

**11/30/79 [1]**

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Revised:  
11/30/79  
10:00 a.m.

THE PRESIDENT'S SCHEDULE

NOT ISSUED

Friday - November 30, 1979

- 
- # 6:30 HAIRCUT.
- 7:15 Dr. Zbigniew Brzezinski - The Oval Office.
- 7:30 Breakfast with Vice President Walter F.  
(90 min.) Mondale, Secretaries Cyrus Vance and Harold  
Brown, Dr. Zbigniew Brzezinski, Mr. Hedley  
Donovan and Mr. Hamilton Jordan - Cabinet Room.
- 9:30 Drop-By Budget Meeting with Mayors and County  
(5 min.) Officials. (Mr. James McIntyre) - Roosevelt Room.
- 9:45 Mr. Hamilton Jordan and Mr. Frank Moore - Oval Office.
- 10:15 Photograph/Congressman Bob Duncan - The Oval Office.
- 10:30 Photograph with Congressman Charlie Rangel and  
(3 min.) Group of Elected Officials from His District.  
(Mr. Frank Moore) - The Cabinet Room.
- 10:45 Signing Ceremony for Executive Order to Reduce  
(10 min.) Paperwork. (Mr. James McIntyre) - Cabinet Room.
- # 11:30 Meeting with Senator Quentin N. Burdick. (Mr. Frank  
(20 min.) Moore) - The Oval Office.
- 12:25 Depart South Grounds via Motorcade en route  
Ft. Meyer Chapel.
- 12:45 Attend Memorial Mass for Cpl. Steven J. Crowley.
- 1:45 Return to the White House.
- # 2:00 Telephone Call/Prime Minister Joe Clark.
- 2:30 Meeting with Mr. Stuart Eizenstat et al.  
The Cabinet Room.
- 3:15 Taping for Georgia Electric Membership Corporation.  
(Ms. Anne Wexler) - The Cabinet Room.
- 3:45 Depart South Grounds via Helicopter en route  
Camp David.

THE WHITE HOUSE  
WASHINGTON

FILING

1155  
THE WHITE HOUSE  
WASHINGTON

Mr. President:

John Lewis would like to bring his letter of resignation to you on Monday and explain he is planning to run for Fowler's seat. Hamilton and Louie Martin recommend this meeting.

approve  disapprove

Phil

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THE WHITE HOUSE  
WASHINGTON

November 30, 1979

Mr. President:

Dr. Joe Serrato, Columbus, Georgia, who is in town, has requested a brief photograph with you as you depart for Camp David.

Approve  Disapprove

PHIL

Regular Foreign Affairs Breakfast 11/30/79

THE WHITE HOUSE  
WASHINGTON

Iran - Lloyd → NY

Shah - Ayer - Austria - Eg

Rhodesia - Wald

SALT - Armed Serv. - Perle  
bring up after Iran?

Def budget = Kiss, Schles, Nunn, Warren

Stevens re Scoop Baker 80

6 in Can Emb

Revolvers to RU @

Scranton → CSCE, Madrid

Gotz & Baden - CIA

Red X → hostages

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10:30 AM

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PHOTO OPPORTUNITY FOR REP. CHARLIE RANGEL (D-19-NY)

Friday, November 30, 1979  
10:30 a.m. (10 minutes)  
The Cabinet Room

From: Frank Moore *F.M./BR*

I. PURPOSE

To have your photo taken with Rep. Rangel and a group of officials from New York. The Congressman and this group will publically announce their support for you at this time.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

- A. Background: Rep. Charlie Rangel had privately committed his support to you months ago. He told you at the time that he wanted to work with the black leadership in New York, and now that he has accomplished this, they want to publically announce their support for you.
- B. Participants: The President  
Congressman Charlie Rangel  
Officials from New York (see attached list)  
Frank Moore  
Louis Martin  
Jim Free  
Val Pinson  
Bruce Kirschenbaum
- C. Press Plan: Full Press
- D. Additional Information: Rep. Rangel ranks 7th on the House Ways and Means Committee and 5th on the Select Committee on Narcotics and Drug Abuse. His cumulative support rating is 92.3% and he's probably the most influential black elected official in New York. His district includes all of Harlem and part of the Upper West Side of Manhattan. The black population of his district makes up 59% of his constituency.

- D. Additional Information: Bruce Kirschenbaum indicates that things are moving well on Congressman Rangel's "Third World Trade Center". We are committed to the project within the bounds of budget and programs.

IV. TALKING POINTS

1. Welcome the group and praise Charlie for his outstanding leadership in Congress, in New York, and in the Democratic Party.
  2. After they express their support for you, tell them how much you appreciate it and that you look forward to working with them all in the upcoming months.
  3. You should mention that New York has a special meaning to you because of the 1976 convention, and the warmth of its people and leaders. You need to ask for their help in the coming months.
4. You should announce that you intend to nominate as the Alternate Representative of the United States of America for Special Political Affairs in the United Nations, Carl McCall of New York. Virtually all the paper work is in on Senator McCall (State Senator from New York) except the final FBI clearance which is also virtually complete. Neither the State Department nor the White House foresees any problem with his nomination. This announcement should be done without the press in attendance. Senator McCall is the nominee of Congressman Rangel. He is part of the group of State Representatives coming in to endorse you.

