

File
NSP

PRICE Sup. Cy
BECK Sup. Cy
MANN Sup. Cy
HENDERSON Sup. Cy

NORTHERN STATES POWER COMPANY

MINNEAPOLIS, MINNESOTA 55401

Sup. Maria Chapman & Wallace
60-963 PDR (50-263)

EARL EWALD
CHAIRMAN OF THE BOARD

June 19, 1970

Discussed at
Info Mtg.
July 17, 1970

Dr. Glenn T. Seaborg, Chairman
United States Atomic Energy Commission
Washington, D. C. 20545

Dear Dr. Seaborg:

This letter is prompted by the extraordinary AEC public hearing proceedings concerning the licensing of the Monticello Nuclear Generating Plant. These proceedings, which have just been recessed for the second time, are likely to result in substantial costs to Northern States Power Company and its customers, and to expose the people in our service area to the substantial risk of a curtailment of electric power with consequent hazards and losses. Delay or curtailment of service from Monticello requires excessive use of old generating plants which poses serious environmental considerations. Indeed, but for the coincidence of an extended strike of the sheet metal workers at the site, both of these very likely eventualities would be currently attributable to the delays encountered in the licensing procedure.

If the delays encountered in this licensing procedure are duplicated in connection with the other nuclear power plants scheduled for commercial service in the next few years, it can safely be asserted that the splendid promise of nuclear power will have had a very short life. Without regard to the competitive cost advantages and the environmental protection advantages of nuclear power, no electric utility with any sense of its responsibility to assure a reliable power generating system could rely on the timely availability of new nuclear power generating plants.

On January 10 of this year the Advisory Committee on Reactor Safeguards concluded that the Monticello Plant could be

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Dr. Glenn T. Seaborg

June 19, 1970

Page 2

operated without undue risk to the health and safety of the public. While certain final details were left to be resolved with the regulatory staff, it took the AEC until March 11, 1970, to decide to hold a public hearing on its own motion and to announce such decision. This delay in initiating the public hearing procedure automatically put off the public hearing until April 28, 1970, a date so close to the scheduled plant completion date that unusual procedures would have been required to permit a license to issue following such a hearing in a timely manner, consistent with plant completion.

We thereupon proceeded with a motion for authorization to load fuel and conduct low power startup tests - activities which carry no potential for harm to persons or property off-site and activities with respect to which none of the intervenors' contentions was reasonably related. The regulatory staff, which by this time had concluded that the full power license could be issued upon completion of the plant, concurred in the motion. The motion was denied by the Atomic Safety and Licensing Board, not on grounds of safety, but because the regulatory staff couldn't decide how to respond to a subpoena for AEC inspection reports. At this time, May 1, the first adjournment of the hearing took place.

When the adjournment was declared, NSP decided to proceed with modification of the furnace-sensitized stainless steel components in the Monticello reactor. This program, which had been under consideration for some time, was undertaken at this time because of the recess in the hearing. This work has now been completed and has been approved by the ACRS and the regulatory staff.

Finally, two weeks after the subpoena was issued, the staff on May 8 agreed to furnish the inspection reports subject to certain very appropriate deletions, i.e. information of a proprietary nature, certain names of individuals, names of other plants, and identification of certain internal AEC guides and memoranda. On or about June 2 the reports, without the deleted material, were actually made available and the hearing was reconvened on June 15. In reply to objections

Dr. Glenn T. Seaborg

June 19, 1970

Page 3

by the intervenors as to the deletions, NSP secured permission from its contractors, whose proprietary data were included in the deleted information, to make such data available to the intervenors on a confidential basis which would not preclude their use of the material for the only purpose for which it may have been properly requested, i.e., to conduct cross-examination. The intervenors rejected the offer proclaiming their abhorrence of secrecy. If they were to see the deleted proprietary material, the entire public must see it too, they claimed. This, of course, would destroy the value of the proprietary data to its owners.

