



International Union of Operating Engineers

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AFFILIATED WITH THE AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS

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May 13, 1981



Mr. Samuel J. Chilk
Secretary
U. S. Nuclear Regulatory Commission
Washington, D.C. 20555

Re: Proposed Modification of Commission Review Procedures
for Power Reactor Operating Licenses

Dear Mr. Chilk:

I am writing as General President of the International Union of Operating Engineers to comment on the proposed modification of the Commission's procedures for reviewing operating licenses for power reactors. I am authorized to say that the following unions join in these comments:

- International Union of Operating Engineers
- International Brotherhood of Electrical Workers, AFL-CIO
- International Union of Electric, Radio and Machine Workers, AFL-CIO
- The Laborers' International Union of North America, AFL-CIO
- The Building & Construction Trades Department, AFL-CIO

Notice of the proposed modification was published in the Federal Register on April 3, 1981, 46 Fed. Reg. 20215 (1981). The Union of Operating Engineers and the other unions listed endorse the Commission's proposal to reduce delays in issuance of operating licenses, and we urge the Commission to adopt the most expeditious review procedure consistent with public and worker safety.

Safety is of paramount importance to IUOE and our fellow unions. The health and welfare of the men and women who build and operate nuclear generating plants -- many of them our own members -- must be protected.

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But these men and women also need protection from unduly burdensome regulation of the nuclear power industry, regulation that too often contributes more to inflation and unemployment than to safety.

The development of nuclear power plants in this country has come to a virtual standstill in recent years, in no small part because of the regulatory barriers to successful construction and operation of nuclear generating facilities. Any utility company considering making a commitment to bring a nuclear power plant on line in the foreseeable future faces tremendous costs and financial risks, and those costs and risks go up with every new regulatory obstacle that the company must surmount in order to achieve commercial operation. Under the review procedure now applicable to operating licenses, a company not only must satisfy a painstaking evaluation by the Atomic Safety and Licensing Board but also must undergo review by the Atomic Safety and Licensing Appeal Board and then yet another review by the Commission itself. Each layer of regulatory review adds to the delay between completion of construction and commencement of operation; each day of delay can translate into millions of dollars of additional costs borne by the utility company, its shareholders, and its customers.

There are other costs associated with these regulatory delays that are no less real. First, there is the cost of continued American dependence on foreign oil. Import dependency has spurred this country's inflation and sapped its economic strength. The most effective way to reduce our dependence is to develop alternative sources of energy as quickly as possible. Nuclear power is cleaner than coal, more economical than synthetic fuels, and more widely available than most renewable sources of energy. If nuclear plants can be built on a reasonable time schedule, nuclear is likely to be the cheapest way to generate power in most of the country.

To revitalize our economy and upgrade our industrial base, we must pursue the nuclear alternative vigorously. Instead, we have placed such onerous regulatory burdens on its development that many utilities have abandoned nuclear power altogether. One measure of the cost of these needless delays on the operation of nuclear power plants is the number of barrels of foreign oil we continue to import every day.


But there is another measure of the costs of regulation that concerns our unions even more directly. Construction and operation of nuclear power plants spell jobs for thousands of workers.

When a utility decides to forgo construction of a nuclear generating facility because of the prohibitive costs and risks involved, thousands of potential jobs are lost. When a utility is forced to lay off workers because of delays in obtaining regulatory approval to proceed to the next stage of construction or operation, the lives of these workers and their families are disrupted; often, the workers must seek other jobs or move to other locations before work at the plant resumes. Elimination of unnecessary licensing delays would thus enhance the employment opportunities and the job security of members of my union and of other workers throughout the country.

The Commission's proposed reduction in the regulatory burden on applicants for operating licenses is an important first step toward rationalization of the over-regulated licensing process. I understand that the Commission is currently reconsidering some of the regulatory burdens on construction license applicants, another area in which intolerable delays have become commonplace. Given the costs of delay -- to workers, to companies, to the country at large -- the Commission should strive to streamline the regulation of nuclear power development to the maximum extent consistent with its responsibility to ensure safety.

On behalf of the International Union of Operating Engineers and its fellow unions, I commend the Commission for its initiative in reducing regulatory delays in nuclear power plant licensing. For years, the nuclear power industry has been subjected to the most stringent scrutiny by regulatory overseers. It is time now for the regulations themselves to be scrutinized, to ensure that the service they perform is not outweighed by the heavy costs they impose.

Sincerely yours,


J. C. Turner
General President

JCT/kmg