PEOPLE ATTENDING THE PHOTO OPPORTUNITY WITH  
REP. CHARLIE RANGEL

Robert F. Carroll (Chief of Staff to Congressman Rangel)

H. Carl McCall (New York State Senator)

Olga Mendez (New York State Senator)

Herman D. Farrell (New York State Assemblyman)

George W. Miller (New York State Assemblyman)

Archie Spigner (New York City Councilman, Chairman,  
New York Council Economic Development  
Committee)

Wendell Foster (New York City Council man)

Robert T. Rodriguez (New York City Councilman)

Jerome Tarnoff (District Leader, 68th A.D., Part C)

Juanita E. Watkins (Chairperson, Queens Democratic  
County Committee)

Christine E. Samurovich (Representing her husband  
Milivoy Samurovich, District  
Leader, 69th A.D., Part D)

M. Lana Connor (District Leader, 71st A.D., Part D)

Edwin G. Suarez (District Leader, 68th A.D., Part D)

Barbara B. Blake (New York County Democratic State  
Committee Member)

Nadine Katz (District Leader, 68th A.D., Part A)

Shirley A. Zaiman (District Leader, 67th A.D., Part C)

Ann Thompson (Queens County Democratic State Committee  
Member; Secretary, New York State Council  
of Black Elected Democrats)

Page two  
Rep. Rangel

Ervin Murfree (Democratic State Committeeman, Ramapo)

Harry O. Bright (City Councilman - White Plains)

Oliver Sledge (Vice Chairman, White Plains Democratic  
Party District Leader)

William F. Todd (District Leader, 70th A.D., Part B)

Hilda Grier Fox (District Leader, 72nd A.D., Part B)

Euzie Hutchinson (District Leader, 70th A.D., Part B)

Helen Marshall (District Leader)

Cora Shelton (District Leader, 68th A.D., Part D)

George O. Darden (District Leader, Rockland County)

G. Douglas Pugh (Commissioner, New York State Department  
of Labor)

Joseph A. LeGros (Executive Director of the Haitian  
Community Council of Rockland County)

Albert J. Grant (District Leader, Queens)

Additional Attendees for Photo Session with Rep. Rangel

Mark Bodden (Press Secretary to Congressman Rangel)

Estella A. Diggs (State Assemblywoman)

Michael Nussbaum (Downstate Coordinator)

McGov *N*

A BILL

To require the President to terminate sanctions against Zimbabwe-Rhodesia under certain circumstances.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That

(a) the President shall terminate sanctions of the United States against Zimbabwe-Rhodesia the earlier of --

(1) a date by which a British Governor has been appointed, has arrived in Zimbabwe-Rhodesia, and has assumed his duties, or

(2) January 31, 1980,

unless the President determines it would not be in the national interest of the United States to do so and so reports to the Congress.

(b) if the President so reports to the Congress, then sanctions shall be terminated if the Congress, within 30 calendar days after receiving the report under subsection (a), adopts a concurrent resolution stated in substance that it rejects the determination of the President. A concurrent resolution under the preceding sentence shall be considered in the Senate in accordance with the provisions of section 601 (b) of the International Security Assistance and Arms Export Control Act of 1976 and in the House of Representatives in accordance with the procedures applicable to the consideration of resolutions of disapproval under section 36 (b) of the Arms Export Control Act.

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*Javits* B

A BILL

To require the President to terminate sanctions against Zimbabwe-Rhodesia under certain circumstances.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That

(a) the President shall terminate sanctions of the United States against Zimbabwe-Rhodesia [not more than 30 calendar days following]\* the earlier of --

(1) a date by which a British Governor has been appointed, has arrived in Zimbabwe-Rhodesia, and has assumed his duties, or

(2) January 31, 1980

unless within [such]\* 30 calendar day [period]\* the Congress determines by a concurrent resolution that it would not be in the national interest of the United States to do so.

(b) a concurrent resolution under subsection (a) shall be considered in the Senate in accordance with the provisions of section 601 (b) of the International Security Assistance and Arms Export Control Act of 1976 and in the House of Representatives in accordance with the procedures applicable to the consideration of resolutions of disapproval under section 36(b) of the Arms Export Control Act.

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\*Technical changes agreed to by staff in order to reflect accurately the intent of this proposal. Without these changes, the text might require the President to terminate sanctions and then, after they are terminated, Congress could authorize their reimposition.

THE WHITE HOUSE  
WASHINGTON

11-30

3<sup>45</sup> pm

Susan —

We did it one

take. He was rolling

~ very good.

Thanks —

Anne E.

