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

JAN 9 1980

Mr. W. Donham Crawford
Chairman of the Board
Gulf States Utilities Company
P. O. Box 2951
Beaumont, Texas 77704

Dear Mr. Crawford:

This is in reply to your letter of November 21, 1979, about licensing of nuclear power plants.

The Nuclear Regulatory Commission is committed to protect the public health and safety. The Three Mile Island accident resulted in a need for changes in the approach to safety. The Nuclear Regulatory Commission has found that actions recommended by its own staff and by the President's Commission on the Accident at Three Mile Island in the areas of human factors, operational safety, emergency planning, nuclear power plant design and siting, health effects, and public information are necessary and feasible.

At this time we are preparing for review and approval by the Nuclear Regulatory Commission an Action Plan that will specify the precise actions to be taken. This Action Plan will include new or improved safety objectives, detailed criteria for their implementation, and various implementation deadlines. Our goal is to have approved NRC requirements available to all utilities shortly after February 15, 1980.

It is recognized that there will be a significant effect on the availability of power generating capacity if those plants now in the final stages of construction do not receive operating licenses by the dates previously anticipated, and every effort is being made to avoid unnecessary delays.

Sincerely,

A handwritten signature in cursive script that reads "Harold R. Denton".

Harold R. Denton, Director
Office of Nuclear Reactor Regulation

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GULF STATES UTILITIES COMPANY

POST OFFICE BOX 2951 • BEAUMONT, TEXAS 77704

AREA CODE 713 838-6631

W. DONHAM CRAWFORD

*Chairman of the Board
and Chief Executive Officer*

November 21, 1979

Mr. Harold R. Denton, Director
Nuclear Reactor Regulation Office
Nuclear Regulatory Commission
1717 H Street, N.W.
Washington, D.C. 20555

Dear Mr. Denton:

The Nuclear Regulatory Commission's decision to impose an indefinite moratorium on the licensing of nuclear power plants seems to ignore current events in the world and the nation.

At a time when nuclear power could be used to lessen the impact of the Iranian oil shut-off, the NRC has chosen instead to stop issuing operating licenses and construction permits until the spring of 1980 at the earliest.

There are seven nuclear units awaiting operating licenses, and a typical reactor displaces 10 million barrels of oil a year. How can we pass up this opportunity to offset, at least partially, the lost Iranian oil?

Although Gulf States Utilities Company is not affected directly by the NRC freeze, we are concerned about the impact the action could have on the utilities which sell us power during periods of heavy demand. If we are unable to obtain electricity from other utilities during hot summer months, brownouts and blackouts become a real possibility.

The other current event overlooked by the NRC is what has been happening in the nuclear power industry since the Three Mile Island accident. The industry has been working non-stop since TMI to correct the deficiencies which that mishap revealed. Much of what the Presidential Commission on TMI recommended already has been embraced by the industry.

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XEO
/O

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Mr. Harold R. Denton
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Obviously, a moratorium is not necessary in order to apply the lessons of Three Mile Island. That already is being done.

We believe the Presidential Commission was right in rejecting a freeze on licensing. We urge the NRC to examine its position and allow the continued development of this safe, economical and dependable energy source.

Sincerely,

A handwritten signature in dark ink, appearing to be "Harold R. Denton", is written over the typed name "Harold R. Denton".

WDC/mhm