

JIM SASSER  
TENNESSEE

COMMITTEE  
APPROPRIATIONS  
BANKING, HOUSING,  
AND URBAN AFFAIRS  
BUDGET—CHAIRMAN  
GOVERNMENTAL AFFAIRS

# United States Senate

WASHINGTON, DC 20510-4201

April 24, 1991

Honorable Kenneth M. Carr  
Chairman  
Nuclear Regulatory Commission  
Washington, DC 20555

Dear Mr. Carr:

The Tennessee Valley Energy Coalition (TVEC) has recently contacted me regarding future plans for the nuclear program at the Tennessee Valley Authority. A copy of that correspondence is enclosed. I would be interested in the Commission's view of recent developments in this area.

TVA Chairman Marvin Runyon has been quoted as saying that, according to current growth projections, TVA must begin committing funds to a new power source by 1994 and he believes a new nuclear plant is a credible option. Further, Mr. Runyon has visited Japan to investigate the possibility of building a Japanese nuclear plant in the TVA area. The new nuclear plant would be in addition to the completion of the Watts Bar and Bellefonte plants and the restart of the Browns Ferry plant.

I am interested in your opinion regarding the issues the TVEC raises. For instance, are you satisfied that TVA is making sufficient progress with existing plants to justify Mr. Runyon's optimistic growth projections? I would also be interested in the Commission's opinion of Mr. Runyon's idea to build a Japanese plant. Are U.S. companies qualified to undertake future nuclear development and construction?

Other questions of concern to me are:

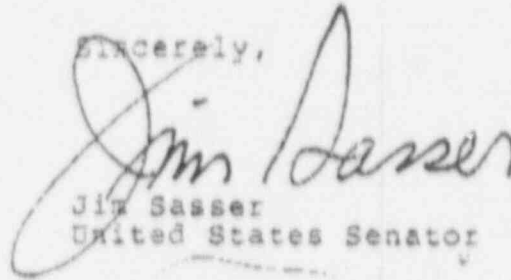
- How would you assess the management attitude at TVA toward safety and regulatory compliance?
- Can you assure me that TVA will operate its Browns Ferry and Watts Barr nuclear facilities safely, if permission is granted to generate power from them? When do you believe these plants and the Bellefonte plant will be operating?
- How would you summarize the regulatory problems encountered by the NRC at TVA over the past two years?

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I would appreciate a in depth answers to my questions at your earliest possible convenience. Thank you for your attention to this matter and I look forward to hearing from you.

Sincerely,

A handwritten signature in cursive script that reads "Jim Sasser". The signature is written in dark ink and is positioned above the typed name and title.

Jim Sasser  
United States Senator

Enclosure

February 24, 1991

Tennessee Valley Energy Coalition  
P.O. Box 27245  
Knoxville, Tn. 37927

Senator James Sasser  
U.S. Senate  
Washington, DC 20510

Dear Senator Sasser,

With our troops at war in the Persian Gulf, and the Administration's unveiling of its energy policy, many Americans feel uneasy about the continuing the status quo of energy production and consumption. Currently, the Bush administration policy has taken an alarming turn close to home.

The Tennessee Valley Authority is apparently slated to be the showcase of the administration's revamping of nuclear power. The debates about the place of nuclear power and the policies of TVA have gone on for some years now. We believe that a number of recent developments give cause for concern for people on both sides of the fence.

Despite TVA's bad experience with nuclear power and its massive \$19 billion debt, Marvin Runyon has announced that he intends to bring all 7 of TVA's idled reactors on line. Chairman Runyon, in comments to the press made two disturbing statements. The first was to the effect that nuclear power was a necessary part of reducing the country's dependence on foreign oil. As you are no doubt aware, there is really no connection between the two issues - the U.S. gets about 20% of its electricity from nuclear power and about 5% from oil. A second statement by Mr. Runyon was more striking. He stated that TVA was able to license nuclear power plants more easily than most utilities because, unlike them, TVA does not answer to public utilities commissions. This seemed to be another way of saying that TVA is not accountable.

One could certainly be forgiven for having that impression. The problems stemming from TVA's problematic nuclear plants and their huge debts have been documented in local, regional, and national press stories. Yet TVA can announce its plans to tie the Tenn. Valley ratepayers to further nuclear adventures without much outcry being raised (yet).

This re-emphasis on nuclear power seems especially inappropriate in the wake of TVA's curtailment of its conservation and energy efficiency programs, an act that contrasts strongly with the policy of progressive utilities across the country. Chairman Runyon said that the \$40 million conservation program was "too expensive".

