

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

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September 28, 1983

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MEMORANDUM TO THE COMMISSIONERS

OFFICE OF SECRETOR DOCKETING & SERVIC BRANCH

SUBJECT: THE FUTURE OF THREE MILE ISLAND UNIT 1

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When I sent my separate views to the parties in June, I commented that the Unit 1 proceeding had bogged down and that this was to no one's ultimate, benefit. Since then, the case has become even more bogged down. In June, our Office of Policy Evaluation's milestone chart forecast a Commission decision in October, 1983. By September 9, this estimate had receded to somewhere between March and October of 1984. The September 23 schedule pushes this date into 1985.

The proceeding which once seemed to be on a very slow but steady course toward a restart decision, appears now to be heading up a blind alley. The Appeal Board has reopened the hearing on the Hartman allegations; the GPU v. B&W trial has turned up new information bearing on management integrity which the Commission will have to take into account and which may force a reopening of the hearing; various investigations are underway whose conclusion is not in sight. The Commission should recognize that it will not be able for the forseeable future to give GPU's management a clean bill of health, even though this case has already run for four years, and it should make that fact clear to GPU. Short of dramatic changes in GPU management, the idea that the plant will in the future be operated by GPU should be abandoned.

The only way to come to a reasonable solution within a reasonable time is for the operation of TMI to be taken over by an outside organization which would then be the holder of the license. A number of possible arrangements suggest themselves. It goes without saying that such an organization would have to be qualified by NRC, but this is bound to be less difficult than requalifying GPU as presently constituted. While the Commission may not want to go beyond the confines of the present case, I must add that I would consider including the Oyster Creek plant in such an arrangement.

I would urge a Commission discussion of this approach.

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