

THREE MILE ISLAND



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Licensing 'Reforms' Successfully Blocked

Last month, Three Mile Island Alert and other anti-nuclear organizations won a major victory in blocking proposed "reforms" of the NRC licensing process.

In the spring, the NRC proposed a number of rule changes designed to "speed up" the licensing process. One to set forth all facts, sources and documents they would use in presenting cases as a supplement to the petition to intervene. This rule would have required intervenors to develop a full case prior to the discovery process, an impossible task.

Joanne Doroshow, TMIA vice-chairperson who joined chairperson Louise Bradford in writing the comments to the proposed rule changes, said that such a rule would have forced citizen groups to develop their entire cases before discovery. "Intervenors," she said, "would have virtually been eliminated from the process."

A second change would have limited the number of interrogatories (requests for information and documents) that intervenors could present without the consent of the opposing parties. Doroshow argued that since intervenors depend heavily on the discovery process and interrogatories to develop their cases, this rule would have limited severely the scope of arguments that might be presented. "In effect," she

said, "utilities and staff could have held virtual veto-power over the scope of intervenors' presentations."

In announcing the final rules, both proposals were dropped.

Doroshow hailed the victory. "If those rules had been adopted," she said, "citizen groups would have been, in effect, eliminated from the licensing process."

Two other proposed changes were adopted. One would allow the presiding officer to require that documents be sent by Express Mail; the other would allow conference calls to be used when a witness had been compelled to answer

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a questions, subsequent to his or her testimony. TMIA opposed both.

"We can live with these, however," said Doroshow. "It is unfortunate that the NRC wants to place further burdens on the citizens."

"But," she added, "we won the two that really counted. We kept the citizens' groups in the process."

PUC To Make Rate Increase Decision

The Public Utility Commission is expected to make an initial decision on MetEd's \$162 million rate increase application. The utility has asked for \$50 million in emergency rate relief.

If the PUC grants the emergency relief, it would be the first time such an increase has been allowed since the Public Utility Codes were revised in 1977.

MetEd's request for emergency relief was forced by the 45-bank consortium which has provided funds since the accident.

Representatives of the banks will convene on Jan. 15 to decide the fate of the revolving credit arrangement which has kept MetEd afloat since March, 1979. If the emergency increase has not been granted by that time, the banks have threatened to pull the plug on the TMI operator.

According to a source close to the proceedings, the banks are ready to take such action. Such a decision could move GPU closer to bankruptcy.

Many feel, however, that such action by the bank group, which is led by New York's Citicorp and Chemical Banks, would force the PUC into a decision on the full rate case before February. Additionally, some feel the banks would force the PUC to make a larger increase than they would otherwise be willing to allow.

The full \$162 million (MetEd) pro-

ceeding was expected to be decided by the end of March. If emergency relief is granted, the amount would be deducted from the final award; it would not be allowed in addition to the final amount.

Even though the utility recently reduced its request from \$212 million to \$162 million, major differences remain between the utility and the Consumer Advocate's Office (OCA).

Both parties agree the utility should be allowed to begin amortization of the original TMI Unit 2 cost. They differ strongly over how long it should take. MetEd asked to collect the cost over a period of roughly five and a half years. This would amount to nearly \$70 million per year in increased rates. OCA, on the other hand, has argued that most plants of this kind are paid in 15 years. This would lower the annual cost to \$23 million.

Recently, the New Jersey Board of Public Utilities allowed GPU to collect its costs for the cancelled Fork River reactor over the 15-year period.

On the question of cleanup costs, MetEd has asked for some \$25 million over the next five years. This amount would equal the amount set forth in the cleanup funding plan proposed by Gov. Thornburgh (and would exceed, by nearly 250 percent, the amount proposed by TMIA). The consumer advocate argues, however, that since Unit 2 is not "used and useful" under the Public Utility Code, no cleanup costs should be allowed.

An OCA source acknowledged that little or no outside funding help would come if the consumers did not pay part of the cost. But, the source said, OCA must deal with the law, not the politics, of the situation.

Both parties agree Unit 1 should be allowed back into the utility's rate base if the NRC allows restart. Each, however, places substantially different values on the plant.

MetEd has not asked for retrofits

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they expect to do to be included in the rates; so at this time, payment for construction work in progress (CWIP) is not an issue.

A number of separate disagreements exist in the non-TMI II portion of the case. While MetEd is asking for \$162 million, the Consumer Advocate has proposed only \$72 million.

Under the funding plan proposed by TMIA, MetEd customers would have some \$7 million per year to put into the rates over the next eight years.

WRITE TO THE PUC COMMISSIONERS

And urge them to rule that no more than \$7 million of customer money be allowed into the rates.

