



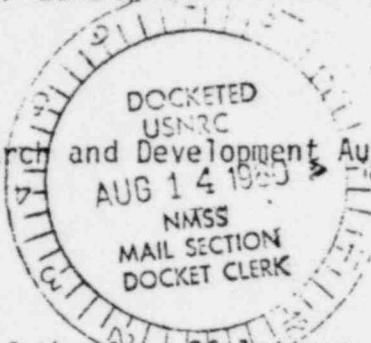
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3184 Main Street Buffalo, New York 14214 (716) 832-9100

July 23, 1980

James Larocca, Chairman
New York State Energy Research and Development Authority
Empire State Plaza
Albany, New York 12224



Dear Mr. Larocca:

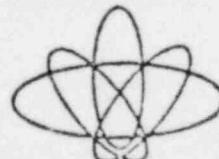
We are in receipt of the June 26 letters from Wm. J. Dircks, Director, Office of Nuclear Material Safety and Safeguards, Nuclear Regulatory Commission, to Nuclear Fuel Services and NYSERDA regarding an inspection and evaluation of the high level liquid waste storage system by the NRC contractor Rockwell Hanford. The \$3 million program laid out in RHO-LD-130 includes tank and vault inspection, soil transport studies and thermal evaluation. Additional work carried out by the same contractor will lead to characterization of the high level waste for the Department of Energy and is one of the first steps in the DOE HLW solidification program. From our perspective this project has considerable merit in protecting the public health and safety.

Apparently, according to the NRC letter, Nuclear Fuel Services has held up the on-site activities by requiring the signing of indemnification agreements that any damage discovered will be due to Rockwell Hanford, unless it can be shown otherwise. This puts the burden of proof on the inspector, Rockwell Hanford, rather than NFS. It is equivalent to holding NRC inspectors liable for all licensee failures and it is unreasonable, if not outrageous. By their actions, NFS is jeopardizing the HLW solidification program and the public health and safety.

We believe the following actions on your part are in order:

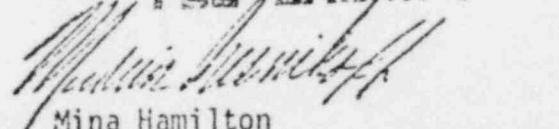
- 1) The results of the Rockwell Hanford inspection should be used as input to NYSERDA deliberations on "good condition". Through photos, tv pictures and sonar, all non-intrusive means, NYSERDA should gain a better understanding of the condition of the tank, vault and defective saucer. NYSERDA should inform NFS that this inspection is a necessary part of NYSERDA's "good condition" assessment and that negotiations cannot proceed and the waste system cannot be transferred until the Rockwell inspection is carried out. We request that NYSERDA send a letter to NFS regarding this linkage.
- 2) As co-licensee with NFS, NYSERDA should inform the NRC that it has no objections to the inspection. It is our understanding that the NRC could obtain access through a court action to perform the necessary inspections. The Atomic Energy Act of 1954, as amended, grants the NRC broad powers in this regard.
- 3) If Getty Oil's subsidiary, NFS, jeopardizes the \$200+ million Federal cleanup funds by obstructing DOE and NRC subcontractors, Getty Oil should be informed you will hold them responsible.

cc: Wm. Dircks, NRC



sierra club
radioactive waste
campaign

Sincerely,


Mina Hamilton
Marvin Resnikoff, co-directors

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