



THE SECRETARY OF ENERGY
WASHINGTON, D. C. 20585

July 1, 1982

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

The Honorable James K. Asselstine
Commissioner
Nuclear Regulatory Commission
Washington, D.C. 20555

The Honorable Victor Gilinsky
Commissioner
Nuclear Regulatory Commission
Washington, D.C. 20555

The Honorable John F. Ahearne
Commissioner
Nuclear Regulatory Commission
Washington, D.C. 20555

The Honorable Thomas F. Roberts
Commissioner
Nuclear Regulatory Commission
Washington, D.C. 20555

Re: Clinch River Breeder Reactor Plant
Docket No. 50-537 (Section 50.12 Request)

Gentlemen:

The Department of Energy (DOE), for itself and on behalf of Project Management Corporation and the Tennessee Valley Authority, hereby requests authorization from the Nuclear Regulatory Commission (NRC), under 10 C.F.R. Section 50.12, to conduct site preparation activities for the Clinch River Breeder Reactor Plant (CRBRP) project. DOE seeks prompt NRC approval to conduct site clearing, grading, excavation, and construction of temporary support and certain service facilities at the Clinch River site.

The enclosed Site Preparation Activities Report (SPAR) describes the specific activities proposed, and provides the detailed technical justification and support for this request. A Memorandum in Support of Request for Authorization to Conduct Site Preparation Activities, which provides the detailed legal justification and support for this request, is being filed separately by the applicants.

In filing this request, there is no intent to abrogate the NRC licensing process. Approval of this request in accordance with NRC's established Section 50.12 procedures would allow site preparation activities to commence, while at the same time assuring full consideration of all relevant environmental issues, and preserving all elements of NRC's environmental, safety, and hearing processes. In addition, grant of this request will advance established national policies in favor of expeditious project completion.

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This request implements Congressional policy in regard to the CRBRP. The project has been continually authorized and funded by the Congress for more than a decade. More recently, the Conference Report for the Omnibus Budget Reconciliation Act of 1981 reaffirmed the intent of the Congress that the CRBRP project is an essential step in the development of the LMFBR and that the project must be constructed in a timely and expeditious manner.

This request furthers the Administration's policy in regard to the LMFBR technology demonstration program and the CRBRP project. The President's October 8, 1981, nuclear energy policy statement established this Administration's definitive policy on the LMFBR program and CRBRP project as follows:

"I am directing that government agencies proceed with the demonstration of breeder reactor technology, including completion of the Clinch River Breeder Reactor. This is essential to ensure our preparedness for longer-term nuclear power needs."

This request reflects Department policy in regard to CRBRP. DOE is committed to the programmatic timing of CRBRP--as expeditiously as possible.

These established Congressional, Presidential, and Department policies in favor of expeditious project completion are further buttressed by the substantial informational benefits which will be derived from grant of the request. Most importantly, acceleration of the CRBRP schedule by 6 to 12 months will:

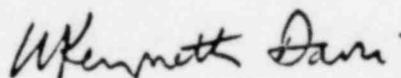
- o Support the timely completion of the LMFBR base technology program, the Large Developmental Plant, and the LMFBR Fuel Cycle program, and enhance the prospects for success in those programs.
- o Support the achievement of the Administration's nonproliferation policy objectives, and enhance the prospects for a U. S. leadership position in nuclear technology.

While acceleration of the CRBRP schedule will yield primary benefits in terms of information, as indicated in the Department's letter of February 25, 1982, it will also yield substantial monetary cost savings to the taxpayer. From any of three perspectives--appropriations, financial, or economic--these cost savings will accrue at the rate of no less than \$28 million per year. Moreover, as shown by the February 25 letter, since the project is funded and its costs are estimated in year of expenditure dollars, from the perspective of Congress and the taxpayer, inflationary cost increases are real and should be avoided. Continued delay in the project can only serve to jeopardize its prospects for success, without any offsetting benefit to the public interest.

An appropriate balance of the four Section 50.12 factors weighs heavily in favor of the request. The SPAR presents a strong affirmative case on the first three Section 50.12 factors. The NRC's 1977 FES concludes that the environmental effects of site preparation would not be significant.

Any impacts that may occur are redressable, and grant of the request will not foreclose any reasonable alternatives. For these reasons, grant of the request will be entirely consistent with NRC's primary responsibility to protect the public health and safety and the environment. At the same time, grant of the request will yield substantial programmatic benefits and advance the Department's ability to carry out its primary responsibilities for energy research and development and policy. In this regard, the Commission which by statute does not have programmatic or developmental responsibility should afford the Department substantial deference regarding public interest considerations and, on balance, grant this request.

Sincerely,

A handwritten signature in cursive script that reads "W. Kenneth Davis".

W. Kenneth Davis
Acting Secretary