7/06/84

UNITED STATES OF AMERICA NUCLEAR REGULATORY COMMISSION

Before the Atomic Safety and Licensing Appeal Board

In the Matter of

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LONG ISLAND LIGHTING COMPANY

Docket No. 50-322-OL-4 (Low Power)

(Shoreham Nuclear Power Station, Unit 1)

SUFFOLK COUNTY AND STATE OF NEW YORK FILING IN RESPONSE TO APPEAL BOARD ORDER OF JUNE 26, 1984

On June 21, 1984, Suffolk County and the State of New York moved for disqualification of the three members of the Low Power Licensing Board. <u>See</u> Suffolk County and State of N & York Motion for Disqualification of Judges Miller, Bright, and Johnson, June 21, 1984 (hereafter, the "Motion"). On June 25, 1984, the Low Power Board denied the Motion. <u>See</u> Order Denying Intervenors' Motion for Disqualification of Judges Miller, Bright and Johnson, June 25, 1984. By Order dated June 26, 1964, this Appeal Board stated that any party wishing to present views either in support of or in opposition to the Licensing Board's June 25 Order should file papers by July 6, 1984. The instant filing by Suffolk County and the State of New York responds to the Appeal Board's June 26 Order.

The Licensing Board denied the Motion on two grounds: that the Motion was untimely; and that the Motion and the supporting affidavit were "wholly insufficient to justify disqualification." Order Denying Intervenors' Motion for Disqualification of Judges Miller, Bright and Johnson, at 5. Suffolk County and the State of New York urge the Appeal Board to reverse the Licensing Board's Order and to direct disqualification of Judges Miller, Bright and Johnson. The basic reasons for such disqualification are set forth in the Motion and supporting affidavit and need not be repeated here. However, there are two comments which must be made respecting the stated bases for the Licensing Board's action.

First, contrary to the Licensing Board's assertion, the Motion was <u>not</u> untimely. Part of the bases for this M ion did begin to become known in early April 1984; however, the full bases, as set forth in the Motion and the affidavit, did not become available to the County until late May 1984. Namely, key information pertinent to the need for disqualification (particularly, Judge Cotter's notes of the March 16, 1984 meeting) did not become available to the County until late May 1984 when they were obtained by the Courty in response to Freedom of Information Act Request 84-267. Thus, it was not until late May that the County and State were in a position to file a motion for recusal or disqualification.1/ Once all those data were compiled, the

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^{1/} The County did raise disqualification in an amended complaint to the Civil Action filed in late April 1984. That complaint was dismissed after the Commission vacated most provisions of the Licensing Board's April 6 Order. In subsequent briefs to the Commission, the need for a new Licensing Board was raised, and the matter was also addressed by several Commissioners in the May 16, 1984 NRC Order. It was shortly thereafter, (footnote continued)

County and State moved promptly. First, the County and State filed a motion for recusal or disqualification of Chairman Palladino. That motion was filed on June 6, 1984. Subsequently, the County and State filed the instant motion regarding the Low Power Board. Under all the circumstances, we submit that filing the Motion within a month of receiving the Freedom of Information Act materials and just over a month after the NRC's issuance of the May 16 Order was prompt and timely.

Second, the Licensing Board's denial of the disqualification motion argues at some length that the Low Power Licensing Board was not influenced by whatever activities were going on elsewhere at the NRC, such as Chairman Palladino's March 16 meeting. Since the Licensing Board stated that it was not influenced by these activities, it concluded that it would not be in the public interest for it to disqualify itself. However, the Low Power Board failed to apply the necessary legal standard of the <u>Cinderella</u> case, namely whether a disinterested observer would have reason to believe that the Board may have been affected in some manner by the chain of events set forth in the Motion and in the attached affidavit. When that correct legal standard is applied, Suffolk County and the State of New York submit that no conclusion is possible other than that the Low Power Board must be disqualified.

(footnote continued from previous page) when the present Licensing Board was left in charge of this proceeding, that the FOIA data became available and the County and State commenced work on motions to disqualify Chairman Palladino, the Low Power Board, and Judge Cotter.

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Respectfully submitted,

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July 6, 1984

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Docket No. 50-322-OL

322-02-4

(Shoreham Nuclear Power Station, Unit 1)

CERTIFICATE OF SERVICE

I hereby certify that copies of SUFFOLK COUNTY RESPONSE TO APPEAL BOARD ORDER OF JUNE 7, 1984 and SUFFOLK COUNTY AND STATE OF NEW YORK FILING IN RESPONSE TO APPEAL BOARD ORDER OF JUNE 26, 1984, dated July 6, 1984, have been served on the following this 6th day of July 1984 by U.S. mail, first class, except as otherwise indicated.

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DATE: July 6, 1984

* By Hand