1. THE RURAL ELECTRIFICATION ADMINISTRATION  
CONCEIVED BY PRESIDENT ROOSEVELT AT WARM SPRINGS  
HAS PROMOTED A LEVEL OF PROGRESS  
UNDREAMED OF IN RURAL AMERICA 50 YEARS AGO.
2. PERHAPS NO OTHER SINGLE FEDERAL PROGRAM HAS DONE SO MUCH AS THE R.E.A.  
TO IMPROVE THE STANDARD OF LIVING AND ECONOMIC WELL-BEING  
OF MILLIONS OF AMERICANS.
3. FROM THE EARLIEST DAYS OF RURAL ELECTRIFICATION,
4. SINCE THE LIGHTS CAME ON IN OUR FARM HOUSE WHEN I WAS A TEENAGER,
5. I HAVE BEEN A STRONG SUPPORTER OF THE RURAL ELECTRIFICATION PROGRAM.
6. MY OWN FATHER WAS ACTIVE IN THE PROGRAM,
7. AND MY HOME STATE OF GEORGIA HAS EXERCISED LEADERSHIP  
ON THE STATE AND NATIONAL LEVEL
8. AND HAS DONE MUCH TO RAISE THE OVERALL EFFECTIVENESS OF THE PROGRAM.
9. YOUR CONFIDENT AND AGGRESSIVE APPROACH TO VERY DIFFICULT CHALLENGES
10. HAS ENABLED MILLIONS OF AMERICAN FAMILIES TO ACHIEVE NOTABLE OBJECTIVES
11. -- BY WORKING TOGETHER, BY TACKLING DIFFICULT PROBLEMS,  
AND BY STICKING TO THEM UNTIL THEY WERE SOLVED.
12. YOUR SUCCESS AND LEADERSHIP OVER MORE THAN 40 YEARS  
IS A DIRECT RESULT OF YOUR CLOSENESS  
TO THE FAMILIES YOU SERVE, YOUR OWN MEMBERS.

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for Preservation Purposes**

1. AS WE ENTER THE 1980s YOUR KIND OF SPIRIT HAS NEVER BEEN MORE IMPORTANT  
TO OUR SUCCESS AND SURVIVAL AS A NATION.
2. THE PAST FRONTIERS OF DARKNESS AND LACK OF OPPORTUNITY  
ARE BEING CONQUERED,
3. AND RURAL ELECTRIC COOPERATIVES IN GEORGIA AND THE NATION  
CAN TAKE MUCH OF THE CREDIT FOR THOSE VICTORIES.
4. NOW AS OUR NATION FIGHTS TO OVERCOME OUR ENERGY PROBLEMS AND SHORTAGES,
5. I AM PROUD WE CAN LOOK TO THE 1,000 RURAL ELECTRIC COOPERATIVES  
FOR HELP IN DEVELOPING LONG-RANGE ENERGY SOLUTIONS,
6. AND MOBILIZING THE EFFORTS OF STAUNCH, HARD-WORKING AMERICAN PEOPLE  
WHO CAN AND WILL HELP OUR COUNTRY  
ACHIEVE ENERGY SECURITY.
7. I AM PROUD OF THE LEADERSHIP SHOWN BY GEORGIA E.M.C.  
AND GEORGIA COOPERATIVES
8. AND THE ROLE YOU HAVE PLAYED IN GEORGIA'S GROWTH.
9. I LOOK TO YOU FOR CONTINUED GUIDANCE IN RURAL ENERGY ISSUES
10. -- AND KNOW I WILL NOT BE DISAPPOINTED.

# # #

THE WHITE HOUSE  
WASHINGTON

11/30/79

Anne Edwards  
Phil Spector

The attached was returned  
in the President's outbox  
today and is forwarded to  
you for appropriate  
handling.

Rick Hutcheson

cc: Rick Hertzberg  
Al McDonald

THE WHITE HOUSE  
WASHINGTON

11/29/79

Mr. President:

Attached is the draft statement for  
the 2:30 PM taping for the Georgia  
Electric Membership Corporation.

Rick

\_\_\_\_\_ approved as is for teleprompter

✓  
\_\_\_\_\_ approved as edited

THE WHITE HOUSE  
WASHINGTON

11/29/79

Mr. President:

Phil says this could be done  
Friday morning.

Rick

*ok*  
*J*

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DRAFT STATEMENT FOR PRESIDENT CARTER

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The Rural Electrification Administration, conceived by President Roosevelt at Warm Springs, has promoted a level of progress undreamed of in Rural America 50 years ago. Perhaps no other single federal program has done so much, <sup>as the REA</sup> to improve the standard of living and economic well-being of millions of Americans.

From the earliest days of rural electrification, <sup>when</sup> ~~was~~ my own father was active in the program, <sup>and</sup> my home state of Georgia has exercised leadership on the state and national level and has done much to raise the overall effectiveness of the program.

