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To: Leeds, NRR
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AUTHOR: Patricia Birnie

AFFILIATION:

ADDRESSEE: CHRM Allison Macfarlane

SUBJECT: Expresses congratulations on the appointment as Chairman of the NRC and provides information on the organization (GE Stockholders' Alliance)

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GE Stockholders' Alliance
5349 W. Bar X Street, Tucson, AZ 85713-6402

July 14 , 2012

Dr. Allison Macfarlane, Chairman
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

Dear Chairman Macfarlane:

Congratulations on your recent selection and confirmation as Chairman of the U.S. Nuclear Regulatory Commission (NRC). We share confidence, with many others, that your term leading the NRC will be one ensuring greater safety to the public as you proceed with the Commission's important business.

Our organization has followed nuclear issues carefully for the last 22 years. We believe the public safety will be enhanced if the following urgent issues regarding the nation's operating reactors are addressed as soon as possible:

1. Assess the possible shutdown of all 23 GE BWR Mark I reactors that are currently operating in the United States. By analyzing the Fukushima Daiichi data, plus other accidents and long-acknowledged major design flaws, it should be clear that the Mark I reactors are a threat to our nation.
2. Re-evaluate license extensions that the NRC has already approved for the nation's operating reactors, utilizing new information and lessons learned from the ongoing Fukushima disaster.
3. Evaluate the condition of the irradiated fuel rods that are currently stored in reactor fuel pools. Determine those that should be transferred to on-site dry storage casks. It is our understanding that funds already collected could be used to relocate fuel rods to dry casks to attain immediate, safer storage.
4. Review the adequacy of on-site emergency power at each reactor site, to assess whether supplemental power may be needed to protect against many possible reactor crises, including a fuel pool fire and/or explosion.
5. Evaluate every nuclear utility's response to the most current fire protection codes and standards, including both the performance-based standard (National Fire Protection Assn. Standard 805) and the prescriptive code (10 CFR Part 50, Appendix R). It is our understanding that few utilities are adequately complying with either of those. Even Browns Ferry Unit One, where a near-catastrophic fire occurred in 1975, has yet to come into compliance with either the new prescriptive code that the Browns Ferry fire inspired, or the new performance-based fire protection standard.

In addition, we would like to request that you give your personal attention to a proposed new uranium fuel enrichment facility about which the Atomic Safety and Licensing Board held a

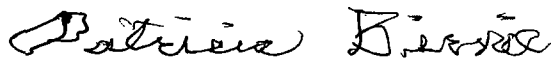
closed hearing on July 12 and 13. The Global Laser Enrichment (GLE) company in Wilmington, NC, a General Electric-Hitachi subsidiary, is testing this new technology. The NRC staff released an Environmental Impact Statement regarding the GLE facility on May 10, 2012, and recommended issuing a license for it.

As you may have been advised, on December 23, 2010, the Federal Register posted a petition to the NRC from the American Physical Society (APS), requesting that the NRC ***require a weapons proliferation assessment for any new nuclear technology that comes before the NRC for licensing.*** (Federal Register– Docket No. PRM-70-9;NRC-2010-0372). We strongly urge the NRC to officially adopt the policy proposed by the APS. We understand that the NRC is planning to consider the proposal in October 2012 . We do not believe that the NRC has conducted a weapons proliferation assessment of the GLE technology. Therefore we urge the NRC to defer its decision on the GLE license request until a proliferation assessment has been conducted.

The GE Stockholders' Alliance is a nonprofit association of GE Stockholders. We support a carbon-free, nuclear-free future. We work to urge GE to promote business opportunities that advance truly renewable energy and energy conservation. We formed in 1980 and have been in dialogue with GE management regularly ever since.

We send our best wishes to you as you tackle the enormous and contentious problems and decisions before you.

Sincerely,



Patricia Birnie, Chair

520-661-9671

patbirnie@greenbicycle.net

cc: Jeffrey Immelt, Chief Executive Officer, General Electric Company

Dr. Robert Byer, President, American Physical Society

American Center for Physics, One Physics Ellipse, College Park, MD 20740

Enclosure: "Japan Panel Blames Disaster on Negligence" The Wall Street Journal, July 6, 2012

Link: "Fukushima Meltdown a Manmade Disaster" The Guardian, July 5, 2012

<http://www.guardian.co.uk/environment/2012/jul/05/fukushima-meltdown-manmade-disaster?CMP=twtd>

WORLD NEWS

Japan Panel Blames Disaster on Negligence

By MITSURU OBE
AND PHRED DVORAK

TOKYO—Japan's nuclear accident was caused by negligence on the part of government, regulators and plant operator **Tokyo Electric Power Co.**, a parliamentary panel investigating the accident concluded, in a condemnation of the country's atomic-energy industry and the people who were supposed to oversee it.

The 10-member panel—which released its findings in a 640-page report Thursday—said regulators and Tepco “failed to correctly develop the most basic safety requirements,” leaving the Fukushima Daiichi plant vulnerable to the earthquake and tsunami that hit on March 11, 2011.

The report highlights the relationship between regulators and regulated in Japan's nuclear industry, saying Japan's powerful industry group had pressured its overseers to loosen regulations or postpone toughening of them.

“The regulator has been captured by the industry it regulates,” the report said.

