In the matter of:

DISCUSSION OF SHOREHAM LICENSING PROCEEDING

Docket No.

CLOSED MEETING

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Date: Monday, April 23, 1984

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TAYLOE ASSOCIATES

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1 UNITED STATES OF AMERICA NUCLEAR REGULATORY COMMISSION DISCUSSION OF SHOREHAM LICENSING PROCEEDING CLOSED MEETING 7 (Exemption 10) Nuclear Regulatory Commission Room 1130 10 1717 "H" Street, N. W. Washington, D. C. 11 Monday, April 23, 1984 12 The Commission met in closed session, pursuant to 13 a vote of short notice, at 10:10 o'clock a.m., NUNZIO J. 14 PALLADINO, Chairman of the Commission, presiding. 15 COMMISSIONERS PRESENT: 16 NUNZIO J. PALLADINO, Chairman of the Commission 17 VICTOR GILINSKY, Member of the Commission 18 THOMAS ROBERTS, Member of the Commission 19 JAMES ASSELSTINE, Member of the Commission 20 THOMAS ROBERTS, Member of the Commission 21 STAFF AND PRESENTERS SEATED AT COMMISSION TABLE: 22 S. CHILK 23 H. PLAINE J. ZERBE M. MALSCH P. CRANE

AUDIENCE SPEAKERS:

A. KENNEKE

E. GOODWIN

PROCEEDINGS

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CHAIRMAN PALLADINO: Good morning ladies and gentlemen. This is a meeting on Shoreham Licensing Proceeding but before we can proceed, I need a vote to hold this meeting on less than one's week notice and a vote to close under under exemption 10, agency adjudication. I wonder if we could vote on both of them at the same time? I say aye.

COMMISSIONER ASSELSTINE: Aye.

COMMISSIONER BERNTHAL: Aye.

COMMISSIONER ROBERTS: Aye.

COMMISSIONER GILINSKY: I don't even know what it is about. I am not going to vote but since you have the meeting going, continue it.

CHAIRMAN PALLADINO: Friday afternoon, April 20th, Mr. Herzel Plaine and Marty Malsch met with me to express their concerns about substantive and procedural issues regarding the April 6th Order of the Licensing Board on the expedited hearing schedule on LILCO's supplemental motion for a low-power operating license.

The concerns they expressed sounded significant
enough to me so I thought I should get advice from the

Commission. I then asked Commissioner Asselstine to join the

discussion. He was the only other Commissioner then available.

After the discussion I proceeded to contact other Commissioners

by telephone and talked to Commissioners Roberts and Bernthal.

I was not able to talk to Commissioner Gilinsky directly but communicated with him through his office.

The net result of these conversations was that we should meet this morning to hear and discuss OGC's concerns and determine what action if any the Commission wishes to take. I propose that we begin by hearing OGC outline his concerns and possible approaches to resolving them and then we will discuss the matter. OPE may also be able to contribute to the discussion.

Do any other Commissioners have opening remarks?

(No response.)

CHAIRMAN PALLADINO: If not, let me turn the meeting over to OGC.

MR. PLAINE: Yes, Mr. Chairman. The Shoreham matter in connection with the low-power lizense issue was apparently turned over to a special panel that had been set up with the Chairman being Judge Miller and apparently got together with the parties and set a rather tight schedule for both the preliminary steps of both the hearing schedule and the matter of discovery, et cetera.

COMMISSIONER GILINSKY: I wonder if we could back and go over -- you say "apparently" turned over to a panel. How did that happen?

MR. PL.JNE: How did that happen? As far as I know the Chairman of the Panel, Judge Cotter, on the basis that the

existing panel had a plate full to handle decided to separate this issue and did establish a separate panel.

COMMISSIONER GILINSKY: Was this at the suggestion of the Chairman? Were you involved with this, Joe?

CHAIRMAN PALLADINO: No. He called my office.

COMMISSIONER GILINSKY: Had you discussed anything with him about it?

March 16 with the EDO, staff, General Counsel and Judge Cotter to discuss the memo of March 9th in which the EDO had informed us that the previous estimate of seven months delay had now gone to 14 and the additional item was the Shoreham item. I wanted to see if it was necessary to delay it as much as they were indicating and what steps if any might be done to handle things more expeditiously.

COMMISSIONER GILINSKY: I had heard somewhere and I don't remember where that the entire case was going to be taken away from the Panel and they struggled and decided they didn't want to let go of it.

MR. PLAINE: I don't know anything about that.

CHAIRMAN PALLADINO: Then later he called my office

and said that they were going to appoint a separate panel.

COMMISSIONER GILINSKY: Did he talk about taking the whole case away, the whole loaf?

CHAIRMAN PALLADINO: Bill Reamer probably talked to

them.

COMMISSIONER GILINSKY: I don't remember a Chairman dealing with the Boards in this way before. You may have dealt in an entirely proper way. I just don't know what happened. But it leaves suspicions that are difficult to deal with, difficult for you and difficult for the people who have them.

CHAIRMAN PALLADINO: This is not the first time that the Chairman has met. This was done earlier, I think, when Ahearne was Chairman that they met.

just don't know. It is not the way things were done in the past that I am familiar with. I think particularly in sensitive cases, I think it would helpful. I am not going to be here but just as a word of advice, that these things get discussed by the Commission and if some action is going to be taken or a Board change is going to get -- after all, these things are very, very sensitive and they have a tremendous impact on which way a case goes. It is not just a neutral decision.

CHAIRMAN PALLADINO: I didn't make the decision that they should have a different Board. I didn't make the decision on their schedule.

COMMISSIONER GILINSKY: I think for the Chairman of the Boards, you are making some pretty strong suggestions. I

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just don't know how the thing actually happened. I was disturbed to hear that at one point there was talk about taking the whole thing away from the existing Board. They apparently resisted this and this is the compromise that emerged.

But these sorts of things, it seems to me, ought to be known to the Commission and ought to be discussed with the Commission. There is nothing wrong with trying to keep things moving and come to decisions more quickly if that is possible. There is no virtue in legal problems.

CHAIRMAN PALLADINO: I think the motion from LILCO for low-power came after our March 16 memo and they responded to it -- March 16 meeting.

COMMISSIONER ASSELSTINE: I think that is right, Joe.

The thing I didn't understand was you had sent a memo around
earlier on March 20 urging expedited action on a low-power
license and that was even before we received the LILCO motion.

CHAIRMAN PALLADINO: That is all right. I intended that we discuss that.

COMMISSIONER ASSELSTINE: There wasn't even a motion at the time for a low-power license.

COMMISSIONER GILINSKY: I see. We were setting up a Board before there was a motion?

COMMISSIONER ASSELSTINE: At least there was discussion urging expeditious action on the low-power license

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and then the motion came in at I think 5:37 the same day.

COMMISSIONER GILINSKY: It raises pretty serious questions as to how we are doing our business.

CHAIRMAN PALLADINO: My memo of March 20th was to the Commission and it pointed out that there were possible delays not only on Shoreham but Limerick and I suggested that the Commission hold a special meeting to discuss the problems.

COMMISSIONER GILINSKY: It would have been useful to hold a meeting.

CHAIRMAN PALLADINO: We have one scheduled for tomorrow. The actions of the Board, I believe, went on independent of this action.

MR. MALSH: I can perhaps shed a little bit of light on the Board thing. I was involved a little bit on the edges. After the meeting between the Chairman, ourselves, EDO and so forth, there appeared on my desk a draft notice from Tony Cotter announcing a reconstitution of the Licensing Board. I called Tony ans asked him -- I told him that I was sort of bothered by it on its face since it wasn't clear to me that there was a scheduling conflict unless it was presumed that the LILCO low-power motion is granted. At that time the motion had been filed.

I didn't think that he, Tony Cotter, had the authority to grant a low-power motion and then refer the motion to another Licensing Board.

I also raised reservations about how the whole thing would appear. He said, "Oh, no," that he had been advised by Larry Brenner who was the Chairman of the other Licensing Board that he, Larry Brenner, couldn't really give the low-power motion any consideration at all either granting it or denying it because he was so involved in the Limerick case and therefore, Tony didn't feel that his appointment of a new Board in effect prejudged action on the low-power motion.

He said that he would think about my problem about appearances and call me back. He then called me back the next day and said that they were going forward with it.

CHAIRMAN PALLADINO: With what?

MR. MALSH: And that they were going forward with the reappointment of the new Licensing Board.

COMMISSIONER BERNTHAL: When did that happen, Marty?

MR. MALSH: It happened around the day or the day
before the second Licensing Board or the third Licensing Board
was appointed.

COMMISSIONER GILINSKY: I would add, I would think twice before taking John Ahearne as a model.

CHAIRMAN PALLADINO: He was the Chairman.

COMMISSIONER ASSELSTINE: I think there is another problem as well with the March 16th meeting. I understand from Tony Cotter that there was discussion at the March 16th

meeting of the scope and type of issues that would be
considered in a low-power licensing proceeding with the staff.

I think there is a problem with that as well in discussing with
one party to the case without the opportunity for the others
to have any notice of the meeting or be provided an opportunity
to comment, a discussion of the type and scope of issues
that would be considered in a low-power proceeding.

CHAIRMAN PALLADINO: I think what came up was that the only remaining issue was the diesel generator question at least for low-power. There still remained the emergency planning or preparedness for full-power.

COMMISSIONER GILINSKY: You are going to have to live with these things but as I see it, you are wandering into a legal morass needlessly. Why don't we go on.

CHAIRMAN PALLADINO: All right.

MR. PLAINE: What is before you to think about is the order of the Licensing Board issued on April 6th which does two things, I think, and maybe it does more than that but the two major things are deciding on how it would handle the diesel issue and setting up a schedule for the hearing.

COMMISSIONER GILINSKY: Can I just take you back once more, the regular Board has settled all other issues other than emergency planning, is that right?

COMMISSIONER ASSELSTINE: And the long term diesel generator question.

MR. PLAINE: Yes, that is right.

COMMISSIONER ASSELSTINE: In fact, there are two Boards, right? There is the separate Board that has the emergency planning issue and then the original Board.

COMMISSIONER GILINSKY: You have three Boards that we are dealing with?

COMMISSIONER ASSELSTINE: That's right.

COMMISSIONER GILINSKY: There is the main Board you might say and then there is the Emergency Planning Board.and then there is the low-power diesel generator Board.

COMMISSIONER ASSELSTINE: Right.

MR. MALSCH: In fact, if the hearings go ahead as scheduled, there will be two licensing boards presiding over different aspects of the same case in two adjoining hearing rooms in Long Island.

COMMISSIONER GILINSKY: Does the main Board have to pass on the rulings of the other Boards or are they all acting independently?

MR. MALSH: They are all acting independently.

MR. PLAINE: They are independent.

COMMISSIONER GILINSKY: So they have separate pieces of the case and are working independently.

MR. PLAINE: That's right.

COMMISSIONER ASSELSTINE: And the diesel generator is divided between two Boards.

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COMMISSIONER GILINSKY: We are operating at a high peak of efficiency here.

COMMISSIONER ASSELSTINE: Particularly when you consider the expedited schedule.

COMMISSIONER GILINSKY: Okay.

MR. PLAINE: Now with respect to the low-power diesel issue, this Panel reached a conclusion that it didn't have to apply the General Design Criteria in this case. The main criteria is GDC-17 and has taken the stance that if the reactor is as safe at low-power without the diesel as it would be safe if the plant were at full-power with the diesel, then they don't need to apply GDC-17 which relates to it.

COMMISSIONER GILINSKY: They are basically using the Commission's safety goal as long as the same level of safety or danger is there.

MR. PLAINE: That's right.

COMMISSIONER GILINEKY: Doesn't that get you into trouble with emergency planning?

COMMISSIONER ASSELSTINE: Sure.

MR. PLAINE: It does get you into trouble and that was one of the reasons we wanted you folks to take a look at it and see whether or not you wanted to stand with that.

COMMISSIONER GILINSKY: Specifically with emergency planning because it says it is then as dangerous at low-power as it is at full-power and you don't have the emergency

planning in place.

COMMISSIONER ASSELSTINE: That's right.

MR. PLAINE: Right.

CHAIRMAN PALLADINO: However, they did discuss that.

They didn't draw any conclusion about it as I recall. They are not unaware of the emergency planning problem.

COMMISSIONER GILINSKY: Who is they?

CHAIRMAN PALLADINO: The people who issued this order.

COMMISSIONER ASSELSTINE: The new Board.

MR. PLAINE: If you look at enclosure one of that

packet of papers that was given to you.

COMMISSIONER GILINSKY: Where is that, Joe?

CHAIRMAN PALLADINO: One place is on page nine.

"It has been held that the emergency planning measures required for low-power licenses are not the same as those required for full-power operation...".

COMMISSIONER GILINSKY: But that assumes a lower level of risk. He was going to head for the same level of risk.

question of emergency planning, then the burden of proof gets shifted to +he licensee if not to us to prove that the level of risk for emergency planning is not equivalent to that of full-power. We discussed this before on the phone, Joe, and I just think you are into a never ending morass that certainly

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won't do anybody any good.

COMMISSIONER GILINSKY: Let me ask you another thing.

In all these discussions involving the risks and so on we

are always talking about off-site risks. What about on-site

risks? Do we not consider them? We do regulate worker

exposure.

MR. PLAINE: I think in emergency planning when you are dealing with low-power, the staff generally has taken the view that you don't concern yourself with the on-site risks.

COMMISSIONER GILINSKY: Why not?

MR. PLAINE: Because they were minimal and so forth and I am not quite sure of their total reasoning but in any event, I think they have reached that result.

COMMISSIONER GILINSKY: I think all those calculations have to do with off-site risk.

MR. MALSCH: The Commission's emergency planning rules make it clear that on-site emergency planning is a relevant consideration for a low-power license because there is a concern about the protection of workers and plant personnel. I am not sure to what extent that is factored into the Board's standard. I assume it would be. I would think it would have to be.

COMMISSIONER GILINSKY: So it is a factor. The question is how you deal with it. We do protect the worker.

MR. MALSCH: That's true.

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CHAIRMAN PALLADINO: Would that not come out in the

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low-power hearing?

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MR. MALSCH: I assume it would. I don't know

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what particular issues the parties are focusing on at this

point but as a matter of law, it is a valid consideration for

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low-power license. It is a valid consideration even for

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emergency planning consideration for the low-power license.

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CHAIRMAN PALLADINO: Do you want to go ahead,

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Herzel?

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MR. MALSCH: The Board order does talk about

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CHAIRMAN PALLADINO: What page is that?

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MR. MALSCH: Page four. I would be surprised if

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the Board was using "public" in any kind of specific sense

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to exclude on-site.

protection afforded to the public.

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CHAIRMAN PALLADINO: Whereabouts on page four?

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MR. MALSCH: Page four, first full paragraph, fourth

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line. What I am looking at is April 20, 1984. Let me get

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the other one.

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COMMISSIONER GILINSKY: Let me ask you. Suppose

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this Board held the hearing and ruled favorably and said that

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the diesels were okay for low-power. Short of the Commission

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voting, does that then permit -- let's see. The Commission

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doesn't deal with low-power.

MR. MALSCH: Right.

COMMISSIONER GILINSKY: Would that allow the staff

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to issue a license? There is no separate finding on emergency

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planning that needs to get made on low-power?

COMMISSIONER ASSELSTINE: On-site.

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MR. MALSCH: The staff would have to make all the

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findings.

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COMMISSIONER GILINSKY: But the Emergency Planning

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Board doesn't have to deal with it.

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COMMISSIONER ASSELSTINE: That's right.

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COMMISSIONER GILINSKY: That is as a result of some

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previous Commission ruling, I assume.

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CHAIRMAN PALLADINO: Say that again, Victor.

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MR. MALSCH: It is the way the proceeding has been

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divided up. Effectively all emergency planning issues which

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are relevant to low-power are now before this third Licensing

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Board.

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COMMISSIONER GILINSKY: Everything on low-power is

before this new Licensing Board.

MR. MALSCH: Everything, but it turns out --

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COMMISSIONER GILINSKY: Everything on low-power.

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MR. MALSCH: The only things that remain for

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litigation relative to low-power happen to be emergency

planning. COMMISSIONER GILINSKY: And the diesel generators.

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MR. MALSCH: And the diesel generators.

COMMISSIONER GILINSKY: So they have both of those items.

MR. MALSCH: It has been understood that as far as emergency planning is concerned that off-site planning is not an issue and I don't think the parties have raised any issues so far about on-site planning at least not that I am aware of.

COMMISSIONER GILINSKY: What do you mean, off-site planning is not an issue?

MR. MALSCH: Under the Commission's regulations you don't have to have --

COMMISSIONER GILINSKY: Okay, so it is as a result of a Commission regulation.

MR. MALSCH: Right.

COMMISSIONER ASSELSTINE: Right.

COMMISSIONER GILINSKY: Okay. I remember that one. So basically if they get an approval from Mr. Miller and his friends, then the staff can issue a license.

MR. MALSCH: Correct.

