UNITED STATES OF AMERICA NUCLEAR REGULATORY COMMISSION

BEFORE THE COMMISSION

In the Matter of METROPOLITAN EDISION COMPANY (Three Mile Island Nuclear Station, Unit 1) DOCKETED USNOC Docket No. 50-289-57 84 JUL 26 AN1

TMIA RESPONSE TO JUNE 1 ORDER

Introduction

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By order dated June 1, 1984, the Commission majority directed the parties to present comments on "whether, in view of ALAB-772 and all other relevant information, including investigative reports by the Office of Investigation, the management concerns which led to making the 1979 shutdown orders immediately effective have been sufficiently resolved so that the Commission should lift the immediate effectiveness of those orders prior to completion of review of any appeals from ALAB-772."

The Commission originally contemplated providing the parties two weeks to assemble comments. TMIA requested an immediate time extension due in large part to the June 4 service of thousands of pages of closed Commission meeting transcripts and the anticipated release of numerous, additional volumes of completed OI investigations. The last of these investigations was served on the parties only days ago.

This new material, and in particular the closed Commission meeting transcripts which TMIA has closely studied, confirms TMIA's darkest suspisions -- i.e. that the 'fix" has been in on this case since the beginning. The Commission has had one goal in mind since the accident -- the restart of TMI-1 -- and to the extent that the intervenors' participation has interferred with this objective, their participation has been ignored.

It appears abundantly clear that at no time has a Commission majority fully understood its legal responsibilities -- at no time has the Commission majority even discussed the possibility that the health and safety of the community could be in jeopardy if TMI-1 operates -at no time has a Commission majority fairly and objectively examined the evidence before it. Further, it appears that the Commission has <u>never</u> examined the substantive arguments of the intervenors, and as far as TMIA can tell from the transcripts, it appears that the dozens of written comments which the Commission has solicited from the parties in this case have not even been read by the Commissioners.

Instead, the efforts of the narrow three member Commission majority, as its members changed through the years, are directed toward legal and procedural manuevering, avoidance of substantive issues, and manipulative, sometimes disingenuous attempts to appease a hostile public and their elected officials. While the Commission may jump to characterize these charges are rhetorical and unfounded, TMIA maintains that this conclusion is unavoidable upon reading the "behind closed door" discussions of the Commissioners, and is consistent with all actions taken by the Commission, both publicly and privately.

As far as a substantive reponse to the June 1 Order, TMIA believes the Commission has all the information it needs to responsibly act. There is, however, one new piece of information which is being served upon the Commission as of this date, which TMIA respectfully requests that the Commission consider. That new information is a letter served on the Commission today by Richard Parks, former Unit 2 clean up worker

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who was illegally fired by Bechtel/GPU last year for reporting safety violations. The letter is being filed in response to various investigations of clean up activities and harassment of "whistleblowers." TMIA hereby adopts and supports Mr. Park's views, which will be supplemented by written affidavit in the near future.

In sum, TMIA has one basic comment -- the evidence before the Commission is compelling; the operating license of TMI-1 should be immediately revoked. TMIA has chosen not to expend further time and energy within this particular proceeding. All prior efforts directed at convincing the Commissioners to alter their strong, predetermined views have been futile. TMIA explains below why it has finally come to this position. TMIA plans to puruse other avenues within the agency to force revocation of this company's license.

Discussion

The closed Commission meeting transcripts reveal that the Commission has perceived its role in these proceedings as the protector of the Licensee's interests. As such, its major concern has been to return Unit 1 to operation. Toward this end, the Commission has been remarkably accomodating to the Licensee and a supportive Staff throughout the restart proceeding, to the prejudice of the other parties and the public whom the Commission is statutorily obligated to protect.

For example, in discussing the scheduled October 14, 1981 oral argument before the Commission, only Commissioner Gilinsky expressed a desire to directly examine top GPU management. Chairman Palladino countered, "I think that is undue pressure" on the company. Commission Meeting Transcript 10/1/81 at 10, 27.

