANDANIA.

ISSUES OF LWR'S DURING RECENT YEARS HAVE BEEN ADDRESSED IN THIS COUNTRY AND OVERSEAS WITH THE BENEFIT OF BILATERAL INTERNATIONAL CONSULTATION BETWEEN THE US AND OTHER COUNTRIES EXPERIENCING SIMILAR PROBLEMS.

A WORD ABOUT THE QUESTION OF PUBLIC DISCLOSURE: A SMALL PART-I BELIEVE ABOUT FIVE PERCENT -- OF THE FOREIGN INFORMATION WE RECEIVE IS GIVEN TO NRC ONLY UNDER THE CONDITION THAT IT NOT BE PUBLICLY DISCLOSED. OTHER COUNTRIES DO NOT HAVE THE SAME RULES AS NRC REQUIRING PUBLIC DISCLOSURE OF REGULATORY AND SAFETY INFORMATION. IN FACT, SOME FOREIGN GOVERNMENT AGENCIES ARE NOT PERMITTED TO MAKE RELEASE CERTAIN CLASSES OF INFORMATION, AND THEY CAN GIVE US SUCH INFORMATION SCMETIMES ONLY UNDER THE CONDITION THAT WE AGREE NOT TO DISCLOSE IT PUBLICLY. WE RECEIVE SOME INFORMATION UNDER THIS CONDITION. IF WE CHOSE NOT TO ACCEPT THIS CONDITION, THEY WOULD NOT GIVE IT TO US AT ALL, AND THUS WOULD DEPRIVE OURSELVES OF THE BENEFIT OF IT IN OUR SAFETY WORK. WE GENERALLY WOULD CHOOSE INSTEAD TO ACCEPT SUCH CONFIDENTIAL INFORMATION AND TO PROTECT IT. I SHOULD NOTE THAT, DESPITE ITS CONFIDENTIALITY SUCH INFORMATION CAN ALERT US TO NEW SAFETY ISSUES OR, COMBINED WITH DOMESTIC INFORMATION, CAN TEACH US MORE ABOUT KNOWN PROBLEMS. WE, OF COURSE, ARE FREE TO USE THE INFORMATION AS A BASIS FOR INSTRUCTIONS TO OUR LICENSEES TO TAKE CERTAIN PRECAUTIONARY MEASURES, IF THAT IS DEEMED WORD OF THE COCURENCE APPROPRIATE. WE MIGHT PROTECT THE DETAILS OR EVEN THE PRESENTE OF A FOREIGN ACCIDENT, IF NECESSARY! BUT THIS WOULD NOT DETRACT FROM TAKING ACTIONS IN THE US CA THE BASIS OF THAT INFORMATION.

IN SUMMARY, I BELIEVE THAT EFFECTIVE INTERNATIONAL RELATIONSHIPS ARE BEING DEVELOPED IN OUR EXCHANGES OF SAFETY INFORMATION. I HOPE THAT AS THE EXCHANGE SYSTEM IS PERFECTED, FOREIGN CONTRIBUTIONS CAN BE INCREASED TO THE POINT WHERE FULL USE CAN BE MADE OF ALL SIGNIFICANT FOREIGN EXPERIENCE.

MR. CHAIRMAN, LADIES AND GENTLEMEN OF THE PRESIDENTIAL COMMISSION:

I UNDERSTAND TODAY I AM TO PROVIDE INFORMATION ON THE INTERNATIONAL RELATIONS
PROGRAM OF THE NRC, ESPECIALLY AS IT PERTAINS TO THE EXCHANGE OF REACTOR
OPERATING EXPERIENCE WITH THE OTHER COUNTRIES.

OVER THE PAST SEVERAL YEARS, BILATERAL EXCHANGE ARRANGEMENTS HAVE BEEN SIGNED WITH 17 COUNTRIES. THESE ARRANGEMENTS CONTAIN COMMITMENTS FOR THE TWO PARTIES TO COOPERATE IN SHARING REGULATORY INFORMATION. THE 17 EXCHANGE ARRANGEMENTS ARRANGEMENTS INCLUDE CAMES WITH JAPAN, GERMANY, FRANCE, SWEDEN, ITALY, SPAIN AND SWITZERLAND, IN SHORT THE WESTERN COUNTRIES HAVING EXTENSIVE LIGHT WATER REACTOR EXPERIENCE. UNDER THESE ARRANGEMENTS WE CONDUCT A CONTINUING DIALOGUE CONCERNING SAFETY PROBLEMS AND ISSUES. WE EXCHANGE SCORES OF TECHNICAL VISITS EACH YEAR AND HUNDREDS OF REPORTS AND OTHER COMMUNICATIONS.

