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Senate of Pennsylvania

July 17, 1984

Nunzio Palladino, Chairman
U. S. Nuclear Regulatory Commission
Washington, D. C. 20555

Dear Mr. Palladino:

Enclosed is a copy of correspondence received from a constituent in reference to the Three Mile Island situation.

Since her questions seemed to be meritorious, I indicated to Ms. Vance that I have forwarded her correspondence to you for comment.

Sincerely,

A handwritten signature in cursive script that reads "Noah W. Wenger".

Noah W. Wenger
State Senator

Enclosure

cc: Ms. Vance

NWW/djs

Linda S.H. Vance
525C West 28th Div. Hwy.
Lititz, PA 17543
June 29, 1984

Senator Noah Wenger
1248 W. Main
Ephrata, PA 17522

Dear Senator Wenger:

I was absolutely appalled by what I read in the Sunday, June 10, 1984 issue of the Philadelphia Inquirer about the NRC proceedings concerning Three Mile Island:

In the secret meetings, the commission spent virtually no time discussing these issues: whether emergency planning around Three Mile Island is adequate to protect the public, whether the reactor's hardware has been sufficiently upgraded to protect the public, and whether there is a need for the electricity that would be generated by Unit 1.

I do not understand what other issues pertaining to TMI Unit 1 would be of more importance than the three issues in the above quote. If the NRC Commissioners have not been discussing these three issues, what have they been talking about for the past five and a half years?

I urge you to look into this matter. No matter what decision the NRC makes, these three issues must be thoroughly investigated and discussed by the Commissioners before any vote is taken. Thank you.

Sincerely yours,


Linda S.H. Vance

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ONE DOLLAR

TMI transcripts show disdain for public's views

By Susan FitzGerald
and Jita Desjain
Associated Staff Writers

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In the months following the March 1979 accident at the Unit 2 reactor at Three Mile Island, the Nuclear Regulatory Commission set up an elaborate hearing process to decide whether the undamaged Unit 1 reactor could be safely reopened.

As part of that process, the NRC has sought out the public's views. But 1,780 pages of secret transcripts released last week of 28

closed-door NRC meetings show that several of the agency's five commissioners dissented in private to the voice of that public opinion. The transcripts farther show that the commissioners never once discussed the possibility of shutting down Three Mile Island for good.

In transcripts of the closed-door sessions, held over the last 2½ years, the commissioners are seen focusing on how and when — not whether — the Unit 1 reactor would be reopened. Moreover, in a number of sessions, several commissioners

voiced disdain for the public.

John Aherne, a former chairman of the NRC, said on Dec. 9, 1982, that the commissioners should ignore a three-county referendum in May 1982 that showed a 2-1 majority against restarting the reactor. "Not only do I think they are not binding on us," Aherne said, "but I don't think they are relevant."

Ramzio Palladino, the current chairman of the commission, said at a Dec. 9, 1981, closed-door meeting that a proposed public meeting in Harrisburg might not be a good idea.

Palladino said: "My frank opinion and my deep-seated feeling is I would not want to have a meeting where you have a lot of people from the public just get up and rant and rave."

An NRC spokesman said Friday that Palladino would not comment on the transcripts.

Three Mile Island, situated in the middle of the Susquehanna River about 10 miles from Harrisburg, was the site of the nation's worst nuclear accident on March 28, 1979. A series of mechanical and human errors brought the Unit 2 reactor to within

30 to 60 minutes of a meltdown. Since then, the undamaged Unit 1 reactor, which was shut down for refueling at the time of the accident, has remained dormant under an order of the NRC.

In issuing the order, the commission said Unit 1 would not restart until the safety of the plant and the competence of its operators could be assured. Three Mile Island is owned by the General Public Utilities Corp. (GPU).

Transcripts of closed-door commission meetings — from Oct. 1, 1981, to

Jan. 26, 1984 — were released by the NRC under two Provisions of Information Act requests by The Inquirer. The transcripts, all dealing with Unit 1, show:

• Two NRC commissioners — Thomas Roberts and Palladino — said they did not think that charges of cheating by company personnel, allegations of lying by top GPU officials or a federal criminal indictment of a GPU subsidiary should prevent the restart of the reactor.

At a Dec. 9, 1981, meeting, Commission meetings — from Oct. 1, 1981, to (See TRANSCRIPTS on B-4)

Transcripts show NRC's disdain

TRANSCRIPTS, from 1-A
 sioner Roberts said of alleged lying by top GPU officials: "Suppose they did lie three years ago. What is the relevance of that today?"