CHAIRMAN PALLADINO: Herzel, do you want to go on?

MR. PLAINE: You have that issue of the application

of the general design criteria in that area and then you have

the scheduling problem. The schedules are apparently fairly

tight.

COMMISSIONER ASSELSTINE: I don't think there is any

apparently about it. Look at the schedule. It is tight.

MR. PLAINE: The parties such as Suffolk County and the State of New York are complaining about that. Indeed they kept me busy over the weekend telephoning and telling me that they were in the process of bringing up a motion for the district court to enjoin the holding of the hearing to commence Tuesday and putting me on notice that they would be appearing there.

Originally they intended to appear in the morning.

After I got notice of this it seemed to me that it would be useful at least to let them know that the Commission had had this telephone conversation or telephone conversations Friday night in which apparently you arrived at a decision to meet this morning and discuss the whole issue of the Board's order.

I think they have thought better of moving in the first thing this morning and are apparently sitting by awaiting what you might do this morning before they file in the district court.

Now whether they have any standing to stop the holding of the hearing, I think, is very doubtful but neverthess, I am sure they will try. I have been informed again that it was not only Suffolk County but the State of New York enjoining together. So we have that little nuance added to the situation.

So basically before you are two issues, the basic

issue of how the Board will deal with the general design criteria in determining the diesel issue for low-power and whether or not you think that the schedules are too tight for a useful full hearing.

COMMISSIONER GILINSKY: Why don't we agree that whatever we do the Commission will pass on low-power operation of this plant. That seems to be what Hunton and Williams expect us to do.

MR. PLAINE: I suppose at some point you will, sure. COMMISSIONER GILINSKY: Normally we would not.

MR. PLAINE: I see what you are getting at. Yes, I see it.

COMMISSIONER GILINSKY: I thought you would.

COMMISSIONER ASSELSTINE: I would agree with that,

Victor, but I don't think that is sufficient to deal with the

COMMISSIONER GILINSKY: I find this as just sort of a safety net.

COMMISSIONER ASSELSTINE: Starting point.

COMMISSIONER GILINSKY: Before we get into the ins and outs of this thing and I am not sure how I would come out on it myself. It seems to me whatever one does, whatever we do, we ought to agree that the Commission will pass on low-power operation or fuel-loading. In fact, that is what LILCO lawyers say. They say that the Board will determine that

problem.

either a basis has been laid for fuel-loading on low-power operation at Shoreham or that it has not. The Commission will surely review this matter at that time with the benefit of the record, et cetera, which is why they are urging us not to hold it up.

In fact, we would not normally review it.

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COMMISSIONER ASSELSTINE: That's right.

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CHAIRMAN PALLADINO: We would have that option even

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at that time.

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COMMISSIONER GILINSKY: I think we ought to agree

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to that and state that.

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CHAIRMAN PALLADINO: What if we did nothing? What is the consequence of doing nothing and letting the Board go forward? Could you present what you see on that?

MR. PLAINE: It seems to me you might have a decision that is challengeable because this is a little unusual.

CHAIRMAN PALLADINO: What is unusual?

MR. PLAINE: I think it is unusual in the sense that I don't think so far the Boards have disregarded general design criteria where appropriate in connection with lowpower licenses and it may be that you don't want to lose the general argument that you have that you do treat low-power quite differently from full-power.

CHAIRMAN PALLADINO: This would not give a precedent setting decision necessarily.

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MR. PLAINE: Not necessarily.

CHAIRMAN PALLADINO: It would certainly affect what happens at Shoreham.

COMMISSIONER GILINSKY: Everything sets a precedent.

CHAIRMAN PALLADINO: We can always review the basis afterwards.

COMMISSIONER GILINSKY: But you can't re-do what you have done unless you agree that you will pass on this low-power decision.

CHAIRMAN PALLADINO: You don't have to agree until you see it.

COMMISCIONER ASSELSTINE: Except once that decision is out, if you haven't indicated that you are going to review it first, the staff is going to issue that license.

COMMISSIONER GILINSKY: Right. Assuming the hearing goes forward and I am not sure myself whether it ought to or not, it would have a very healthy effect on everyone if they understood that this was going to be reviewed by the Commission.

CHAIRMAN PALLADINO: Let me still follow through on what if we do nothing. I would just like to know what the impact would be.

MR. PLAINE: In administrative law the fact that a decision is made in one case doesn't necessarily become a binding precedent on the issuing for other cases. On the other hand, you can't escape the fact that when you do

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something on one case the fact that it looks like another case does have some influence because people begin to cite it.

The fact that you may not have passed on the issue reduces its effect as a precedent. So you don't necessarily establish a precedent by doing it the way the thing is going right now.

COMMISSIONER GILINSKY: Well, you would be. The fact is the Commission is aware of it. If it is not stepping

COMMISSIONER ROBERTS: Not necessarily. This is the beginning of the process.

COMMISSIONER GILINSKY: Yes, necessarily.

in and allowing this to happen, there isn't any question

that it has the approval of the Commission.

COMMISSIONER ROBERTS: It has to go to the Appeal

COMMISSIONER GILINSKY: Oh, come on.

COMMISSIONER ROBERTS: Sure. Don't tell me "Oh, come on."

COMMISSIONER GILINSKY: That is all very well. The fact of the matter is that everyone understands that the Commission is watching carefully and it has orchestrated this process and allowed it to go on.

CHAIRMAN PALLADINO: It hasn't orchestrated -
COMMISSIONER ROBERTS: I haven't orchestrated anything.

COMMISSIONER GILINSKY: You will have. That is what

we are talking about.

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COMMISSIONER ROBERTS: That is a mischaracterization.

COMMISSIONER GILINSKY: I think it is a pretty fair characterization. In any case that is going to be the situation. The question is do you want to review that decision before it goes into effect or not?

CHAIRMAN PALLADINO: The purpose of this limited evidentiary hearing it says, " ... established by the Board is to determine whether or not there is reasonable assurance..." as stated in the previous sentence. The previous sentence is, "The operation of the facility in conformity with the rules and regulations of the Commission includes the possi'ility of low-power operations equal to the full-power requirements of GDC-17 provided that as the staff states it can be found by the Board that there is reasonable assurance that the lowpower activities can be conducted with the protection of the public at least equal to the protection afforded at full-power operations with the approved disel generators. The purpose of the limited evidentiary hearing established by the Board is to determine whether or not there is such reasonable assurance." So they will come out and make a decision as to whether or not there is reasonable assurance, that the low-power activities can be conducted with protection of the public at least equal to protection afforded at full power with the approved diesels.

COMMISSIONER GILINSKY: What is the scope of the hearing? Are they just going to talk about the diesel generators or what?

MR. MALSCH: The LILCO proposal involves an argument that their off-site power supply --

COMMISSIONER GILINSKY: But there are all sorts of other points such as you have a very inexperienced staff, you are starting off a new plant and probably all sorts of mistakes in it as there are in every plant. Will they be talking about these things?

MR. MALSCH: I don't think so.

CHAIRMAN PALLADINO: I think those were adjudicated before. I have to defer to OGC to tell us.

COMMISSIONER GILINSKY: It is interesting.

MR. MALSCH: Intervenors have raised an issue regarding the security applicable to some of the off-site power supplies. That is the only really new issue that I am aware of.

CHAIRMAN PALLADINO: Is GDC-17 quoted properly on page seven of the April 6th order in the footnote? It says,

"GDC 17 requires that electric power systems assure that in the absence of either the onsite or offsite power system, (1)

sprified acceptable fuel design limits and design conditions of the reactor coolant pressure boundary are not exceeded as a result of anticipated operational occurrences and (2) the core

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is cooled and containment integrity and other vital functions are maintained in the event of postulated accidents."

COMMISSIONER GILINSKY: By implication Miller is not just throwing out the design criteria of low-power, he is throwing them out all together. What he is saying in effect is that what matters is a certain level of safety not the words in the criteria and that so long as that level of safety is maintained or danger then the particular wording of the criteria is not relevant.

Now that is something I would think the Commission would want to think over.

CHAIRMAN PALLADINO: Where does he say that, Vic?

COMMISSIONER GILINSKY: I said by implication.

COMMISSIONER ROBERTS: It doesn't say that.

CHAIRMAN PALLADINO: It doesn't say that. I have read this at least three times now.

COMMISSIONER GILINSKY: But that is what he is saying. What he is saying is that what matters is the level of safety not the wording of the criteria.

CHAIRMAN PALLADINO: I didn't get that.

COMMISSIONER GILINSKY: I did. It is the clear implication of what he is doing.

COMMISSIONER ASSELSTINE: To answer your question,

Joe, I am looking at criterion 17 now and what they have done
is they have excerpted a few portions of it and they have left

out the other parts. They have left out the requirement that there be an on-site and an off-site electrical system to permit functioning of systems, structures and components important to safety and the rest of it.

CHAIRMAN PALLADINO: Would you read some of the others aloud? Jim, would you mind?

Systems. An onsite electric power system and an offsite power system shall be provided to permit functioning of structures, systems and components important to safety. The safety function for each system assuming the other system is not functioning shall be to provide sufficient capacity and capability to assure that (1) specified acceptable fuel design limits and design conditions of the reactor coolant pressure boundary are not exceeded as a result of anticipated operational occurrences and (2) the core is cooled and containment integrity and other v tal functions are maintained in the event of postulated accidents."

Then it goes on and there are another three more paragraphs.

MR. MALSCH: I think the reason the Board left it out was because the staff who is the originator of this argument also left it out in its paper to the Dicensing Board.

COMMISSIONER GILINSKY: The originators of what

argument?

MR. MALSCH: This concept, this argument.

COMMISSIONER GILINSKY: It is not the company?

MR. MALSCH: No. I think it is the staff who originated this argument.

COMMISSIONER GILINSKY: Well! It is a creative regulation.

CHAIRMAN PALLADINO: I have to admit that that gave me a lot of problem. As a matter of fact, I was itching to pick up the phone and say to somebody like Harold Denton and say, "Do you really mean this?" Of course, I knew that was improper.

that there are three issues that involved here that really call out for Commission attention now. The first of them is, is the Board interpretation the correct one that the general design criteria do not apply to low-power operation, they only apply to full-power operation and as lont as you can make this comparable safety level argument that that is good enough.

It seems to me that that is the kind of question that ultimately we really ought to speak to. It is not something I don't think that is going to be clear in the legislative history or the history of the regulations. It is a policy issue. It is a question that has not come up before. It is one that we really ought to address.

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CHAIRMAN PALLADINO: Jim, what do you base that issue on?

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COMMISSIONER ASSELSTINE: The Board's order that basically says that they review the design criteria as applying -- they buy off on the interpretation offered by the staff that the design criteria don't apply to low-power operation, that you have to read them in conjunction with whatever the other regulation is, the low-power license regulation. The Board has essentially decided that issue.

CHAIRMAN PALLADINO: What page is that?

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MR. MALSCH: It begins on page eight and nine and

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going on through.

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CHAIRMAN PALLADINO: Does it say it so explicitly? MR. MALSCH: That is certainly the thrust of the argument.

CHAIRMAN PALLADINO: That is an issue that is very critical to my thinking. That is why I want to spend just a minute making sure that we know what it is that we raising as an issue.

MR. MALSCH: Let me say that is very clear because if you look at the whole proceeding, Suffolk County's principal argument against the holding of an expedited hearing was that the motion for a low-power issue on its face should be denied because it was in non-compliance with the general design criteria. The only answer that has been

offered by anybody in opposition to that argument is the general design criteria do not apply.

CHAIRMAN PALLADINO: Where does it say that? I thought that is what they were going to try to adjudicate.

COMMISSIONER ASSELSTINE: Isn't it on page five and six. On page five it says, "Based upon a consideration of the LILCO motion and the facts alleged in its attached affidavits, the matters contained in the responsive filings of the other parties and the arguments of counsel in depth, the Board concludes as follows...". Item three on page six, "The provisions of Section 50.57 regarding low-power operations must be read together with the requirements of GDC-17 concerning emergency power needs for full-power operations."

CHAIRMAN PALLADINO: That says that you should pay attention to GDC-17.

COMMISSIONER ASSELSTINE: It says you read it in -COMMISSIONER GILINSKY: I think he really meant it
the other way around.

COMMISSIONER ASSELSTINE: That's right.

CHAIRMAN PALLADINO: If he had meant it the other way around, I would be inclined to agree with you but it says you have to read number 50.57.

COMMISSIONER GILINSKY: We know what he meant.

COMMISSIONER ASSELSTINE: Then you read it with four though which says, "If the evidence shows that the

does not apply at low-power operation.

COMMISSIONER GILINSKY: It is really number four that pinpoints the problem.

protection afforded to the public at low power levels without

the diesel generators required for full-power operations, is

equivalent to or greater than the protection afforded to the

LILCO's motion should be granted." Then they get their low-

power license. The only way you can read three and four

together is to accept the staff's argument that the GDC-17

public at full-power operations with approved generators, then

MR. PLAINE: What about what they say on page 12, "Looking at the provisions of GDC-17..." Read that whole paragraph.

COMMISSIONER ASSELSTINE: Yes. That right?

CHAIRMAN PALLADINO: "It is unreasonable to refuse to consider the terms of Section 50.57 as applied to the requirements of GDC-17."

COMMISSIONER GILINSKY: I guess the thing that surprises me is he doesn't make mention of emergency planning which given that he is talking about the same level of risk, you would think it would have to be in place. Does he deal with it anywhere?

CHAIRMAN PALLADINO: I thought he did, Victor, but not in great detail.

MR. MALSCH: What they tried to argue was that

this argument regarding equivalency in risk was supported by past precedent in the San Onofre case where the license had been approved without an off-site emergency plan based upon a similar kind of standard.

COMMISSIONER GILINSKY: But there I am sure, I don't remember the details, we assumed that the risk was much lower.

COMMISSIONER ASSELSTINE: That's right.

MR. MALSCH: That the basis was a lower risk so the case that was cited does not apply.

COMMISSIONER GILINSKY: Here he is caught either way.

MR. MALSCH: That was the case on the staff side, also.

COMMISSIONER GILINSKY: If he is going to approve a situation in which the risk is equivalent, the risk of full-power nevermind whether you can do that given that we have these general design criteria, but assuming you did, you would run into the situation that you need to have adequate emergency preparedness. Since so far as I know that is not in place, you can't use that equivalency of risk as an argument for approving the license. If you had the emergency planning structure in place, then you would have passed that test and you would have to go to the question of whether the general design criteria apply or do not apply. But here just on the

face of it, it just doesn't work.

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CHAIRMAN PALLADINO: This is why I thought it was significant enough to deal with it.

COMMISSIONER ASSELSTINE: I agree.

COMMISSIONER GILINSKY: I vote to have a meeting.

CHAIRMAN PALLADINO: I knew you would vote to have a meeting.

COMMISSIONER BERNTHAL: You are almost an hour too late.

COMMISSIONER ASSELSTINE: I think that is the first issue that the Commission ought to come to grips with. The second issue is the justification for an expedited hearing with the kind of schedule and time table that the Board has adopted in this case. We all heard just a couple of weeks ago from the staff in connection with the WNP-2 license that a low-power license for a boiling water reactor just doesn't give you very much. You have to ask yourself with literally months ahead to resolve the long-term diesel generator issue, what is the urgency of this kind of a very compressed time schedule for the low-power licensing proceeding. It is not at all clear to me that there is a basis for that.

MR. PLAINE: The Board has provided its answer. The Board says if you accept and the Board says "we," the business of how you handle the design criteria then on page 13. "Although LILCO's motion for a low-power license could

probably be ruled upon without further evidentiary hearings upon affidavits and counteraffidavits, the Board believes that the record would be more complete by granting a limited evidentiary hearing on an expedited basis." They tie in their very tight schedule to what they regard as a very limited need for hearing if you accept their premise on the basic issue. That is how they get that way. Now whether or not you think that is true may depend a little bit on how the issue is explained.

COMMISSIONER GILINSKY: The Board is explaining why it is doing as much as it is doing.

COMMISSIONER ASSELSTINE: That's right.

CHAIRMAN PALLADINO: They also rely on the PPG guidance on the next page on page 14.

COMMISSIONER GILINSKY: Does that apply to the Board?

CHAIRMAN PALLADINO: Yes. We stated it and restated it and reinterrated in our latest one.

commissioner assetstine: It seems to me that there is a legitimate issue here that the Commission ought to look at in terms of what is the basis for and the justification for this kind of expedited proceeding particularly when it is very likely that whatever decision is reached or if a positive decision is reached, one basis for challenge against that will be that you didn't give us a fair opportunity,

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that this time table was so compressed that it denied us fair opportunity to get a fair hearing on this issue.

CHAIRMAN PALLADINO: They discussed that.

COMMISSIONER ASSELSTINE: The Board does. What I am saying is that there is a real question in my mind at least about the basis for the Board's decision.

CHAIRMAN PALLADINO: But why should we interfere with the Board.

COMMISSIONER ROBERTS: Good point.

