

October 31, 1980

SECY-80-416A

COMMISSIONER ACTION

For: The Commissioners

From: Harold R. Denton, Director
Office of Nuclear Reactor Regulation

Thru: Executive Director for Operations

Subject: PUBLICATION OF NUREG-0689, "POTENTIAL IMPACT OF LICENSEE DEFAULT ON CLEANUP OF TMI-2"

Purpose: Approval of publication of staff report.

Discussion: On September 9, 1980 we forwarded to the Commission (SECY-80-416) a draft report then entitled "Potential Impact of Licensee Default on the NRC and on Cleanup of TMI-2." That draft has subsequently been reviewed by staff offices and the comments of these offices have been incorporated. The final report entitled "Potential Impact of Licensee Default on Cleanup of TMI-2" (NUREG-0689), enclosed, is now ready for publication.

The report was prepared in response to a request by the Commission that the staff evaluate the potential impact on NRC resources if Metropolitan Edison Company (Met-Ed) should declare bankruptcy before TMI cleanup is completed.

The following recommendations are made in the report.

- (1) The NRC should encourage the Executive branch to initiate discussions among state and Federal agencies and representatives of the financial community with respect to the financial ability of Met-Ed to continue the cleanup.
- (2) NRC should participate actively with whatever organizations are given the authority to conduct further analyses of financing alternatives for TMI cleanup.
- (3) The NRC staff should continue, utilizing the Federal Energy Regulatory Commission, to monitor GPU closely for its overall financial health and its cash flow position throughout the cleanup process.

- (4) Information on all discrete stages of the cleanup process, including required manpower, timing and cost should be updated periodically by the licensee.
- (5) The Commission should consider rulemaking to develop more detailed procedures for carrying out its "take-over" and license transfer responsibilities under the Act.
- (6) A more comprehensive review should be made of technical and management skills available within the NRC staff to develop an inventory of NRC personnel that could possibly be used, if it became necessary for the NRC as an interim caretaking measure, to manage the cleanup in event of default. In addition, the Commission should consider recommending to DOE that it conduct a similar review of the skills of its staff and those of its operating contractors.
- (7) NRC should consider recommending to the Executive branch that an appropriate Federal agency, preferably an agency such as DOE that has a broad resource capability, seek a contingency authorization from Congress to be used in the event of unexpectedly rapid Met-Ed/GPU default.

The document can be printed and made available to the public approximately two weeks after approval of publication from the Commission is received.

Coordination: The Executive Legal Director has no legal objection to the report.

Recommendation: That the Commission:

1. Approve publication and distribution of NUREG-0689, "Potential Impact of Licensee Default on Cleanup of TMI-2."

Harold R. Denton, Director
Office of Nuclear Reactor Regulation

Enclosure:
NUREG-0689

Commissioners' comments should be provided directly to the Office of the Secretary by c.o.b. Tuesday, November 18, 1980.

Commission Staff Office comments, if any, should be submitted to the Commissioners NLT November 10, 1980, with an information copy to the Office of the Secretary. If the paper is of such a nature that it requires additional time for analytical review and comment, the Commissioners and the Secretariat should be apprised of when comments may be expected.

DISTRIBUTION

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