

# The INDIANA SASSAFRAS AUDUBON SOCIETY

of Lawrence - Greene - Monroe -  
Brown - Morgan & Owen Counties

October 3, 1981



27

PROPOSED RULE PR-50

(46 FR 41786)



Mr. Samuel Chalk, Secretary  
Nuclear Regulatory Commission  
Washington, D.C. 20555

Dear Mr. Chalk:

Sassafras Audubon is opposed to the rule (46 Fe. Reg. 41786) proposed by the NRC which would eliminate the current requirement that utilities' applying for permits to construct and licenses to operate nuclear power plants must demonstrate that they have financial qualifications necessary to design, construct and operate the plant in accordance with the NRC's regulations (10 CFR 50.33 (f) and Appendix C to 10 CFR Part 50.

We want the present rule retained in its entirety, including the requirement that at the operating stage applicants must show that they possess or have reasonable assurance of obtaining the funds necessary to cover the estimated costs of permanently shutting down the facility and maintaining it in a safe condition.

We request, in addition, that the present rule be strengthened by a requirement of proof of a utility's ability to finance a clean-up in the event of an accident. General Public Utilities (GPU), obviously, is unable to clean-up the accident at TMI-2, and the NRC and nuclear industry cannot say that it will not happen again.

Progress has actually been slight toward clean-up of TMI-2, with the cost and time required to perform the clean-up of the damaged reactor, still unknown. A recent article in SCIENCE 18 September 1981, PROBLEMS CONTINUE AT THREE MILE ISLAND, noted that while GPU's cost-estimate of the clean-up is around \$1 billion. (with about \$200 million spent), that it is quite possible that with regulatory delays, financing troubles, and unexpected technical problems, the cost will rise.

Governor Thornburgh of Pennsylvania is seeking help from the Federal Government (25%), nuclear and electric industries (25%), the insurance fund (12%), and Pennsylvania and New Jersey (6%) to help GPU with the clean-up. None seem willing to make such a large commitment. In the meantime, with the damage and dangers still incompletely assessed, the lives of those living in the TMI-2 Area are still at risk.

This seems an extraordinarily inappropriate time, in fact, for the NRC to consider eliminating an appraisal of a utility's ability to construct and operate a nuclear plant in terms of financial qualifications, given the dire financial problems of GPU and the TMI-2 clean-up, and given the problems utilities are experiencing in financing nuclear plants.

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S.10 Add: Jim Petersen  
AR 2014

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PDR PR  
50 46FR41786 PDR

Public Service Indiana (PSI) announced on October 2, 1981 that their estimate of the cost of Marble Hill had risen from \$3.4 billion to \$4.3 billion. The recent estimate, however, is far below what Marble Hill is likely to cost. The independent audit of the New York State Public Service Commission of Nine Mile Point Nuclear Generating Station produced a cost of around \$5.6 billion, which seems a more reasonable estimate of what Marble Hill may cost.

PSI wants the Indiana General Assembly to pass a CWIP (Construction Work In Progress) Bill giving PSI the power to underwrite construction costs by raising the rates consumers pay for their power. CWIP bills have been opposed by consumer groups as eminently unfair to ratepayers who may never benefit from the power produced. This is particularly true in the case of Marble Hill whose power is not needed in the PSI service area. The question must be raised as to whether utilities should be allowed to recover <sup>all of</sup> the exorbitant costs of a nuclear plant through higher rates to customers even when completed.

Yours sincerely,

*Mrs. David G. Frey*

Mrs. David G. Frey  
Energy Policy Committee, SAS  
2625 S. Smith Road  
Bloomington, Indiana 47401

September 24, 1981

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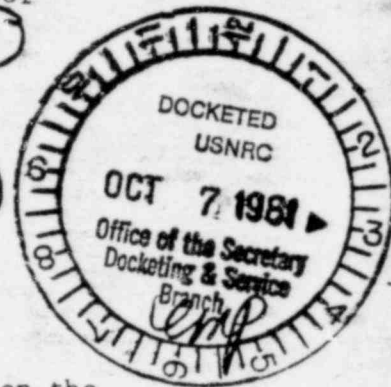
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PROPOSED RULE

PR-50

(46 FR 41786)

Secretary of the Commission  
Nuclear Regulatory Commission  
Attention: Docketing and Service Branch  
Washington, DC 20555



Have the kindness to bring to the attention of the Commission the following comment of the undersigned on one of the Commission's proposed rule changes:

In view of the fact that nuclear plant costs have escalated so rapidly, it must be assumed that the so-called "decommissioning" process, with no base line of experience, will also be very costly. We are convinced, therefore, that it would be a dangerous folly to award construction permits to entities that cannot demonstrate that they have funds for the eventual suitable disposition of the terminated installation--at least insofar as this as yet unknown sum can be projected.