The Board, in the face of this patent mischief, refused to determine whether the intervenors would in any way be prejudiced, and professing to perceive a principle of law at issue, announced that it would again adjourn the hearing pending a determination as to whether it has jurisdiction to further consider the matter of the deletions and as to whether the intervenors have any rights to the deleted material.

In the end, the Board announced that it would send these matters to the Atomic Safety and Licensing Appeal Board for resolution before again convening the hearing. This, apparently will produce another delay of several weeks, at least.

Public hearings on the location and licensing of nuclear power plants, in principle, are desirable. They provide a means for public participation in decisions affecting the health and safety of the public. But the hearings have to be scheduled and conducted in a manner which fully recognizes all of the public interests involved in power plant installations. In doing this, means have to be developed to distinguish between the headline seeking dissident, the true representatives of the public, the competent and the incompetent. If not, the penalties to society could be large indeed.

The intervenors in the Monticello hearing are three college graduate students, a high school student, and two lawyers alternating in representing a group of citizens concerned about the environment.

Dr. Glenn T. Seaborg
June 19, 1970
Page 4

A review of the more than fourteen hundred pages of testimony already accumulated at the public hearings would disclose that there has not been identified any single aspect of the plant or its operation which requires modification in the interest of public safety.

The three college graduate students, who may be capable in their fields of specialization, have no expertise in nuclear power. They have been permitted to extend the hearing unnecessarily while enjoying the rare opportunity to "play lawyer". When the hearing was reconvened on June 15, more than two months after reference was made to the Operations Manual in the intervenors' presence at the prehearing conference on April 7, and despite numerous references to it in the FSAR, these intervenors requested the right to review the Operations Manual. The request was characterized by the Board as late "in the extreme". The Board is currently considering the appropriateness of the inclusion of this six-volume document in the record.

The high school student, could contribute little to the safety review process and has presently withdrawn from the hearing, and the two attorneys purporting to represent the citizens group and their witnesses have contributed no technical or safety commentary worthy of consideration.

Unless the renewed motion presented by NSP to the Atomic Safety and Licensing Board before the second adjournment for authority to load fuel is promptly granted, the hearing process will surely delay startup of the plant after it is complete and ready for startup. This assumes that current labor difficulties will be resolved in the near future. Delays due to the regulatory process in the startup of the plant after it is complete and ready for fuel loading will have at least three major adverse effects upon NSP and the public it serves:

1. Reduced reliability of electric power supply by reduced generating margin and lowering of coal reserves in the Upper Midwest.
2. Increased costs to NSP and its customers in excess of \$1,100,000 per month.

Dr. Glenn T. Seaborg
June 19, 1970
Page 5

3. Increased detrimental effects on environmental quality from electrical generation by older fossil-fueled plants not presently equipped with modern emission controls.

Such delays will also cause the General Electric Company to incur additional costs of \$500,000 per month of delay. Authority to load fuel without delay following completion of the Monticello Plant is needed to ameliorate these adverse effects.

Even if the renewed motion for fuel loading authority is granted, any delay in reconvening the hearing will result in the same adverse consequences to the public interest when the fuel loading and low power startup testing program are concluded.

Strong and innovative leadership is required now if the licensing process is not to break down entirely. I urge you, as promptly as practicable, to convene a task force of interested governmental and private persons, including, if appropriate, legislators and members of the judiciary, to consider how the present regulatory processes can be improved and modified to reduce delay and uncertainty without compromising the legitimate interests of the public. Delay in proceeding on this matter will undoubtedly seriously impede the development and utilization of nuclear power.

Because of the relationship of matters in this letter to issues now subject to the hearing process, I recognize that you may wish to place this letter in the public document room.

Sincerely,



EARL EWALD

cc: Commissioner James T. Ramey
Commissioner Wilfrid E. Johnson
Commissioner Theos J. Thompson
Commissioner Clarence E. Larson
Chairman John N. Nassikas
Congressman Chet Holifield
Governor Harold LeVander
Mr. Harold L. Price