

JUN 15 1981

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JUN 15 1981

Frank Terrazas, Mayor  
City of Pico Rivera  
P. O. Box 1017  
6615 Passons Boulevard  
Pico Rivera, California 90660

Dear Mayor Terrazas:

The June 1, 1981 resolution (No. 2618) of the Pico Rivera City Council, supporting the licensing of the San Onofre 2 and 3 nuclear power plants has been referred to me for reply. I am pleased to provide the following information regarding nuclear power plant licensing in general, and licensing of San Onofre 2 and 3 in particular.

Since the TMI-2 accident, a significant amount of the NRC resources have been concentrated on identifying the lessons to be learned from that accident and the associated requirements that are necessary and sufficient for the continued operation of licensed facilities and for the issuance of new operating licenses. That effort culminated with the issuance of the NRC's TMI Action Plan, approved in June 1980.

The development of that document and the NRC's increased attention to the safety in the 70 operating reactors took so much of our attention and our resources that we were unable to license new plants for a year after the accident. Following the issuance of the Action Plan, new operating licenses were issued to Sequoyah and North Anna units late last summer and to Farley, Unit 2 in March of this year and to Salem Unit 2 in May of this year.

Currently, the overall picture is one of a licensing process that is returning to predictability at a considerably enhanced level of safety. However, the implementation of this enhanced level of safety has raised a number of potential new issues in the contested hearings for both operating licenses and construction permits around the country. Some of these units were substantially complete at the time of the Three Mile Island accident or have been completed since then. Thus, we do face a situation in which, for the first time, our hearings are or will be continuing for a significant number of plants that will be complete and ready to operate before the hearings conclude.

This situation is an indirect consequence of the TMI accident, which required a re-examination of the entire regulatory structure. We are not satisfied with the present situation and we are working to find ways to accelerate the hearings on these plants whose continued idleness prevents a substantial investment from benefiting either the consumers or the operating utilities.

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To that end, major improvements in the licensing process are underway or being considered. These improvements include:

- Expedited and rescheduled review by the NRC staff for plants in the short term category--those presently complete and those to be completed in 1981 and 1982.
- Increased efficiency of the hearing process and subsequent Commission and Appeals Board review. The time now being taken between issuance of the supplemental staff evaluation report and initial decisions by licensing boards averages 18 months. The NRC believes it can compress that time to about 10 months by tightening up the times allowed for each part of the prehearing process and by providing firmer time management of the whole process. The Commission is publishing for public comment proposed changes to its rules which would accomplish this.
- Changes in the review process the Commission itself exercises over these cases have been adopted which will save at least two months in each case that has been in hearing.
- Early completion of NRC staff review for plants to be completed in 1983 and beyond. This will require better scheduling of reviews and increased staff resources applied to casework. Some staff resources can be redirected by deferring lower priority work and shifting some work to other NRC offices. Before making such a change, the Commission will carefully review the impact on other essential safety-related activities.

One further step to be considered is legislation to authorize the Commission to issue limited, interim operating licenses before completion of hearings where all applicable safety requirements have been met.

In summary, we are confident the actions we have taken and those we will take will provide major improvements in licensing schedules without compromising the regulatory requirements for safety.

With regard to licensing of San Onofre Units 2 and 3, the staff has completed the major part of its review. Staff safety evaluations were issued on December 31, 1980, February 6, 1981, February 25, 1981, and May 8, 1981. The review of the San Onofre Units 2 and 3 by the Advisory Committee on Reactor Safeguards was completed on March 12, 1981. The Final Environmental Statement was issued by the NRC staff in April, 1981. The hearing on this project is scheduled to begin on June 22, 1981.

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We appreciate your interest in the San Onofre project. Please be assured that the NRC is taking every reasonable action to expedite the licensing process, consistent with our commitment to ensure the public health and safety.

Sincerely

Original signed by  
Darrell G. Eisenhut

Darrell G. Eisenhut, Director  
Division of Licensing  
Office of Nuclear Reactor Regulation

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OFFICE▶	DL:LB#3	DL:LB#3	DL:AD/L	DL:DIR		
SURNAME▶	HRood:jb	FJ... <i>[Signature]</i>	RLTedesco	DGE Eisenhut		
DATE▶	6/11/81	6/11/81	6/11/81	6/17/81		

RESOLUTION NO. 2618

A RESOLUTION OF THE CITY COUNCIL OF THE CITY  
OF PICO RIVERA SUPPORTING THE LICENSING OF  
SAN ONOFRE UNITS II AND III NUCLEAR PLANTS.

WHEREAS, the City Council is vitally concerned that the economic, environmental and social well-being of the State of California be maintained; and

WHEREAS, an adequate supply of energy is critical to meeting California's economic and social needs while preserving the environmental gains of the past decade; and

WHEREAS, this nation's continued overdependence on foreign oil has caused major adverse economic impacts; and

WHEREAS, there is a probability that instability in the Middle East will, at some near future time result in reduced supplies of oil, thereby causing further social and economic chaos here at home; and

WHEREAS, there must be a strong commitment to the conservation of the nation's limited resources and development of efficient and secure new sources of energy here at home; and

WHEREAS, regulatory delays in the planning and licensing of needed energy facilities are costly to the consumer, damaging to the environment, and result in greater importation of foreign oil;

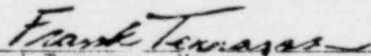
NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PICO RIVERA DOES HEREBY RESOLVE AS FOLLOWS:

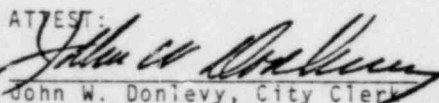
SECTION 1. That this City Council supports the licensing of San Onofre Units II and III Nuclear Power Plants; development of alternative forms of energy such as solar, geothermal, and wind; and the continuing commitment to conservation of our energy resources.

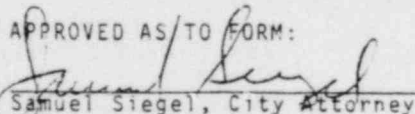
SECTION 2. That the subject action by the City Council applies to the expansion of the existing facilities at San Onofre, and other matters relating to nuclear energy, including but not limited to licensing, shall be considered on their merits.

SECTION 3. The City Clerk shall certify to the adoption of this Resolution.

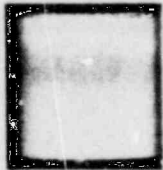
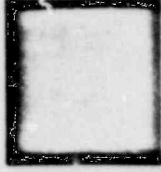
PASSED AND ADOPTED this 1st day of June, 1981.

  
Frank Terrazas, Mayor

ATTEST:  
  
John W. Donlevy, City Clerk

APPROVED AS/TO FORM:  
  
Samuel Siegel, City Attorney

AYES: Councilmen Chavez, Gardner, Loehr, Patronite, Terrazas  
NOES: None  
ABSENT: None  
ABSTAIN: None



**City of Pico Rivera**

P.O. BOX 101<sup>st</sup>  
6615 PASSONS BOULEVARD  
PICO RIVERA, CALIFORNIA 90660

Mr. Harold Denton, Director  
Office of ~~Nuclear~~ Reactor Regulations  
U. S. Nuclear Regulatory Commission  
Washington, D. C. 20555