• Recurring themes in the secret meetings are a stated concern by the commissioners to avoid public "embarrassment" and an expressed need to "sugarcoat" its assessments to the public.

At an April 13, 1981, closed-door meeting, Commissioner Victor Gilinsky, asked whether three NRC options on how to approach the restart were listed in order of "potential embarrassment: high, medium and low." Hermal Plante, NRC general counsel, replied: "That is right. That is about what it is."

• The former NRC general counsel, Leonard Bickwit, advised the commissioners in two closed-door meetings to protect the commission's public "appearance." On Nov. 4, 1981, the commissioners discussed whether to delay a vote on the restart until after the completion of an NRC hearing on cheating on examinations by TMI reactor operators. Bickwit advised in favor of a delay, saying, "I regard it as useful from an appearance standpoint."

Bickwit, who left the government in 1983, is now a lobbyist in Washington for GPU, the utility that owns Three Mile Island.

• In the secret meetings, the commission spent virtually no time discussing these issues: whether emergency planning around Three Mile Island is adequate to protect the public; whether the reactor's hardware has been sufficiently upgraded to protect the public; and whether there is a need for the electricity that would be generated by Unit 1.

The NRC has said it may vote by the end of June on whether to allow the restart of Unit 1.

In the wake of the public outcry that followed the 1979 accident at TMI, an NRC Atomic Safety and Licensing Board began hearing testimony in October 1980 on Unit 1. Central to the debate was whether the reactor was technically sound; whether the plant's management was capable of running it competently; and whether the emergency planning for the communities surrounding Three Mile Island was adequate to protect public health and safety.

In the fall of 1981, the commission began its own review of whether GPU management should be allowed to start up the Unit 1 reactor. During that review, which still continues today, the NRC has held dozens of public meetings and hearings on the pros and cons of allowing the reactor to begin producing power again. Beyond those public forums, the five commissioners met privately more than two dozen times.

The NRC justified its decision to close many of its meetings under a federal law that allows private sessions for the discussion of judicial and investigatory matters.

But the transcripts show that the majority of discussions in the secret meetings exceed beyond these matters.

Frequently, the talk turned to public opinion.

At a closed-door meeting on Dec. 9, 1981, the commission debated whether to hold a public hearing in Harrisburg before voting on the restart of Unit 1. Palladino expressed some reservations.

"It is primarily an outlet for expressions of emotional views that people have," Palladino said of the proposed public hearing. "The part and parcel to that is the fact that in some ways you are asking people to waste their time to come and testify before the commission in a forum in which they can't have any influence."

At a meeting on March 18, 1982, Commissioner Roberts said: "I might vote for the meeting and not go." At a closed-door session on Sept. 18, 1982, Roberts said that while the plan to hold a public hearing "sounds wonderful" in theory, "I think in practice it would be a disaster." He added: "I think that meeting will become a sideshow."

The commission did hold a public meeting in Harrisburg on Nov. 9, 1982, in preparation for a planned Dec. 16 vote on whether to lift the Unit 1 shutdown order. In an emotionally charged session, more than 1,200 people crowded into a high school auditorium to hear debate on whether the reactor should be restarted.

The transcript of a closed-door meeting a month later — on Dec. 9, 1982 — shows that the comments from the public hearing were not included in the official record used by the commissioners to reach a restart decision. An NRC spokesman said Friday that the public hearing was not considered part of formal restart proceedings.

The commission's planned Dec. 16 vote on restart was never taken.

In all the closed-door sessions on Three Mile Island, the battle lines are clearly drawn: On one side is Palladino, chairman of the commission since 1981; on the other side is Gilinsky, whose term expires at the end of this month. The statements of the two men exemplify much of what has been going on since the commission began its restart deliberations.

Palladino often complains that the commission is not moving quickly enough toward reaching a decision on restart. "We are making it so difficult for these people (GPU) to get it operating," Palladino said at a Dec. 4, 1982, secret meeting.

Gilinsky, on the other hand, continually turns discussion to the significance of the many allegations of impropriety involving Three Mile Island management. "This is, you know, not a good outfit, to put it in the mildest terms," Gilinsky said of GPU top management on Jan. 24, 1984. "One way or another the people at the top have got to take responsibility."

In a closed-door session on Oct. 1, 1981, Palladino and Gilinsky debated how to structure a meeting on Oct. 14 focusing on management competence. Gilinsky wanted to question the top management of GPU — William Kuhns, chairman of the board, and Herman Dieckamp, company president. Palladino argued that it was not necessary for the commission to talk to the top management, that the NRC could instead talk to GPU's attorneys.