<sup>confident and aggressive</sup> Your <sup>very difficult challenges</sup> positive approach to seemingly overwhelming problems <sup>has</sup> enabled millions of average Americans, <sup>families</sup> to achieve <sup>notable</sup> above-average objectives -- by working together, by tackling difficult problems, and by sticking to them until they were solved. Your success and leadership over more than 40 years is a direct result of your closeness to the <sup>families you serve</sup> people, <sup>our</sup> your members.

As we enter the 1980s, your kind of spirit has never been more important to our success and survival as a nation.

Since the lights <sup>came</sup> ~~went~~ on in our farm house when I was a teenager, I have been a strong supporter of the rural electrification program.

The past frontiers of darkness and lack of opportunity are being conquered, and rural electric cooperatives in Georgia and the nation can take much of the credit for those victories. Now, as our nation fights to overcome our energy problems and shortages, I am proud we can look to the 1000 rural electric cooperatives for help in developing long-range energy solutions and mobilizing the efforts of staunch, hard-working American people who can and will help our country achieve energy security.

I am proud of the leadership shown by Georgia EMC and Georgia Cooperatives and the role <sup>you</sup>~~they~~ have played in Georgia's growth. I look to you for continued guidance in Rural Energy Issues -- and know I will not be disappointed.

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THE WHITE HOUSE

WASHINGTON

November 28, 1979

MEMORANDUM FOR THE PRESIDENT

FROM:

ANNE WEXLER *Anne*

SUBJECT:

Taped Remarks for Georgia Electric Membership Corporation, (Heywood Gay request)

Heywood Gay of the Georgia Electric Membership Corporation has asked that you record very brief remarks to be played at the Georgia EMC annual meeting on December 3 in Atlanta. Heywood expects 500 persons to be in attendance, and he would put your picture on three large screens as the tape is played. Jack Watson will be addressing the group.

Draft remarks prepared by Gordon Stewart are attached, along with Heywood's letter requesting this taping. If you decide to do this, WHCA stands ready to set up taping equipment at your convenience.

THE WHITE HOUSE  
WASHINGTON  
11/30/79

Jody Powell

The attached was returned in  
the President's outbox  
today and is forwarded to  
you for appropriate handling.

Rick Hutcheson

cc: Phil Wise  
Fran Voorde

FOR STAFFING
FOR INFORMATION
FROM PRESIDENT'S OUTBOX
LOG IN/TO PRESIDENT TODAY
IMMEDIATE TURNAROUND
NO DEADLINE
FOR APPROPRIATE HANDLING
LAST DAY FOR ACTION

ADMIN CONFID
CONFIDENTIAL
SECRET
EYES ONLY

ACTION  
FYI

	VICE PRESIDENT
	JORDAN
	CUTLER
	DONOVAN
	EIZENSTAT
	MCDONALD
	MOORE
	POWELL
	WATSON
	WEDDINGTON
	WEXLER
	BRZEZINSKI
	MCINTYRE
	SCHULTZE
	ANDRUS
	ASKEW
	BERGLAND
	BROWN
	CIVILETTI
	DUNCAN
	GOLDSCHMIDT
	HARRIS
	KREPS
	LANDRIEU
	MARSHALL

	MILLER
	VANCE
	BUTLER
	CAMPBELL
	H. CARTER
	CLOUGH
	CRUIKSHANK
	FIRST LADY
	FRANCIS
	HARDEN
	HERTZBERG
	HUTCHESON
	KAHN
	LINDER
	MARTIN
	MILLER
	MOE
	PETERSON
	PRESS
	SANDERS
	SPETH
	STRAUSS
	TORRES
	VOORDE
	WISE

THE WHITE HOUSE  
WASHINGTON

November 30, 1979

*Team*  
*ok*  
*J*

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MEMORANDUM FOR THE PRESIDENT

FROM:

JODY POWELL *JPP*

SUBJECT:

Meeting with Gannett Editors  
and Broadcasters

You have raised questions about why we have recommended to you that you talk with Gannett editors this year after having done so last year.

I do feel it is worth the 15 minutes or so again this year because:

- 1) Gannett has since acquired Combined Communications and several small newspaper chains. Therefore, about 40 to 50 of the 160 attendees were not here last year.
- 2) These editors and news directors set editorial policy locally. It does not come from corporate headquarters.
- 3) Although second in newspaper circulation nationwide (Knight-Ridder leads by 40,000), their members reach a more dispersed audience. Gannett's 78 dailies, 19 weeklies, 7 television stations and 12 radio stations are located in 33 states.
- 4) We are not doing any other out-of-town editor groups in December.

THE WHITE HOUSE  
WASHINGTON

11/30/79

Frank Press

The attached was returned in the President's outbox today and is forwarded to you for appropriate handling.

The only options chosen are the two noted.

Please alert affected agencies.

Rick Hutcheson

THE WHITE HOUSE

WASHINGTON

November 26, 1979

MEMORANDUM TO: THE PRESIDENT

FROM: Frank Press *FP*  
John Deutch *J.D.*

SUBJECT: Response to the Recommendations of the  
President's Commission on the Accident  
at Three Mile Island

The attached memorandum summarizes the views of your advisers as to how you should respond to the recommendations of the Commission on the Accident at Three Mile Island and seeks your decision on three major issues. The memorandum is the product of extensive consultation with the Nuclear Regulatory Commission, the Congress, the utilities, anti-nuclear spokesmen, and the affected government Departments and agencies. It has been coordinated with Secretary Duncan and the ECC.

