



OFFICE OF THE
CHAIRMAN

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

COMMISSION
CORRESPONDENCE

October 7, 1980

The Honorable Jack Brooks
Chairman, Committee on Government
Operations
United States House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

The final report by the Comptroller General of the United States entitled "Three Mile Island: The Financial Fallout" (EMD-80-89), was recently forwarded to our agency. This letter is in response to recommendations to the Chairman, NRC, summarized on page 62 of the GAO report.

The recommendations focus on the issues of restart of Three Mile Island Nuclear Station, Unit No. 1 (TMI-1), cooperation with the Secretary of Energy in a recommended study of the General Public Utilities System, and development of regulatory guidance relating to the restart, clean-up and recommissioning of the TMI units.

As you are aware, the Commission Order of July 2, 1979 directed that TMI-1 remain shutdown until further order of the NRC, and determined that a hearing precede restart of the facility in order to allow public participation in the proceeding. By Order on August 9, 1979 as supplemented on March 6, 1980, the Commission specified the bases for their concern, the issues to be considered in the hearing, and the procedures to be applied. An NRC Safety Evaluation Report, (NUREG-0680) issued in June 1980, provided an evaluation of the licensee's compliance with items covered in the August 9 Order. A supplement to the evaluation is scheduled to be issued in November 1980 covering the resolution of open issues identified in NUREG-0680 and addressing the management issues in the March 6 Order.

The assigned Atomic Safety and Licensing Board (ASLB) conducted a final pre-hearing conference on August 12 and 13, 1980 and subsequently issued a Memorandum and Order on August 15, 1980, in which the hearing was set to begin on October 15, 1980. The NRC staff is currently involved in the on-going review of technical information and hearing preparation concerning the restart of Unit No. 1. The record on which the Commission will make a determination regarding restart will include a recommendation from the ASLB. We have placed a high priority, considering other efforts required of the staff, on completing all of the staff effort required to support an expedited hearing schedule.

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The Commission and staff will cooperate fully with any further Department of Energy study undertaken regarding the financial aspects of the GPU system, if it is determined that an additional study is required. The Commission is continuing to independently evaluate information in the financial area as part of the TMI-1 restart review. An NRC Task Force will soon issue a report examining the possibility of NRC assuming direct responsibility for the TMI-2 cleanup in the event of default by the licensee, and alternatives to such NRC action.

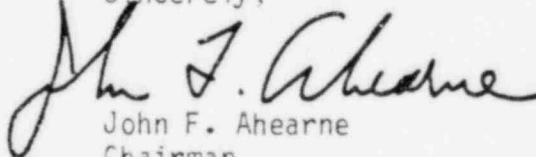
Due to the uniqueness of the TMI-2 clean-up activities the staff prepared and issued on August 14, 1980, a Draft Programmatic Environmental Impact Statement (PEIS) related to decontamination and disposal of radioactive wastes resulting from the March 28, 1979 accident at TMI-2. This draft PEIS presents an overall study of the activities necessary for decontamination of the facility, defueling and disposition of the radioactive wastes which resulted from the TMI-2 accident. Since the precise condition of the reactor core or reactor building is not known, the staff has described and assessed probable or bounding situations. When more information becomes available, supplements to the draft statement will be issued if the affected operations are found to be significantly changed with additional guidance to the licensee as appropriate.

A discussion of the ultimate disposition of TMI-2 is beyond the scope of the draft PEIS, though the staff concludes at this time that all of the clean-up operations must be performed whether TMI-2 is ultimately decommissioned or restored to a condition acceptable for licensed operation.

Regulatory requirements related to the TMI site are continuously being evaluated and revised as deemed appropriate in response to new information developed in the course of recovery from the accident, which of course, represents a unique set of regulatory circumstances.

Additional clarification or information regarding the recommendations will be supplied upon request.

Sincerely,



John F. Ahearne
Chairman

cc:
Rep. Frank Horton