



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

AUG 1 1979

NR2 PDR

Mr. L. F. Fikar
Executive Vice President
Texas Utilities Services, Inc.
2001 Bryan Tower
Dallas, Texas 75201

Dear Mr. Fikar:

Thank you for your letter commenting on my meeting with utility representatives on June 13, 1979, and for attending that meeting. I am enclosing a meeting summary for your records.

Despite your interpretation of my comments, I am appreciative of the extensive ongoing efforts related to the Three Mile Island Unit 2 accident by the industry. My comments at the meeting were directed at failure of the industry to provide unsolicited information, comments and suggestions useful in the evaluation of the Three Mile Island accident and in the formulation of a program to prevent and/or mitigate accidents of a similar nature in other nuclear power plants.

It is gratifying to learn of your Comanche Peak Design Review Team. You and we are dedicated to the prevention of another serious nuclear power plant accident. To that end, we hope you will keep us advised of the deliberations and conclusions of the Design Review Team as their work progresses. We will be happy to meet with your group for a mutual exchange of information at appropriate milestones in our respective studies. An exchange of this nature would be responsive to my comments at the meeting as discussed above.

We like your proposal to anticipate and respond to Round Two Questions from the staff by reviewing other dockets and interfacing with the Project Manager. I have directed Mr. Burwell to work with your representatives to reap full benefits from that course of action. Also, we suggest that you review the Safety Evaluation Reports and Supplements for plants similar to Comanche Peak. In the past, we have experienced an inordinate length of time in resolving the outstanding items listed in the Safety Evaluation Reports. Many of these items are generic to a type of reactor, nuclear steam system supplier or architect-engineer. Early resolution of these items can provide a substantial shortening of the review period.

In addition, three intervenor groups have been admitted to the hearing on the Comanche Peak operating license. Although the contentions have not been finalized, we should recognize that time must be provided for the conduct of the hearing. To that end, we urge you to give attention to the early resolution of those matters which are related in any way to the contested issues to be heard before the Atomic Safety Licensing Board. Our regulations permit the

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start of a hearing on contested issues when the staff and the Advisory Committee on Reactor Safeguards have completed their reviews on these matters. Thus, we may petition the Atomic Safety Licensing Board to start the safety hearing shortly after the Advisory Committee on Reactor Safeguards issues its report, although our safety review might not be complete for other matters. We would consider this action only if we have reason to believe that the remaining outstanding items could be resolved on a schedule which would maintain continuity in the conduct of the hearing.

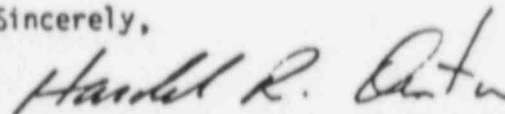
You may have my assurance that we will do all within our capabilities to license Comanche Peak and other nuclear stations when they are ready for fuel loading. We are continuing our efforts to augment our technical resources. We have recently completed a reassignment of some technical members from other offices within the Nuclear Regulatory Commission. Some of these individuals have been assigned to the impacted review branches within the Division of Systems Safety. Others have gone to the Systematic Evaluation Program, releasing experienced reviewers to return to their casework review. In addition, we are finalizing arrangements to establish review teams of specialists at the national laboratories. Finally, we have initiated a strong recruitment drive to increase our permanent staff as rapidly as possible in those specialties where our resources have been in chronic short supply.

I understand your recommendation that I should retain the permanent resources for casework and use the interim personnel for our Three Mile Island task force assignments. Unfortunately, I cannot fully agree. When Three Mile Island occurred we quickly mobilized the available staff. These were largely casework reviewers. They were there, they know what happened, they have longstanding work relationships with each other, and they know the scope of staff review within the Nuclear Regulatory Commission prior to the accident. In short, their education is complete. In my view, we would waste a large effort educating the interim staff before they would be effective on the task forces during the period these groups are making decisions that evolve from the Three Mile Island accident.

However, the intent of your suggestion is well taken. During the period in which we are implementing the decisions that evolve, I will be returning the permanent casework reviewers to their base assignment at the earliest practicable date.

In closing, I would like to say that our goal is to return the licensing reviews to the schedules which existed prior to the Three Mile Island accident. We will continue to work with industry toward that goal.

Sincerely,



Harold R. Denton, Director
Office of Nuclear Reactor Regulation

Enclosure:
Summary of Meeting to Discuss
Casework Schedules Dated
July 2, 1979

TEXAS UTILITIES SERVICES INC.

2001 BRYAN TOWER - DALLAS, TEXAS 75201

L. F. FIKAR
VICE PRESIDENT

June 22, 1979

Dr. Harold B. Denton
Director
Office of Nuclear Reactor
Regulation
U.S. Nuclear Regulatory
Commission
Washington, D.C. 20555

Dear Harold:

The meeting which you held on June 13 with utility representatives to discuss your problems associated with management of Staff resources in the wake of the experience at Three Mile Island was discouraging and frustrating. You expressed your view that industry was not responding affirmatively to benefit from the TMI experience but was merely waiting to react to instructions from the NRC in view of the lessons learned from that experience. Frankly, it was shocking to learn that you were not aware of the ongoing broad efforts by industry to evaluate the TMI experience, such as the detailed studies being performed by the Edison Electric Institute and the Electric Power Research Institute. I am certain that your Staff is well aware of these efforts, and suggest that you have your Staff brief you on the scope and status of them.