Since most of the recommendations are directed either toward the NRC (an independent agency) or the private sector, your capacity to bring about change directly is limited. Although you can propose legislation or use your reorganization authority to bring about some changes--for example, restructuring the NRC--your response to most of the Kemeny recommendations must be largely that of requesting others to act. Nonetheless, we expect your recommendations will carry great weight and will establish the benchmarks against which the actions of others will be measured. Moreover, the tone of your response, and your overall position on nuclear energy will be of critical importance in determining the degree to which nuclear power will be an energy option in the future, in this country and abroad. Although this last issue is discussed in the memorandum, it is overly simplistic to cast it in the form of a brief statement of options. For this reason, and also for the purpose of discussing the sensitive issue of personnel changes on the NRC, we suggest that you meet with a small group of your advisers, as part of your review of this memorandum.

You have indicated publicly that you would discuss your position on the future of nuclear power following your review of the Kemeny Commission Report. Senator Kennedy, Governor Brown and others have already made public statements on this issue. We suggest that you make a two-minute statement to the press on Thursday or Friday of this week, and we will follow with a detailed briefing. Once you have made your decisions, we will also start the necessary pre-announcement briefings of the Congress and other affected parties. - 1

## INTRODUCTION

Your Commission on the Accident at Three Mile Island (hereinafter the Kemeny Commission) concluded that although the accident was caused by a mechanical malfunction, it was made much worse by a series of human errors in responding to it. The Commission probed deeply into the accident and found very serious shortcomings in the entire governmental and private-sector system that controls commercial nuclear power. As a result, the Commission made numerous and substantive recommendations for change.

This memorandum is to summarize the views of your advisors regarding your response to the Commission's recommendations. Of the 44 recommendations contained in the report, we are in unanimous agreement that you should firmly and completely endorse 38 of them. Of the remainder, three could be difficult to execute, and we are not in agreement regarding their benefits. We recommend a noncommittal response to these.\* Finally, the response to three of the recommendations will be determined by your decision on the matters set forth below.

Part I of this memorandum sets out the issues requiring your decision: (a) your position on the future of nuclear power, (b) the structure for nuclear safety regulation, and (c) licensing during the transition to a new nuclear regulatory regime. Part II summarizes our proposed response to the entirety of the Kemeny recommendations. And Part III outlines the budgetary costs of implementing the recommendations.

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\*These are discussed in Part II of this memorandum.

## I. ISSUES FOR PRESIDENTIAL DECISION

### A. Statement on the Future of Nuclear Power

#### ISSUE

In your response to the Kemeny Commission report, should you state your views on the long-term role of nuclear power in the energy future of the United States?

#### BACKGROUND

The Kemeny Commission did not attempt to reach a conclusion whether, as a matter of public policy, the development of commercial nuclear power should be continued. Nonetheless, others -- most notably Senator Kennedy, Governor Brown, Senator Hart, and Congressman Udall -- have already responded to the Kemeny Commission report in terms which address the role of nuclear power in the U.S. energy future. Moreover, you have indicated publicly that after you review the Kemeny Commission Report, it would be appropriate to discuss your position on this issue.\* Thus, although the point is not one on which you are required to take a stand, a statement clearly defining your views may be both appropriate and politically essential.

#### OPTIONS

All of the options recognize the need for both existing nuclear plants and those under construction, and do not totally foreclose the possibility of additional nuclear plants in the future. Moreover, all of the options would stress the importance of improving the safety of nuclear power, as well as our ability to cope with accidents. Within the same "safety-first" framework, the options differ chiefly in the policy they establish with regard to new plants.

Drafts of paragraphs embodying the first two options are set out as TAB B.

#### Option A

Point out that if we achieve our solar and conservation goals, we may not in this century need nuclear plants beyond those operating or in the permit and construction pipeline. Establish a goal of minimizing our reliance on nuclear power, using it only as a last resort.

---

\*TAB A to this memorandum sets out a compendium of your public statements on nuclear power.

CEQ recommends that you implement this "last resort" policy by proposing legislation that would allow the NRC to authorize additional construction of new nuclear power plants only if it or a state public service commission finds that feasible and economical energy conservation and renewable energy alternatives are not available.

Pro:

- o The statement would underscore your commitment to conservation and solar.
- o It would eliminate the health and safety risks associated with additional nuclear plants to the extent that they are not built.
- o It would be viewed as an elaboration of your earlier statements that nuclear power is a "last resort."
- o The legislative proposal, if adopted, assures the public that nuclear power plants will not be built unless they offer demonstrable advantages over conservation or renewable energy alternatives.
- o Would help neutralize the appeals Kennedy and Brown are making to nuclear critics.