Between 1977 and 1988, TVA's conservation program helped weatherize 630,000 households, made \$4 million in loans for business weatherization, and saved an estimated 1.2 billion watts of electrical capacity (about the equivalent of a reactor).

TVA Director John Waters said that the conservation program was begun at a time when there was a shortage of electricity, but that now there was adequate capacity. So why the need for more nuclear plants. We suspect that TVA's reluctance to embrace energy efficiency measures comes from their realization that a serious investment in such a policy would show their nuclear plants to be unnecessary.

S. David Freeman, the former TVA director who halted expansion of the nuclear program when it became apparent that it was based on inaccurate projections of demand, is now general manager of Sacramento Municipal Utility District, which is investing in a major effort towards energy conservation and efficiency. He told the Knoxville Journal (July 17, 1990), "I think they (TVA) have made the wrong choice, and the consumers in the Tenn. Valley are going to pay for it. It's considered around the country a backward utility instead of a leader".

There is serious doubt that TVA could revamp its nuclear program at all. The problems at Watts Bar are symptomatic of the program as a whole. The Nuclear Regulatory Commission, known for being a friend of the industry, has made some of its harshest statements on record about the Watts Bar plant.

NRC Southern regional administrator Stuart Ebnetter: "I've never seen anything worse anywhere else" than Watts Bar work controls. "You don't need any more Band-aid fixes. You need fundamental changes".

Steve Varga, NRC manager, said that the fundamentals overlooked by TVA at Watts Bar are covered in a basic construction course at the junior college level.

(Quotes from Knoxville News-Sentinel, January 16, 1991).

And yet, Dan Nauman, the slated replacement for Oliver Kingsley as TVA nuclear chief, speaks about TVA's "commitment... to become the number one nuclear program in the country".

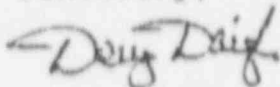
TVEC feels the ratepayers have had enough of TVA's experiments at running a nuclear program and have a right to be supplied power by a least-cost, economically feasible means. We hope that you will speak out for such an approach to energy policy and help stop the massive loss of funds and resources to TVA's ineffective nuclear program. We can only surmise what a fraction of those sums invested in energy efficiency could accomplish.

One way to influence this process is to take a hard look at the qualifications and outlook of the current nominee to the TVA Board, William Kenroy of Lexington, Ky. Is he qualified to bring new vision and perspective to TVA, or is he merely another political appointee to a millionaires club?

TVEC hopes that we can work together to bring a responsible, sustainable energy policy to the Tennessee Valley.

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Sincerely,



Doug Daigle  
TVEC

P.S. Enclosed are copies of articles which have appeared over the past few months that give a clear and vivid picture of both the TVA energy agenda and conditions at Watts Bar.

CONGRESSIONAL CORRESPONDENCE SYSTEM  
DOCUMENT PREPARATION CHECKLIST

This checklist is to be submitted with each document (or group of Qs/As) sent for filing into the CCS.

1. BRIEF DESCRIPTION OF DOCUMENT(S) GTK, SASSER
2. TYPE OF DOCUMENT  Correspondence  Hearings (Qs/As)
3. DOCUMENT CONTROL  Sensitive (NRC Only)  Non-Sensitive
4. CONGRESSIONAL COMMITTEE and SUBCOMMITTEES (if applicable)  
\_\_\_\_\_  
Congressional Committee  
\_\_\_\_\_  
Subcommittee
5. SUBJECT CODES  
(a) \_\_\_\_\_  
(b) \_\_\_\_\_  
(c) \_\_\_\_\_
6. SOURCE OF DOCUMENTS  
(a) \_\_\_\_\_ 5520 (document name \_\_\_\_\_)  
(b) \_\_\_\_\_ Scan- (c) \_\_\_\_\_ Attachments  
(d) \_\_\_\_\_ Rekey (e) \_\_\_\_\_ Other \_\_\_\_\_
7. SYSTEM LOG DATES  
(a) 5/14/91 Date OCA sent document to CCS  
(b) \_\_\_\_\_ Date CCS receives document  
(c) \_\_\_\_\_ Date returned to OCA for additional information  
(d) \_\_\_\_\_ Date resubmitted by OCA to CCS  
(e) \_\_\_\_\_ Date entered into CCS by \_\_\_\_\_  
(f) \_\_\_\_\_ Date OCA notified that document is in CCS
8. COMMENTS  
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