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As another illustration, the Commission's immediate response to Met Ed's November 7, 1983 federal indictment, the first in history, was not to determine if the charges had health and safety implications. Rather, the Commission majority's immediate concern was whether Licensee's new mangement reorganization proposal could provide the Commission with a mechanism to avoid dealing with the issue, thus serving as a basis for a Unit 1 restart. Discussion focused primarily upon how to bast accomodate the Licensee -- i.e., how quickly could Licensee assemble a response which could be publicly presented to the Commission, and could the presentation be timed so as to allow GPU to report a favorable management audit expected to be released within days. Commission Meeting Transcript 11/8/83 at 81, 85, et seq. Commissioner Bernthal noted his perceived "responsibility to the licensee and frankly to the customers that they serve...." Id. at 88.

On the other hand, the Commission has only grudgingly accepted its legal responsibilities to afford basic due process to the intervenors by allowing the participation of other parties before the Commission. <u>See, e.g.</u>, discussion, Commission Meeting Transcript 6/21/84 at 58 et seq. At times, certain Commissioners have shown total disregard for the intervenors' input. <u>See</u>, <u>e.g.</u> Commission Meeting Transcript 12/9/82 at 66-67.

Moreover, the Commission has exhibited utter contempt for a fearful public, as well as thers with opposing views. <u>See</u>, <u>e.g.</u>, Commission Meeting Transcript 12/9/81 at 35-36, 40; Commission Meeting Transcript 12/9/82 at 23. Even concerning the dissenting view of an Appeal Board judge, Commissioner Ahearne became upset at the mere

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suggestion that the dissenting view might be mentioned in a Commission restart decision. Commission Meeting Transcript 12/17/82 at 57.

Yet the Commission has often discussed the "fairness" to which the Commission feels it owes the utility. It has perceived a responsibility to tell Licensee precisely what the Commission's restart concerns were so the company had sufficient "time to get itself in order before restart." Commission Meeting Transcript 11/6/81 at 18. <u>See</u>, <u>also</u>, discussion of publicly announcing a timeline for anticipated Commission decision making, at Commission Meeting Transcript 10/6/83 at 51 ("Bernthal: I don't think it is fair for the utility and it is not fair to the Commission at some level to waffle on that issue.").

In discussing the possible necessity of increased NRC inspection during restart, Chairman Palladino remarked, "We are making it so difficult for these people to get it operating." Commission Meeting Transcript 12/6/82 at 74. And when the realization that resolution of all issues unresolved at the time of the indictment could take a minimum of two years, Palladino bluntly complained, "...I have a feeling that the people that are now there are prepared to participate and say, 'The Dickens with this stuff' and go find themselves a new job....that's if I were [GPUN President] Clark..." Commission Meeting Transcript 11/8/84 at 40.

A primary concern expressed in certain Commission discussions has been protection of GPU from adverse financial consequences, which Licensee claimed resulted from continued restart delay. Certain

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Commissioners have vocally expressed their desire to schedule the restart vote at the precise time the plant could be physically ready to operate so as to allow the Licensee to take advantage of maximum rate benefits. In late 1982, the Commission's staff recommended to the Commission that since the plant was not at that time expected to be physically ready for six months to a year, there was no point in the Commission's rushing to vote to restart before the final Licensing Board decision was issued, as the Commission was then considering. Commission Meeting Transcript 12/17/82 at . <u>See</u>, <u>also</u>, Commission Meeting Transcript 3/10/82 at 16, 22; Commission Meeting Transcript 11/8/83 at 59 ("Commissioner Roberts: Let me ask you a question...Forget the licensing process. What is the status of the plant?").

Additionally, there was much discussion of whether the act of lifting the license suspension could allow Unit 1 to go back into the rate base. <u>See</u>, <u>e.g.</u> Commission Meeting Transcript 3/10/82 at 26-27; Commission Meeting Transcript 12/1/82 at 57. Commissioner Roberts bluntly expressed his concern that the Commissioners' ailure to lift the license suspension might cause injury to the Licen se. <u>Id.</u> Further, in discussing whether to proceed with a restart vote in 1982, Commissioner Ahearne expressed his opinion that the possibility that restart could provide clean up funds was a "positive reason" to restart, perhaps "a little nod towards the Pennsylvania PUC."

