



CHAIRMAN

UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

November 22, 1982

The Honorable Mark O. Hatfield, Chairman
Subcommittee on Energy and Water Development
Committee on Appropriations
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

This is to inform you about the redirection of the Loss-Of-Fluid Test (LOFT) program. At a meeting of the Nuclear Energy Agency (NEA), Organization for Economic Cooperation and Development (OECD) Steering Committee held in Paris on October 19-20, 1982, the United States (DOE and NRC) and other member countries determined that sufficient financial support was available for DOE to proceed with the formation of an International LOFT Consortium. Participants in this consortium, in addition to DOE and the NRC, are the Federal Republic of Germany, the Republic of Japan, the United Kingdom, Italy, Spain, Finland, Sweden, Austria, Portugal, Switzerland, Belgium and Turkey. Others that may participate are Taiwan, South Korea, Brazil and the Electric Power Research Institute.

The NRC sponsored LOFT L2-6 test planned for February 1983 will be incorporated into the consortium test program and rescheduled for FY 1986. In return for the consortium performing this test, NRC will make available \$15.0 million in FY 1983, which is included in the budget, plus approximately \$10.0 million of FY 1982 LOFT funds. The cost to NRC to participate in the International LOFT Consortium will be \$10.0 million a year for FY 1984-FY 1986. Our current plans call for no additional NRC funding after FY 1986 since DOE will assume full responsibility for operation, decontamination and decommissioning of the LOFT facility after that date.

A copy of the NRC/DOE Interagency Agreement on LOFT Program Responsibility is enclosed for your information.

Sincerely,

Nunzio J. Palladino

Enclosure:
As stated

cc w/enclosure:
Sen. J. Bennett Johnston

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PDR COMMS NRCC
CORRESPONDENCE PDR