Write to Susan Shanaman, Chairman; and Michael Johnson, James Cawley, Linda Talliaferro and Clifford Jones at the North Office Bldg. in Harrisburg PA 17120

Legal Fund Receives, Needs More Support

People from around the country have pitched in to help TMIA block the restart of Unit 1.

Last month, TMIA sent funding appeals to people who had written the NRC opposing restart. Despite the difficulty of raising funds during the holiday period in December, more than 10 percent of those contacted have responded. This is an extraordinary percentage for a "cold list."

To date, more than \$650 has been received from this mailing to help defray legal costs.

Next week, you will all receive a letter outlining the legal situation, appealing for help. While we know that many of you have given before, no appeal has been made in nearly 15 months.

We urge you to give everything you can -- and no amount is too small! With your help we can keep the legal fund going strongly. And it would be nice, for a change, to know that our future was not being hampered by a lack of money.

What Makes Up Your Rate Base?

(Last month, the Alert presented an overview of the various components that make up your electric rates. This month, and in subsequent months, we will look at specific portions of the process. Additionally, we hope to look at certain political issues which affect the rate-making process.)

The rate base is defined as the dollar amount of utility investment in the property determined by the Public Utility Commission to be "used and useful" in supplying the service a utility undertakes to furnish.

The largest single item in the

rate base is usually the utility's investment in generating plants. Other "plant" items such as distribution facilities (substations, transmission wires, rights-of-way, etc.), office property and facilities and fleet vehicles are also part of the rate base.

In short, all items necessary for the normal conduct of a utility's business are included in the rate base.

From this investment such items as deferred taxes, deferred investment tax credits, consumer contributions and ad-

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Cheating Hearings End - Evaluation Begins

Hearings into the extent of cheating among TMI control room operators taking examinations ended Dec. 10, and four days later the three-member Atomic Safety and Licensing Board announced, as far as it was concerned, TMI Unit 1 could reopen for "testing" at five percent power.

The five-member Nuclear Regulatory Commission, having received the ASLB ruling, now must decide whether to permit GPU Nuclear to restart Unit 1 (and whether at full power or the recommended five percent) or to deny such permission.

The NRC could decide to wait until it receives the ASLB's findings on the ramifications of the cheating scandal. Those findings are expected in March or April.

Meanwhile, in its 806-page decision of Dec. 14, the ASLB listed a number of conditions with which GPU must comply before restart. These include training and staffing requirements, equipment changes and emergency planning.

Administrative Law Judge Gary Milhollin, who has presided over the cheating hearings, is off to France. He will, however, spend much of his time there reviewing hearing transcripts and findings of fact due Jan. 5 from GPU and Jan. 15 from intervenors, including TMIA. TMIA has been represented throughout the hearings by Louise Bradford, who has been aided by Joanne Doroshow.

Although no more hearings have been scheduled, Milhollin has permitted the record to remain open in the event later evidence needs presentation.

TMIA can, and may, appeal the original ASLB decision on management competency. The ASLB had decided GPU management was capable of operating Unit 1.

Should the NRC give a green light for restart, GPU now acknowledges it will take an indefinite period of time to find the extent and seriousness of steam tube leaks discovered in Novem-

ber in Unit 1's two steam generators, and then repair or replace them. Experts estimate that could realize anywhere from a month to a year for completion.

The final witnesses at the cheating hearings were a number of the control room operators, including the two caught cheating. Two others found to have suspiciously similar answers on the exams also testified.



Two NRC Inspection and Enforcement investigators recalled during testimony an instance during the April, 1981, exams when an operator was solicited for answers by a company management-level training instructor, who was also taking the exam.

Another operator testified that a person who had already taken the exam was stationed outside of the examination room, offering assistance to those taking the exam as they left the room for breaks.

Testimony also indicated acknowledgment of widespread cheating on requalification exams given to the operators.

SEE RELATED STORY PAGE 6

PATRIOT NEWS ATTACKS ASLB

The Harrisburg Patriot and Evening News, in editorials on Dec. 16, savagely attacked the decision of the Atomic Safety and Licensing Board to allow restart of TMI Unit 1.

In words we wish we had said, the Harrisburg dailies questioned not only the decision but the sham of the restart hearing process. Because the editorial states out position so eloquently, we reprint sections of it in their entirety. We wish we had space to run the whole thing.

"But, if the licensing board was 'exhaustive' in its inquiry it surely was not thorough; if it asked many questions, it failed to ask the right questions; if it looked at every screw, it would not grasp the entirety of the problem...

"It is possible to separate the technical connections between the two reactors at TMI -- as is being done -- but it is even beyond the NRC to alter their proximity or to extinguish the trauma inflicted from there on a public trusting of the judgment, integrity and competence of the utility and its overseer. The licensing board could deal with myriad of technical questions, it could not -- and would not -- address the psychological result when a nuclear accident rendered volumes of self-assured technical reviews into gibberish and a reactor into radioactive mush ...

