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July 18, 1978

Dr. Joseph M. Hendrie
Chairman
Nuclear Regulatory Commission
Washington, D.C. 20555

Dear Dr. Hendrie,

In reviewing your letters to Secretary Schlesinger, Congressman Udall et al, dated July 7, 1978 which we received yesterday, we were dismayed to learn of the NRC's distorted view of the capabilities and capacities of the commercial low-level radioactive waste disposal industry. Nuclear Engineering Company, Inc. (NECO) is unalterably opposed to the policies set forth in your letter and we firmly believe that the implementation of these policies will result in the totally unwarranted termination of the commercial low-level nuclear disposal industry. We have requested a copy of the underlying staff report which formed the basis for the misconceived conclusions contained in your letter; however, we have not received a copy of said report. Therefore, for these reasons we will forego at this time a detailed analysis and response to your letter and thus a more detailed response will follow. However, we feel compelled to raise at this time strenuous objections to certain specific points.

In our opinion, you have erroneously concluded that the presently licensed commercial low-level waste sites only have capacity adequate for approximately the next seven years. However, using 1977 published volume figures and utilizing a 20% per annum compounded growth rate, your own capacity figures, contained as an attachment to your letter, indicate commercial site capacities of the Beatty, Barnwell and Richland sites will be available into the decade of the 1990's. It should be pointed out that this growth rate is extremely optimistic and if a rate were to be based on actual industry capabilities, commercial site life at the Beatty, Barnwell and Richland sites would be further extended.

Of primary concern to our company, as well as the general public, is your implication that the unlicensed DOE sites should be made available for low-level nuclear waste disposal.

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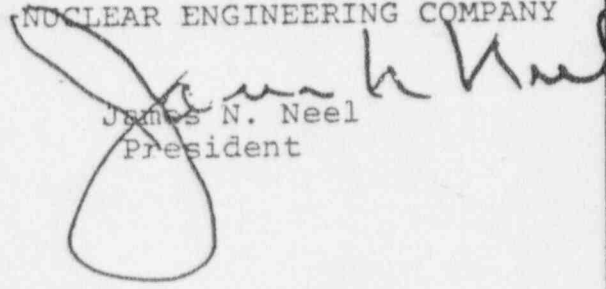
Dr. Joseph M. ...

As you are aware, commercial sites are compelled by law to undergo rigorous federal and state licensing as well as environmental proceedings and are subject to continuous monitoring activities all in order to properly protect the public health and safety. As a point of comparison, DOE sites are not subject to any public scrutiny in the form of licensing or the same intensive monitoring programs. Indeed, even a cursory review of the public record reveals that DOE site operations have been something less than satisfactory. The DOE Task Force report you have referenced in your letter recommends that the DOE sites be brought under the same licensing and monitoring procedures as applied to the present commercial sites. The report also indicates that a transition period of several years will be needed to bring the DOE sites under such a licensing program. In our opinion, such a major federal action as opening DOE sites to quasi-commercial activities in contravention of existing federal policy, mandates, under the National Environmental Policy Act (NEPA) and other federal statutes, a thorough environmental study subject throughout to public participation. Such actions would appear to require a programmatic study for the shift to DOE sites as well for the implementation of a policy apparently aimed at the elimination of the low-level nuclear commercial industry.

Although your letter raised other substantive issues prejudicial both to the public interest and the low-level commercial disposal industry, we shall defer further comment until such time as we have developed a more detailed response. Thank you for your consideration.

Sincerely,

NUCLEAR ENGINEERING COMPANY


James N. Neel
President

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UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSIONBEFORE THE ATOMIC SAFETY AND LICENSING BOARD

In the Matter of)

NUCLEAR ENGINEERING COMPANY, INC.)

Docket No. 27-39

(Sheffield, Illinois Low-Level)
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