It was less shocking that you are not aware of the efforts undertaken by Texas Utilities to study and benefit from the TMI experience. As I noted at the meeting, we had not briefed you on our efforts because we considered your involvement directly with TMI matters to be of higher importance. In any event, this will advise you that Texas Utilities established a Comanche Peak Design Review Team in April to review and check all design criteria, safety related systems, and operating procedures in light of the TMI experience. The Design Review Team consists of senior engineers and officials responsible for the design construction and operation of Comanche Peak. The Director of the Center for Energy Studies and Chairman of the Department of Electrical Engineering at the University of Texas also is a member of the Team. The Team reports directly to the Chairman of the Board of Texas Utilities Company. In addition to the independent in-house review of Comanche Peak in light of the TMI experience, the Team also will cooperate and interface with the EEI, EPRI, and NRC, and will utilize the information generated by those bodies in the Comanche Peak review.

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With regard to the discussion of your management/resource problem, including the new priorities for Staff review and the realignment of Staff resources, we appreciated the opportunity to hear your thoughts and provide you with ours. It seems fair to characterize the sense of utility management in attendance as complete dissatisfaction with your proposed course of action to solve the problem. As pointed out to you, we all agree that as a manager you have a serious staffing problem but you have no alternative but to get the resources at this stage which would avoid the suspension of Staff reviews (particularly for operating licenses such as Comanche Peak) and thereby avoid the inevitable costs in the billions of dollars to the industry and the American public which will result from your proposal.

In large measure, electrical energy shortfalls associated with delays in operation of nuclear power reactors resulting from your proposal would be filled by oil-fired energy. This would necessitate the use of hundreds of thousands of barrels of oil per day and thereby exacerbate the already critical shortage of oil in this country. In this regard, you are no doubt aware of the sober presentation made to the Commission on June 14, 1979, by the Federal Energy Regulatory Commission and others relating to the pending operating license for Salem-2, and the costs of replacement energy from oil-fired units if Salem-2 is not licensed.

As I stated at the meeting last week, we believe that your proposal is simply unacceptable, and will do whatever is necessary internally within Texas Utilities with the Congress, or elsewhere to allow you to modify your proposal in favor of a less costly and adverse approach. I interpreted from your reaction to our meeting that you also are concerned about the serious implications of your proposal, and would welcome efforts to facilitate a retreat from that proposal. Accordingly, we are pursuing through appropriate channels methods by which your management/resources problem can be resolved. In addition, we will continue to attempt to develop ideas which might solve that problem, and will communicate any such ideas to you.

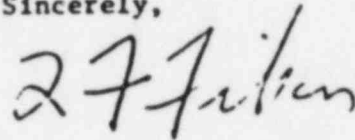
Specifically with respect to Comanche Peak, I would like to explore with you how Texas Utilities and the Staff can cooperate to eliminate or significantly reduce the possibility for delay in issuance of the operating license. I have a specific proposal which in my view will eliminate a major cause for delay in Staff review of the Comanche Peak license applications--the largely unnecessary formality of Staff questions and utility answers. We believe that we can anticipate approximately three-quarters of the questions which the Staff will ask in Round Two for Comanche Peak by reviewing other dockets and interfacing with the Staff Project Manager. We propose to so anticipate the Staff questions, and to provide complete FSAR information in a timely fashion without receiving formal Round Two questions. This should in large measure eliminate the duplicative Staff efforts required routinely for the review of applications in order to generate Round Two questions. Of course, since we likely will not anticipate all questions there may be a need for a greatly reduced question-and-answer phase.

June 22, 1979

In order to assure that our efforts to anticipate and respond fully to the Staff's need for information are fruitful, we would appreciate an assurance that you will allocate the Staff resources necessary to assure that the Staff will be prepared to license Comanche Peak for operation when that facility is ready for fuel loading. I and my staff are prepared to meet with you and your Staff to discuss or formalize these commitments. I would appreciate your prompt response to this proposal so that we may start our efforts as soon as possible.

Finally, we appreciate your assurance that you will keep us advised by written memoranda every few weeks as to the status of your broader efforts to resolve this problem. We understand and are encouraged to learn that you have been successful in obtaining a commitment from the Idaho National Engineering Laboratory to supply 40 or 50 technical support personnel for your interim Staff requirements. We hope that your continued efforts to locate necessary assistance will be as successful. In this regard, I reiterate the suggestion made last week that you should retain your present reviewers on licensing matters, and utilize the interim personnel for TMI task force matters. In my view, this would provide far greater efficiency and continuity in utilization of Staff resources, yet would assure that the necessary expertise is available for both licensing and TMI activities.

Sincerely,



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