

Mr. Roger J. Sherman

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I believe that the intensive "ad hoc" review effort on the Sequoyah application will considerably shorten the time for the Commission to review the North Anna 2, Salem 2 and Diablo Canyon 1 applications scheduled during the next month. The criteria established for these lead plants will permit us to return to the orderly and productive licensing process which we both mutually desire. We are sufficiently confident this objective will be achieved that we have reorganized the Office of Nuclear Reactor Regulation to eliminate the numerous special purpose task forces established following the TMI accident. One of the main objectives in this reorganization was to provide the organizational structure and personnel staffing which could implement the Action Plans into an orderly licensing process.

I would welcome any further thought and suggestions you might have on how we could mutually assure the public health and safety, engender greater public confidence in the licensing process and satisfy the need for safe, acceptable energy sources to meet the requirements of the country.

Sincerely,

(Signed) William J. Dircks

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Roger J. Sherman
Chairman

March 18, 1980

The Honorable John F. Ahearne
Chairman
U.S. Nuclear Regulatory Commission
1717 H Street, N.W.
Room 1137
Washington, DC 20006

Dear Chairman Ahearne:

The Board of Directors of the Atomic Industrial Forum has asked me to express to you its continued concern with the Nuclear Regulatory Commission's slowness in overcoming the post-TMI inertia that continues to hold hostage pending construction permits and operating licenses. In our opinion, all real obstacles have been removed that would prevent the immediate return to an orderly and productive licensing process.

Casework reviews and the realignment of necessary staff resources to accomplish these should now proceed vigorously. Concurrently, a clear NRC policy statement should be issued that outlines the ground rules for subsequent licensing actions. In particular, the policy on the disposition of Action Plan items should be set out. This could remove much of the uncertainty that is now frustrating industry decision-makers, the financial community, and the public in general.

We recognize that the Commission has granted permission to TVA to load fuel and conduct zero power tests. We welcome this and acknowledge it as a modest step in the right direction. But this, in our opinion, is far short of what the nation expects of a Commission that, with the benefit of multiple internal and external investigations, has now been studying the impact of the accident at Three Mile Island for nearly a year.

Looking back, the immediate and vital lessons of TMI were applied within several days of the accident. Of the other lessons of TMI, the most important were taken care of through the initiative of utilities in improving their safety practices, in responding to NRC bulletins and orders, and in implementing programs to address the NRC

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short-term lessons learned. We continue to agree with the determination of the Director of Nuclear Reactor Regulation in late August 1979 that the actions underway then were sufficient for safe nuclear power plant operation and for the resumption of licensing casework.

The new requirements ordered by the NRC in letters of September 27 and November 9, 1979, have been or are being implemented. The additional layers of requirements suggested in the draft Action Plan have now been thoroughly reviewed by both the NRC staff and by the industry via a comprehensive assessment of an AIF/NSAC special working group. Furthermore, you have the explicit support of the ACRS, which noted in its March 11, 1980, letter that it believes that the additional items identified for consideration in near-term operating license (NTOL) cases (as modified by ACRS comments) "provide a satisfactory basis for the resumption of licensing".

It should be clear from the industry's individual and collective initiatives since the TMI accident, that we and the Commission share the mutual objective of assuring nuclear power plant safety. We believe the public must have confidence that the Commission is a conscientious and responsible regulator. However, lasting credibility will not be achieved if continued indecisiveness and inaction prevail. It will come only from a record of Commission performance that both evidences a concern for safety and recognizes that the national welfare crucially depends on the energy output of reactor projects now awaiting licenses.

Sincerely,

Rogan J Sherman

RS:sdw