



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

April 2, 1981

The Honorable Eugene Johnston
United States House of Representatives
Washington, D. C. 20515

Dear Congressman Johnston:

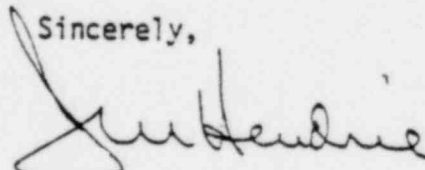
This is in response to your letter dated March 2, 1981 expressing concern about projected delays in the licensing of new nuclear power plants in general and the effect of such delays on the McGuire Station in particular.

The Commission has made it clear to its staff that expedited licensing decisions are a high priority and has itself devoted considerable time in seeking ways to reduce the delays being encountered in licensing new plants ready to come on line. On March 12, 1981, we provided the House Appropriations Subcommittee on Energy and Water Development with a letter report on possible additional improvements in the licensing process. In addition, we have submitted a legislative proposal to the Congress which would authorize the Commission to permit fuel loading and low power testing prior to the completion of an operating license hearing. I am enclosing a copy of our March 12 letter, without attachments, for your information. If you require additional information on our efforts, copies of the attachments, our legislative proposal, and our monthly status reports may be obtained from our Office of Congressional Affairs on 634-1443.

With regard to the McGuire Station licensing schedule, our most recent estimate is that a Licensing Board initial decision should be issued in June of this year. Commission review of that initial decision and a decision on the operating license should then be accomplished by the beginning of August. This represents a gain of about eight months over our prior estimate of March 1982.

Please be assured that the Commission is taking action to reduce the delays encountered in the licensing of new nuclear power plants while ensuring the health and safety of the public.

Sincerely,



Joseph M. Hendrie

Enclosure:
As stated

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

March 12, 1981

CHAIRMAN

The Honorable Tom Bevil
Chairman
Subcommittee on Energy and
Water Development
Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

Answers to "additional questions for the record" concerning NRC's 1982 appropriation request were provided to you on February 25, 1981 with the exception of a report on options to review and accelerate the licensing process. On February 27, 1981 we submitted the monthly status report updating our licensing scheduling which showed a 13 reactor month improvement in the total delays projected for licensing plants. This letter responds to the request to provide a report on possible additional improvements to the licensing process.

The basic problem we are confronting is the backlog of licensing decisions for new plants ready to come on line. As stated in our previous responses, we believe the problem is a direct consequence of the TMI accident and of the nationally accepted need to carefully reexamine the way in which the NRC and the nuclear industry fulfill their shared responsibility for safety. As a consequence of that accident we were forced to slow our licensing process for more than a year, in spite of the utilization of additional resources provided by the Congress for that purpose and the internal redirection of staff resources.^{1/} This substantial pause occurred while plant construction continued. Due to the need for applicants to address TMI requirements and the need to adjudicate these new requirements in some cases, our licensing approval process is now on the critical path for operation of a number of plants.

We believe that considerable reductions in the delays are possible. To that end the Commission has already made it clear to the staff that expedited licensing decisions are a high priority in this agency. As is evident from the February 27 monthly status report, we have already found ways to reduce the impact on two plants by expediting staff review, and in the case of McGuire, improving the hearing schedule. Construction slippage on the Zimmer and San Onofre-2 plants has also reduced the impact of the licensing process. However, the Commission is also investigating changes which could be made to reduce the length of the licensing process in general, in order to benefit all potentially affected plants.

^{1/}Commissioner Ahearne notes these were to develop and evaluate additional requirements based on lessons learned from TMI.

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Congress of the United States

House of Representatives

Washington, D.C. 20515

March 2, 1981

The Honorable John F. Ahearne
Chairman
Nuclear Regulatory Commission
Washington, D.C. 20555

Dear Mr. Chairman:

We are writing to communicate our strong concern about the nuclear licensing procedure in general and the effect that delays in this process could have on one particular project, the McGuire Station in North Carolina.

It is our understanding that your January 30, 1981 report to the House Appropriations Subcommittee on Energy and Water Development, followed by testimony before that Subcommittee and also the Interior Subcommittee on Energy and the Environment, underscored the following problems inherent in the current system:

- *Costly delays in the licensing process are all too frequent;
- *There is a misallocation of staff resources at the Commission which has aggravated the licensing delay situation;
- *There is a need for a clearly-stated nuclear licensing policy.

Combined, these problems will jeopardize our efforts to ensure adequate energy supplies for the nation and will cost U.S. consumers virtually billions of dollars in unnecessary expense.

Your report to the Appropriations Subcommittee pointed out that it is probable the construction of 13 plants will have been completed and those plants will be idle a total of 90 months prior to the issuance of operating licenses. The resultant costs are estimated to run in the billions of dollars. This points out the need for action to improve the licensing system.

We would suggest that immediate steps need to be taken to expedite the licensing procedure. Specifically, we feel that the immediate effectiveness rule should be reinstated so that licensed plants may begin operations as soon as authorized by a properly-informed licensing

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