There appears to have been only two factors functioning as restraints on the Commissioners' zeal to vote on restart -- the fear of reversal by a court, and the fear of public embarassment. Careful

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attention was paid to the public relations implications of a vote approving restart. The Commission's head of public relations, Joe Fouchard, has acted as an advisor to the Commission at various meetings, suggesting topics to be addressed in the proposed Commission restart order. In 1982, Commission lawyers asked Fouchard's advice on whether "public concerns" should be addressed in the then proposed restart decision. Fouchard replied, "Yes, if you have any views, you should state them officially...." Commission Meeting Transcript 12/1/82 at 60-63. <u>See</u>, <u>also</u>, Commission Meeting Transcript 1/24/84 at 9 ("Palladino: I think Joe Fouchard would very much counsel that we do something along this line.")

Potential "embarassment" resulting from a Commission restart vote also has weighed heavily on the Commissioners minds. The General Counsel advised the Commission that to vote in mid-May 1983 without waiting for the results of an adequate Staff review of the B&W trial record would risk that "things could turn up that would make it embarassing or awkward or however you describe it." Commission Meeting Transcript 4/15/83 at 20. Commissioner Gilinsky remarked, "I must say you are remarkably frank in this memorandum," <u>id.</u> further noting, "....you have potential embarassment, high, medium and low." <u>Id.</u> at 22. Plaine responded, "That is right. That is about what it is." <u>Id. See, also</u>, discussions betweeen the Commissioners, and particular concern by Chairman Palladino at Commission Meeting Transcript 4/15/82 at 20-22; Commission Meeting Transcript 6/21/83 at 18-22.

The other prominent "militating factor," obvious in more recent transcript discussions as the outstanding issues grew more serious, was

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the vote's legal strength and ability to withstand court challenge. This must have been a common concern, for the Commissioners once joked about the fact that Commissioner Ahearne asked a substantive question for "information purposes" for a change, as opposed to "litigation purposes." Commission Meeting Transcript 6/21/83 at 22.

Frequently, discussion centered not around the safety of the plant, but whether the "proposals" offered by GPU and the Staff could withstand legal muster. Commission Meeting Transcript 10/6/83 at 46. <u>See, also, Id.</u> at 61. Only Commissioner Gilinsky vocally expressed the view that such concerns were inappropriate. For example, when Commissioner Bernthal asked the General Counsel what their chances in court might be if GPU Board Chairman Kuhns and President Dieckamp remained in charge, or if the Commission "essentially ignored" the criminal indictment, Commissioner Gilinsky remarked,

Well, its not really a problem of what we'll get by in court. The question is do you feel confident in going foward with these people, do you feel that you can go foward and have confidence in the safety of the plant and in the operation that these people ought to be set aside.

See, Commission Meeting Transcript 1/16/84 at 44, 45, 49, 62.

So long as the Commission was assured by its staff that a restart decision would both stand up in court and would "appear" fair, the Commissioners did not concern themselves with a basic understanding of the legal or factual questions before them. Indeed, the Commission's efforts seem more directed at how to avoid the substantive issues before it, which has led to a reliance upon both the Staff and the Licensee for direction.

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The Commission has most often relied upon the staff, both its own staff and agency staff, to "resolve" outstanding questions in a manner favorable to the Licensee. The Commission's own staff, the Office of Policy Evalutation (OPE) has consistently counseled the Commissioners to avoid or ignore issues. For example, the day after the indictment, OPE advised the Commission,

....we were looking at how the devil do you get that plant operating. You have got a plant sitting there ready to go and how do you get it operating safely from a health and safety of the public point of view while all these investigations continue and ultimately all the people that are at fault get penalized.

We were trying to establish what would it take to have you folks and the public happy with operating that plant.