Con:

- o Would have adverse economic impact on nuclear vendors by clearly signaling that nuclear power's domestic future is limited, perhaps jeopardizing some plants that are now early in the construction pipeline.
- o Would inhibit the ability of the domestic nuclear industry to respond to a possible future demand for nuclear energy.
- o Would have adverse foreign policy impacts by strengthening the hand of anti-nuclear elements in foreign countries that are strongly committed to nuclear, and could reduce our ability to influence pro-nuclear countries in nonproliferation.\*
- o Would have the effect of increasing the environmental problems associated with greater use of coal.
- o The legislative proposal could require contentious negotiation with the Congress and, if adopted, could result in delays in the installation of new nuclear baseload capacity, even where needed, by imposing new requirements on decision-makers.

\*CEQ believes, on the other hand, that a "last resort" policy could assist in preventing the spread of nuclear weapons by enhancing the credibility of our position that plutonium is not a near-term option and by slowing the move to nuclear power in non-weapon states.

Option B

Within a much strengthened nuclear regulatory framework, adopt a neutral stance as to whether nuclear should be favored over other energy sources. Once your new and tougher safety standards are met, indicate your view that nuclear should compete on its own merits with its alternatives.

Pro:

- o In response to the severity of the international energy situation, recognizes a legitimate role for nuclear power, without advocating it over other supply options.
- o Avoids an administration position that would discourage additional investment in nuclear-related infrastructure.
- o May strengthen our ability to influence nations committed to nuclear in nonproliferation discussions.
- o Allows nuclear to compete with alternative energy technologies within a strengthened regulatory framework.

Con:

- o May appear inconsistent with your earlier statements that nuclear power is our "last resort," creating the perception that you are more pro-nuclear in 1980 than in 1976, despite the Three Mile Island accident. (OMB has proposed specific language, set out in Tab B, which is intended to mitigate this perception.)
- o Will antagonize a vocal anti-nuclear constituency at a time when others are seeking its support.

Option C

Postpone a definitive statement on the future of nuclear power until we are further along in the implementation of the Kemeny Commission recommendations. Indicate that nuclear's future will depend on whether safety concerns are adequately addressed.

Pro:

- o Nuclear power is a highly volatile issue and there are costs in taking a public stance.

Con:

- o You will be required to address the issue repeatedly in the months ahead and it is best to do so now as part of a comprehensive pro-safety statement.

AGENCY RECOMMENDATIONS:

CEQ supports Option A (with legislative proposal)

WH Counsel, CEA, OSTP, DOE and FEMA support Option B

OMB supports Option B, but proposes somewhat different language in order to accomodate your prior references to nuclear power as a last resort. The OMB language is set out in TAB B.

NSC, and Intergovernmental Affairs favor Option C.

DECISION

Option A (without legislative proposal) \_\_\_\_\_

Option A (with legislative proposal) \_\_\_\_\_

Option B \_\_\_\_\_

Option B (with OMB proposed language) \_\_\_\_\_

Option C \_\_\_\_\_

## B. Structure for Nuclear Safety Regulation

### ISSUE

The Kemeny Commission recommended that the NRC be replaced by an executive agency headed by a single administrator. It also recommended the establishment of a permanent oversight committee on nuclear reactor safety to examine the performance of the agency and the industry. (Further description of the Kemeny Commission organizational recommendations is provided below.) Should you adopt the Kemeny Commission recommendation or retain the NRC as an independent commission and improve its internal organization and management?

### BACKGROUND

The Kemeny Commission was exceptionally harsh with regard to the NRC. Its report stated (page 21):

"We found serious managerial problems within the (NRC). These problems start at the very top. It is not clear to us what the precise role of the five NRC commissioners is, and we have evidence that they themselves are not clear on what their role should be. The huge bureaucracy under the commissioners is highly compartmentalized with insufficient communication among the major offices. We do not see evidence of effective managerial guidance from the top, and we do see evidence of some of the old AEC promotional philosophy in key officers below the top."

This difficulty, which is confirmed by many other observers, has several sources. First, the total job of nuclear safety regulation includes elements that do not lend themselves well to management by a commission. Emergency response, research, inspection and enforcement, and training, for example, benefit from clear and forceful management direction not to be expected from collegial leadership. On the other hand, adjudication and policy formation can benefit from the diversity of views that a Commission provides.\*

Second, the organic act of the NRC, 42 U.S.C. 5841 et seq., is ambiguous regarding the roles of the chairman and the other commissioners. One provision states that each member "shall have equal responsibility and authority in all decisions and actions of the Commission," id. at 5841(a)(1), whereas another indicates that the chairman "shall be the principal executive officer of the Commission, and he shall exercise all of the executive and administrative functions," id. at 5841(a)(2).

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\*This conflict is not resolvable by completely isolating functions from each other. Assured nuclear safety must be an integrated total process to avoid what the Kemeny Commission repeatedly found: "things falling between the cracks." Thus an organizational change must provide an effective mechanism to link rulemaking and adjudication with the operating functions in pursuing the common objective of assured nuclear safety.