It is our understanding that the Commission invites written public comment on the proposed rule changes, until October 19, 1981.

*Marilyn H. Carleton*

Marilyn H. Carleton  
Conant Road  
Lincoln, MA 01773

*Walter James Hall*

W. James Hall  
12 Pembroke Street  
Newton, MA 02158

*Sabra W. Morton*

Sabra W. Morton  
3 Rolfe Road  
Lexington, MA 02173

*Craig W. Elliott*

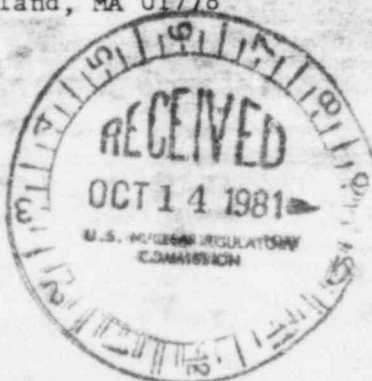
Craig W. Elliott  
16 Bow Road  
Wayland, MA 01778

*Rymas Manomaitis*

Rymas Manomaitis  
16 Crocker's Lane  
West Roxbury, MA 02132

*Robert J. Osten Jr.*

Robert J. Osten Jr.  
55 Judkin Street  
Newtonville, MA 02160



*Steven J. Strong*

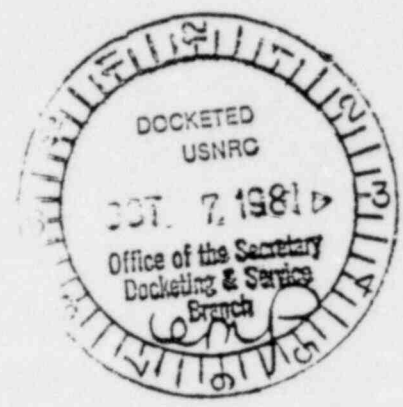
Steven J. Strong  
Conant Road  
Lincoln, MA 01773

*Add: Jim Petersen  
AR 2016*

*DS10  
5011*

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PROPOSED RULE **PR-50**  
(46 FR 41786)



Park Hill  
Westmoreland, PA  
03461  
September 8, 1981

Dear NRC staff  
I am writing to urge you not to change present rules that set financial qualifications for nuclear plant operators. The nuclear industry portrays itself as a responsible industry; regulations which appropriately protect the consumer and our future - by requiring applicants for permits to submit information showing that they have sufficient funds to cover costs of construction, operation, and especially decommissioning, are absolutely essential. I urge you to keep these rules!

Sincerely,  
C.E. Linderman  
C.E. Linderman

DS/D  
S/D  
Add:  
Jim Petersen  
AR-2016

October 4, 1981

26

Secretary of the Commission  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555  
Attn: Docketing and Service Branch

ST NUMBER  
PROPOSED RULE **PR-50**  
**(46 FR 41786)**

Proposed Rule 1.4 CDF Part 50  
Financial Qualifications; Domestic Licensing of Production and Utili-  
zation Facilities

I have read the report of the Federal Register vol. 46, no 159 on the  
above mentioned proposed amendment, and protest passing the amendment.  
Electric utilities cannot be presumed to be able to meet the financial  
demands of constructing and operating nuclear power plants.

Yours truly,

*Marjorie A. Spees*  
(Mrs.) Marjorie A. Spees  
544 North Rosedale  
Tulsa, Oklahoma 74127



DSIO  
S1/D  
Add: Tim Petersen  
AK 2016



HARMON & WEISS

1725 I STREET, N.W.

SUITE 506

WASHINGTON, D. C. 20006

GAIL M. HARMON  
ELLYN R. WEISS  
WILLIAM S. JORDAN, III  
LEE L. BISHOP

TELEPHONE  
(202) 833-9070

OF COUNSEL  
L. THOMAS GALLOWAY

DOCKET NUMBER

PROPOSED RULE

PR-50

(46 FR 41786)

October 5, 1981



Secretary of the Commission  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555

RE: Proposed Rule: Financial Qualifications,  
Domestic Licensing of Production and Utilization  
Facilities, 46 Fed. Reg. 41786 (Aug. 18, 1981)

Dear Sir,

I have been asked to forward to you the enclosed comments on  
the NRC's proposed financial qualifications rule, submitted  
by the Greater Newburyport Clamshell Alliance.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Ellyn R. Weiss".

