

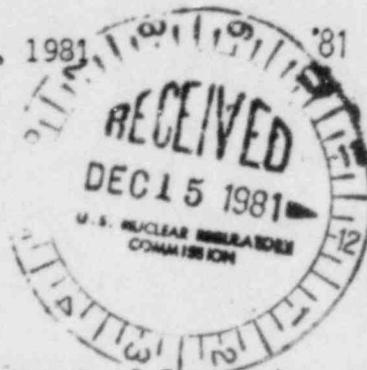
United States Senate

WASHINGTON, D.C. 20510

December 9, 1981

DEC 10 P4:27

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



SECRET
MAILING & SERVICE
BRANCH

Dear Mr. Chairman:

It has come to our attention that the Department of Energy has asked the Nuclear Regulatory Commission for exemptions from established regulatory procedures to allow site work to begin on the Clinch River breeder reactor before hearings on the project's environmental impact are complete. We do not believe that it has ever been the intent of Congress to encourage such exemptions, nor do we believe that such exemptions are in the best interests of possible future commercial development of Liquid Metal Fast Breeder Reactors (LMFBRs).

The legislative and contractual history of the Clinch River project clearly state that one of the goals of this project is to demonstrate licensability of LMFBRs for commercial application. To exempt this project now would merely postpone this determination and cause extensive delay and increased cost of any LMFBR plant that might follow. The time to clearly demonstrate LMFBR licensability is now.

Public Law 91-273 authorized the Atomic Energy Commission (AEC) to enter into a cooperative arrangement with a reactor manufacturer and others for the development of a demonstration LMFBR -- the Clinch River project. The resulting contract, executed August 7, 1972 by the AEC, Tennessee Valley Authority, Commonwealth Edison Company, and 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."

This desire to verify the licensability of LMFBRs was reaffirmed by Congress in 1974 in Public Law 93-438, which stated that the NRC should have licensing and related regulatory authority over demonstration LMFBRs when operated as part of an electric utility system or in any other manner for the purpose of demonstrating their suitability for commercial application.

8112170190 811209
PDR ADOCK 05000537
U PDR

DS03
51/0

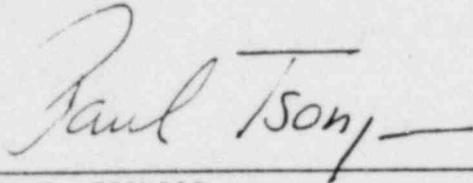
Congress has never since indicated any support for regulatory exemptions for this project. The Conference Report accompanying the Omnibus Budget Reconciliation Act of 1981, cited by DOE in its request to the NRC for regulatory exemptions, in fact states:

"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. The plant should therefore be constructed on the basis of that objective, and not on the basis of providing needed power in the specific region of the Clinch River site."

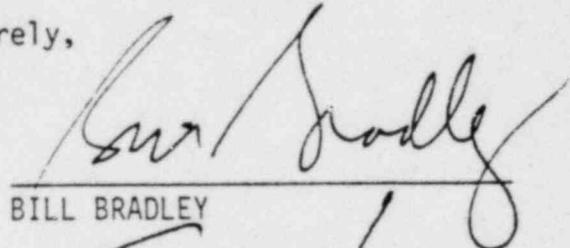
This report language is not a request for regulatory exemptions. To the contrary, it reaffirms the need to go through all steps of established regulatory procedure now to pave the way for possible future commercialization.

We urge you to consider these points and deny DOE's request for exemptions. Thank you very much.

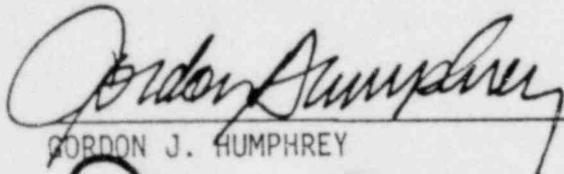
Sincerely,



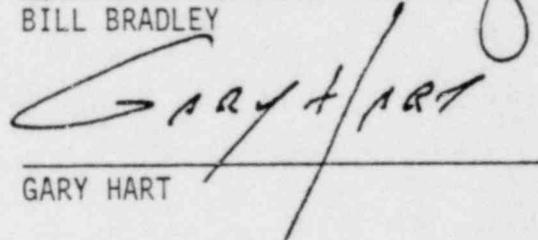
PAUL E. TSONGAS



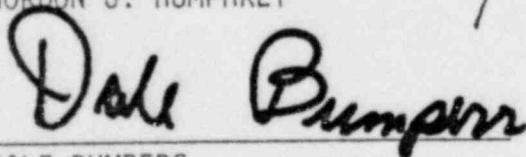
BILL BRADLEY



GORDON J. HUMPHREY



GARY HART



DALE BUMPERS