



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

September 28, 1984

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MEMORANDUM FOR: Chairman Palladino
Commissioner Roberts
Commissioner Asselstine
Commissioner Bernthal
Commissioner Zech

FROM: Carlton Kammerer, Director
Office of Congressional Affairs

SUBJECT: LLOYD/FUQUA HEARING ON HEU/LEU FUEL CONVERSION

On Tuesday, September 25, 1984, the Subcommittees on Energy Research and Development (Lloyd) and Energy Development and Applications (Fuqua) of the House Committee on Science and Technology held a hearing to examine the need for and the impact of requiring research and test reactors to convert to low enriched uranium (LEU) fuel. A list of attendees is attached.

In her opening statement, Chairman Lloyd questioned the necessity of requiring fuel conversion. She noted a previous attempt to set a nonproliferation example by halting the development of domestic fuel reprocessing capability while the rest of the world simply forged ahead using alternate supply sources.

Following NRC's prepared testimony, Commissioners Asselstine and Bernthal responded to questions concerning security during transport, security at the facilities, and the amount of material that would pose a credible threat. The members generally agreed that NRC's goal is laudable and that the proposed rule is commendable as a progressive action; however, there was disagreement in the area of cost and impact vs. benefit.

Testimony from the ACRS, other federal agencies, and reactor operators then followed. Noteworthy comments include:

- ° NRC's proposed rule is based upon zero risk whereas less restrictive precautions would lead to acceptable risk. These precautions include use of 40-50% enriched fuel, storage of unirradiated fuel offsite at DOE facilities, and increased security precautions. (Dr. Mark of ACRS, DOE, EPRI, TRTR)

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- ° The diversion of irradiated fuel is not considered a credible event.
(DOE)
- ° NRC may have the best intentions of simplifying the licensing process for fuel conversion; however, history has shown that simplifying the licensing process is beyond the capability of the agency as it currently exists. (NEDHO)
- ° The Federal Government should fund all costs of conversion including licensing and litigation. (EPRI, NEDHO, TRTR)
- ° If fuel conversion is forced upon domestic research reactors, some of them will most certainly shut down even if the costs are funded by the government. (DOE, NEDHO, TRTR)
- ° Congress should consider exempting NRC from conducting public hearings on licensing issues related to fuel conversion so as to avoid uncertainty over litigation and court action. (Dr. Remick of ACRS)
- ° Reactors with lifetime cores should not be required to convert because of their small fuel inventory, the impracticality, and the fact that there is no similar requirement on foreign reactors of this design. (State Dept., DOE, EPRI)
- ° Advanced nuclear R&D capabilities are already gravitating abroad and forced conversion of domestic reactors will further that trend. (EPRI, TRTR)

Copies of written testimony are available from the Office of Congressional Affairs.

Attachment:

As stated

cc: EDO
OPE
OGC
SECY
RES
ACRS

ATTENDEES

HEARING ON HEU/LEU FUEL CONVERSION

SEPTEMBER 25, 1984

SUBCOMMITTEES: Rep. Marilyn Lloyd (D-TN)
Rep. Don Fuqua (D-FL)
Rep. Robert Walker (R-PA)
Rep. Rodney Chandler (R-WA)
Rep. Robert Young (D-MI)
Rep. Claudine Schneider (R-RI)

WITNESSES: (SEE ATTACHED SHEET)

Hearing on Conversion of Research and Test Reactors
() Low-Enriched Uranium (LEU) Fi

Tuesday, September 25, 1984
1:00 - 5:00 P.M.
Room 2325 Rayburn House Office Building

Witness List

Panel 1: U.S. Nuclear Regulatory Commission (NRC)

Honorable Frederick Bernthal
Acting Chairman

Accompanied by:

Honorable James Asselstine
Commissioner

Panel 2: NRC Advisory Committee on Reactor Safeguards (ACRS) and Others

Jesse Ebersole, Chairman
NRC ACRS

Edwin L. Zebrosky
Electric Power Research Institute

Accompanied by:

J. Carson Mark, Chairman
Subcom. on Safeguards and Security

Forrest J. Remick, Member

Panel 3: Agencies

Carlton R. Stolber, Director
Office of Export and Import
Control
Bureau of Oceans and Interna-
tional and Scientific Affairs
U.S. Department of State

James S. Kane, Deputy Director
Office of Energy Research
U.S. Department of Energy

Armando Travelli, Manager
Reduced Enrichment for Res.
and Test Reactor (RERTR) Program
Argonne National Laboratory

Panel 4: Research and Test Reactor Operators and Users

Robert S. Carter, Chief
Reactor Radiation Div.
National Bureau of Standards
U.S. Dept. of Commerce Center

A. Francis DiMeglio
National Organization of Test,
Research and Training Reactors
Rhode Island Nuclear Science

James J. McGovern
Union Carbide Corporation
Medical Products Division

Paul J. Turinsky, Chairman
Nuclear Engineering Dept. Heads
Organization
Dept. of Nuclear Engineering
North Carolina State University