Commission Meeting Transcript 11/8/83 at 46, 50. Similarly,

during a December 1982 discussion of the proposed restart decision, the

following exchange took place,

Asselstine: On footnote 19 I had a question. 'The Commission has reviewed each asserted arbitrary and capricious conclusion cited by TMIA and has concluded that there is reasonable basis to support the Board's conclusion.' Does that mean that we agree that the preponderance of the evidence supports the Board's conclusion? [OGC Attorney] Levi: Yes. Asselstine: Okay, why don't we say. Ahearne: I will admit I did not review each TMIA assertion. So I am taking the staff's position on it. Has the staff gone through every one of TMIA's assertions, and rather than just concluding that these people are always making wild statements thought through each of their assertions? ... [OPE's] Montgomery: I have personally read each and every one and I think Rick Levi has, too. Ahearne: And you have reached that conclusion? Levi: Yes.

Commission Meeting Transcript 12/9/82 at 66-67. See also, id. at 68 ("Malsch: The major flaw uncovered during the examination of TMI management involved an inadequate oversight of the implementation of some aspects of the licensee training and testing administration..."); OPE's description of the evidence revealed during the reopened "cheating" hearings at Commission Meeting Transcript 12/9/81 at 12 ("I would characterize that for the most part it is not a big deal.")

Also, as the Commission prepared its schedule for the October 14, 1981 oral argument on management issues, OPE told the Commission that the intervenors deserved only 1/2 to 3/4 hour time for argument because the intervenors "contributed little to the record," and were criticized by the Board for this. Commission Meeting Transcript 10/6/81 at 30-31. In all these cases, the staff advice to the Commission, on which it relied in proposing a restart decision, was not only inexcusably prejudicial to the intervenors, but flatly wrong. TMIA and other intervenors won their appeal of the Licensing Board's treatment of training and other issues on May 24, 1984, and the Licensing Board decision was remanded for further hearings. See ALAB-772.

Another common method used by the Commission to absolve itself of responsibility to properly resolve issues was the appointment of certain agency staff who could be relied upon to decide questions favorably to the Licensee. For example, on December 29, 1982, Victor Stello was assignned the the task of reviewing the record of the ongoing lawsuit between GPU and Babcock and Wilcox. The suit was settled on January 24, 1982. Stello's credibility had previously been challenged on the basis that the NRC report of Licensee's reporting failures during the accident, produced under his direction, contained unsupported conclusions favorable to the Licensee in conflict with known evidence.

Stello's appointment, and the majority's decision to vote down Commissioner Gilinsky's request that OGC review the trial record,

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prompted sharp criticisms from Congressional Committees. See, e.g. letter dated April 13, 1983 from Chairman Morris K. Udall to Chairman Nunzio J. Palladino; letter dated May 10, 1983 from Chairman Richard Ottinger to Chairman Nunzio J. Palladino. Indeed, Stello's report, released March 28, 1983, was so biased in favor of the utility that four Commissioner's publicly criticized it at an April 6, 1983 public Commission meeting, noting its lack of actual references to the trial record that its conclusions appear to have been based more on previous accident investigations than on actual trial testimony. A new staff review was later commissioned.

The Commission has also tended to assign investigative and review responsibilities of major <u>new</u> evidence outside the hearing record to the same NRC Staff which "stood arm in arm with GPU in the hearing." Commission Meeting Transcript 10/6/83 at 56 (Gilinsky). Of course, the NRC's <u>ex parte</u> rules strictly disallows private communications between one party in the proceeding and the Commissioners. While these rules are strictly adheared to with respect to the other parties, the Commission seems particularly bothered by them when it comes to the Staff, especiallyu the legal requirement that all parties to the proceeding have an opportunity to comment on Staff reports provided to the Commission. Commission Meeting Transcript 11/8/83 at 59. <u>See</u>, discussion, Commission Meeting Transcript 6/21/83 at 43 et seq.