Palladino said he thought it would serve no purpose for the commission to ask questions dealing with the company's handling of the Unit 2 accident.

"If it started to go into whether or not information was withheld during the accident, I would say I think that is going into an area that is going to not enlighten us on the management capabilities of the organization but rather to rehash something that has been gone over a great deal," Palladino said.

Gilinsky objected.

"How they coped with the past is as important as what they are planning for the future," he said. "... I cannot imagine that a banker would not want to talk with the top managers if he were going to give them a big loan."

In the transcripts, Gilinsky repeatedly called for the ouster of Kuhns and Dieckamp.

At a closed-door session on Nov. 8, 1983, Gilinsky chastised the commission for refusing to take a critical look at GPU's top executives. "Everyone is comfortable with fingering small-fries, guys with blue collars, but when you start getting up a little higher, you say, 'Hey, wait a minute,'" Gilinsky said.

The transcripts also raise questions about how the commission has gone about determining the conditions under which GPU Nuclear Corp., a GPU subsidiary which operates the plant, could be allowed to restart the reactor.

At a Jan. 22, 1984, meeting, after some commissioners referred to the

restart plan they were considering as the "GPU proposal," Gilinsky commented: "It doesn't look so good to be calling this the GPU proposal. But in fact, it is."

The next day the commission voted 3-2 to approve a plan that would allow the reactor to be restarted prior to the completion of both civil and criminal investigations involving GPU officials. It also would allow Kuhns and Dieckamp to remain in their present positions.

Two of the strongest pushes to allow Unit 1 to be restarted came before the completion of major investigations, the transcripts show.

In late 1982 the commission seriously considered lifting the shutdown order despite the fact that an NRC hearing on whether TMI reactor operators had cheated on NRC licensing examinations was not completed. Beginning in the fall of 1983, the commission again pushed toward restart even though a criminal trial

(Continued on next page)



NRC's Palladino (left) and Gilinsky, who disagree on TMI restart

... for public's views on

Continued from preceding page involving the plant's former operator was pending.

In November 1982, Hugh Thompson of the NRC's Division of Human Factors stated publicly that NRC investigators had found that cheating by TMI control-room operators on company and NRC exams was the "worst case" of cheating that the agency had ever found. Because of the scandal, the agency had set up a special hearing to investigate the episode.

As early as Nov. 6, 1981, Irwin Rothschild, an NRC attorney, told the commissioners behind closed doors that NRC investigators probing the incident had found "enough there where it could be criminal conduct."

Palladino pushed strongly for a vote on restart in December 1982, before those issues were resolved.

"Well, are we going to get it done this year?" Palladino asked at a Dec. 6, 1982, closed-door meeting at which the commissioners reviewed a re-

start plan. "... We have got an order to get out."

The commission never voted on the plan that year.

In July 1983 the NRC fined GPU \$140,000 for the cheating incidents. And late last year, NRC investigators asked the Justice Department to begin a criminal investigation into whether GPU officials lied to federal regulators during the course of the cheating investigation.

In the fall of 1983, the commission again considered ways to restart the plant despite the fact that Metropolitan Edison Co., the GPU subsidiary that operated Three Mile Island at the time of the accident, had just been indicted. The 11-count indictment handed up by a federal grand jury in Harrisburg on Nov. 7, 1983 — the first ever against a company licensed to operate a nuclear plant — charged the company with routinely falsifying and destroying safety records showing whether excessive water was leaking from Unit 2's cool-

ing system in the months leading up to the March 1979 accident.

The day after the indictment was announced, the commission met in a closed-door session to consider options on how to authorize the restart of Unit 1. During that meeting, the commissioners discussed the potential impact of the criminal indictment. "I question whether we should immediately draw an inference that this is directly related to TMI-1," Palladino said at that session.

At a meeting on Jan. 16, 1984, the commission once again grappled with the question of how to deal with the criminal charges that had been brought against Metropolitan Edison. Palladino said he did not think it was necessary to await the completion of trial or settlement of the case before making a restart decision because the charges dealt with Unit 2, not Unit 1.

Roberts, a frequent ally of Palladino in commission actions, said, "Just because you are charged with

restarting reactor at TMI

some wrongdoing is meaningless." He added: "I attach no importance to the indictment per se."

Gilinsky said it was important to wait for the outcome of the criminal proceedings. "As I recall, the Department of Justice wrote us saying that, 'We expect some pretty important things to come out of this trial,'" he said.

Commissioner James Asselstine said that Harnel Plaine, the agency's general counsel, had told him that the Justice Department was "amazed that the commission was even considering restart until after the material that they had compiled in grand jury investigations was available to us."