The government, regulators and Tepco “effectively betrayed the nation's right to be safe from nuclear accidents,” said the panel, which used harsh language throughout its report.

The panel called for a complete revamp of Japan's nuclear industry and regulatory structure, issuing a series of recommendations, the creation of a permanent parliamentary committee to monitor a new nuclear regulator to be created later this year, and a rewriting of rules to “meet global standards of safety, public health and welfare.”

The investigation found “a multitude of errors and wilful negligence that left the Fukushima plant unprepared for the events of March 11,” panel chairman and former Science Council of Japan President Kiyoshi Kurokawa wrote in the report. “What must be admitted—very painfully—is that this was a disaster ‘Made in Japan.’”

Japan's main nuclear regulator, the Nuclear and Industrial Safety Agency, “is taking the report seriously” and “will give full consideration to those things that need to be improved,” said Yoshinori Moriyama, NISA's deputy director-general for nuclear-

Fault Lines | Some of the 640-page report's conclusions



◆ The accident was the result of negligence by the government, regulators and the plant's operator, Tepco.

◆ The 2011 earthquake may have played a role.

◆ Japan's nuclear industry had pressured its overseers to loosen regulations.

◆ A parliamentary committee should be set up to monitor the nuclear regulator, and another should monitor power-company operations.

◆ Nuclear laws and regulations should be rewritten to improve safety standards.

Source: WSJ research



Panel chairman Kiyoshi Kurokawa, left, said the disaster at the plant, above, was ‘made in Japan.’

accident measures, at a news conference after the report was released.

A spokesman for Japan's industry and trade ministry, which oversees the nuclear industry, said the ministry didn't have a comment on the report. A spokesman for Tepco said it was still looking through the report.

The parliamentary-appointed panel, made up of largely scientists, lawyers and academics, is one of three groups investigating the causes of last year's Fukushima Daiichi accident, and the only one with the power to subpoena people and evidence. The panel interviewed 1,167 people and collected 900 hours of public testimony, with witnesses ranging from former Japanese Prime Minister Naoto Kan to former U.S. Nuclear Regulatory Commission Chairman Richard Meserve.

The government isn't required to take into account or implement the panel's findings and recommendations, but it carries weight. It is considered more objective than the one being produced by the government, says Tatsuo Hatta, a former economics professor at University of To-

kyo, who was asked to comment on a draft of the report.

Many legislators and local politicians have been calling on the government to take the results of the investigation into account when Japan reviews nuclear-safety standards and revamps its regulator this year.

The report rebuts some central views that the Japanese government, regulators and Tepco have put forward regarding the causes of the accident, in which last year's earthquake and tsunami knocked out power at Fukushima Daiichi and sent three reactors spinning out of control. While the government and Tepco have said the scale of the natural disaster was so great it couldn't have been foreseen, the panel's report called the plant accident “man-made” and preventable.

The panel also said it found evidence that the magnitude-9 earthquake may have played a part in the events leading to the accident by damaging key equipment. The government and Tepco have held that the plant withstood the earthquake and that the loss of control was caused by tsunami damage.

Experts say that if the earthquake is suspected to have played a role, that could lead to a re-evaluation of earthquake standards for Japan's reactors.

To address those issues, the panel suggested setting up an agency appointed by parliament—separate from the government nuclear regulator—that would monitor and inspect power-company operations, including risk management, governance and safety standards.

The report also recommends consolidating and rewriting existing nuclear laws and regulations to bolster safety and set criteria for things such as decommissioning nuclear reactors.

“The panel has a few good recommendations on regulatory reform,” said Tadashi Narabayashi, a professor of reactor engineering at Hokkaido University and a member of the panel that reviews the safety of reactors before restarting them. “But it focuses too much on how to respond to severe accidents rather than how to prevent such accidents.”

—Eleanor Warnock
contributed to this article.

U.S. Regulators Remain Divided On Proposals to Overhaul Safety

WASHINGTON—The chief U.S. nuclear regulator said U.S. officials still can't agree on a response to Japan's Fukushima Daiichi accident, which raised questions about whether U.S. nuclear plants are prepared to deal with rare but powerful natural disasters, and urged his successor to “keep the pressure on” the nuclear industry.

Gregory Jaczko, who is stepping down Friday as chairman of the Nuclear Regulatory Commission and handing the job to Allison Macfarlane, a geology professor at George Mason University, said proposed rules over nuclear-plant blackouts are a particular sticking point.

The agency's staff is drafting proposals that would harden safeguards at U.S. plants, based on the recommendations of an expert task force last year.

“It's going to be more work, more money, and more modifications and changes at the plant,”

he said. “I hope the commission will continue to keep the pressure on.”

He also foresaw a fight over whether the agency's post-Japan regulatory changes will have to pass a cost-benefit test, saying that remains “a big area of disagreement.”

Mr. Jaczko said the changes were necessary for safety and the NRC should require operators to make them, regardless of cost.

The four other NRC commissioners have said they want to evaluate the costs and benefits of each proposed change individually. Asked about Japan's parliamentary report on the Fukushima accident, Mr. Jaczko said nuclear safety “requires having a strong and effective regulator” and added that the U.S. is giving Tokyo “lessons...about how to set up a regulator that will work in the way that they want it to work.”

—Ryan Tracy



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