Ellyn R. Weiss

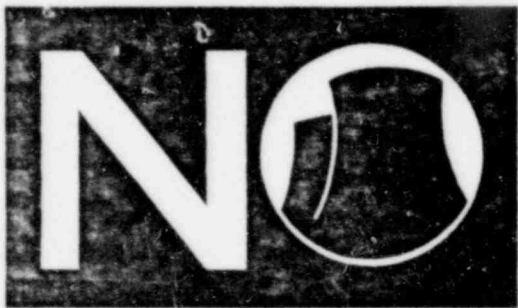
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Enclosure



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5/1/1

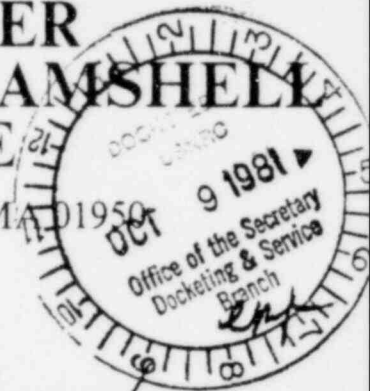
Add: Jim Petersen  
AR-2016



THE GREATER  
NEWBURYPORT CLAMSHELL  
ALLIANCE

24 Center St.  
96 State St., Newburyport, MA 01950

(30) (603) 462-8999



DOCKET NUMBER

PROPOSED RULE

PR-50

(46 FR 41786)

9/28/81

Members of the NRC,

We represent hundreds of  
people from around the Seabrook  
plants who oppose your pro-  
posed rule to eliminate <sup>the</sup> financial  
qualifications review for utility  
applicants.

IT WAS WITH OUR MEMBERS,  
THE SEABROOK STATION, THAT YOU  
BEGAN TO OVERLOOK THE FINANCIAL  
QUALIFICATIONS AND HOW LOOK AT  
THE AWFUL CONDITION OF PUBLIC  
SERVICE CO. OF NEW HAMPSHIRE!  
AND LOOK AT THE GAUGING OF THE  
NEW HAMPSHIRE ~~IN~~ RATE PAYER  
THAT HAS BEGUN TO PAY FOR THE  
UNFINISHED PLANT.

We urge you NOT TO ADOPT  
THE PROPOSED RULE AND WILL BE  
WATCHING YOUR ACTIONS

(over)



Sincerely,

Ashley Farnes

Ashley Farnes  
for the

GREATER NEWBURYPORT  
CHAMBERLAIN ALLIANCE  
24 CENTER STREET  
NEWBURYPORT, MASS. 01950

Greater Newburyport  
Chamberlain Alliance  
24 Center St.  
Newburyport, Me.  
01950



1217 Resaca Place, #2  
Pittsburgh, PA 15212  
(412) 321-3156  
October 6, 1981

Secretary of the Commission  
US NRC  
Washington, D.C. 20555



(31)

-50

(46 FR 41786)

Dear Secretary,

I am writing to inform you of my opposition to the proposed elimination of the NRC's "financial qualifications" rule. I take issue with the NRC's two assumptions on why this requirement should be weakened or done away with completely. First of all, the NRC states that regulated public utilities "can be presumed to meet the financial demands of constructing and operating nuclear power plants". This is not true—look at the Public Service Company of New Hampshire's difficulties in financing the Seabrook nuclear plant, and the New York State Public Service Commission's difficulties financing the Nine Mile Point plant. And there are other examples. Secondly, the NRC asserts that inspection and enforcement by the NRC are adequate ways to assure public safety. This, I believe, is also not true. In fact, one has only to look at the NRC's own words at the time the original "financial qualifications" rule was published: "Although the Commission's safety determinations required the issuance of facility licenses based upon extensive and detailed technical review, an applicant's financial qualifications can also contribute to his ability to meet his responsibilities in safety matters". I think this is still very much the case.

So, the "financial qualifications" rule should not only be kept, but it should even be strengthened further. It should not only include the requirement regarding decommissioning costs, but the regulation should also require proof of a utilities' ability to finance a cleanup in the event of an accident.