Commissioner Frederick Bernthal, the newest of the five commissioners, also questioned the wisdom of making a decision before all the facts were known.

"How in the world, if a company is under indictment in connection with running nuclear power plants,

can the commission vote to allow that company to restart the plants?" Bernthal said.

Eleven days later, in a public meeting, Bernthal, along with Palladino and Roberts, voted in favor of a plan that would allow the Unit 1 reactor to go back in operation before the completion of the criminal proceedings.

On Feb. 28, Metropolitan Edison pleaded guilty or no contest to seven of the 11 criminal charges accusing the company of falsifying safety records. It marked the first time in the 27-year history of the nuclear power industry that a utility had pleaded guilty to charges of violating nuclear safety regulations.

Many residents of the Three Mile Island area have asked whether the reactor can be operated safely after it has been shut down for such a long time. People have likened it to starting up a car after it has been sitting unused for years in a garage.

"It is simply a fact of life that probably the most dangerous time is after a plant is started up after being down for a long time," Gilinsky said at a closed-door session on Dec. 6, 1982. NRC officials have said Unit 1 has been shut down longer than any other operating reactor.

At a secret meeting a few days later on Dec. 10, Asselstine said there should be additional NRC inspectors at the plant in the early days of the start-up. "I think this plant needs special attention. . . . I think there is an aura of unreliability here that does not exist at other plants."

Said Palladino on Dec. 17: "I sure would like to have somebody observing what is going on until we see they get over the hump."

A year later, there were still lingering concerns over potential safety problems that could surface when the plant was cranked up. At a meeting on Nov. 8, 1983, John Zarba, director of the Office of Policy Evaluation, suggested the need for additional NRC inspectors.

"It would only be an insurance policy against somebody starting to cheat, falsify records, or what have you, that would be things that would take place presumably over a longer period of time," he said. "And so, if you could squelch them early on, they wouldn't add up to any health and safety problem."

In spite of nearly four years of deliberations, the NRC has yet to vote on whether to allow Unit 1 to begin operating again. Palladino has said publicly that he hopes a vote will be taken by June 29.

At a meeting on Jan. 16, 1984, Palladino appeared to sum up the frustration of the NRC's dilemma. He expressed a feeling that a court challenge was inevitable, regardless of what course the commissioners decided to take on Unit 1.

"We are going to get beat, no matter what we do," he said. "We are going to get beat on the head, we are going to go to trial, I'm sure."

Transcripts reveal new information

By Jim Detjen
and Susan FitzGerald
Special Staff Writers

By The Philadelphia Inquirer

The transcripts of 28 closed-door meetings held by the Nuclear Regulatory Commission during the past 2½ years reveal new information about investigations of alleged improprieties at Three Mile Island.

The transcripts, made public last week, show that:

• On Oct. 6, 1983, Ben Hayes, director of the NRC Office of Investigations, told the commissioners that his office had begun looking into whether some records of radiation monitoring tests taken near Three Mile Island had been falsified by a plant employee. Bob Newlin, an NRC spokesman, said Friday that the investigation was continuing.

Doug Bedell, a spokesman for GPU Nuclear Corp., the plant's operator, said Friday that a Unit 2 employee had been found to have falsified records in July 1983. But he said that the worker had not been involved in radiation monitoring and that the employee was forced to resign from the company.

• On March 3, 1983, Commissioner John Ahearne said the NRC had been investigating allegations of drug and alcohol abuse at a number of nuclear reactors, including Three Mile Island. The transcripts reveal that information about that investigation was turned over for further investigation to the federal Drug Enforcement Administration and GPU Nuclear, a subsidiary of General Public Utilities Corp., the owner of Three Mile Island.

Bedell said he was not aware of any investigation into drug and alcohol abuse at Three Mile Island, adding that there was no problem at the nuclear station with either.

• At a meeting on Jan. 16, 1984, Commissioner James Asselstine said that an NRC investigation on whether top GPU executives had improperly toned down an internal company report "does touch directly Kuhns and Dieckamp." William Kuhns is GPU's chairman of the board and Herman Dieckamp is the company president.

That document, prepared in 1979 and known as the Keaten report, was the company's internal investigation of the causes of the March 28, 1979, accident. NRC investigators have said that company officials may have improperly toned down sections of the report to make it less critical of the company.

Last month, Hayes announced publicly that his office was turning over its investigation of the Keaten report to the Justice Department for possible criminal prosecution.

Bedell said he could not comment on the matter because it was under investigation.

Throughout the transcripts of the closed-door meetings, there are references to how numerous and widespread investigations are at Three Mile Island.

