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The Honorable Nunzio Palladino
Chairman
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

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GENERAL INVESTIGATIVE
& REGULATORY
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Dear Chairman Palladino:

The Atomic Industrial Forum's Committee on TMI-2 Recovery sent a letter to your attention dated November 30, 1982, urging the Commission to lift the two 1979 orders that direct TMI-1 to remain in a cold shutdown condition until further order. A copy of this letter is enclosed. The Committee continues to maintain this position. A few of the activities that have been completed since November, 1982 and support our position are highlighted below.

By letter of September 2, 1983, Mr. W.G. Kuhns, Chairman, General Public Utilities, requested Admiral H.G. Rickover to perform an independent assessment of the soundness of the GPU Nuclear organization. In his report of November 19, 1983, Admiral Rickover concluded that, "the Corporation has the management competence and integrity to safely operate TMI-1."

In Admiral Rickover's follow-up to his November, 1983 report, he indicated that company officials had made substantial progress in addressing issues identified previously. He emphasized that these actions "give further evidence of their competence to safely restart and operate the plant" and recommended that the NRC no longer delay a decision on the restart of TMI-1.

Additionally, the capabilities of the GPU Nuclear organization and personnel have been reinforced by the in-depth assessment conducted by the ASLB as well as by independent measurements by the Institute for Nuclear Power Operations (INPO) and by the NRC's Systematic Assessment of Licensee Performance (SALP). In the NRC Region 1 SALP report dated April 2, 1984, GPU Nuclear received the highest ratings on seven categories and satisfactory ratings on the remaining three. The NRC staff concluded that:

"Overall, this assessment found that the licensee is continuing to devote considerable resources to improve performance in all areas of the organization. Management attention in identifying and correcting weaknesses is apparent from licensee initiatives noted in the various areas reviewed. Management's commitment to safety is also apparent from their extensive commitment to personnel training, the continuing efforts to staff the organization with highly technical, competent personnel, and the implementation of a stringent policy regarding procedural adherence."

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In Supplement No. 5, NUREG-0680, "An Evaluation of the Licensee's Management Integrity as it Affects Restart of Three Mile Island Nuclear Station," published in July, 1984, the NRC staff concluded that:

"There is reasonable assurance that GPUN can and will conduct its licensed activities in accordance with regulatory requirements and that GPUN can and will operate TMI-1 without undue risk to the health and safety of the public"; and

"The Staff also has evaluated the 'managerial integrity' of several current GPU/GPUN officials and determined there is reasonable assurance that GPUN can and will meet its regulatory responsibilities with these particular individuals in positions related to those responsibilities."

In testimony on May 22, 1984, before the Subcommittee on Energy Research and Production of the Committee on Science and Technology, U.S. House of Representatives, Mr. Philip Clark, President and Chief Executive Officer of GPU Nuclear Corporation, made the following significant points:

- GPU Nuclear has more than 2,600 personnel of whom over 900 are applied full-time to operating and supporting TMI-1. Over 500 are degreed professionals with a total of more than 2,800 man-years of experience in nuclear activities;
- The top four levels of management directly responsible for operating TMI before the accident are no longer involved in GPU's nuclear activities. The President, the Executive Vice President, and seven of the eleven senior people reporting directly to the Office of the President have joined GPU since the accident.

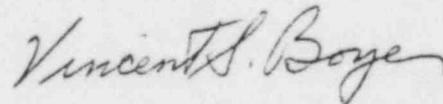
GPU Nuclear's Board of Directors has an outside Chairman, Mr. John O'Leary, former Deputy Secretary of the DOE and former Director of Licensing of the AEC. Three additional outside Directors sit on the Board, including Dr. Warren Witzig, Professor and Head of the Nuclear Engineering Department, Pennsylvania State University. The Board of Directors collectively represents over one hundred and ninety man-years of nuclear experience.

Three of the outside Directors form a Nuclear Safety and Compliance Committee. This group has been provided with outside staff resources to assist in fulfilling its responsibilities. It reports directly to the GPU Nuclear Board of Directors.

We continue to believe that operation of TMI-1 will help alleviate the economic constraints currently affecting the timely cleanup of TMI-2. In its third annual report, the Three Mile Island-Unit 2 Safety Advisory Board (SAB) concluded that, "the members of the SAB are unanimous in their opinion that TMI-2 does not currently pose a significant risk to public or worker health and safety." However, the SAB "believes that public and worker health and safety are best served by the timely completion of the cleanup of TMI-2."

In conclusion, General Public Utilities has completed an extensive reorganization that has involved all levels of GPU Nuclear from the Board of Directors to the staff operating and supporting TMI-1. To our knowledge, it has provided a timely and detailed response to the NRC's questions and concerns. It has been involved in protracted and detailed reviews of its management capabilities, both by the NRC staff and outside parties. Based on the results of these extensive reviews, for the NRC to elect to prolong the review process any further, either by adjudicatory proceedings or additional staff review, does not appear to contribute at all to the overall safe operation of the plant. Additionally, further delay will continue to bring into question the equitableness and strength of the regulatory process. Therefore, we encourage the Commission to lift its two 1979 orders as soon as possible.

Sincerely,



Vincent S. Boyer
Chairman
Three Mile Island-2
Recovery Committee

VSB:tfm
Enclosure

cc: Commissioner Asselstine
Commissioner Bernthal
Commissioner Roberts
Commissioner Zech