Moreover, it appears that the Staff has used the special knowledge it has by virtue of working under the Commissioners to communicate Commission wishes to the Licensee. Commission Meeting Transcript 6/21/83 at 55-56. In conjunction with other clear indications from the Commission, the Licensee has responded with "proposals" which, in

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Chairman Palladino's words, are just what the Commission has wanted to hear. Commission Meeting Transcript 11/8/83 at 55. These proposals have related primarily to the removal of certain "tainted" individuals in an effort to make a restart decision politically palatable for the Commission. They appear to have been welcomed by the Commission for two main reasons. First, they are utility management generated and thus acceptable to the Commissioners. <u>See</u>, <u>e.g.</u>, Commission Meeting Transcript 6/21/83 at 57 ("Palladino: ..if you get a proposal from a utility you can't ignore it."); Commission Meeting Transcript 1/8/83 at 63 ("Bernthal: ..it seems to me almost we have no choice but to in fairness look at their proposals..I think I know where we are being led but that's alright.")

Second, utility generated proposals are welcomed seemingly because they rescue the Commission from the stalemate created by a tough predicament -- i.e., a mismanaged company seeking a license from a barely functional Commission which can not figure out what to do themselves. Palladino once told the Commission that it should turn to the Licensee for guidance, or "[0]therwise [the Commission was] going to be in a position of...having to propose something." Commission Meeting Transcript 11/8/83 at 35. Palladino also once stated,

Well, all that we can do is respond to proposals. I am sure they say that is our starting point...

Commission Meeting Transcript 10/6/83 at 55. See, also, id. at 59.

It is particularly shocking that the Commission has relied upon the utility for so much assistance is fulfilling its legal reponsibilities, since most every Commissioner has recognized the pervasive problems associated with this company's management.

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Commissioner Asselstine has stated, "Given some of the other conclusions about the extent of cheating and the attitudinal problems to our regulatory process I think this plant needs special attention." Commission Meeting Transcript 12/10/82 at 63. Also, "I guess my big concern is how feasible is it to do that with a partial quarantine, because I think the things are just pervasive. They go everywhere in the organization. Commission Meeting Transcript 10/6/83 at 49 (Asselstine). See, also, Commission Meeting Transcript 6/21/83 at 35. ("Asselstine: I have some serious questions about the competence and integrity of the management of the utility based largely on the cheating incidents.")

Similarly, when Commissioner Gilinsky stated,

Now let's say the operator cheating business, I must say it doesn't make a very good impression on me when the top guys are kind of sliding around about whether there was cheating or not. Now if he says yes, there was cheating and it was terrible the guy is gone, that is different and the issue is over,

Chairman Palladino responded, "I agree." Commission Meeting Transcript 4/15/83 at 16. See, also, Commission Meeting Transcript 1/24/84 at 37, 41.

While discussing the proposed Commission restart decision in 1982, the following exchange occurred,

Asselstine: '....The Commission has itself carefully examined GPU Nuclear's management and concluded that it is competent to operate TMI-1 safely.' I think since we are talking about the Commission's review and examination and then the conclusion that it might be a good idea there to say why we reached that conclusion.... Palladino: Can it be said? (Laughter)

Commissioner Roberts has noted, "And in [Commissioner

Asselstine's] words you would exclude everyone potentially implicated by allegation. Hell that is everybody." Commission Meeting Transcript

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11/8/83 at 73. And when commenting upon a Staff proposal which considers potential wrongdoing by all those below GPU President Herman Dieckamp, Commissioner Ahearne notes, "...we all know from all of our involvement with this, [Dieckamp] has been completely enmeshed. Commission Meeting Transcript 6/21/83 at 29.

However, to avoid the potential implications of issues which could prove troublesome to a restart decision, the Commission has frequently made certain assumptions about the evidence even before the facts were in. For example, in deciding what "proposal" might be acceptable to him, Chairman Palladino noted,

I started out in saying let me try assumptions, and my first assumption was let's assume that Dieckamp is clean and everybody above him is clean and then what do we do? If I took that assumption, I had to make another one, and that is that the TMI-1 leak rate investigation is not going to identify falsification by people who are not on staff. I thought that was not an unreasonable assumption because we are talking about 30 questionable ones...

Commission Meeting Transcript 10/6/83 at 49. See, also, Commission Meeting Transcript 11/8/83 at 32.

As pointed illustration of Commissioner Roberts' narrow-minded approach to the facts, his reaction to the prospect of hearing Stello discuss Licensee's withholding of information during the accident, was "[w]hatever he says and whatever transpires in no way is going to affect my decision on the restart of the plant. Commission Meeting Transcript 10/6/81 at 60.

