



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

April 2, 1981



COMMISSION
CORRESPONDENCE

Mr. Francis M. Staszsky, Chairman
Atomic Industrial Forum, Inc.
7101 Wisconsin Avenue
Washington, D. C. 20014

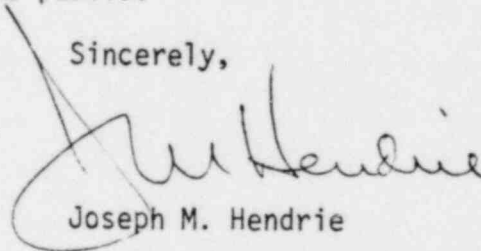
Dear Mr. Staszsky:

This is in response to your letter dated February 17, 1981 expressing concern about projected delays in the licensing of new nuclear power plants.

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 Public Document Room.

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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March 12, 1981

CHAIRMAN

The Honorable Tom Beville
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.

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

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Francis M. Staszsky
Chairman

February 17, 1981

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. As such, 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.

February 17, 1981

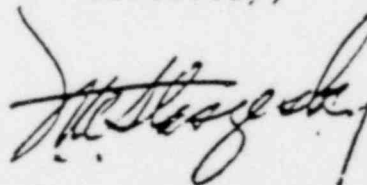
Increase NRC Staff support to FEMA.

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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