Finally, the background from which the NRC evolved and the personalities of the commissioners have played a part in shaping the NRC's operation. Apparently a pattern has developed in the NRC in which individual commission members have been allowed to intrude on the executive responsibility of the Chairman and the Executive Director.

Your senior advisors, having considered several organizational alternatives, believe there are two courses you should consider. Both would address the needed changes to the NRC's structure.

### OPTIONS

#### Option A. Kemeny Commission Proposal: An executive agency headed by a single Administrator

Description: Abolish the present NRC through legislation and establish a new independent agency in the executive branch headed by a single administrator appointed by the President, subject to Senate confirmation. The Administrator would serve a substantial term, not coterminous with that of the President, but at the pleasure of the President.

Also, establish an oversight committee on nuclear reactor safety to examine, on a continuing basis, the performance of the agency and of the nuclear industry.\* The members, up to 15 in number, would be appointed by the President and would have varied, specified backgrounds. The committee would have its own staff and would report to the President and Congress at least annually.

#### Pro:

- o Accountability is clear. One executive is in charge, with all necessary authority and responsibility, rather than five persons who share authority and responsibility and who act by majority vote.
- o A single administrator is more efficient in exercising executive direction and coordination than is a chairman. A chairman is constrained by having to maintain some degree of collegial harmony even in the exercise of his role as chief executive and spokesman.
- o An executive branch agency can coordinate more effectively with other executive agencies than can one which is independent.

\*If you should choose this option, we recommend the immediate establishment of the oversight committee by Executive Order consistent with the Federal Advisory Committee Act. This advisory committee would later become the statutorily founded committee envisioned by the Kemeny Commission. Both this advisory committee and the one described in option B might include members drawn from the Kemeny Commission.

- o Replacing the NRC with an executive agency will enable the President to step in, if necessary, when regulatory performance is deficient.
- o Experience with the Federal Aviation Administration and the Environmental Protection Agency suggest that safety and health matters can be effectively regulated by a single administrator within the Executive Branch.
- o The President, in agreeing with the Kemeny Commission, would be taking a dramatic and very visible action.

Con:

- o The Kemeny Commission report does not provide an analytical basis, including considerations of alternatives, for the organizational recommendations.
- o The single administrator feature is insensitive to the widely-held view that policy regarding nuclear safety should be guided by a diversity of perspectives in an open and deliberative process.
- o Conversion from independent status to executive agency status threatens to make nuclear regulation subject to direct political intervention, and to potentially wide policy fluctuations resulting from changes in Administrations.
- o Abolishing an independent regulatory agency requires legislation -- a reorganization plan cannot do it. Such legislation would be contested and the resulting uncertainty could delay implementation of safety reforms, as well as the resumption of licensing. In the meantime, confidence in the NRC, as well as employee morale, would be further impaired.
- o The proposal enjoys no support with key members of Congress with responsibility for energy, NRC, or reorganization.
- o A legislative proposal to vest NRC's powers in a single administrator would attract many amendments, some of which could threaten the continued use of nuclear power.

Option B. Improve the NRC by Reorganization

Retain the Commission form, but improve NRC's management through a reorganization plan. This option contemplates a Presidential reorganization plan that would:

1. Remove or amend the provisions in NRC statutes that have been construed in a way that impairs the strength of the Chairman and the Executive Director.

2. Better delineate the Chairman's responsibility for executive functions, from the Commission's responsibility for adjudication and rule making.
3. Enhance the ability of the Chairman to lead the Commission in the development of a unified nuclear safety regulatory program.
4. Improve staff management and direction.

Establish immediately by Executive Order a 5-member commission of non-governmental experts to monitor the progress of the NRC, other Federal agencies, and the utilities in improving the safety of reactors, and in implementing those Kemeny Commission recommendations which you endorse. The committee would provide you (and the public) with periodic reports, thus allowing you to maintain leadership in this area. At the conclusion of the life of the advisory committee (2 years), you could decide whether conditions warranted the committee's continuation.

Pro:

- o The Chairman would be strengthened in his ability to provide unified direction of activities which require prompt action, such as crisis management.
- o The commission would retain its full collegial membership in rulemaking and in carrying out the licensing and permit functions. Thus we avoid charges of insensitivity to the need for diversity of views, which would occur under Option A.
- o Responds to the legitimate need for insulation from political intervention, unlike Option A.
- o Since a reorganization plan gives us control over legislative processing (a limited time schedule, assured action, and no amendments), this proposal avoids the disruption in achieving safety reforms that would be precipitated by an extended legislative phase and by implementation of sweeping structural change, as in Option A.\*
- o The substantive solution of retaining the commission form, while endeavoring to upgrade it, would be well received on the Hill, notably by Senator Hart and Congressman Udall, who head the relevant subcommittees.

Con:

- o Analysis might indicate that division between regulatory and executive functions would sometimes be arbitrary, so the boundaries of the Chairman's executive authority might be ill-defined.