WE ALSO EXCHANGE INFORMATION ON INDIVIDUAL OPERATING EVENTS AND INCIDENTS.

IN THE U.S., THE SYSTEM OF REPORTING EVENTS, USING THE LICENSEE EVENT

REPORTS (LER), WHICH ARE MADE A MATTER OF PUBLIC RECORD, IS WELL ESTABLISHED.

A COMPUTERIZED, LIST SUMMARY OF THESE EVENTS IS SENT MONTHLY TO EACH OF THE

ARRANGEMENT COUNTRIES.

ALTHOUGH FOREIGN COUNTRIES DO NOT COLLECT AND PROVIDE TO US COMPARABLE INFORMATION IN A FORMAT SIMILAR THAT OF THE U.S. LER SYSTEM WE DO RECEIVE FROM SOME
A SIGNIFICANT AMOUNT OF INFORMATION ON THEIR OPERATING EVENTS, ESPECIALLY THOSE
OF RELATIVE SIGNIFICANCE. THIS INFORMATION IS DISTRIBUTED TO INTERESTED NRC
STAFF OFFICES. THROUGH THIS ROUTE THE EXPERIENCE OF MANY IMPORTANT OVERSEAS
OPERATING EVENTS HAS BEEN SHARED WITH NRC. SEVERAL IMPORTANT GENERIC SAFETY

POOR ORIGINAL

The following statement was issued by the Westinghouse Electric Corp. at its headquarters in Pittsburgh this afternoon (Wednesday, Aug. 22):

In 1974, Westinghouse received a report from the Swiss utility NOK that the Beznau reactor near Baden, Switzerland, had undergone a transient as a result of the trip of one of the main turbines which generates the electrical trip output of the plant. This turbine/resulted in the operation of the pressurizer power-operated relief valve. When a mechanizal failure of one of the relief valves caused it to remain open, the operators recognized the situation and isolated the open relief valve within 3 to 4 minutes, according to established procedures.

The plant was shut down, necessary inspections and repairs made, and the plant returned to operation. During this event and following it there was no violation of established procedures and all safety systems operated as expected.

Based on the Swiss atthities utility's report and evaluation by Westinghouse engineers, it was concluded that there was no generic safety issue
raised by this event. Therefore, Westinghouse did not report the event to
the NRC.

Contact: Gens Curella, Westinghouse, 412-255-5866.

Westinghouse n. - 2= Sia - . 1 Nuclear Europe APR 13 1979

To : O.A. Wilson (with att.)

(3 copies) Date : T. Cecchi

cc : F. Noon (with att.)

Ref

: September 4, 1974

: SA/251

THREE MILE ISLAND COMMISSION

H. Cordle (with att.)

D. ten Wolde (with att.)

A. Hall (with att.)

T. Currie (with att.)

J.P. Lafaille (with att.)

R. Galletly (with att.)

R. Lehr (with att.) Pitts.

J.D. Mcadoo (with att.) Pitts.

A. Weaving (w/o att.)

W.B. Thee (w/o att.)

R.L. Cloud (with att.) W. Rockenhauser (with att.)

SUBJECT : TECHNICAL REPORT ON NOK 1 INCIDENT OF AUGUST 20, 1974

References (1) Telex SE-G-74-195 (8/28/74) to NOK by H. Cordle

(2) Letter (8/27/74) NKA-3940 from L. Barshaw.

You will find attached the technical report on NOK 1 Incident of August 20, 1974 prepared by WNE inspection team who went to Beznau on August 23.

This report, which should be sent to Beznau, summarizes our observations on the course of the transient, the damage as we viewed it, our calculations and conclusions.

Despite what is indicated in the referenced (2) letter, in order to have a more complete report, we added some recommendations for future changes.

SYSTEMS ANALYSIS

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