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Francis M. Staszeky
Chairman

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The Honorable John Ahearne
Chairman
U. S. Nuclear Regulatory Commission
Washington, D.C. 20006

Dear Chairman Ahearne:

The Executive Committee of the Atomic Industrial Forum is deeply distressed over the third monthly NRR status report recently submitted to Congress. The report identifies newly acknowledged delays in NRC's licensing process which will result in substantial slippages in the issuance of operating licenses for 11 plants previously expected to begin commercial operation in 1981 and 1982.

These 11 plants will have completed all construction and be poised to contribute to the safe and economical generation of electricity in many parts of the country. Instead, they will collectively stand idle for some 80 months waiting for administrative procedures to conclude and for operating licenses to be issued unless procedures available to you are invoked. There is no safety risk in your applying these procedures.

Estimated costs to the public for the idling of such facilities approximate one million dollars per day for each. Thus, NRC's present course can contribute to an additional and unnecessary cost to the public of 2.4 billion dollars. In our judgment, this enormous waste argues for drastic remedial steps. We believe, among many remedies which may be effective, that the NRC should commence promptly to:

- Repeal suspension of the immediate effectiveness rule.

In 1979, the NRC suspended 10 CFR 2.764 and instituted a procedure which delays issuance of the operating license in contested cases until the Atomic Safety and Licensing Appeals Board has ruled on the effectiveness

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of the Licensing Board decision, and the Nuclear Regulatory Commission has itself had an opportunity to pass on issuance of the Operating License. This procedure allows the ASLAB at least 60 days to render its decision and the NRC at least 20 additional days. During these 80 days, the 11 currently affected completed plants will stand idle at a cost of more than 800 million dollars. This change in procedure was never warranted and should be rescinded immediately. In addition, the Commission should consider exercising the powers available to it under 10 CFR 2.760 (b)(2) to issue licenses itself when there are compelling public interests.

- Utilize generic proceedings more effectively.

NRC should support and enforce the policy that any matter currently being, or scheduled to be considered in a rulemaking should not be subject to litigation in individual licensing proceedings. Such matters are generic in nature and any determinations of how individual plants should address these issues should be held in abeyance until the conclusion of the rulemakings. For example, issues related to degraded core conditions, especially the hydrogen issue, can be eliminated in individual proceedings by publishing the Interim Rule along with a clear policy statement on its intended use.

- Increase Licensing Board and NRC Staff discipline.

NRC should issue instructions to Licensing Boards to make aggressive efforts to shorten hearing schedules, and NRC should allocate increased resources to these Licensing Boards to facilitate such schedule shortening. In addition, the NRC staff should be given instructions to ensure prompt readiness for hearings, and sufficient NRC staff resources should be applied to hearings. Finally, the Commission should actively monitor the progress being made by both Licensing Boards and the NRC staff in bringing hearing processes to expeditious conclusions and, on a case by case basis as necessary, issue appropriate guidance to ensure such expeditious conclusions.

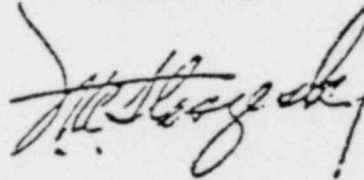
Increase NRC Staff support to FEMA.

NRC should provide increased staff support to FEMA to expedite review and approval of state and local emergency plans. The capability to carry out emergency plans effectively can adequately be judged without full examination of the entire spectrum of minute details associated with emergency planning. In particular, low power operating licenses should be allowed prior to final review of emergency plans.

In closing, it is worth noting that the delays affecting these 11 plants represent only the tip of the iceberg of a more fundamental problem. The lack of NRC Staff committed to processing licenses will present a ripple effect of delays on the remaining plants under construction that will result in billions more dollars in unnecessary costs to consumers. It is thus crucial that the NRC focus its available staff and Licensing Board resources on casework and intensify its effort to bring about necessary procedural reforms. Projects not directed toward this goal and not of fundamental safety importance should be given a lower priority.

We shall continue our search for additional measures that would eliminate licensing delays which are unrelated to public health and safety. Meanwhile, we would be pleased to discuss with you any of our suggestions in greater detail.

Sincerely,



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