"It is an indication of how devoid the process is of sensitivity to its mistakes and a measure of its lack of social accountability that the operation of Unit 1 can be considered while only yards away its sister plant sits in ruins, contaminated by radioactivity, an acknowledged health and safety hazard which continues unresolved...

"The system has failed to come to grips with this nuclear stepchild. No one wants to admit paternity, so the easiest thing to do is to ignore it, let it sit there. The government licenses them, the utilities operate them and the Good Lord cleans them up. The system never was prepared to deal with a \$1 billion nuclear accident and it is no more prepared today, yet it proceeds with licensing nuclear plants as if TMI never happened, as if it didn't exist,...

"Only a system that is morally bankrupt would carry on its ritual of attesting to the innocuousness of nuclear power plants across the ashes of one that says it isn't. The final decision on the recommendations of the licensing board rests with the full commission of the NRC and it will be less of a judgment on Unit 1 than it is on itself and the morality of the policies it pursues."

Letters to the editor and letters of praise and support for these kinds of expressions should go to the the Patriot's Executive Editor Saul Kohler and editorial page Editor Henry Kaufman at 812 Market Street, Harrisburg PA 17101.

SOME CRITICAL OF EVAC PLAN

TMI Restart came one step closer on Dec. 18 when the Pennsylvania Emergency Management Agency held its one required public meeting at the William Penn Museum to receive comment on evacuation plans in the event of a nuclear accident.

Technically the meeting fulfilled the Atomic Safety and Licensing Board's requirement on preparedness but many citizens objected to the presentation saying it was announced only two weeks in advance, was held on a working day, was not well-publicized and addressed only the evacuation of a 10-mile radius are around the plant.

Objectors also said the plan could be read only in a few sites around the area and no individuals could obtain copies for study. Citizens repeatedly attacked the plan for its dependence on volunteer personnel to direct traffic,

drive buses, man mass care centers and provide medical care. It was also felt those people would evacuate in the event of an emergency and be unavailable.

Some attendees called for genuine drills in schools and communities to test the practicality and feasibility of the evacuation plan and asked for broadened planning for a 20 or 25 mile radius. It was pointed out that communities and hospitals plan to use the same pool of buses, trucks and personnel.

Concerned citizens asked that MetEd be required to pay for costs of evacuation planning. The utility, PEMA pointed out, did contribute money to the drills held last summer and will finance public information pamphlets planned for distribution early this year.

These pamphlets are also part of the NRC's requirement for restart. Some giving public comment expressed that

MEMBERSHIP FORM

NAME _____

ADDRESS _____

TELEPHONE _____

CHECK MEMBERSHIP DESIRED:

- | | |
|--|--|
| <input type="checkbox"/> \$ 5 low income and student | <input type="checkbox"/> \$ 50 sustaining member |
| <input type="checkbox"/> \$15 regular membership | <input type="checkbox"/> \$100 patron |
| <input type="checkbox"/> \$25 non-profit organization | <input type="checkbox"/> \$200 club member |
| <input type="checkbox"/> \$ 5 non-member newsletter subscription | |

RETURN TO: TMIA
315 Peffer Street
Harrisburg, PA 17102

schools, parents and students have no clear idea how to act in most cases. No plans have been received from Middletown schools, for example, and no planning has begun in Middletown's Seven Sorrows parochial school.

TMIA member John Murdoch dubbed the plan a "willing" plan in which aspects outlined "will" be done sometime in the future. The public will be educated. Medical personnel will get training. School plans will be formulated.

A Department of Health spokesperson, Julie Cox, announced one exception to the "will" rule. Potassium iodide, which protects thyroid glands from rad-

iation absorption will not be distributed since the only available supplies have a shelf-life expiring in December, 1981 (now extended to 1982). More will be manufactured for the state only if a 275,000 unit order is guaranteed.

State Police expect to have some supplies of potassium iodide in a month or so. It is also unclear whether some will be on hand for hospitals and plant site personnel. Currently the Food and Drug Administration advises the use of the drug only for those expecting exposures of 10 to 20 rads.

The NRC said a 10 mile planning zone was hit on by an NRC-EPA task force unit.

THIS MONTH

HERE'S YOUR CHANCE TO HAVE YOUR SAY.....

UNIT 2 CLEANUP ADVISORY PANEL MEETINGS

JANUARY 13 AT 7 P.M.

JANUARY 28 AT 7 P.M.

HOLIDAY INN AT CHESTNUT AND SECOND STREETS

IN HARRISBURG

LOOK AT YOUR RENEWAL NUMBER...IT TELLS YOU THE MONTH AND YEAR YOU SHOULD RENEW YOUR MEMBERSHIP. WAS IT LAST MAY? IF YOUR NUMBER IS COMING DUE OR PAST DUE, PLEASE RENEW.

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