Where possible, factual issues which were potentially obstacles to restart were simply removed by the Commission. <u>See</u> Commission Order of March 23, 1981, removing TMIA's "financial capability" contentions from the licensing hearing process shortly before the Licensing Board was to begin hearings on the issue; <u>See</u>, confusion by the Commission

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over its legal responsibility regarding the financial issue. Commission Meeting Transcript 12/1/82 at 12.

To the extent issues have not been removed, they have been either ignored, avoided or treated in an arbitrary fashion. Even serious safety issues raised are treated in an almost cavalier manner. In discussing a question posed in the context of the proposed restart decision, which read, "Can reactor operators be found to be adequately trained and competent to operate the plant?," Commissioner Anearne remarked "There I said hopefully" which was followed by "laughter." Commission Meeting Transcript 12/6/82 at 33.

To the extent issues are discussed at all, Commission efforts have been almost uniformly directed toward determining what issues could legitimately be considered "unnecessary" for TMI-1's restart. See. <u>e.g.</u>, Commission Meeting Transcript 10/6/83 at 60. As an example of just about all the above discussed Commission approaches to the restart decision, <u>see</u> the discussion during the October 6, 1983 meeting, Transcript at 33-40. And while the Commission has spent virtually no time learning the issues, it has spent vast amounts of time "massaging" the words used in its orders and proposed decisions so as to create the desired apprearance. <u>See</u>, <u>e.g.</u> Commission Meeting Transcript 12/1/82 at 19-23.

The November 7, 1983 indictment raised one issue which was not immediately avoidable. The day following the indictment, the Commission's General Counsel explained the serious implications of the indictment and how it could ultimately be fatal to the license. <u>See</u>, Commission Meeting Transcript 11/8/83 at 4-5. Chairman Palladino could not be less interested, quickly changing the discussion from the

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indictment to GPU's management "proposal." <u>See</u>, <u>id.</u> at 22 et seq. And while Commissioner Bernthal seemed initially concerned, remarking "[h]ow in the world, if a company is under criminal indictment in connection with running a nuclear power plant, can the Commission vote to allow that company to restart the plants?",<u>id.</u> at 26, Commissioner Roberts and Chairman Palladino attached little if any importance to the indictment. <u>Id.</u> at 35, 36. For reasons unclear, Bernthal ultimately caved in to the Chairman's pressure to ignore the indictment, so that restart was then made possible before the criminal trial. <u>See</u>, <u>generally</u>, Commission Meeting Transcript 1/26/84. The Justice Department was apparently amazed that the Commission would even contemplate restart at that time. Commission Meeting Transcript 1/16/84 at 7.

In addition, underlying most all Commission discussions is a fundamental misunderestanding the Commissioners of their own legal process. Many decisions have been made despite the fact that many basic aspects of the restart hearing process have not been understood. <u>See, e.g.</u>, Commission Meeting Transcript 10/6/81 at 26, 42; Commission Meeting Transcript 12/17/82 at 55; Commission Meeting Transcript 6/21/83 at 43-44.

It is also true, however, that the Commission has directed a good deal of effort toward manipulating the hearing process to ensure a Commission vote favoring restart. The first indication of this was the Commission's August 20, 1981 Order, in which it established the Appeal Board process. This order came one week before issuance of an expected Licensir; Board decision supporting restart. Previously, the Commission had promised the TMI community that the Commission itself

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would take direct review of the Licensing Board decision. By interjecting the Appeal Board process, the Commission gave itself the opportunity to make the Licensing Board decision "immediately effective" pending administrative appeals which typically take significant lengths of time. The Commission and most observers anticipated a smooth "immediate effectiveness" decision making process.

