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United States Senate

COMMITTEE ON APPROPRIATIONS
WASHINGTON, D.C. 20510

December 15, 1981

Honorable Nunzio J. Palladino
Chairman
Nuclear Regulatory Commission
Washington, D. C. 20555

Dear Mr. Chairman:

It has come to our attention that the Department of Energy has asked the Nuclear Regulatory Commission (NRC) for authority to begin preliminary site preparation activities for the Clinch River Breeder Reactor (CRBR) in Tennessee by March of 1982. If the NRC were to authorize site preparation activities at this time, it would be compelled to grant exemptions from established regulatory procedures for the CRBR. We have serious doubts about the wisdom of granting such exemptions.

The Clinch River Breeder Reactor was authorized in 1970 by P.L. 91-273 as a demonstration project that would lead to the early commercialization of breeder reactors. Since its inception, NRC licensing of the CRBR has been an integral part of the project.

The contract signed by the Atomic Energy Commission, the Tennessee Valley Authority, Commonwealth Edison Company, and the Project Management Corporation stated that one of the principal objectives of this project was "to help ... verify certain key characteristics and capabilities of breeder power plants for operation on utility systems such as licensability and safety, operability, reliability, availability, maintainability, flexibility, and prospect for economy."

Congress further required licensing for Liquid Metal Fast Breeder Reactors (LMFBR) by enacting P.L. 93-438, which stipulates that any breeder demonstration plant that will provide electricity to a utility must be licensed.

Throughout the annual debates over the CRBR, Congress has never expressed support for regulatory exemptions for the project. To the contrary, the Omnibus Budget Reconciliation Act conference agreement reaffirms the need for proceeding with the established regulatory course for the CRBR in order to make future commercialization possible. The Conference report states, "The conferees intend that the plant should be constructed in a timely and expeditious manner, so that a decision on the commercialization and deployment of breeder reactors can be made on the basis of information obtained in the operation of the plant."

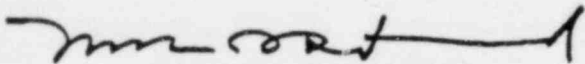
12/22..To OGC to Prepare Response for Signature of Chairman add Comm Review
Date due: Jan 11..Cpys to: Chm, Cmrs, RF, OCA to Ack, docket, EDO..81-2501

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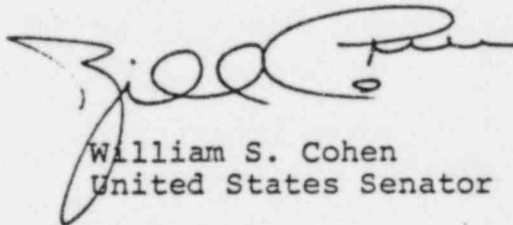
We do not agree with Secretary Edward's assertions that the CRBR "... must be expeditiously constructed to meet the objectives of the CRBR program." To the contrary, we believe it is in the best interests of future commercial development of LMFBRs for the CRBR to undergo the established regulatory procedures without exemption. Furthermore, we believe granting exemptions to the CRBR could seriously erode the public's confidence in the federal nuclear energy programs in general and breeder reactors programs in particular.

We hope you will consider these points during your review of the Department of Energy's request for exemption.

Sincerely,



Mark O. Hatfield
United States Senator



William S. Cohen
United States Senator