CHAIRMAN PALLADINO: The Boards handle these kinds of things all along.

we shouldn't interfere in these kinds of things but there is another element which is my third issue and that is Mr.

Miller's conduct as chairman of this Board in dealing with the Suffolk County attorney and I think that issue raises a third question about whether you just have a Board that is out of control in this case.

This is the order to show cause on disciplinary action against one of the attorneys. When you look at the totality of the circumstances in this case, it looks very bad. I don't think that a Board decision given the totality of the circumstances in this case stands much of a chance of surviving judicial review. If that is the case, the time to fix things is now not after you have a Board decision whenever

it is, another month or so down the road. The Commission is really going to look foolish if at that point we step in and say, "Wait a minute. The basis for this hearing was wrong. We don't read the general design criteria that way. We think the hearing schedule was entirely too short and what is more, we have questions about the behavior of the Chairman of the Board." If that is the time you step in and do something, you are really going to look foolish rather than now before that hearing gets started.

COMMISSIONER GILINSKY: Let me just say that that was in part my suggestion or least tentative suggestion. It is better to do it then than after the plant goes into operation.

COMMISSIONER ASSELSTINE: I certainly agree with that. It is much better for the Commission to do it then than for the court to turn right around and do it for the Commission.

COMMISSIONER GILINSKY: That is why I suggested that if we do nothing else, let's agree that we will pass on the low-power license.

COMMISSIONER ASSELSTINE: I agree with that. That's true.

COMMISSIONER ROBERTS: I will not agree to that.

COMMISSIONER BERNTHAL: Jim, what about if your concern is over the question of the necessity for an expedited

proceeding, what about asking the Board here today, for example, simply directing the Board to ask the parties to present arguments to justify an expedited proceeding?

COMMISSIONER ASSELSTINE: The proceeding starts tomorrow. The expedited hearing starts tomorrow. If you have a concern about that, the Board has already made its decision. The Board has said, "We think an expedited proceeding is appropriate and here is the order and we are going to march ahead on that path."

COMMISSIONER BERNTHAL: But it has not allowed yet

I guess any of the parties to comment on that, has it?

COMMISSIONER ASSELSTINE: I think it did. Yes.

The Board has made its decision.

COMMISSIONER GILINSKY: Having an expedited schedule doesn't bother me as much as the basis on which the thing is proceeding. If it was sort of soundly based, then you could argue whether people are getting enough time or not.

COMMISSIONER BERNTHAL: How could you come back if the Board has already heard as the basis for its own finding whatever statements the parties care to make about an expedited proceeding, how then could you come back later and say that you had been unfairly dealt with?

COMMISSIONER ASSELSTINE: Because the court can say that this schedule was inherently unfair. It was so short that it deprived these people the opportunity to present

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their case.

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COMMISSIONER BERNTHAL: Have the parties argued that precise point?

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MR. MALSCH: Yes, twice.

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COMMISSIONER ASSELSTINE: Yes. And the Board has

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its decision.

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CHAIRMAN PALLADINO: The Board is authorized to make a decision on that.

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COMMISSIONER ASSELSTINE: That is certainly true.

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CHAIRMAN PALLADINO: The procedure ones do not give

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me a problem. I would have had a different view on the

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Suffolk County official but that is beside the point. I

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think the major issue is the substantive issue on the general

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design criterion.

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COMMISSIONER ASSELSTINE: I agree with that. I

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think that is the principal issue but I think the other two

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are serious issues as well and I don't think it is beside the

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point on what the Chairman did on the disciplinary matter.

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That is something that is also going to influence a court

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when it looks at the overall fairness of this hearing.

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CHAIRMAN PALLADINO: Let me go back to the substantive issue. It didn't occur to me that the general design criteria

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did not apply to low-power.

COMMISSIONER ASSELSTINE: I agree with that, yes.

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CHAIRMAN PALLADINO: This is the one that I am

struggling with. But so far as the rest of it --

COMMISSIONER GILINSKY: There is more to it than that though. There is the relationship with the emergency planning as well. In other words, he wants to turn on a reactor at a level of risk that normally requires emergency preparedness without that emergency preparedness.

CHAIRMAN PALLADINO: I am sorry. I didn't hear you.

COMMISSIONER GILINSKY: It is a related point but it seems to me that there is the additional point that Mr. Miller is talking about turning on a reactor at a level of risk that normally is expected to be accompanied by emergency preparedness.

COMMISSIONER ASSELSTINE: That's right.

COMMISSIONER GILINSKY: In this case he wants to dispose of the emergency preparedness.

MR. KENNEKE: OPE has had some preliminary thinking going on this morning and maybe we can offer it here, that item four in the Board's order --

MR. KENNEKE: Page seven. It talks about protection equivalent to or greater than afforded at full-power. It is ambiguously worded but one possible way to read that would steer you in a safer direction so-to-sreak and the kind of

implication that Commissioner Gilinsky aises may be avoided.

CHAIRMAN PALLADINO: Item four on what page?

CHAIRMAN PALLADINO: Say that again.

MR. KENNEKE: You can read it a number of ways, protection equivalent. It is a way of reading it in your trusting to the Board that they will read it. It is clear and obvious on the face of it that there is no off-site plan that is in place and approved so that would seem an obvious fact that they would have to start with. Assuming that to be the case then you would have to assume that the conditions that --

CHAIRMAN PALLADINO: May we have one conversation at a time. I would like to hear both.

MR. PLAINE: Yes. I am sorry, Mr. Chairman.

MR. KENNEKE: Assuming that the Board did take as a given that there was no off-site planning then the conditions that underlay the Commission's rule on low-power without off-site planning would have to apply. There were three bases for that, two related basically to the fission products in the core, the first and the third of the three points. One was that in effect your consequences would be small because the amount of activity collected there wouldn't be large and the third had to do with how fast things would go and largely that is related to the amount of fission products.

The middle one however seems significant. Let me read the second item. "At low-power there is a significant..." and this was the Commission's assumption for approving the

low-power rule, "... that at low power there is a significant reduction in the required capacity of systems designed to mitigate the consequences of accidents compared to the required capacities under full-power operation." Now if the Board were to read what they say is protection equivalent to to be to show that that reduced capacity is not further reduced by the lack of the diesel generators, you would be off into the situation that the Commission itself foresaw in putting out the low-power emergency planning rule without getting into the kind of philosophical divergencies that Commissioner Gilinsky has raised.

That is at least one thought.

COMMISSIONER GILINSKY: Come again?

CHAIRMAN PALLADING: I am not sure I follow that.

MR. KENNEKE: You are throwing around the terms
"risk" and "safety levels" and so on. If you read it
narrowly the word "protection" could be specifically that
these three conditions would not be significantly different.
Then you would seem to be in a situation where the criterion
would be not any different than you are assuming in low-power
operation.

COMMISSIONER BERNTHAL: It is very nice to go through all sorts of intricate analyses but I must say that we have to think about public perception of what is going on here and to me I always try to separate two things when we run into

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these situations. One is what the real hardware physical facts of the plant are and the others are procedural morass as it usually is that we get ourselves into and see if the two can be reconciled somehow. I just don't see how you avoid the appearance, public appearance, here of something that was not properly handled.

If you essentially ignore the emergency planning criteria that you normally apply at full-power and try to go at low-power where you have said yourselves that the risk is the same and I should say "we," Joe, I am using "you" rhetorically here, if we have said that the risk is the same then almost independent of all the other arguments we raise here we have ourselves into something that should require a very careful and I should say rather lengthy deliberations. I don't see how we escape that dilemma.

However we try to escape it based on intricate arguments, it is not going to play that way to the public. That is the problem I have and probably not to the Boards.

CHAIRMAN PALLADINO: First of all, we have to satisfy ourselves. I am not saying that we ignore the public but we certainly have to first satisfy ourselves. I am sorry but I didn't catch the point that you were trying to make.

COMMISSIONER GILINSKY: I didn't either.

CHAIRMAN PALLADINO: I almost thought I caught it but I couldn't repeat it.

COMMISSIONER BERNTHAL: That in itself is a message,

I think. It just isn't going to wash.

MR. KENNEKE: Commissioner Bernthal's point is exactly the point. The question is how is the Board going to use this criteria. How is it going to interpret that criterion?

CHAIRMAN PALLADINO: Criterion 17.

MR. KENNEKE: Item four on page seven, the one that we started the meeting with.

"If the evidence shows that the protection afforded to the public at low power levels without the diesel generators required for full-power operations, is equivalent to or greater than the protection afforded to the public at full-power operations with approved generators, then LILCO's motion should be granted." What are you saying about this?

MR. KENNEKE: The issue is raised as to whether or not this was throwing all of the Commission's previous rules and guidance out the window to some degree. There is one way at least that we have identified this morning in our thinking within which if the Board were to interpret it that way I think they would be on grounds that are consistent and completely in conformance with the Commission's existing rules.

COMMISSIONER ASSELSTINE: What was the third component again?

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MR. KENNEKE: There were three components. Let me read the three so you have them.

COMMISSIONER ROBERTS: From what are you reading? MR. KENNEKE: I am reading from the Statement of Considerations to the Commission's Rule, July of 1982 on low-power operation without off-site planning. There were three factors that were central. First, the fission product inventory during low-power testing is much less than during higher power operation due to the low level of reactor power and short period of operation. Second, at low power there is a significant reduction in the required capacity of systems designed to mitigate the consequences of accidents compared to the required capacities under full power operation. Third, the time available for taking actions to identify accident causes and mitigate accident consequences is much longer than at full power. This means the operator should have sufficient time to prevent a radioactive release from occurring. worst case the additional time available at least ten hours even for a postulated low likelihood sequence, et cetera, et cetera.

COMMISSIONER GILINSKY: But they all spell low risk. That is what they are talking about.

MR. KENNEKE: These are the Commission's words. That is my point.

COMMISSIONER GILINSKY: But they all spell lower

risk.

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MR. KENNEKE: I am saying that you can use that term but if you stick to the meaning of these clearly given here that if they were to demonstrate that that second condition applied, the first and third it seems obvious.

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COMMISSIONER ASSELSTINE: I don't know.

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COMMISSIONER GILINSKY: What do you mean, "the second condition applies?"

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MR. KENNEKE: The first and third seem obvious and are going to be true in any event.

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COMMISSIONER GILINSKY: Right.

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MR. KENNEKE: It is the second one whether or not --

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COMMISSIONER GILINSKY: The assumption there is

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that you have all your emergency systems and they are sized for full-power operation so they would overwhelm a low-power

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COMMISSIONER ASSELSTINE: That's right.

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COMMISSIONER GILINSKY: Here you are talking about

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MR. KENNEKE: Not quite that.

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COMMISSIONER GILINSKY: That is precisely what the

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meaning of that is.

the opposite situation.

accident.

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MR. KENNEKE: It says that the Commission is assuming that at low power there is a significant reduction

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in the required capacity of systems designed to mitigate the

consequences.

COMMISSIONER GILINSKY: Right but the meaning is that the systems are there for full-power and what you need is only a fraction of that capacity.

COMMISSIONER ASSELSTINE: Yes.

MR. KENNEKE: Correct. Now the question is whether or not you have the diesels where one of those systems are not or whether without them those systems that are required to --

COMMISSIONER GILINSKY: You are getting yourself into a lot of trouble here.

COMMISSIONER ROBERTS: Not necessarily.

MR. KENNEKE: It is an interpretation that is consistent with your prior rulings.

COMMISSIONER GILINSKY: I don't think so at all.

COMMISSIONER ASSELSTINE: I agree with Victor.

MR. ZERBE: That is what they have to prove, that they met those criteria.

COMMISSIONER GILINSKY: Good luck!

MR. ZERBE: If they didn't, it wouldn't be acceptable.

COMMISSIONER GILINSKY: It reminds me of the story of Douglas Fairbanks when he was once asked to do a stunt and he used to do his own stunts and he was asked to do a stunt by the director and he said, "No, this one is hard," and the

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order.

director said, "Oh, it is easy. You have done this a million times." Fairbanks says, "Here, you take the wig," and the guy broke his back or something.

MR. KENNEKE: Am I clear, Mr. Chairman, at least on the point that I am making?

COMMISSIONER BERNTHAL: I find it interesting that you commented and didn't you say ten hours? Did the Commission say ten hours?

MR. ZERBE: Yes.

COMMISSIONER BERNTHAL: The footnote here says

55 minutes LILCO is arguing and if you remove the conservatisms they have 110 minutes or three hours. I don't know how they get 110 minutes or three hours. That sounds like two to me.

Maybe it is a misprint. That is what the licensee is arguing.

COMMISSIONER ROBERTS: Where is that?

COMMISSIONER BERNTHAL: This is on page four of the

MR. KENNEKE: The two hours is without power and the ten hours was the additional time available which could eventually result in release. So it is the time to release as opposed to being the time without power.

COMMISSIONER GILINSKY: The notion there in that number two was that you had enormous pumping capacities sized to remove heat from a full-power core that had been operating

for some time and they ought therefore to be some factor more than adequate for low-power accidents. The question was not addressed what if you don't have it. It was never even contemplated that you would not have any of these full-power systems.

COMMISSIONER ASSELSTINE: Because everybody assumed the general design criteria applied to low-power as well as full-power.

COMMISSIONER GILINSKY: It just doesn't make any sense to me.

COMMISSIONER BERNTHAL: The problem is, Joe, it seems to me that on these highly controversial and highly politicized plants situations that the perception of what we are doing is just terribly important and the perception here if you sort of charge down the path that we are charging down right now is a no-win situation. I suspect the court will see it that way although I am not a lawyer.

COMMISSIONER GILINSKY: I think you are right although I have to agree with Joe. I think the starting point has to be what you think meets the statutory test.

COMMISSIONER BERNTHAL: That is what I call hardware.

CHAIRMAN PALLADINO: Perception has a lot of aspects to it. It can also be a perception that no matter when a utility asks for something they are going to get slow action.

You may say that this is super expedited. That is one thing. But I think we have to be careful what we say because after 3 this the Boards won't know what to do.

COMMISSIONER GILINSKY: I think both points of view are right. I think the starting point has to be the statutory test. I also think we can't ignore the fact that the case is one that particularly has attracted a lot of attention and that was one of the reasons why I said that I felt particularly here we ought to be approving the low-power operation.

MR. PLAINE: Mr. Chairman, could I pick up on what Fred Bernthal had to say. Maybe the way to cut through this is to make sure that you heard the parties on this.

CHAIRMAN PALLADINO: That we heard the parties? MR. PLAINE: That we hear the parties on this matter so that we don't appear to be acting arbitrarily. What we could do is to ask for temporary stay, we would temporarily stay the start of the hearing tomorrow, notice the parties to come in here and argue their contentions on Thursday or Friday.

COMMISSIONER GILINSKY: Argue what?

MR. PLAINE: Whatever their contentions are with respect to these two substantive issues, both the interpretation of the rule and the question of schedules which basically is really a concomitant to what you decide on the rule. If you

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agree with the Board that this is not such a great issue and that it could even have been disposed of by affidavits obviously they don't need a heck of a lot of time. On the other hand, if you think that they are wrong and you decide to tell the Board to take a different tact, then I think that both the course of the hearing and perhaps its length may be slightly different.

COMMISSIONER ROBERTS: Herzel, why do you issue a stay? Don't you issue a stay to correct an injury or a prejudice? Who is being injured? Who is being prejudiced?

MR. PLAINE: Only to prevent the hearing from starting off on the wrong foot. That is all. That is what you are trying to do.

CHAIRMAN PALLADINO: I didn't mind your first one but the second one gives me a problem unless the decision on the first one impacts on the schedule. If we are going to decide whether or not the general design criterion 17 is to apply to low-power, that decision could very much affect the scheduling.

COMMISSIONER ASSELSTINE: That's right.

MR. PLAINE: Of course. That is exactly the point.

CHAIRMAN PALLADINO: I would hate to get in and start to fuss around with Board schedules.

MR. PLAINE: I think you have to start first with the substantive issue. You start with that and you make a decision after you have heard the parties on whether or not

they really have a good point. If they convince you that the Board is on the wrong foot, it is only then that you have to get into scheduling, I think.

COMMISSIONER ROBERTS: I have to say then that we don't need an Appeals Panel.

COMMISSIONER GILINSKY: We don't.

(Laughter.)

COMMISSIONER ROBERTS: If you follow that line of reason, why do we have an Appeals Panel?

MR. PLAINE: Hold on. You could turn a thing like this over to the Appeals Panel but I think the Appeals Panel itself would probably need the guidance of the Commission as to what this particular --

COMMISSIONER ROBERTS: Why don't we let the process take place? We have a process.

matter of interpreting what the Commission intended by its rules to start with. It is a gut policy issue. Does the Commission expect its general design criteria, the most fundamental safety requirements in our regulations, to be met before a plant gets a license whether it is low-power or full power? That is the issue. That is a fundamental policy judgment and the place to make that judgment is right here. It is not something that a Board can look at the history of the regulation and how they were developed.