Don't eliminate the "financial qualifications" rule!!!

Yours truly,

*Robert A. Braun*

Robert A. Braun

DS10  
S1/0  
Add: Jim Petersen  
AR 2016



Jeff and Linda Weintraub  
5341 Birchwood  
Skokie, IL 60077

Secretary of the Commission  
Nuclear Regulatory Commission  
Washington, D.C. 20555

September 30, 1981

Dear Secretary:

We are writing in comment on the NRC proposal to eliminate financial qualifications review of utility applicants. We feel the elimination of this review would not serve the public interest.

We respectfully urge the Commission to exercise its option to retain the present requirements in their entirety. Of special importance is the need to retain the requirement mandating submission of information concerning the costs of plant decommissioning. We also strongly urge the Commission to retain the regulation requiring utilities to maintain the maximum amount of commercially-available, on site property damage insurance.

A good example of the need for the above regulations is the now infamous Three Mile Island incident. It is assumed that Metropolitan Edison Company and General Public Utilities fulfilled all the above requirements before the accident at TMI. One would also assume that consequently there would be adequate funds and insurance coverage to cover the costs of the clean-up, repairs and decommissioning if necessary. But such is not the case. Met Ed was faced with bankruptcy and found itself in a financial condition whereby it was severely pressed to find sufficient funds to cover costs.

If utilities are under no obligation to provide financial coverage and information as they are now, what would assure the Commission and the public that there would be sufficient funds to cover a similar incident? If an utility is unable to pay for decommissioning or the clean-up of an accident that in itself would constitute a public hazard because the problem would not be resolved as quickly as possible.

We respectfully urge the Commission to consider our suggestions.

Sincerely,

*Linda Weintraub*

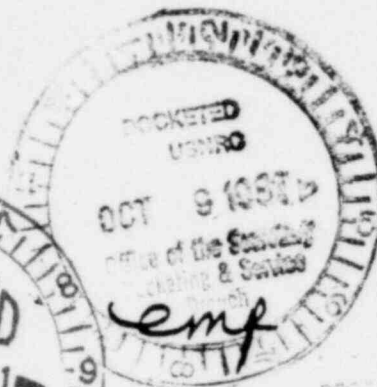
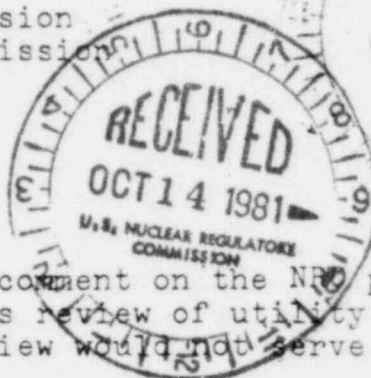
Linda Weintraub

*Jeff Weintraub*

Jeff Weintraub

DS10  
5/10

Add: Jim Petersen  
AR-2014

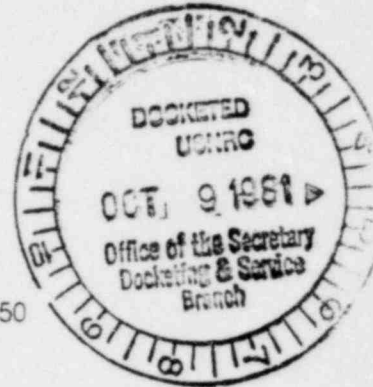


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PR-50  
C46 FR 4178



# GREENPEACE

Chicago office: 3171 N. Halsted, Chicago, IL 60657 Phone: (312) 528-3050



DOCKET NUMBER  
PROPOSED RULE

33

PR - 50

(46 FR 41786)

October 6, 1981

Dear Sir -

We are deeply concerned by a proposed rule change that would eliminate the "financial qualification" requirement that insists that utilities have or be able to get funds to build, maintain, and safely decommission reactors.

It is elementary common sense that a utility should have or be able to get the financial resources to safely carry out its nuclear functions. Nuclear power is inherently dangerous - it would be foolhardy to entrust its use to utilities that may not be able to afford the best safety measures, or the emergency/cleanup/decommissioning needs that may arise. If we're going to allow utilities to play with nuclear fire it is only prudent to ensure that they have the hoses and water that may become necessary.

Therefore, we urge you to retain, indeed strengthen, the financial qualification requirement.

Sincerely -

*Tom Falvey*  
Tom Falvey  
Director

DS10  
S110  
Add: Jim Petersen  
AR 2016