

JOHN PAUL HAMMERSCHMIDT  
THIRD DISTRICT, ARKANSAS

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Congress of the United States  
House of Representatives  
Washington, D.C. 20515

April 1, 1981



Joseph Hendrie, Chairman  
Nuclear Regulatory Commission  
1717 H Street N.W.  
Washington, D.C. 20555

Dear Mr. Hendrie:

Officials of Arkansas Power and Light Company have recently contacted me to express certain concerns regarding the review and licensing procedures of the Nuclear Regulatory Commission which I would like to share with you.

As indicated in the attached letter there is some fear that there will be significant delays in the licensing procedures which will be extremely costly to the taxpayer. While recognizing the importance of ensuring safety, it is also important that the required procedures be carried out in an efficient and timely manner and AP&L suggests that additional emphasis should be placed on this aspect to prevent the expense of the projected delays.

I would appreciate your review of these concerns and a report on the situation as soon as possible.

With kind regards,

Sincerely,

*John Paul Hammerschmidt*

JOHN PAUL HAMMERSCHMIDT  
Member of Congress

JPH/ssr

-REC'D CHRM-

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ARKANSAS POWER & LIGHT COMPANY  
SUITE 2900/THE FIRST NATIONAL BUILDING/P.O. BOX 551/LITTLE ROCK, ARKANSAS 72203/(501) 371-4015

March 26, 1981

JERRY L. MAULDEN  
President &  
Chief Executive Officer

The Honorable John Paul Hammerschmidt  
2160 Rayburn House Office Building  
Washington, D. C. 20515



Dear John Paul:

I am most concerned with recent licensing status reports made to Congress by the NRC. The reports reveal that significant licensing delays are in store for some eleven nuclear plants which will be completed and ready for operation in 1981 and 1982. To the extent that a plant is completed and ready to operate but for a delay in the issuance of its license, equivalent power must be generated by other means or purchased elsewhere. Additional costs associated with such alternate generation or purchase can range from five hundred thousand to one million dollars per day of license delay, depending on the size and location of each plant. This is a tremendous social cost to be borne by ratepayers due to a Federal agency's inaction.

Both units at Arkansas Nuclear One are licensed and operating but each unit is subject to a more or less continuing license review by the NRC. This is particularly true with regard to restart after a refueling cycle. I'm concerned that NRC staff delays in licensing new plants will inherently involve delays in the staff's other license review work. If this happens Arkansas ratepayers will also incur additional generation and purchased power costs which they shouldn't have to incur.

I accept the fact that the TMI incident detracted from the NRC's licensing work, and I also support the NRC's addressing every legitimate safety issue to the maximum extent it deems necessary in the public interest. My policy at AP&L is that we must place maximum emphasis on the safety of nuclear plant design, construction, and operation for numerous good reasons -- not the least of which is that it is clearly in our own best interests to do so or, stated conversely, foolish of us not to do so. Where I have difficulty is in accepting that TMI alone accounts for the kind of delays in the NRC licensing process which are now surfacing.

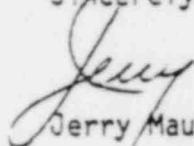
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The licensing status reports to Congress reveal that less than 200 of the NRC's 3,200 employees are assigned to licensing activities, and that many experienced licensing reviewers are presently engaged in nonlicensing activity. These statistics tend to point toward NRC's problem being more one of poor management of resources and manpower. If this is the case, then it is a problem which can be solved with proper direction from the Administration and the Congress.

The electric power industry in the past has consistently supported an NRC budget sufficient for the agency to fully and timely perform its primary functions and certainly the industry will continue such support in the future. It is the industry's position that the licensing review process is a primary function equal to the safety insurance function and that it is important for each function to be performed in a timely manner. I hope you agree with this position; and, certainly, anything you can do to alleviate the present problem at the NRC will be most appreciated by AP&L and its ratepayers.

Thank you for your consideration of my views on this matter.

Sincerely yours,

  
Jerry Maulden

JM:bjr

cc: Mr. Charles Steel  
Mr. William Cavanaugh