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COMMISSIONER GILINSKY: The question is should the plant be allowed to operate before it does?

COMMISSIONER ASSELSTINE: That's right.

COMMISSIONER GILINSKY: You might think of this as the Safety Bill of Rights.

(Laughter.)

Joe, that we do the licensee any favors if we defer judgment on policy questions and let them go through this whole process and then suddenly it comes before us not to mention ourselves because we are under the gun then in a sense and the license may ultimately end up being further delayed than they would if we simply cleaned it up to begin with.

I still don't understand incidentally how you escape this dilemma on emergency planning. We keep touching that and backing away from it.

COMMISSIONER ASSELSTINE: You can't.

COMMISSIONER GILINSKY: It seems to be at a minimum you ought to be telling the Board to include that in its deliberations. That has to be a factor.

CHAIRMAN PALLADINO: The interaction of the two, I think is very important. If the Board is right on the general design criterion and the process loses emergency planning, I don't think you are any farther ahead on any plant.

COMMISSIONER GILINSKY: We could simply direct a

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question how he rationalizes, how the Board rationalizes their approach with the requirements on emergency planning.

CHAIRMAN PALLADINO: Let me hear Herzel's proposal.

MR. PLAINE: My feeling is that the delay that you cause might be something like a week or ten days at the most.

CHAIRMAN PALLADINO: Let me hear the proposal before we talk about any delays.

MR. PLAINE: My proposal would be to temporarily ask the Board to postpone its hearing until the Commission has had an opportunity to hear from the parties on the two principal issues, namely the question of the application of the guidelines and the question of the schedule. In fact, you could even phrase it "the concomitant schedule."

CHAIRMAN PALLADINO: That bothers me if you throw in schedule.

MR. PLAINE: I say "concomitant" schedule.

CHAIRMAN PALLADINO: I am not sure I understand what that means.

MR. PLAINE: Because it depends on shorthand for saying that if you agree with -- if you end up agreeing that some of the parties and the Board have taken the right tact, you might end up agreeing that the schedule is sufficient.

On the other hand, if you direct them to make a change in what they are doing, you might have to also ask them to allow

more time.

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CHAIRMAN PALLADINO: That I would understand. Now you want more than just to hear them.

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MR. PLAINE: I want you to hear them. That is all.

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CHAIRMAN PALLADINO: Hear them and then we have to

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do something.

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MR. PLAINE: Then you do something.

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CHAIRMAN PALLADINO: We hear their arguments and

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then make a decision on something. That is what I am trying

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to get to.

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MR. PLAINE: A decision on what basis shall the

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Board goes forward.

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CHAIRMAN PALLADINO: We would give guidance to the

Board on this issue, the general design criteria.

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MR. PLAINE: Whether you decide that they are doing

all right or whether we want to modify it.

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CHAIRMAN PALLADINO: So you are proposing that the

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Commission hear the arguments of the parties on the applicabil-

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ity of the general design criterion 17 and the interrelation

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with emergency planning.

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MR. PLAINE: Right.

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CHAIRMAN PALLADINO: You would temporarily stay the

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action of the Board until you hear this and provide guidance

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to the Board on this matter.

COMMISSIONER GILINSKY: You were talking about a

hearing when?

MP DIATNE. I would say

MR. PLAINE: I would say Thursday or Friday.

COMMISSIONER GILINSKY: You are talking about one of the biggest issues in this whole complex of regulations whether the general design criteria should apply and you are going to give people two days. I think that crazy.

MR. PLAINE: How about Friday? They are ready to go. They are supposed to be ready to go tomorrow.

COMMISSIONER ASSELSTINE: They have already argued this issue.

MR. PLAINE: They have argued this before. You haven't heard the argument. That is the point. They have argued it before the Board.

CHAIRMAN PALLADINO: You are saying that we are still on the critical path at least for low-power.

MR. MALSH: I will say this. They have argued this matter twice before. We have done some research and there is no precedent. There is no prior Board decision which reaches a similar holding. There is no law to cite to speak of so it is not something that requires exhaustive research. I think it is a matter of policy --

COMMISSIONER ASSELSTINE: Policy decision.

MR. MALSH: -- in carrying forward as we have here today the implications of the argument. It does not take a lot of time or legal research.

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GDC-17.

MR. RENNEKE: I just want to be clear, Mr. Chairman.

Are you all making the assumption that the Board has said

that GDC-17 doesn't apply?

COMMISSIONER ASSELSTINE: Yes.

MR. KENNEKE: Is it really being read that way?

COMMISSIONER ASSELSTINE: Yes.

MR. KENNEKE: It is a question of how you interpret

COMMISSIONER ASSELSTINE: No.

MR. KENNEKE: Where are the words for that?

COMMISSIONER ASSELSTINE: We went through that

already. It is items three and four together.

CHAIRMAN PALLADINO: Let's find the words.

MR. MALSCH: I think they are implicit in the order but you have to understand LILCO's problem to read them correctly. LILCO in going before the Board with their low-power license was asked whether the motion for low-power license would require a hearing on the Trans American diesel which were LILCO's proposed on-site emergency power supply in accordance with GDC-17.

LILCO said, "No, we are not using those at all for purposes of our low-power motion. For purposes of our low-power motion, we have no emergency on-site power supply."

COMMISSIONER ASSELSTINE: That's right.

MR. MALSH: At that point Suffolk County said, "Well,

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if you have no emergency on-site power supply, I read GDC-17 as saying you must have one. Therefore, there is no need for any expedited hearing, Licensing Board. You can simply deny their motion out of hand on the grounds that there is non-compliance with the Commission's regulations."

At that point the staff stepped in and said, "Ah, not so fast. We don't think you have to read the general design criteria that way. You should harmonize the general design criteria with 50.57(c) which is the low-power motion authority and grant the license if you can show that the risk is equivalent to full-power."

So it is implicit in the Board's order that general design criteria 17 does not apply because if it did apply they would have been forced to grant Suffolk's County motion to deny the license application out of hand for non-compliance.

MR. KENNEKE: Aren't they supplying additional alternatives as sources of on-site power?

MR. MALSCH: No. It is all off-site.

MR. KENNEKE: I thought they were bringing in some temporary gas turbines?

MR. MALSCH: Yes, but they are characterized as off-site.

CHAIRMAN PALLADINO: What does deadline blackstart mean?

MR. PLAINE: Where is that?

CHAIRMAN PALLADINO: On page three of the order, it says, "Whether emergency power sources available are sufficient to ensure public health and safety during low-power testimony," and they are going to supply " ... one 20 megawatt gas turgine (deadline blackstart) ... ". I didn't know what that meant.

MR. PLAINE: Deadline blackstart?

CHAIRMAN PALLADINO: Did I read that wrong?

COMMISSIONER ROBERTS: No. You read it absolutely literally. I would like to know to.

COMMISSIONER BERNTHAL: It doesn't say specifically whether that is on-site or off-site and I must say that I am confused about that.

MR. MALSCH: They clarified that during the course of the prehearing discussions.

COMMISSIONER BERNTHAL: All right.

CHAIRMAN PALLADINO: Are they off-site?

COMMISSIONER BERNTHAL: I guess. Is that what you are saying, Marty?

MR. MALSCH: They are physically on-site but for purposes of this motion, LILCO has said that they are all offsite.

COMMISSIONER BERNTHAL: Because they don't meet the design criteria, okay.

MR. MALSCH: They don't meet other design criteria.

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1 COMMISSIONER BERNTHAL: Like seismic qualifications, 2 I gather. 3 MR. MALSCH: Right. They meet none of the other 4 criteria so to avoid application of the criteria that might 5 otherwise apply, they have characterized them as off-site. 6 COMMISSIONER ROBERTS: But, in fact, these are 7 available. 8 MR. MALSCH: That's right. LILCO asserts that 9 they are. 10 COMMISSIONER ROBERTS: Yes, I understand. 11 MR. MALSCH: In fact, some of them are actually 12 geographically located either on-site or so close to the site 13 that you wouldn't be able to tell the difference. 14 CHAIRMAN PALLADINO: The major question at the 15 bottom is they have not been designed as safety related to 16 the system. 17 Did you have another point? 18 MR. KENNEKE: No. I was going to read part of it 19 but I see that it is applicable to on-site and if the 20 definition is that they are not on-site, I guess we have some 21 difficulty. 22 CHAIRMAN PALLADINO: Does anybody know what deadline 23 blackstart means?

COMMISSIONER BERNTHAL: I assume that if you

separate those two words, maybe that is what it means but I

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have no idea. "Dead Line Black Start," perhaps.

COMMISSIONER GILINSKY: I must say that this confirms me even further in my view that the staff ought not be in these hearings. Here is the staff concocting arguments on how all this can be rationalized and I must say that even though you didn't tell them anything about the hearings, this is after your meeting with them on the speeding up the process so the effect of it is inevitable. You have them go back and think, "Well, how can we speed up this process?" I am not suggesting that you did anything proper mind you but that is intrinsic in the way the system works.

CHAIRMAN PALLADINO: I expect them to use all their normal good judgment.

COMMISSIONER ASSELSTINE: You expect too much.

CHAIRMAN PALLADINO: Just as I expect other

Commissioners and members of the staff to use their normally good judgment.

COMMISSIONER GILINSKY: I think it really undermines the whole process.

CHAIRMAN PALLADING: I don't think so. I think if we get into the procedural one, I would probably argue. I am still not entirely satisfied on the general design criterion question.

COMMISSIONER BERNTHAL: Is someone going to define "deadline blackstart" for us?

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COMMISSIONER ROBERTS: We seem to be getting zero response.

MR. GOODWIN: Deadline blackstart. "Blackstart" means the diesel or gas generator requires no external source of power to start it just its own included batteries and "deadline" means that it is capable of energizing whatever transmission lines are required to get from the power source to what will utilize the power.

MR. MALSCH: On the on-site/off-site, let me just read you a portion of the transcript. This is LILCO's counsel speaking in response to a question about how come your temporary diesels are not seismically qualified.

"Judge, the power sources that we are talking about the 20 megawatt gas turbine, the mobile diesel engines, they are part of the off-site system. They are enhancements to that off-site system. As such, they are not required to be seismically qualified."

COMMISSIONER BERNTHAL: Required to be is different from how nice it would be if they were as back-up systems.

MR. MALSCH: Right.

COMMISSIONER GILINSKY: What are we going to do? We can go forever.

CHAIRMAN PALLADINO: Herzel has proposed a course of action if I can summarize it to see if I understand it, that the Commission issue a temporary stay order staying the

1 hearings proposed by the Board until the Commission has heard 3 7 8

the arguments for and against the elimination of the general design criterion number 17 for low-power and its interrelationship with the emergency planning and has offered guidance to the Board on this matter and he also suggested that we hold this presentation on Friday the 27th and after we have heard them then we have the problem of making our decision on quidance.

That is the part that gives me a problem. I can see three weeks go by on that matter. If the Commission will agree to give it as reasonably prompt attention as it can, then I wouldn't feel so badly about that.

I will admit that depending on the guidance we may have to remand this back to the Board to reconsider its schedule.

COMMISSIONER GILINSKY: What happens if the Commission says, "No, you can't use this sytem."

CHAIRMAN PALLADINO: Don't we send it back to the Board and say, "Now reconsider it."

COMMISSIONER GILINSKY: What is the effect on the plant?

MR. MALSCH: I would say that I think that means the motion has to be denied out of hand.

COMMISSIONER ASSELSTINE: That's right.

MR. MALSCH: There is no effort made by LILCO to

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show compliance with the general design criteria.

MR. KENNEKE: As a legal matter that is correct.

Would they then be available to come back with a better

technical justification? That would still be legitimate?

COMMISSIONER ASSELSTINE: They could try.

MR. PLAINE: They could try, sure.

CHAIRMAN PALLADINO: I guess they always can try.

MR. PLAINE: Sure.

CHAIRMAN PALLADINO: Another complicating factor that I hesitate to bring up but when I read the financial qualification question, it seems to raise even more difficult ones for Shoreham, low-power.

COMMISSIONER GILINSKY: There are a few others in there.

CHAIRMAN PALLADINO: Yes, but I meant since we are talking about Shoreham. Let me hear what people have to say about Herzel's proposal.

COMMISSIONER ASSELSTINE: I would agree with it.

CHAIRMAN PALLADINO: What about you, Vic?

COMMISSIONER GILINSKY: I don't know. I want to hear what my friend, Tom, has to say about it?

COMMISSIONER ROBERTS: I think it is a bad idea. I would not go foward in that manner. I would do nothing and let the process run its course.

CHAIRMAN PALLADINO: Why would you do that? I am

just trying to get you to articulate it for the record.

COMMISSIONER ROBERTS: We have a Board and the Board has issued an order and that order is subject to all sorts of reviews. I don't care if you want to argue that this is some great major policy issue. I don't think we ought to dip down and get involved in every Board order.

CHAIRMAN PALLADINO: Or any Board order.

COMMISSIONER ROBERTS: I don't see any egregious harm to anyone. I fail to understand who we are depriving of their rights or their privileges or their ability to participate in our process.

COMMISSIONER GILINSKY: Are you comfortable with letting this plant turn on?

COMMISSIONER ROBERTS: It hasn't reached that issue yet. A license is not going to issue tomorrow.

COMMISSIONER BERNTHAL: I think Tom's point of view is a legitimate one. We are in a kind of a no-win situation though. My concern, Tom, is that we will end up with this same unpleasant mess in front of us with still more encumberance at some future date. You may well be right but frankly I would prefer to cut our losses and decide the policy issue now to put it bluntly. You may well be right. It might be better of to let the thing run its course but we may end up delaying things further if we do that.

CHAIRMAN PALLADINO: The Board may decide issues the

same way we decide them.

COMMISSIONER BERNTHAL: May very well. It just seems like we are in the midst of something here that does come down to a policy question and I don't see frankly why the Board needs to take this as a rebuke of any kind if this thing is handled as a policy issue. It is very clear that it is a larger policy issue and if we treat it that way, I don't see that it is a rebuke to anything that the Board has done.

COMMISSIONER ROBERTS: That is all very well and good to say, Fred, and I understand and I understand your attempt but it isn't going to be read that way.

COMMISSIONER BERNTHAL: You may be right. I would hope it would be.

COMMISSIONER ROBERTS: It is unrealistic to think that.

CHAIRMAN PALLADINO: That is why it is important if you are going to say that, that it be a policy issue and not get mucked up in the scheduling.

COMMISSIONER BERNTHAL: Precisely.

CHAIRMAN PALLADINO: Except insofar as the guidance may affect the scheduling.

COMMISSIONER GILINSKY: It will indicate that they got too big for their britches.

COMMISSIONER ROBERTS: Who is they?

COMMISSIONER GILINSKY: The Board. I am agreeing

with you.

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CHAIRMAN PALLADINO: How did you come down with regard to Herzel's suggestion?

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COMMISSIONER BERNTHAL: I am in favor of doing what counsel suggests at this point. It seems the prudent way to proceed.

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COMMISSIONER ROBERTS: I wonder if everybody has read the April 20th Board Order denying Intervenor's Motion

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to Vacate Order?

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COMMISSIONER ASSELSTINE: I have.

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CHAIRMAN PALLADINO: Any particular point on that

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that you would like to make?

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page four. "There is a continuing refrain in the voluminous

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papers filed in this proceeding about 'due process of law' ... ".

CCMMISSIONER ROBERTS: Starting at the bottom of

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CHAIRMAN PALLADINO: Read it all.

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COMMISSIONER ROBERTS: "There is a continuing refrain in the voluminous papers filed in this proceeding about 'due process of law', but little analysis of that principle itself. The due process clauses of the United States Constitution provide as follows: 5th Amendment: No person shall... be deprived of life, liberty, or property, without due process of law...' 14th Amendment: No state shall make or enforce any law which shall ... deprive any person of life, liberty, or property, without due process of law...'. The 5th Amendment

applies only to the federal government, and the 14th amendment applies to the States. If and only if the evidence shows that under the applicable NRC regulations and based upon substantial evidence, LILCO is entitled to low-power testing or operations, then to refuse or delay such low-power license could itself amount to a deprivation of property without due process of law. In other words, all parties are entitled to due process; none has a monopoly on that principle"

"Finally, we note that the Intervenors' Motion to vacate contains ad hominem insinuations and pejorative innuendoes concerning the NRC that border on the scurrilous. Most of these smear-type utterances are based on papers or letters outside the record and irrelevant to this proceeding. The Staff properly 'categorically rejects' such insinuations, which do not honor to the attorneys who propagate them."

"For the foregoing reasons, the Intervenors' Motion filed April 16, 1984, is denied...".

COMMISSIONER BERNTHAL: It sounds like a little bad blood there.

