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A. D. Hink
President

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April 12, 1994

Mr. William T. Russell
Director, Office of Nuclear Reactor Regulation (NRR)
U.S. Nuclear Regulatory Commission
Mail Station 12 G18
11555 Rockville Pike
Rockville, MD 20862

Proj 679

Subject: Submittal of Application for Standard Design
Certification(SDC)

Dear Mr. Russell,

In a letter to the NRC dated May 7, 1989, AECL Technologies stated it's intent to submit the CANDU-3 design for Standard Design Certification under NRC Regulation 10CFR-Part 52. Since that time we have maintained a continuous dialogue and flow of information with the NRC in preparation for this submittal. We reaffirmed this intent in a letter dated May 7, 1993 to Dr. Ivan Selin and again at a meeting with Dr. Selin on Dec. 9, 1993. During our most recent meeting with NRC staff on March 15, 1994, you requested a specific date for this submittal to assist in your resource planning.

The application will be submitted on or before Sep.30,1994.

As a separate but related matter, we are in receipt of your Policy Issue Information notice (SECY-94-079) which outlines the schedule and estimated costs for review of our design, and if our interpretation of this information is correct we are extremely concerned with the projected cost for your services. The NRC has been reviewing technical information on CANDU-3 for over four years now, and your staff has visited plants operating and under construction. The CANDU-3 is an evolutionary design and it's technology is demonstrated, well known, and regulated in several countries, and therefore we are disappointed that your review should require such a large allocation of manpower and resources. In Canada for example, a license for both the plant construction and site selection can be achieved for less than \$19 million utilizing only a fraction of the people allocated in your estimate.

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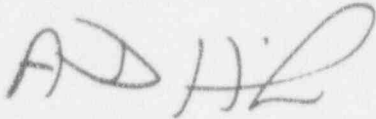
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We expect an explanation of these costs and a more detailed description of the type of analysis and the extent and nature of the support contracts you intend to implement. Hopefully we can show that substantial work has already been done in areas such as codes and corroborating tests so as to reduce the effort needed by your staff. I am sure that with the pressure on you to keep personnel to a minimum you are not anxious to perform redundant or unnecessary tasks. It would also be useful to review what has been done to date by your staff based on the more than \$600,000 which we have been invoiced, and how the data accumulated so far will be applied to the final approval.

We are in the process at this time of arranging meetings with the staff to discuss this matter further.

Should questions arise regarding this subject, please contact me or Victor Snell at (301) 417-0047.

Very truly yours,

A handwritten signature in dark ink, appearing to read "AD Hink". The letters are stylized and cursive.

A. D. Hink
President,
AECL Technologies Inc.