At an Oct. 6, 1983, meeting, Hayes commented that, "It seems like every few weeks something happens on the island that would cause us to take a lock at it, or if the staff requests us to do so. I am sure there is going to be more of that as we go forward."

"Allegations continue on ad infinitum," NRC Chairman Nunzio Palladino said at a meeting the following month.

The NRC should heed Thornburgh's admonition

By Edwin Guthman
Editor of The Inquirer

When something went really wrong in the 39th Infantry Regiment, Col. Paul J. Veita had language for dealing with it that none of us who served under him could or would ever forget.

He used it only when reprimanding officers or noncoms who were responsible for whatever had happened. After gruffly stating the details of the offense — his right hand pounding repeatedly into his left hand — his voice would harden and he would say:

"Lieutenant, this is either blind stupidity or invincible ignorance."

Then followed an agonizing moment of silence. Veita would glare at the hapless brunt of his ire, standing stiffly in attention. Then, in what was almost a snarl, he would demand:

"All right, lieutenant, is it stupidity?"

"No, sir."

"Then, goddammit, it must be ignorance!" And he'd turn, spit and walk away.

I thought about that last Sunday while reading Susan Fitzgerald and Jim DeJen's report in The Inquirer on transcripts of the Nuclear Regulatory Commission's secret discussions about whether to approve the restart of Unit 1, the undamaged reactor at Three Mile Island.

For more than four years the NRC commissioners have been wrestling with the question, and the transcripts revealed that the way they've been going about it is a classic example of blind stupidity or invincible ignorance.



Unit 1 was shut down for refueling on March 28, 1979, when the reactor in Unit 2 dangerously overheated, causing the worst commercial nuclear energy accident ever.

Whether Unit 1 now can be restarted safely involves matters of technology, management and operating competence and public confidence in the decision-making process.

The transcripts showed that some members of the NRC, in pressing for a vote of approval, not only have been willing to brush aside the questions of management and operating competence but also have flunked the test of gaining public confidence.

And it is their disdain for public opinion that is the tripwire that has them falling all

over themselves, marching up to the point of voting and then backing down.

The commissioners have failed to understand that while the technical and competence factors ultimately can be resolved in favor of restarting the reactor, public opposition should and will remain implacable — with Gov. Dick Thornburgh, Sens. John Heinz and Arlen Specter and other officials putting added pressure on them — until they demonstrate that the health and safety of thousands of Pennsylvanians is their uppermost concern.

The transcripts make it clear that the commissioners haven't done this. As Fitzgerald and DeJen reported, several of the commissioners — meeting behind closed doors — have regarded public opposition as "irrelevant."

When you consider the seriousness of the accident at Three Mile Island with its devastating effect on the nuclear energy industry and the continuing questions that have arisen about the competency and integrity of TMI's operating personnel and top officials, the NRC had only one way to proceed if it was concerned about winning public confidence in its actions.

That was to discuss and deliberate the issue in the open. But it didn't.

It considered and debated in secret, but The Inquirer was able to obtain the transcripts by filing requests under the Freedom of Information Act. The transcripts reveal what the commissioners said and did in 26 meetings from Oct. 1, 1981, to Jan. 26, 1984, in which the restart question was discussed.

The commissioners still are hesitating over their decision in secret. The transcripts of their meetings since Jan. 26 can be obtained through the Freedom of Information Act but it takes time. So, ultimately, they will become public, but it appeared that the NRC was moving to vote on approval in a few weeks, before they could be obtained.

So much for public opinion. On Thursday, however, Thornburgh notified NRC Chairman Nunnzio Palladino that he remains opposed to restarting Unit 1 and requested that the commission postpone its vote, now scheduled tentatively to be held next month.

"You asked whether the Commonwealth of Pennsylvania feels that a commission vote on restart would be appropriate at this time," Thornburgh wrote. "The answer is 'No'... Adequate safety assurances have not been fully provided to me or to the people of Pennsylvania."

Thornburgh, for the first time, formally raised before the commission the question of whether Unit 1's reactor can be restarted safely as long as the cleanup of the damaged Unit 2 reactor is moving slowly, funding for the cleanup is at an impasse and the reactor remains potentially dangerous.

"It would be irresponsible for any Unit 1 restart vote to be taken without a thorough investigation into the consequences of a new radiation emergency at Unit 1," Thornburgh said.

The governor is absolutely right. It will be blind stupidity and invincible ignorance if the commissioners do not heed what he said.

The Philadelphia Inquirer Op-ed Page

Sunday, June 17, 1984

7C