CHAIRMAN PALLADINO: I had marked a paragraph on page three. "The Board has carefully considered all of the arguments advanced by the Intervenors in support of their joint Motion to vacate, and it finds that they have not shown any new or different grounds other than those raised in the

1 past which were denied. No significant new arguments or facts are addressed to support their conclusionary complaints and no 3 useful purpose would be served by rehashing dilatory objections." 5 My inclination would be to do nothing and let the 6 process go forward. 7 COMMISSIONER ROBERTS: That would certainly be mine. 8 COMMISSIONER GILINSKY: Is that what you really 9 want to do? 10 COMMISSIONER ASSELSTINE: It really is, Joe? 11 12 13 14 15

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COMMISSIONER BERNTHAL: I think we ought to straighten it out, Joe. Your suggested pathway might have some chance of being wiser than the other one of going ahead and hearing the policy issue but at this point it just seems to me that for a whole variety of reasons including how it would be perceived publicly, I think we ought to do that and clear it up.

I see no way out. We have talked about lots and lots of things here but nobody has suggested a logical way out of this bind that we get into on emergency planning.

COMMISSIONER GILINSKY: How do you explain that? CHAIRMAN PALLADINO: I would expect the Board to address that issue.

COMMISSIONER GILINSKY: But they seem to show no sign of doing that. They just seem to have omitted it all

together. It seems to be a lapse on their part.

CHAIRMAN PALLADINO: I wouldn't mind asking them to include that in their consideration. It may be a little bit late to tell them that but I think it will come up. It can't help but come up.

COMMISSIONER GILINSKY: Let me ask you this. Can you contemplate their approving it on that basis without emergency preparedness?

CHAIRMAN PALLADINO: I don't want to prejudge the issues.

COMMISSIONER GILINSKY: Do you see any way out of it? That is all I am asking you.

CHAIRMAN PALLADINO: I don't have to at the moment.

Otherwise, I would prejudge the issue.

COMMISSIONER GILINSKY: Why are we meeting then?

CHAIRMAN PALLADINO: I read the order more carefully and it didn't sound as bad as I thought it was sounding when I heard Marty Malsch and Herzel Plaine on Friday.

COMMISSIONER BERNTHAL: Let me just ask counsel this question again. I know you said it one way or another in the course of the conversations here. Suppose we did nothing and suppose the Licensing Board went ahead and made whatever findings it might addressed in whatever direct or indirect ways and it appears to be more indirect, the question of emergency planning, what would be the likely outcome in your

1 judgment?

MR. PLAINE: This afternoon we will be faced of course with dealing at least temporarily with a motion before a court to stay the hand of the Board but on the long range matter, I suppose you might find a good deal of sentiment building up later on if the Board goes the way it seems to be going for the matter to be dealt with by the Appeal Board and the Commission and you might change your minds then, I suppose, or you might affirm what is done. I don't know.

COMMISSIONER BERNTHAL: But beyond that, suppose we did not change the mind of the Board and assuming the Appeal Board agreed with them because that, I think, somehow has to underlie the argument to postpone taking part in this at this point.

COMMISSIONER ASSELSTINE: Except that I don't even think that you get to that point, Fred, because if a low-power license will issue right after the Licensing Board's decision, you won't have an Appeal Board decision.

COMMISSIONER BERNTHAL: That is what I am asking.

COMMISSIONER ASSELSTINE: It will right in on the

Licensing Board's decision.

COMMISSIONER BERNTHAL: Good point.

COMMISSIONER GILINSKY: You will be trying to get a stay, I suppose.

COMMISSIONER BERNTHAL: I assume so. So my question

then really is one of what in your judgment happens in the courts?

MR. PLAINE: It is hard to tell. It is so much of a guessing game.

CHAIRMAN PALLADINO: Let me ask you, suppose we go this route, the one that Herzel proposed.

COMMISSIONER ROBERTS: What are we going to do after we hear from the parties?

CHAIRMAN PALLADINO: Then how long will it take us to decide one way or the other?

MR. PLAINE: I think what you do is you say one of two things. You say we think the Board is on the right track. We have heard all the arguments about it and we are satisfied that this is the way they should go and the hearing should resume and resume on the schedule that they have or if you want to modify it on a slightly modified schedule or whatever.

The other course is to say to the Board, we think
the posture that you are in right now might lead to serious
consequences of a different sort and we suggest for those
reasons and we will spell them out, I suppose, that you handle
this particular substantive issue in a different way and in
connection with that our suggestion about scheduling would be
to give them a little more time or something of that sort.
That is basically the only real two issues. I wouldn't even

1 get into the one about the rebuke of the lawyer. I would leave 2 that alone. 3 CHAIRMAN PALLADINO: I hate to get into that. 4 MR. PLAINE: That can die of itself. The Judge can 5 simply decide not to press the issue. 6 CHAIRMAN PALLADINO: Let's assume we did it on 7 Friday. Next week we won't make a decision. 8 COMMISSIONER BERNTHAL: We won't? CHAIRMAN PALLADINO: Unless you make it by Monday 10 or Tuesday and even if I stay here on Wednesday, Thursday 11 and Friday, there are others --12 COMMISSIONER BERNTHAL: What is happening next week? 13 CHAIRMAN PALLADINO: I presume I have the right week. 14 COMMISSIONER GILINSKY: It is going to take more 15 than a week. 16 COMMISSIONER BERNTHAL: I have to leave by Wednesday 17 afternoon, the second. 18 COMMISSIONER GILINSKY: You are not going to crank 19 out a decision on a subject like this in two days. 20 CHAIRMAN PALLADINO: So then when do we come back? 21 COMMISSIONER GILINSKY: Even if it is unanimous, 22 you won't get it. 23 CHAIRMAN PALLADINO: So then the week of May 7th. 24 So we are putting on it at least a minimum of two weeks delay. 25 COMMISSIONER ASSELSTINE: That's right.

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COMMISSIONER GILINSKY: That is the minimum realistic schedule.

CHAIRMAN PALLADINO: But I think we ought to try in that time.

COMMISSIONER GILINSKY: Are you changing your mind? CHAIRMAN PALLADINO: I have a problem on the general design criteria because I believe they should not just very easily be dismissed for low-power but it is not clear to me that they have necessarily decided that. That is why I was looking for where is it that so clearly says that they have decided that. That could change my mind.

COMMISSIONER GILINSKY: Well, he said that it is okay to go with low-power if the risk is the same as fullpower.

COMMISSIONER BERNTHAL: They come very close to saying that.

MR. KENNEKE: If the protection is the same. They didn't say risk.

CHAIRMAN PALLADINO: Let's see what evidence they have and make the decision. If they come out right, they will have a good decision and if they don't treat this subject right, then we can step in.

COMMISSIONER GILINSKY: Are you willing to agree that no matter what the Commission will pass on low-power for a low power license --

1 CHAIRMAN PALLADINO: I would rather make the other 2 decision and not that one. COMMISSIONER GILINSKY: Then I guess I will vote for the hearing. 5 CHAIRMAN PALLADINO: If we are going to get something 6 temporarily stayed, we have to get something out quickly. 7 MR. PLAINE: I have a draft of an order that can 8 use a little mark-up. Why don't I just shift it around. CHAIRMAN PALLADINO: Can we take five minutes to just 10 walk down the hall? 11 COMMISSIONER GILINSKY: I have to leave here in a 12 couple of minutes and I imagine Tom does, too. 13 CHAIRMAN PALLADINO: What about this afternoon? 14 COMMISSIONER BERNTHAL: I have to leave in about 15 three minutes. 16 CHAIRMAN PALLADINO: Instead of having the management 17 meeting this afternoon, why don't we continue with this? 18 COMMISSIONER ASSELSTINE: Okay, and mark-up the 19 order. 20 CHAIRMAN PALLADINO: At least we can spend a few 21 minutes looking at this. 22 COMMISSIONER GILINSKY: I think we have to review 23 the questions pretty carefully. 24 COMMISSIONER ASSELSTINE: I agree. 25

COMMISSIONER GILINSKY: In fact, I think we ought

1 to review those over lunch. I don't think we should just do 2 this at the table here. 3 COMMISSIONER ASSELSTINE: I agree. 4 COMMISSIONER ROBERTS: Two o'clock this afternoon? 5 COMMISSIONER GILINSKY: All right. Done. 6 COMMISSIONER BERNTHAL: This is as important item 7 that we were going to discuss at the management meeting today 8 and I would prefer at least for my part to urge the Chairman 9 to go ahead and hold that meeting even if has to be delayed. 10 COMMISSIONER ASSELSTINE: Sure. I would be for 11 that. 12 COMMISSIONER ROBERTS: How long do you think this 13 will take? 14 COMMISSIONER BERNTHAL: Beats me! I would hope 15 we will finish this in 20 or 30 minutes, Tom. 16 (Whereupon, the Commission meeting was adjourned at 17 11:45 o'clock a.m., to reconvene at 2:00 o'clock p.m., the same 18 say.) 19 20 21 22 23 24

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AFTERNOON SESSION

(2:07 p.m.)

CHAIRMAN PALLADINO: Let's come to order.

We had the draft order and stay, and I have provided some comments. Commissioner Asselstine had provided some comments independently.

COMMISSIONER ASSELSTINE: Yes.

CHAIRMAN PALLADINO: And we have Commissioner Gilinsky's comments.

COMMISSIONER ASSELSTINE: Right.

CHAIRMAN PALLADINO: I can highlight mine. At the top I said: "I had not made up our mind on whether or not to vote for the modified order."

I am not going to vote for it and I will have some additional comments before we get very far into this meeting.

But I did have a couple of suggestions, mainly to sharpen it and see if we could improve it. I did insert the word "temporarily," but that's not a very strong point.

I did think it would be helpful if the Commission would indicate that it will attempt to resolve its guidance or to issue its guidance by a given date and suggested May 11. I also suggested we focus on General Design Criterion 17 because if we get into all of the design criteria, I'm not sure if we are not broadening it beyond what the

applicant has asked for.

And then I suggested also that the last two items about "afforded sufficient time to prepare their case" and the attorney to show cause, I suggested deleting those.

Now, Jim, maybe you could highlight yours.

COMMISSIONER ASSELSTINE: Okay. I just tried to -mine are fairly minor changes, I think. Just to clean up the
first question on the general design criterion, break it out
into two separate questions with the three sub-parts of
Ouestion 2.

My personal preference would be to leave in the questions on sufficient time and on the Show Cause Order, but I also recognize that at least with regard to the last one, I didn't think there was agreement on that one this morning. I think I might add a sentence or two to the order, "Additional view," just indicating that I would have been willing to consider that question as well.

MR. PLAINE: You are talking about the lawyer -COMMISSIONER ASSELSTINE: Yes. But I recognize
that I don't think there was a majority in favor of
considering that issue as well.

CHAIRMAN PALLADINO: May I ask you with regard to the first question, what do you think of General Design Criterion 17 being --

COMMISSIONER ASSELSTINE: I'd be willing to focus

on 17, yes.

CHAIRMAN PALLADINO: I think we are better off if we do.

COMMISSIONER ASSELSTINE: Yes. And I guess I'd be willing, in terms of your suggestions to add in the other part about attempting to provide our guidance by May 11, yes.

CHAIRMAN PALLADINO: Okay. And I had also suggested that the meeting be at 10 a.m. on April 27.

COMMISSIONER ASSELSTINE: That'll be fine with me, too.

CHAIRMAN PALLADINO: All right. Do you have those? Fred, do you have --

COMMISSIONER BERNTHAL: Yes, I agree that the fourth, third, fourth -- the third point as it read originally, I guess I agree with you, Joe, that we ought to drop that. In fact, I thought we had virtually already decided not to comment on that issue at this morning's meeting.

And I also have no problem of dropping what was

Point No. 2 there. I, at the risk of confusing what appears
to be some consensus -- in the hope of getting greater

consensus, I guess, if it's possible -- I would like to hear
us discuss a little bit at least why it is that we want to
go and do what will be a two and-a-half or so week operation
here if we already virtually know what the likely position

of the Commission on that issue might be, which is really the general design criterion issue. And I think Victor in many respects has -- he has reworded what the sense of the order is but probably highlighted it far more starkly and clearly than perhaps the order itself does.

(Commissioner Gilinsky enters room.)

COMMISSIONER BERNTHAL: Those, really, are the questions. And if we know what the Commission position on those is going to be, why don't we just go ahead and issue guidance here today, or tomorrow, or the next day, by the end of the week perhaps, and let that be that?

I am certainly open to persuasion. But I would like to hear some comments on that.

CHAIRMAN PALLADINO: Well, we did get a request from LILCO, at least, that they wanted to address the issue before any significant stay is granted. I forgot how they worded it.

MR. PLAINE: You may want to hear from the staff, too, why do they --

COMMISSIONER BERNTHAL: Well, I understand that.

But is the record insufficient? Is the record incomplete such that we simply cannot, from a reading of the record, make our judgment on this policy matter?

Will there be new arguments and presentations made and added to the record as it stands before us?

MR. MALSCH: I think the record is fairly complete.

It's just the lingering uncertainty that maybe we have missed something or misunderstood something; or that somehow the communications in writing in the Board's words have not conveyed what the parties really have in mind.

That's the thing I would be most concerned about, going ahead right now.

COMMISSIONER BERNTHAL: Well, okay. But I also note the legitimate concern that I think the Chairman has on the time that entails, in going through what is our concern that we might have missed something.

MR. MALSCH: One possibility -- just to offer something up -- would be to offer guidance and then invite the parties to ask the Commission to reconsider within some time.

COMMISSIONER GILINSKY: If they so choose.

MR. MALSCH: If they choose.

CHAIRMAN PALLADINO: If what?

MR. MALSCH: If they so chose.

COMMISSIONER ASSELSTINE: Yes.

MR. MALSCH: That would give them the option of either accepting what the Commission offered and going ahead on that basis, or asking the Commission to reconsider and hope to presuade the Commission to go along some different course.

willing to --

COMMISSIONER BERNTHAL: I mean, in one sense that's 1 the mode we are in, with admitted possible exceptions, on 2 the Commission. But it appears that we are in a mode coming 3 very close to that in any case, that -- I don't want to say our mind is made up, please try and confuse us with further 5 facts. But it's something that is close to that. 6 COMMISSIONER GILINSKY: Well, I suppose the 7 difference would be that if we went forward with a hearing 8 the "delay" would be on our account, you might say. Whereas, 10 if we went with Marty's approach --COMMISSIONER BERNTHAL: That's right. 11 12 COMMISSIONER GILINSKY: -- it would be up to the parties to decide if it was worth their time to pursue the 13 14 question. CHAIRMAN PALLADINO: The other thing is, if it's 15 going to take two weeks to consider after we hear the oral 16 argument, then it should take two weeks from the time you 17 read the material to reaching a decision. 18 MR. PLAINE: Why do you need two weeks after --19 CHAIRMAN PALLADINO: I proposed one week, but what 20 I heard was two weeks. 21 MR. PL. INE: Is it because the Commissioners 22 won't be present? 23 CHAIRMAN PALLADINO: In part. As I said, I was 24

1 COMMISSIONER BERNTHAL: Why can't we hear -- if we 2 go this route, then to take it one step further, Herzel --3 why can't we hear from these people just as soon as they can all physically get down here and make a decision before all 5 of us fly the coop next week? 6 CHAIRMAN PALLADINO: Or tomorrow. But I don't 7 think we could --8 MR. PLAINE: Get them in here by tomorrow or 9 Wednesday, that's fine too, and try to make a decision on 10 Friday. If you are so close that you think right now --11 COMMISSIONER GILINSKY: You have no written briefs --12 CHAIRMAN PALLADINO: I think you want time to read 13 some of this material. 14 COMMISSIONER GILINSKY: You have no written briefs, 15 then. 16 MR. PLAINE: Well, all I'm suggesting -- I would 17 suggest, actually, that if the parties want to carry a 18 written brief and turn it in when they make their argument, 19 that's perfectly all right, too. 20 CHAIRMAN PALLADINO: But do we have material to 21 read right now? 22 MR. PLAINE: Well, you would have to go back to 23 the record. 24 COMMISSIONER GILINSKY: Let me tell you, I could

conceive of the Commission saying "no" on this basis. I

can't conceive of the Commission saying "yes" on this basis, sort of on the fly. You know, a big decision. And to just simply say, "Oh, sure, go ahead" on the basis of a little oral argument just doesn't seem like the right way to do things.

I could see saying "no," and saying, "Well, we haven't heard anything to change our mind and so, forget it."

If that's what people have in mind, then we can, you know, walk the last mile and see if there is anything there.

MR. PLAINE: It seems to me, Mr. Chairman, that you could ask the parties if they want to carry a brief with them and turn it in, that's fine, and try --

CHAIRMAN PALLADINO: Did you say the record -
MR. PLAINE: -- then try to give them a decision

sometime early next week. I can't see any reason you can't

do that, unless all of you are not going to be here.

COMMISSIONER GILINSKY: We could simply say, if it is the sense of the Commission, that what was proposed by the Board fails on account of the relationship with the emergency preparedness. If there are some other arguments that people want to present, to bring up, it would be up to them.