However, as time lapsed and the potential for the Appeal Board process to catch up to the immediate effectiveness review grew, the Commission began asking some fundamental questions about processes which it had established. On December 17, 1982, Deputy General Counsel Malsch had to explain the basic fact that an Appeal Board decision supersedes that of aLicensing Board. Transcript at 60-63. It was recognized at that time that an Appeal board decision which reopened the record would "complicate" the Commission's decision making. Commission Meeting Transcript 6/21/83 at 4. (See Asselstine, "that's putting it mildly." id.) See also, Commission Meeting Transcript 4/15/82 at 36. ("... if the allegation turns out to have some point in fact, then the record is reopened ... If the record is reopened, we reopen our conclusions.") As the Commission began considering the possibility that the hasty establishment of the Appeal Board procees could backfire due to the Commission's inability to render an "immediate effectiveness" decision, discussion turned to the possibility of circumventing the Appeal Board process. See Commission Meeting Transcript 12/9/82 at 80, 82.

By mid-1983, as more and more allegations extremely critical of the competence and integrity of Licensee's management came to light, the Commission scrambled to do something. The Commission examined a

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Staff proposal which would separate from the organization certain "tainted" individuals who were the subject of possible NRC and Justice Department investigations. Apparently, the Commission's OPE/OGC staff then advised the Commissioners that it was "too late in the process to make a separation between individuals and the organization." Commission Meeting Transcript 6/21/83 at 58. The proposal was then rejected by the Commission. See, Commission memo of June 28, 1983.

Incredibly, by October 6, 1983, after numerous investigations were underway in response to allegations made and new evidence brought to light earlier that year, the Commission began reconsidering this same proposal. Commission Meeting Transcript 10/6/83 at 38, 44-45. Chairman Palladino even recognized the difficult legal position in which the Commission could find itself by approving these proposals, exacerbated by the Met Ed indictment. <u>See</u>, Commission Meeting Transcript 1/16/84 at 28 ("We are going to get beat, no matter what we do. We are going to get beat over the head, we are going to go to trial, I'm, sure."). But he, Commissioner Roberts and Commissioner Bernthal approved the proposal anyway, thus separating the "integrity" issues from the restart proceeding. <u>See</u>, Memorandum of January 27, 1984. Commissioner Gilinsky observed,

... I don't know of any previous case. I would not expect very many in the future, if any. You are dealing with a situation in which we have been sitting here, wringing our hands for four and a half years.

Commission Meeting Transcript 1/16/84 at 33-34.

Finally, it appears the Commission's ultimate fear has materialized. The Appeal Board has reversed and remanded the Licensing Board decision finding the record inadequate to support the competence and integrity of Licensee's management. ALAB-772. In light of this

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record, it is not surprising that that Commission majority has now asked the parties for "guidance" as to whether it can proceed to entirely ignore the process which apparently has backfired. Clearly, there is no justification for the Commission to adopt such a course.

In conclusion, it is clear that the Commission has approached all decision making within this process with one goal in mind -- restart. Its decisions have been and continue to be biased, to be unsup; rted by the evidence, and to demostrate disregard for the health and safety of the public. The information sources upon whom the Commission majority has consistently chosen to rely have kept the Commissioners carefully misinformed. As a mountain of evidence accumulated over the past five years revealing serious failures and dishonesty of Licensee's management, the Commission's strength of resolve to restart Unit 1 became only stronger. One is reminded of the frustration expressed by Commissioner Gilinsky in 1981,

You know, I just can't believe this. I have to tell you that. This Commission just is not carrying out its responsibilities.

Commission Meeting Transcript 11/6/81 at 39.

Respectfully submitted,

Three Mile Island Alert, Inc.

Louise Bradford

July 26, 1984

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UNITED STATES OF AMERICA NUCLEAR REGULATORY COMMISSION

BEFORE THE COMMISSION

In the Matter of)				
METROPOLITAN EDISON COMPANY	;	Docket	No.	50-289	
(Three Mile Island Nuclear Station, Unit No. 1))				

CERTIFICATE OF SERVICE

I hereby certify that copies of the attached <u>TMIA RESPONSE</u> <u>TO JUNE 1 ORDER</u> dated July 26, 1984, were served this 26th day of July 1984, by deposit in the U.S. Mail, first class, postage prepaid, or, hand delivered where possible on July 11 to those on the attached service list.

DOROSHOW

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