Power Reactor and Nuclear Fuel Development Corporation

9-13, 1 chome, Akasaka
Minato-ku, Tokyo, Japan
Phone : 81-3-3586-3311
Fax : 81-3-3583-6386

PNC

Dr. Shirley A. Jackson
Chairman
U. S. Nuclear Regulatory Commission
Washington D.C. 20555-0111
U. S. A.

June 30, 1997

Dear Dr. Jackson ;

    I am going to leave PNC and to move to a soft ware company, Nuclear Energy System Inc..
I will stay in Tokai Village of Ibaraki Prefecture, where I lived when I joined PNC.

    In these two years, PNC experienced many occasions such as MONJU and Betuminization
Demonstration Facility accidents. These accidents and the following mistreatments by PNC made
Japanese nuclear industry confused. I tried to explain the situations as much as possible, but I
have to apologize that these accidents made you confused and our corporations did not developed
smoothly.

    I heartily appreciate the proposals that you all gave us for help. Unfortunately, because of
the confusion in PNC, these proposals did not work well, but encouraged us very much to
recover from the damage. The discussion on the reforming PNC and surrounding world are now
undergoing, and will get some conclusions within a year. And new organization will be formed
next year.

    Although I cannot contribute directly to this situation, I will stay in nuclear world. I would
like to cooperate with you for the future world wide nuclear industry. My successor is Mr.
Motohide Konaka. Please give your support to him in the same manner that you gave it to me.

    I sincerely thank you for your kind cooperation during my whole life in PNC. If I have a
chance, I would like to work with you again.

Best regards

Masami Katsuragawa
Director, International Division

PS; My new position is;
    Nuclear Energy Systems Inc.(NESI)
    Director, Software Development Center
      38 Shinko-cho, Hitachinaka City, Ibaraki, JAPAN
      Phone; 81-29-264-2224   Fax; 81-29-264-2226

* Visit to PNC 4/96 ; encouraged review of safety systems, emergency procedures
and public involvement — process.