COMMISSIONER ASSELSTINE: I think it's worth, if we are going to hear from them, giving them a couple of days to get ready. Admittedly, they have been over this ground

1 before, but I still think it's worth giving them a couple of 2 days to do it. 3 I wouldn't have any problem if we have the argument on Friday, getting back together early next week and seeing 4 if we can reach a decision on what kind of guidance we want 5 to provide. I think it's entirely possible. 7 COMMISSIONER BERNTHAL: A couple of days from 8 today could be Wednesday, Jim, or even Thursday. COMMISSIONER ASSELSTINE: That's right. 10 COMMISSIONER BERNTHAL: Why not? 11 COMMISSIONER ASSELSTINE: Okay. 12 CHAIRMAN PALLADINO: Thursday, now -- Wednesday, 13 you leave in the afternoon, Jim leaves in the afternoon. 14 COMMISSIONER ASSELSTINE: That's a week, Wednesday 15 a week. 16 CHAIRMAN PALLADINO: I was planning to --17 COMMISSIONER BERNTHAL: No, this Wednesday or 18 Thursday. 19 CHAIRMAN PALLADINO: Oh, this one. 20 COMMISSIONER GILINSKY: Normally, you let people 21 write some things. 22 COMMISSIONER BERNTHAL: Hear the arguments. 23 COMMISSIONER ASSELSTINE: Yes. 24 COMMISSIONER GILINSKY: But you normally have them

submit a brief and, in fact, normally you let them respond

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1 to each others' briefs so you have something in writing 2 from which you would ask questions, you have some idea of what 3 they are saying. COMMISSIONER ASSELSTINE: Yes. COMMISSIONER BERNTHAL: Well, okay, we could hear 6 them Friday, as earlier suggested. We promised a decision by 7 Tuesday or Wednesday of next week. 8 COMMISSIONER GILINSKY: Well, I think you can meet 9 and see what the sense of the Commission is. 10 COMMISSIONER ASSELSTINE: Yes. 11 COMMISSIONER GILINSKY: It may be possible to have 12 a decision. 13 COMMISSIONER ASSELSTINE: Yes. 14 COMMISSIONER BERNTHAL: Alternatively, is Marty's 15 suggestion one that might not work? 16 COMMISSIONER ASSELSTINE: Yes. My preference is --17 COMMISSIONER BERNTHAL: I think Tom has a perfectly 18 defensible position on this thing. But if you are going to 19 take the decision that we ought to give the policy guidance 20 now rather than later, then by golly, we ought to do everything 21 we can to make sure that that's done quickly. It seems to me 22 we ought to be fairly --

COMMISSIONER ROBERTS: Do nothing.

COMMISSIONER GILINSKY: Oh, do nothing.

COMMISSIONER GILINSKY: What position is defensible?

COMMISSIONER ROBERTS: Do nothing, of course. Now, 1 2 I would change that position. CHAIRMAN PALLADINO: And incidentally, even though, 3 you know, my comments said that I had --4 COMMISSIONER BERNTHAL: It's always a good idea to do nothing. 6 7 COMMISSIONER ROBERTS: We do that quite well. (Simultaneous conversation.) 8 CHAIRMAN PALLADINO: I'm not convinced that we need 9 to do anything. 10 COMMISSIONER GILINSKY: Oh, you don't want to have 11 12 a hearing. CHAIRMAN PALLADINO: I don't want to do anything, 13 14 yes. COMMISSIONER ASSELSTINE: I think that if we had 15 the hearing Friday, the oral argument on Friday, we can agree 16 to have a meeting next Tuesday or Wednesday and see where we are. I think I agree with Vic that if our decision is the 18 19 general design criteria apply to low power as well as full power, it is more likely that you can reach a fast decision 20 on that and provide that kind of guidance to the Board very 21 quickly. On the other hand, if the decision is they don't 23 apply and you have to come up with some new safety standard 24

for low power operation and you have to come up with a new

set of regulations that are going to apply to low power operation and license conditions and all those things, that's a much longer process and that's going to take more time and thought.

But the first course, I think that decision is farily easy to reach in a very short time period.

COMMISSIONER BERNTHAL: What about Marty's suggestion, what's wrong with that?

MR. PLAINE: What was that, again?
COMMISSIONER GILINSKY: Nothing.

MR. PLAINE: I don't quite understand it.

COMMISSIONER ASSELSTINE: Marty's proposal was, provide the guidance and say, "This is the Commission's guidance without hearing from the parties first." But then saying, "If the parties have real problems with that, there is an opportunity to come back and convince the Commission that it's wrong.

MR. PLAINE: It reverses the process. Suddenly you presume that the Board has acted wrongfully without even hearing anybody.

right word. The Board has put itself in a position of trying to make a policy judgment that some feel may come back to us anyway, later. Some feel that we should make a decision on that policy matter right now, as a Commission.

That's --

MR. PLAINE: We have also done it with the support of the staff and I just think it ought not to reverse all at once without at least finding out what --

COMMISSIONER ROBERTS: Victor, what are you mumbling now? I want to hear it.

COMMISSIONER GILINSKY: It was merely a party.

(Laughter)

MR. MALSCH: Let me indicate, I stumbled -- over noon -- I stumbled across the transcript. And during the transcript the staff said that the staff position had been specifically approved by Harold Denton.

MR. MALSCH: That the Board -- the staff offered up this argument regarding GDC-17 and the equivalency standard, and the Board said, "Are you authorized, how do I know this is the official staff position." And the staff attorney said, "It has been specifically approved by Harold Denton and he sat in the room when I argued it."

So, just for whatever -(Laughter)

COMMISSIONER ASSELSTINE: I guess the reason I would suggest going with the argument first and then the decision, Fred, is that regardless of which way the thing goes, it does seem to me that the Commission stepping in at

this stage in a proceeding is an extraordinary step and to make sure that we do understand the positions of all the parties before we say something, I think we ought to hear from the parties first and then provide whatever guidance we want to, rather than the other way around.

People are going to be critical enough for the Commission jumpting in, in the middle of a proceeding anyway. And if it appears that the Commission is jumping in without giving people an opportunity to make clear what their positions are, I just --

COMMISSIONER BERNTHAL: You sound like you are arguing Tom's point of view here.

COMMISSIONER ASSELSTINE: Normally, I would agree with Tom.

(Laughter)

COMMISSIONER ASSELSTINE: In fact, I argued Tom's position when the majority of the Commission dived into the Indian Point proceeding.

(Laughter)

COMMISSIONER GILINSKY: Well, I thought we should have stepped in on Byron.

(Laughter)

CHAIRMAN PALLADINO: So, what do you want to do?

I had suggested the April 27 date because I thought you wanted

some time. But if you want to do it sooner --

COMMISSIONER BERNTHAL: I'm prepared to hear this 1 tomorrow is everybody else is, and I will promise you that 2 I'll have a decision on it by next week Tuesday, provided we hear from them by Friday of this week. COMMISSIONER GILINSKY: Well, you know, you just can't --MR. PLAINE: You can't just turn it on that fast. 7 COMMISSIONER GILINSKY: -- eliminate the possibility 8 that arguments will be presented that one had not thought of, 10 and are convincing. COMMISSIONER ASSELSTINE: Yes. 11 COMMISSIONER BERNTHAL: Oka, I'm willing to hear 12 the arguments on Friday and decide by Tuesday. 13 COMMISSIONER ASSELSTINE: Yes. 14 COMMISSIONER BERNTHAL: That's a commitment that 15 I would make. 16 COMMISSIONER GILINSKY: I would say that we ought 17 to hear them this week and agree to meet Monday or Tuesday. 18 COMMISSIONER ASSELSTINE: Yes. 19 COMMISSIONER GILINSKY: And if we can come to 20 agreement, fine. But if we are really overturning established 21 22 procedures, then I just don't think you can just say --COMMISSIONER ASSELSTINE: Yes. 23 24 COMMISSIONER GILINSKY: -- sure, throw the doors open, do whatever you want. 25

COMMISSIONER BERNTHAL: But you overturn 1 procedures for substantive reasons and this, as we all agree, 2 I think, is a policy question that we have chosen to enter 3 into before it goes any farther down along. COMMISSIONER GILINSKY: Yes, but you'd have to be --5 if one went the other way, you'd have to be very careful on how you put it all together, and I just don't think it's 7 something you can do in a day. COMMISSIONER BERNTHAL: Well, yes, I'm not married to that. 10 CHAIRMAN PALLADINO: Let's see, is there agreement 11 to try to do it Friday? 12 COMMISSIONER ASSELSTINE: It's fine with me. 13 COMMISSIONER BERNTHAL: Friday, or earlier. 14 CHAIRMAN FALLADINO: Well, the order has to have 15 something. 16 MR. PLAINE: Is there any reason why we can't also 17 insert that the parties are permitted or urged, if they wish, 18 to bring along a written summation of their argument? 19 COMMISSIONER GILINSKY: No, no, if you are going 20 to have it Friday, then I think they ought to have something 21 written handed in on Thursday. 22 MR. PLAINE: All right, if you want to do it that 23 way. They are encouraged to do so. 24 COMMISSIONER GILINSKY: Because then, if you are 25

telling them now, they can work tomorrow, Tuesday, Wednesday -+ 1 2 CHAIRMAN PALLADINO: Are you going to put a sentence in about --3 COMMISSIONER GILINSKY: They ought to hand something in Wednesday night, frankly. 5 COMMISSIONER BERNTHAL: I'll settle for Thursday. 6 7 COMMISSIONER ASSELSTINE: Thursday, yes. COMMISSIONER GILINSKY: Well, Thursday what, 8 Thursday night? 9 COMMISSIONER BERNTHAL: Thursday noon. 10 COMMISSIONER ASSELSTINE: Thursday noon, how 11 12 about that? COMMISSIONER GILINSKY: Well, okay. 13 CHAIRMAN PALLADINO: So, you are going to put 14 something in --15 MR. PLAINE: We'll put something like that in. 16 17 CHAIRMAN PALLADINO: All right. Does the Commission 18 want to say anything about, it's going to attempt to get -issue its guidance by such and such a date? 19 20 COMMISSIONER GILINSKY: I wouldn't. I mean, I would say that, you know, as quickly as possible or something 21 like that, yes. Certainly, that we will meet the following 22 week on it, that's fine. 23 CHAIRMAN PALLADINO: How would you like it --24

MR. PLAINE: I'll try to get something like that in.

1 CHAIRMAN PALLADINO: The Commission will attempt 2 to issue its guidance as soon as, or as promptly, or expeditiously? COMMISSIONER GILINSKY: Yes. You could even say, we'll meet on this the following week, Monday or Tuesday, whatever. 7 CHAIRMAN PALLADINO: We only got Monday, Tuesday, 8 and Wednesday in the morning. 9 COMMISSIONER ASSELSTINE: Let's put it on for 10 Tuesday. 11 COMMISSIONER BERNTHAL: Hm? 12 COMMISSIONER ASSELSTINE: Let's put it on for 13 Tuesday of next week. 14 COMMISSIONER GILINSKY: Yes. 15 CHAIRMAN PALLADINO: Let's see what else goes out. 16 So, you are going to put something in there that the 17 Commission will try to issue its guidance expeditiously and 18 meet on the subject next week? 19 COMMISSIONER GILINSKY: Yes. 20 CHAIRMAN PALLADINO: All right. 21 Now, I raise the question about whether you want 22 to address all of the general design criteria, or Design 23 Criteria 17 which I think is the only one at issue. I think 24 if you get into all of them, you are going to maybe have

to face decisions that you don't really need to at this

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present time.
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              COMMISSIONER ASSELSTINE: And we've got Vic's
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     revisions to the questions.
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               COMMISSIONER GILINSKY: I don't know whether you
     have seen my --
               CHAIRMAN PALLADINO: Yes, and I like the fact that
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     you limit it to 17.
             COMMISSIONER BERNTHAL: Yes, I just --
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              COMMISSIONER GILINSKY: Well, I did take a que
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     from what you had in there and I said in there, would this
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     argument apply to all of them --
              CHAIRMAN PALLADING: What's that?
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             COMMISSIONER ROBERTS: He's asked the question,
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     does it apply to all.
              COMMISSIONER ASSELSTINE: Yes, that's right.
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              CHAIRMAN PALLADINO: Where do you ask that
    question?
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              COMMISSIONER ASSELSTINE: On two, the second part
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     of two.
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             CHAIRMAN PALLADINO: Yes, what is the legal basis
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21
     for --
              COMMISSIONER ASSELSTINE: Yes. I mean, I think
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    it's a legitimate question to say, does it go beyond 17.
               MR. MALSCH: Yes, I was going to say that other
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    criteria are implicated.
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COMMISSIONER ASSELSTINE: That's right.

MR. MALSCH: One, two, and maybe other ones because they are implicated from reading Criterion 17. So, it isn't just Criterion 17, though that's the main one.

I think the argument is the same for all of them.

I think they are all --

CHAIRMAN PALLADINO: Well, if I were voting for this, I'd use my leverage to get to 17 only. But since I can't, all I can --

COMMISSIONER GILINSKY: Well, the emphasis is certainly on 17.

COMMISSIONER ASSELSTINE: Yes, yes.

CHAIRMAN PALLADINO: Well, the way you ask it, I think, is an improvement, Vic, focus it on 17 and then say are there other problems. Okay.

What else do you want to do on --

COMMISSIONER ASSELSTINE: Vic, the only thing I had a concern about was the last sentence on one. I guess I would just leave it to the parties rather than asking the Board as well, particularly if we are going to be acting --

CHAIRMAN PALLADINO: Could you say how you set it?

COMMISSIONER GILINSKY: I'll tell you why I put

the Board in only on that one because the Board had made a

ruling on that one. The others are really matters in

controversy. And the question is, did the Board take this

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into account or not. Whether this is just an overisght or --
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               COMMISSIONER ASSELSTINE: Okay.
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              COMMISSIONER GILINSKY: Or did it consciously
     decide to disregard --
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               COMMISSIONER ASSELSTINE: The emergency preparedness
6
     requirement.
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              COMMISSIONER GILINSKY: I mean, there is some other
8
     way to ask that.
9
               COMMISSIONER ASSELSTINE: Yes.
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              MR. PLAINE: It is a rather unusual step. You
11
     can do it if you want to.
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               COMMISSIONER GILINSKY: Yes.
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              COMMISSIONER BERNTHAL: I'm sorry, I'm --
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               CHAIRMAN PALLADINO: Yes, I'm sort of --
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               COMMISSIONER BERNTHAL: -- out of the loop here.
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     Are we now modifying Victor's revision and suggesting --
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               MR. PLAINE: It looks like we were --
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               COMMISSIONER ASSELSTINE: I'm asking a question
     about the last sentence on --
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20
               MR. PLAINE: Number one of his --
               COMMISSIONER ASSELSTINE: -- of his first question.
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               COMMISSIONER BERNTHAL: Yes. I'm not in favor, I
     guess, of putting the Board in as well. And I also have a
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     comment on the last, Number 3. But let's -
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CHAIRMAN PALLADINO: Are we still working on

1 Victor's? What are you going to do on Victor's? 2 COMMISSIONER ASSELSTINE: Yes. I would suggest 3 dropping the last sentence of No. 1, yes. COMMISSIONER ROBERTS: Oh, I would love to hear from the Board. 6 (Laughter) MR. PLAINE: You'd love to hear from the Board? 8 (Laughter) COMMISSIONER GILINSKY: I tell you why. I mean, 10 the Board has made a decision here and it would be interesting 11 to know whether they took it conscious of the emergency 12 preparedness problem or simply omitted it, or didn't think 13 of it, whatever. 14 CHAIRMAN PALLADINO: Well, I believe it's unlikely 15 that all involved personnel on the Board, the NRC staff, 16 and the applicant have overlooked the concerns that are 17 troubling the Commission. It just seems inconceivable to me. 18 COMMISSIONER GILINSKY: Well, it seems to me if 19 the Board has anything further to say on this, it would be 20 interesting to hear from them. 21 CHAIRMAN PALLADINO: So would I, if I thought we 22 were going to hear them. 23 COMMISSIONER BERNTHAL: Why do you -- say again 24 why you don't want the Board to come, Jim?

COMMISSIONER ASSELSTINE: I just felt -- it seemed

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to me that the --1 COMMISSIONER GILINSKY: I guess I would --2 COMMISSIONER ASSELSTINE: -- it's more appropriate 3 to have the parties since taking it out of the Board's hands --COMMISSIONER GILINSKY: I wasn't thinking of the 6 Board appearing here. I was thinking of the Board sending something. COMMISSIONER ASSELSTINE: Yes. COMMISSIONER GILINSKY: So, it was just a matter of 10 responding to the question. Or I would put it, you could put 11 it in terms of, if the Board has anything it would like to 12 add, then the Commission would welcome any further comments. 13 COMMISSIONER BERNTHAL: Isn't it -- yes, it's kind 14 of a funny situation where a judge, as it were, appears 15 before a higher court; is it not? He could certainly choose 16 to write additional comments, I guess. 17 MR. MALSCH: Well, the other parties might force 18 the judge or whoever would appear, to appear in a position of 19 an advocate for its own order --20 21 COMMISSIONER ASSELSTINE: That's right. MR. MALSCH: -- rather than a judge.

MR. PLAINE: And then there are three of them, you want all three here?

COMMISSIONER BERNTHAL: Yes.

COMMISSIONER GILINSKY: Well, I was just thinking 1 in terms of a written submission. The administrative process 2 ought to be flexible. 3 (Laughter) MR. PLAINE: I've rarely seen it. There was a 5 time in some agencies where they used to allow the judges 6 to appear while the Commission was debating its order. I 7 don't remember whether they let them argue, but they did let them listen and while they were getting torn apart, they were 9 listening. 10 (Laughter) 11 COMMISSIONER BERNTHAL: Nothing wrong with that. 12 MR. PLAINE: But that's been abolished in most 13 places. I don't know of any place that does that today. 14 COMMISSIONER ASSELSTINE: I still think it puts 15 16 the Board in a little bit of an awkward position. We are 17 taking the issue out of their hands and we are saying we are going to decide it. 18 19 COMMISSIONER GILINSKY: All right. CHAIRMAN PALLADINO: So, you are crossing out the 20 21 last sentence on Number 1? Are you putting Number 1 the 22 way Commissioner Gilinsky has it? 23 COMMISSIONER ROBERTS: Victor, why did you give in

25 (Laughter)

so easy?

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COMMISSIONER GILINSKY: Well, I wouldn't have 1 2 given in. 3 (Laughter) COMMISSIONER ROBERTS: It's out of character. 5 COMMISSIONER GILINSKY: Huh? COMMISSIONER ROBERTS: It's out of character. 7 COMMISSIONER BERNTHAL: Well, it's still possible, is it not? The Board is free to submit further comments. 8 I mean, this certainly does not prevent them from submitting 9 10 comments. 11 COMMISSIONER GILINSKY: I would say the Commission would at least be prepared to entertain any further 12 comments from the Board, or something. You know, if they 13 want to say something further on their order, explaining it 14 15 in an; way, the Commission would be pleased to --16 COMMISSIONER BERNTHAL: Aren't they smart enough 17 to know that, though? 18 COMMISSIONER GILINSKY: Probably not. 19 (Laughter) 20 COMMISSIONER GILINSKY: I would, you know, at least put it in -- give them the opening if they would like 21 22 to add something. 23 COMMISSIONER ASSELSTINE: I'll go that far, yes. 24 COMMISSIONER GILINSKY: Why don't we do that, just 25 say the Commission --

CHAIRMAN PALLADINO: will entertain any comments 1 the Board may wish to submit? 2 COMMISSIONER GILINSKY: Just say, "Should the 3 Board wish to invite -- answer this question as well, the Commission would be pleased to have -- to receive its comments as well." COMMISSIONER BERNTHAL: Or, "Supplement its earlier 7 comments on this issue." COMMISSIONER GILINSKY: Fine. 9 COMMISSIONER ASSELSTINE: Okay 10 CHAIRMAN PALLADINO: Did Herzel hear it? 11 COMMISSIONER BERNTHAL: I don't know. 12 MR. PLAINE: Let me hear that again, Fred. "Should 13 the Board decide to supplement," what? 14 COMMISSIONER BERNTHAL: I would just -- yes, 15 supplement its earlier comments on this issue, or these 16 issues, or something. I don't know whether that's better or 17 not. It sounds like it's a little --18 MR. PLAINE: Its earlier discussion, maybe? 19 COMMISSIONER BERNTHAL: Whatever. 20 COMMISSIONER ASSELSTINE: Yes. 21 COMMISSIONER GILINSKY: The Commission would be 22 pleased to have a submission from the Board as well. 23 MR. PLAINE: I take it a written submission? 24 COMMISSIONER GILINSKY: Written submission. 25

COMMISSIONER BERNTHAL: Yes, a written submission.

MR. PLAINE: A written submission.

COMMISSIONER GILINSKY: Let me tell you what I had in mind on that third one. You may feel it's going back to all these arguments we have had about experience of operating staffs.

The point here is, are they merely looking at the reliability of these diesels as opposed to reliability of the safety-grade diesels and leaving it at that. There is a great deal more to calculating, you know, the relative risks in the two situations.

COMMISSIONER BERNTHAL: Cutting me off the path here.

COMMISSIONER GILINSKY: And while the risks of an accident are less at low power, the likelihood of an accident is a good deal greater because of these sorts of factors. I mean, you know, you are going through a shakedown period. You've got -- in any plant -- you've got things connected up wrong. This is when you find out.

Now, has that sort of thinking been factored in or is it simply a mechanical comparison of the reliabilities of two diesel systems.

COMMISSIONER BERNTHAL: Let me just, without responding directly, Victor, I think in a sense it's setting up a straw man, though because, obviously, they haven't

literally calculated risk equivalence that takes into account these things, nor could you, it's not possible.

And what I was going to suggest is that the second sentence there just be modified as follows: "To what extent does this justification take into account calculation of risk equivalence" -- I'm sorry, let me reread that.

"To what extent does this justification take into account calculation and/or engineering judgment in assessing risk." Something like that.

CHAIRMAN PALLADINO: I think you are broadening the whole issue much broader than you need to if you are going to try to get a --

COMMISSIONER BERNTHAL: But aren't they -- CHAIRMAN PALLADINO: -- focused decision.

COMMISSIONER BERNTHAL: But isn't that what you are really getting into, that somehow --

CHAIRMAN PALLADINO: I don't know.

COMMISSIONER BERNTHAL: -- they are making a calculation, and I suspect it's a calculated engineering judgment. That's all you could possibly do in such short a period of time.

COMMISSIONER GILINSKY: Well, then I would put it this way: What is the basis of any calculation of risk -- why don't you say that? That way, they'll have to just display their assumptions, whatever they are.

you want.

COMMISSIONER BERNTHAL: What is the basis of any 1 calculation of risk equivalence? I guess I don't have any 2 problem with that. 3 COMMISSIONER ROBERTS: It's better than what's there now. 5 COMMISSIONER GILINSKY: Hm? 6 COMMISSIONER ROBERTS: It's better than what's 7 8 here now. COMMISSIONER GILINSKY: You are afraid of an 10 experience. (Laughter) 11 MR. PLAINE: Vic, would you repeat that slowly? 12 COMMISSIONER GILINSKY: I'm just saying, what is 13 the basis of any calculation of risk equivalence. 14 MR. PLAINE: What is the basis --15 CHAIRMAN PALLADINO: Equivalence of what? 16 17 COMMISSIONER GILINSKY: Well, low power and full power, the kind of thing he talks about. 18 CHAIRMAN PALLADINO: You want to say that, what 19 is the basis of calculation risk equivalence --20 COMMISSIONER GILINSKY: Why, then you have to go 21 22 into low power with these diesels versus full power with better diesels. You would have to explain that all. 23 CHAIRMAN PALLADINO: Just so they understand what 24

MR. PLAINE: Have you finished the sentence? 1 COMMISSIONER GILINSKY: Yes. I thought that was clear, but if it isn't clear, we'd better add something. 3 COMMISSIONER BERNTHAL: Maybe we should not use the word "calculation," that implies numbers and stuff that 5 we know they --COMMISSIONER GILINSKY: Well, why not say, "Any calculation or judgment of risk equivalence," why don't we say that? "What is the basis of any calculation or judgment of risk equivalence at low and full power," something 10 like that. 11 CHAIRMAN PALLADINO: Do you know what to do, 12 Herzel? 13 MR. PLAINE: I think I have it now. After the 14 first sentence, "What is the basis of any calculation or 15 judgment of risk equivalence at low and at full power?" 16 COMMISSIONER ASSELSTINE: Yes. 17 MR. PLAINE: Okay. 18 CHAIRMAN PALLADINO: At low power and at full 19 power, if you are not going to say this. 20 COMMISSIONER GILINSKY: Right. 21 CHAIRMAN PALLADINO: At low power and at full 22 power. 23 MR. PLAINE: Right. 24 CHAIRMAN PALLADINO: Now, those are going to be 25

substituted for the sets of questions here. 1 MR. PLAINE: Those three, right? 2 COMMISSIONER BERNTHAL: And then we are striking 3 the last sentence in Number 1. 4 COMMISSIONER GILINSKY: Well, we changed it. 5 COMMISSIONER BERNTHAL: We chanced it, rather, 6 7 yes. COMMISSIONER ASSELSTINE: That's right. 8 CHAIRMAN PALLADINO: Now, what are you doing with 10 the last --11 MR. PLAINE: Excuse me. Those three questions become the substitute for anything we have written on our 12 page. Okay. 13 COMMISSIONER BERNTHAL: Does anyone from General 14 Counsel's Office want to comment now on our bucherings? 15 CHAIRMAN PALLADINO: Well, there is more. What 16 do you want to do with the old questions. What were they, 17 2 and 3? 18 MR. PLAINE: What about time, do you want to omit 19 20 time altogether? 21 COMMISSIONER GILINSKY: Well, concentrate what 22 is really the need of this. 23 COMMISSIONER ASSELSTINE: Yes. As a practical matter, I think that the substantive issue will drive the --24 25 MR. PLAINE: Will drive it too.

COMMISSIONER GILINSKY: We are giving them even 1 less time than the Board has given them. 2 COMMISSIONER ASSELSTINE: Yes. Yes. I would be 3 willing to leave off the time. COMMISSIONER ROBERTS: That's right. 5 COMMISSIONER ASSELSTINE: Yes. Although, 6 presumably on issues that they have already argued. Yes. 7 COMMISSIONER GILINSKY: Now, with those changes, 8 can we get unanimous approval? 9 COMMISSIONER ROBERTS: Of course not. 10 COMMISSIONER BERNTHAL: So, we'll get this 11 Thursday, midnight; is that what the --12 CHAIRMAN PALLADINO: No, I have additional comments 13 if you would like to see them. 14 COMMISSIONER ASSELSTINE: Marty, do you have any 15 problem with that --16 COMMISSIONER ROBERTS: I may have additional --17 COMMISSIONER ASSELSTINE: -- the revisions of 18 the geustions? 19 MR. MALSCH: No. 20 COMMISSIONER ASSELSTINE: Okay. Three doesn't get 21 into the merits of the issues that the Board would later have 22 to consider, is the only question I had. I guess not. 23 MR. MALSCH: You could change, "What is the basis 24 for any calculation or judgment" to "what would be." 25

I think it's a small point, though. 1 2 COMMISSIONER ASSELSTINE: Okay. Right, okay. 3 MR. PLAINE: I have a comment from one of my staff 4 whose judgment I value. 5 CHAIRMAN PALLADINO: Give one to General Counsel. 6 Give two to General Counsel. 7 MR. PLAINE: It is that it may not be wise to make, 8 in effect make the Board an adversary. It could result in 9 public humiliation and so forth. 10 I just have a feeling you can do this job without 11 involving the Board. 12 COMMISSIONER GILINSKY: Well, we can drop that. It 13 seems to me we are just leaving the Board an opening. It's 14 certainly not required to or even requested to respond. 15 The way we changed it was, "Should the Board wish to --16 MR. PLAINE: Yes, you do have it in that form. 17 CHAIRMAN PALLADINO: Well, I --18 MR. PLAINE: It may be very well. I just think 19 they would regard it as a direction. 20 COMMISSIONER GILINSKY: Well, you can soften it 21 further if you can find some way to do it. It wouldn't 22 bother me a bit, ot put it in the most --23 CHAIRMAN PALLADINO: Well, let me see what your 24 wishes are. You wish OGC to put this together and issue it

this afternoon, or, b) come back to you and say, "Any last-

25

1 minute objection?" MR. PLAINE: We'd like to put it together in any 3 event so that we don't lose more time. COMMISSIONER GILINSKY: I think you better put it together today, if we are going to do it in Friday. 5 6 COMMISSIONER ASSELSTINE: Yes, I agree. I agree. CHAIRMAN PALLADINO: All right. 7 COMMISSIONER GILINSKY: Since we have agreed on 8 9 the questions, the rest of it is --CHAIRMAN PALLADINO: So, you are going to trust OGC 10 11 to get this out? 12 MR. PLAINE: You want me to read it again once 13 more? 14 MR. MALSCH: I don't know, we might try to read it 15 to you right now and get --16 COMMISSIONER GILINSKY: Yes, I think that might be 17 a good idea. 18 COMMISSIONER ASSELSTINE: But on this other point, you want to let -- is it Peter that had the concern that --19 MR. PLAINE: Yes, Peter has a concern. Pete, do 20 you want to talk to that for a minute? 21 22 MR. CRANE: Thank you. 23 My concern is, if we give them the opportunity to speak to it it's like letting -- giving Don DeLorean the

free choice of whether he wants to testify in his own defense

moved pretty fast.

If there is nothing said, it may be taken -- the Board my realistically feel that with an opportunity to address the issue, it must address the issue or be presumptively in error.

That if you still -- you've got a proceeding that is already characterized by bad blood between the Board and the parties, and if you have set up a structure under which the Commission may be finding --

COMMISSIONER GILINSKY: Well, let me ask you, can you conceive of no circumstances in which the Board might want to say something?

CHAIRMAN PALLADINO: Would they feel inhibited from saying it to the Commission, if we didn't invite them?

COMMISSIONER GILINSKY: You know, this has all

COMMISSIONER ROBERTS: Yes, that's an understatement.

COMMISSIONER GILINSKY: You know, I'm certainly not wedded to this. It just seemed to me useful to give them an opening. It does seem the useful thing to give them an opportunity if they want to expand on what they said, which was fairly cryptic.

MR. CRANE: Well, my own view -- for what it's worth -- is that one expects of every Board and every court that it says what it thinks in its orders and takes the legal consequences, and doesn't depend on being being given

an opportunity to explain to the reviewing court what it 1 2 really meant or --COMMISSIONER ASSELSTINE: Yes. COMMISSIONER GILINSKY: Anyway, I'm prepared to go either way on this. I guess I would leave it in, but if 5 others want to take it out --7 COMMISSIONER ASSELSTINE: I guess I'd still feel more comfortable keeping the Board out of it. 8 COMMISSIONER BERNTHAL: Let's pull it out because 9 it is true that somehow, if they say nothing, then it's kind 10 11 of guilt by omission. 12 COMMISSIONER ASSELSTINE: Yes. COMMISSIONER ROBERTS: I'd leave it in. 13 14 Joe, what are you saying? 15 CHAIRMAN PALLADINO: I said I'd take it out, but 16 I don't want to put the Board --17 (Laughter) 18 COMMISSIONER ROBERTS: It's out. 19 CHAIRMAN PALLADINO: Even though I vote with you 20 on the issue as a whole. 21 COMMISSIONER GILINSKY: Tom and I are locked up 22 again. 23 COMMISSIONER ROBERTS: Locked up. 24 (Laughter) 25 CHAIRMAN PALLADINO: We are either three to two, or

1 two to one, whichever way you want to --2 COMMISSIONER GILINSKY: Yes. 3 CHAIRMAN PALLADINO: Well, do you want to --COMMISSIONER ASSELSTINE: Let's run through it fast. 5 COMMISSIONER GILINSKY: Why don't you just read 7 through it? MR. PLAINE: So, we are starting out with an 9 Order and Stay as the title. "The Commission has decided 10 to provide guidance on the conduct of proceedings on 11 Applicant's March 20, 1384 supplemental motion for a low 12 power operating license. It does so pursuant to its general 13 supervisory power over pending adjudication, e.g., Public 14 Service, New Hampshire, Seabrook, et cetera. 15 "Guidance will be provided after receiving oral 16 argument" -- now, we didn't get anything about -- "oral 17 argument by parties beginning on -- beginning at 10 o'clock, 18 Friday, April --19 CHAIRMAN PALLADINO: Twenty-six. 20 MR. PLAINE: Twenty-six, is that? 21 COMMISSIONER ASSELSTINE: Twenty-seven. 22 MR. PLAINE: "twenty-seven." 23 Now, this was about briefs. Is that something 24 that we want to see them file beforehand, or do you want --

COMMISSIONER GILINSKY: Absolutely.

MR. MALSCH: No, I've got something, suggested 1 language, at the end of the order. 2 COMMISSIONER ASSELSTINE: That's right. MR. PLAINE: To address that? MR. MALSCH: Yes. MR. PLAINE: Okay, fine. Very good. "Thirdly, further Commission order, the proceedings on 7 the supplemental motion for low power are stayed and the hearing currently scheduled to begin tomorrow, April 24, 1984 9 is postponed." 10 MR. MALSCH: No. The last version I had, we had 11 changed, "Pending the issuance of the Commission's guidance, 12 the proceedings on the supplemental motion --13 COMMISSIONER ASSELSTINE: Yes. 14 CHAIRMAN PALLADINO: Say that again? 15 MR. MALSCH: "Pending the issuance of the Commission s 16 guidance, the proceedings on the supplemental motion for low 17 power are are stayed, and ... " 18 MR. PLAINE: Good for you, right. I see what 19 you have done. So, let me read that paragraph again. 20 "Pending issuance of the Commission guidance, the 21 proceedings on the supplemental motion for low power are 22 stayed and the hearing currently scheduled to begin tomorrow, 23 April 24, 1984 is postponed. 24 "During oral argument, the parties" -- how about 25

this, "at --

CHAIRMAN PALLADINO: I thought you were going to put a sentence in there about, "The Commission will attempt to issue its guidance as expeditiously and has planned a meeting for next week."

MR. PLAINE: You want to throw that in there?

COMMISSIONER ASSELSTINE: Yes.

CHAIRMAN PALLADINO: Or you can put it at the end.

COMMISSIONER ASSELSTINE: Yes, or we can put it

at the end, Marty.

MR. MALSCH: It would go nicely right here, I think.

COMMISSIONER ASSELSTINE: Okay.

MR. PLAINE: You want to throw that right in?

MR. MALSCH: Yes.

MR. PLAINE: You want to read it?

COMMISSIONER BERNTHAL: Joe, let me just comment.

I'm somewhat surprised. I assumed that you wanted to go
ahead with this order, and I find now that you do not.

CHAIRMAN PALLADINO: I thought I did Friday, and then read the order and hesitated over it, and decided, no.

COMMISSIONER BERNTHAL: Why don't -- let's get this wording straightened out, and then I guess I'm going to withhold my vote on this issue until we have a chance to talk. I think the rest of the votes are pretty well fixed

1	firmly, and I will inform the Commission before 3 o'clock
2	of what my vote is.
3	COMMISSIONER GILINSKY: I thought I was a
4	(Laughter)
5	(Simultaneous conversation)
6	MR. PLAINE: Well, it won't take me long. We'll
7	restate it
8	COMMISSIONER BERNTHAL: Let's get our wording
9	straightened out here.
10	COMMISSIONER ASSELSTINE: Ten minutes, Fred.
11	CHAIRMAN PALLADINO: Go ahead.
12	MR. MALSCH: The Commission plans to provide its
13	guidance as soon as expeditiously possible, and has scheduled
14	a meeting the week of April blank which is next week.
15	I didn't have my calendar in front of me.
16	CHAIRMAN PALLADINO: The week of April 30
17	is Monday.
18	MR. MALSCH: Okay.
19	CHAIRMAN PALLADINO: All right. We haven't
20	scheduled one yet. I think you better say "will schedule
21	a meeting."
22	MR. MALSCH: Okay.
43	MR. PLAINE: Now, that's going to be a closed
24	meeting, isn't it?
25	CHAIRMAN PALLADINO: I would expect it to be.

MR. MALSCH: Okay.

MR. PLAINE: Now, I would say: "At oral argument, the parties should be prepared --

CHAIRMAN PALLADINO: You might want to listen.

MR. PLAINE: "At oral argument, the parties should be prepared to address the following questions:

"1. The Board's order states that at low power operation without on-site emergency diesels is equivalent in public risk to full power operation with such diesels when the low power authorization should be granted. In these circumstances, what justification is there for waiving the emergency preparedness requirements applicable to full power operation?

- "2. What is the legal basis for holding that

 General Design Criterion 17 is not applicable for low power

 operation? Would this argument apply to other general

 design criteria" -- plural, all right? Spell it out, too,

 criteria.
- "3. What is the technical justification for authorizing low power operation without the on-site electric power system required by General Design Criterion 17? What is the basis of any calculation or judgment of risk equivalence at low and full power?"

MR. MALSCH: And then I have added, "Parties may also submit written answers to these questions. Any

answer should be in the hands of the Commission by noon, 1 Thursday, April 26, 1984." 2 COMMISSIONER ASSELSTINE: Good. 3 COMMISSIONER GILINSKY: I would say "should," rather than "may." 5 MR. MALSCH: Okay. 6 COMMISSIONER GILIHSKY: You might say "brief," 7 put in the word "brief" somewhere. 8 MR. MALSCH: Okay. 9 MR. PLAINE: I'm thinking of "memorandum," don't 10 11 make it so formal. COMMISSIONER GILINSKY: Yes, a brief memorandum. 12 MR. PLAINE: All right, or just a memorandum. 13 COMMISSIONER GILINSKY: A memorandum. 14 COMMISSIONER BERNTHAL: That's not a brief. 15 CHAIRMAN PALLADINO: Yes, but briefs --16 MR. PLAINE. Don't formalize it so heavily. 17 MR. MALSCH: Okay. 18 MR. PLAINE: If they write us a letter, that's 19 20 good enough. MR. MALSCH: "And parties should also submit 21 written memoranda on these questions. Any memoranda should 22 be in the hands of the Commission by noon, Thursday, 23 24 April 26, 1984."

COMMISSIONER ASSELSTINE: Good.

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1
               CHAIRMAN PALLADINO: Then, do you say, additional
 2
     remarks are appended, or --
 3
               COMMISSIONER ASSELSTINE: April 26.
               CHAIRMAN PALLADINO: What's that?
               COMMISSIONER ASSELSTINE: April 26.
               MR. PLAINE: Noon, April 26.
 7
               MR. MALSCH: Oh, did I -- the 26th, okay. Sorry.
               MR. PLAINE: Your question, Mr. Chairman, was?
               CHAIRMAN PALLADINO: What do we say about appended
10
     additional remarks? We put a sentence --
11
               MR. MALSCH: Yes, we usually had --
12
               COMMISSIONER GILINSKY: Assuming we (inaudible)
13
               (Laughter)
14
               COMMISSIONER GILINSKY: They may be our memoranda.
15
               COMMISSIONER ASSELSTINE: That's right.
16
               (Laughter)
17
               COMMISSIONER BERNTHAL: You may have a chance to
18
     incorporate this in your views.
19
               MR. MALSCH: These are the separate remarks by
20
     Commissioners blank and blank --
21
               (Laughter)
22
               CHAIRMAN PALLADINO: I'll give you a copy of my
23
     additional remarks.
24
               (Laughter)
25
               MR. PALINE: Do we have, do we have in mind any
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time limitation on each party?
1
2
              COMMISSIONER GILINSKY: Yes, I think we better
    do that.
3
              CHAIRMAN PALLADINO: On the what?
 5
              COMMISSIONER ASSELSTINE: Yes.
              COMMISSIONER GILINSKY: I think that --
 6
              MR. PLAINE: How many parties do we have?
              MR. GILINSKY. A maximum of an hour a side.
 8
              COMMISSIONER ASSELSTINE: Licensee, New York
9
    Suffolk County --
10
11
              (Simultaneous conversation)
12
              COMMISSIONER GILINSKY: Half an hour a side?
    Ten minutes a side?
13
14
              (Laughter)
               COMMISSIONER ROBERTS: An hour each? You've got
15
    to be kidding.
16
17
               COMMISSIONER GILINSKY: On a side.
18
              COMMISSIONER ROBERTS: Sir?
              COMMISSIONER GILINSKY: On a side, not a party.
19
               COMMISSIONER BERNTHAL: How many sides are there?
20
21
               (Laughter)
               COMMISSIONER ASSELSTINE: How about half hour each
22
23
    party?
               COMMISSIONER BERNTHAL: There are only two around
24
25
     here?
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100	
1	CHAIRMAN PALLADINO: How many parties are there?
2	COMMISSIONER BERNTHAL: At least three.
3	MR. MALSCH: There are four principal parties. I
4	don't know if there are any, you know
5	COMMISSIONER ASSELSTINE: A half hour each, yes.
6	COMMISSIONER GILINSKY: Well, why don't we say
7	a half hour each including questions?
8	(Laughter)
9	CHAIRMAN PALLADINO: You want me to enforce that?
10	COMMISSIONER ASSELSTINE: No. It may take longer
11	than that on questions.
12	CHAIRMAN PALLADINO: I trust if you have valid
13	questions, it's my view that Commissioners should be, insofar
14	as possible, be given a chance to ask their questions.
15	COMMISSIONER GILINSKY: Well, I would just ask
16	them during the presentation.
17	MR. PLAINE: Insofar as possible
18	CHAIRMAN PALLADINO: What?
19	MR. PLAINE: Say, insofar as possible, each side
20	will be given each party will or each side?
21	COMMISSIONER ASSELSTINE: Each party.
22	COMMISSIONER ROBERTS: Each party.
23	COMMISSIONER ASSELSTINE: Thirty minutes each, yes.
24	COMMISSIONER GILINSKY: But not for a presentation
25	30 minutes, that's an awfully long time.

1	COMMISSIONER ASSELSTINE: Yes. Twenty minutes
2	each?
3	MR. PLAINE: Not to exceed?
4	COMMISSIONER ASSELSTINE: Give them 20 minutes for
5	their presentation and then questions and answers are on
6	top of that. That's probably
7	CHAIRMAN PALLADINO: Yes, I figure it's usually,
8	if you give them 20 minutes and the Commission
9	COMMISSIONER GILINSKY: I would say 15 minutes.
10	I would be saying
11	COMMISSIONER ROBERTS: Ten?
12	CHAIRMAN PALLADINO: No.
13	COMMISSIONER ASSELSTINE: No.
14	(Laughter)
15	COMMISSIONER GILINSKY: I was going to give them
16	the same amount of time, but I think their presentation ought
17	to be ten, you know, given a total time of a half hour.
18	We may run over, but
19	MR. MALSCH: Why don't we say, "The parties will
20	each have 15 minutes to address the Commission?"
21	COMMISSIONER GILINSKY: Yes.
22	MR. MALSCH: We ought to give the order of
23	presentation, also.
24	COMMISSIONER ASSELSTINE: Yes.
25	MR. MALSCH: The normal order would be, applicant

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first, then intervenors, then staff.
              COMMISSIONER ASSELSTINE: Fine.
2
              COMMISSIONER GILINSKY: And who are the fourth?
3
    Two intervenors?
              COMMISSIONER ASSELSTINE: Two intervenors, state
5
    and the county.
6
              MR. PLAINE: Can't you allow for rebuttal of about
7
    five or ten minutes?
              COMMISSIONER GILINSKY: Yes, I think you ought to
9
    give people five minutes rebuttal. Plus five minutes rebuttal.
10
              COMMISSIONER ASSELSTINE: All right.
11
              CHAIRMAN PALLADINO: Okay?
12
              COMMISSIONER ASSELSTINE: Good.
13
              CHAIRMAN PALLADINO: Anything more on this subject?
14
               COMMISSIONER GILINSKY: Put down, Mr. Roberts
15
    has lunch at 12 o'clock.
16
              (Laughter)
17
               COMMISSIONER ROBERTS: Absolutely, every day.
18
               CHAIRMAN PALLADINO: Okay, we'll address rejuggling
19
    the schedule at Agenda Planning.
20
               COMMISSIONER ASSELSTINE: Okay. If Fred will let
21
22
     us know --
               CHAIRMAN PALLADINO: What are you going to do, are
23
    you going to go out with --
24
               COMMISSIONER ASSELSTINE: Fred has to talk to you.
25
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1 COMMISSIONER BERNTHAL: You don't have my vote yet 2 on this because I was under the misimpression that you wanted to proceed this way, Joe, and I, out of courtesy, want to talk to you about that. 5 CHAIRMAN PALLADINO: I said this morning I didn't want to. Then I allowed my staff to say, "Well, I haven't 7 quite made up my mind," and when I came in I said, "No, I 8 hadn't made up my mind." 9 COMMISSIONER BERNTHAL: Okay. 10 CHAIRMAN PALLADINO: It's the same as this morning. 11 COMMISSIONER BERNTHAL: Okay. 12 MR. MALSCH: If Commissioner Bernthal doesn't 13 vote now, the Commission will have to reconvene. 14 COMMISSIONER BERNTHAL: I will vote. Oh, you 15 mean you must reconvene to take my vote? 16 MR. MALSCH: Yes. 17 COMMISSIONER GILINSKY: That's the law. 18 COMMISSIONER ASSELSTINE: Yes. 19 COMMISSIONER BERNTHAL: In a closed meeting. 20 MR. MALSCH: We tried to change it but were not 21 successful. 22 COMMISSIONER GILINSKY: Well, we could wait a 23 couple of minutes. 24 MR. MALSCH: Any kind of meeting, it does not make 25 any difference.

COMMISSIONER BERNTHAL: We are in a management meeting here, and -
COMMISSIONER GILINSKY: Why don't you just step

out for two minutes and we'll wait?

COMMISSIONER ROBERTS: Sure.

COMMISSIONER ASSELSTINE: Yes.

(Whereupon, at 2:59 p.m. a recess was taken until 3:21 p.m.)

CHAIRMAN PALLADINO: Let's reconvene from our brief recess. Fred, do you want to speak?

COMMISSIONER ASSELSTINE: Yes. Let me just explain what's behind this little recess here.

My feeling is that if we are going to intervene
in what is a normal procedure around here with the Board
hearing a case, that that should be an extraordinary
circumstance on which we should have some degree of consensus
on the Commission.

Therefore, in view of the fact that we clearly don't have a clear consensus, I'm going to withdraw my suggestion that we intervene at this time and revert to my one-time held position that we should simply let the matter proceed according to the book for the time being.

COMMISSIONER ROBERTS: Terrific.

COMMISSIONER BERNTHAL: Therefor, I'm voting with the Chairman on this issue.

1 CHAIRMAN PALLADINO: All right. Now, what do we 2 do as a vehicle for the others to state what they want to 3 state? Can they just issue statements? (Laughter) 5 COMMISSIONER ROBERTS: Oh, oh. 6 COMMISSIONER BERNTHAL: I told you were were 7 helping you draft your statement. It wasn't wasted time. 8 COMMISSIONER GILINSKY: Well, I don't know, is there any need to give a statement? 10 COMMISSIONER ROBERTS: We didn't take any action. 11 COMMISSIONER BERNTHAL: That's right. 12 COMMISSIONER ASSELSTINE: I don't know, I may just 13 do a memo to you, documenting the problems that I see and 14 the reasons why I think we should have stepped in at this 15 point. But that -- yes, that's probably what I'll do. 16 CHAIRMAN PALLADINO: We do nothing thia afternoon. 17 COMMISSIONER ASSELSTINE: That's right. 18 CHAIRMAN PALLADINO: Who do you have to inform of 19 wnat? 20 MR. PLAINE: Well, there are a few people like the 21 fellow who -- the file has a motion for a stay in the U.S. 22 District Court. I have to telephone him. I have to telephone 23 the various other parties, I think because they are all 24 expecting something to happen.

COMMISSIONER BERNIHAL: Tell them nothing happened.

1	MR. PLAINE: Tell them nothing happened.
2	COMMISSIONER GILINSKY: Well, let me ask you this
3	COMMISSIONER ROBERTS: Nothing happened.
4	MR. PLAINE: That's right.
5	COMMISSIONER GILINSKY: Do you want at least to
6	agree that the Commission will pass on low power authorization
7	before it becomes effective?
8	COMMISSIONER ASSELSTINE: Yes, I would certainly
9	recommend that.
10	CHAIRMAN PALLADINO: I would wait. The Commission's
11	rules provide the means to stay the effectiveness of the
12	Board's decision and when we get such a request, we address
13	it.
14	COMMISSIONER GILINSKY: Well, I guess all I
15	can say is, good luck.
16	COMMISSIONER ASSELSTINE: Yes.
17	COMMISSIONER GILINSKY: Because while I didn't
18	think that matters of public appearance should dictate, I
19	think the earlier comments that were made here are right.
20	COMMISSIONER ASSELSTINE: Yes.
21	COMMISSIONER GILINSKY: And the Commission is going
22	to look terrible.
23	CHAIRMAN PALLADINO: And incidentally, I don't
24	know how this hearing is going to come out. I would hate
25	to predict it.

1 COMMISSIONER GILINSKY: Well, I guess we ll just 2 wait and see. 3 COMMISSIONER ASSELSTINE: We'll have to see, that's 4 right. 5 COMMISSIONER BERNTHAL: It may well be that this 6 exercise today will be sufficient to achieve the desired 7 objective, but I don't know. 8 COMMISSIONER ASSELSTINE: I don't see how it can. 9 (Laughter) 10 CHAIRMAN PALLADINO: You never know. 11 All right. Well, then are we done on this issue 12 for today? 13 COMMISSIONER ASSELSTINE: Yes. 14 COMMISSIONER ROBERTS: Yes, we are ione. 15 CHAIRMAN PALLADINO: Okay. I guess we ought to 16 adjourn the meeting. 17 (Whereupon, at 3:25 p.m. the meeting of the 18 Commission was adjourned.) 19 20 21 22 23 24

CERTIFICATE OF PROCEEDING

This is to certify that the attached proceedings before the
NRC COMMISSION

In the Matter of: Discussion of Shoreham Licensing Proceeding
Date of Proceeding: 23 April 1984

Place of Proceeding: Washington, D. C.
were held as herein appears, and that this is the original
transcript for the file of the commission.

Elizabeth Hansen Official Reporter - Typed

Eliqubeth Hausen
Official Reporter - Signature