\* While a reorganization plan could be used for implementation, this option leaves open the possibility that you might later decide to use legislation for nonlegal reasons. If so, this option shares some of the problems associated with Option A.

- o The Chairman might become so dominant a figure that the co-equal collegial status in adjudicative and rulemaking proceedings would be jeopardized.
- o Loses the opportunity afforded by Option A to put nuclear safety regulation into an executive agency where Presidential policy oversight and intervention can be exercised directly as needed.
- o May appear to be a weak response to a serious problem.

AGENCY RECOMMENDATIONS:

WH Counsel favors Option A.

DPS, Intergovernmental Affairs, OMB, OSTP, CEQ, DOE and FEMA favor Option B.

NSC finds either option acceptable.

DECISION:

Option A \_\_\_\_\_

Option B \_\_\_\_\_



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### C. Licensing During The Transition

#### ISSUE:

The United States has 38 reactors which may become ready for operation between now and the end of 1982. How should we proceed with their licensing?

#### BACKGROUND:

The Kemeny Commission recommended that licensing proceed on a case-by-case basis in the transition period until the reform of nuclear regulation was completed. The NRC (or its successor) should: (a) assess the need to introduce new safety improvements, (b) review the competency of the prospective operating licensee to manage the plant and examine the adequacy of its training program, (c) condition licensing\* on review and approval of state emergency plans.\*\* Although the Commission thus did not recommend an absolute moratorium on all licensing, the supplemental views of the Commissioners indicate that eight of the twelve commissioners approved at least some form of temporary halt to construction permits. For example, six of the 12 filed supplemental views that called for a halt to new construction permits pending the adoption of new siting guidelines. However, no proposal was able to obtain the seven-vote majority necessary for adoption. The supplemental views of the Commissioners do not suggest any serious support of an across-the-board, absolute moratorium on operating licenses.

\*A subsequent recommendation makes clear that condition (c) was intended to apply only to operating licenses (See Recommendation F.1.a.). A construction permit is issued six to eight years before the operation of a plant, which is when an emergency plan might first be needed. Hence, it is unnecessary to delay a construction permit until the plan is approved.

\*\*There is also an important discrepancy in the recommendations as to whether licensing is to be conditioned on review and approval of state and local emergency plans (Recommendation A.8.c.), or merely of a state plan (Recommendation F.1.a). In light of the greater specificity in the latter recommendation, and the practical problems associated with conditioning licenses on approval of local plans, we conclude the Commission intended merely to require an acceptable state plan.

In testimony before the Congress, Chairman Hendrie of the NRC has indicated that the NRC has chosen to impose a "pause" in licensing. This delay is to allow the NRC to analyze and incorporate the lessons learned from Three Mile Island and to complete its review of the safety of existing plants. Personnel who would otherwise be engaged in licensing will be devoted to these tasks. Hendrie indicated to Congress that the NRC might resume licensing in six months to two years. Other commissioners have indicated that six to nine months is a reasonable estimate.\*

In the Congress, Senators Hart and Kennedy, and Congressman Udall, among others, have proposed various moratoria on new licensing. For example, Senator Kennedy has proposed a two-year moratorium on new construction permits -- an approach that none of your advisers supports -- and has remained silent on operating licenses. Unfortunately, the moratorium issue has taken on a symbolic dimension and your decision on it will be taken as a signal of your attitude toward nuclear power.

#### Discussion:

You must consider four separate aspects of the resumption of licensing:

- o Safety The postponement of action on new operating licenses will facilitate the implementation of the key safety recommendations of the Kemeny Commission and of the other reviews that are underway. Staff who would otherwise be preoccupied with licensing could devote their full attention to analyzing and implementing the recommendations. Moreover, a licensing pause would prevent an increase in the number of reactors operating under the existing rules, might itself prompt action to ensure that safety upgrading occurs expeditiously, and might prevent situations in which less-than-satisfactory plants are "grandfathered."
- o Energy Impact The chief and most immediate energy impact results from a delay in operating licenses. If the plants scheduled for commercial operation over the next several years are delayed, other fuels must be used to satisfy the demand that would otherwise be met by these plants. The table below sets out the oil savings that would be foregone by no nuclear licensing in each year and in the previous years:

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\*In individual conversation, some commissioners have indicated the NRC might consider operating licenses in exceptional cases. Thus at the moment, there is some confusion as to NRC's policy.

<u>YEAR</u>	<u>NUMBER OF PLANTS</u>	<u>OIL SAVINGS FOREGONE (bb1/d)</u>
1980*	10	100,000
1981	16	200,000
1982	12	250,000

Although a short moratorium would have only slight impact on oil consumption, the impact would grow progressively more severe if it were prolonged.

Diminished system reliability in many regions would also result from postponed operating licenses. For example, Northern California, the TVA service area, and the Arkansas-Mississippi area may suffer severe system reliability problems in the absence of planned nuclear generating capacity in 1980-1981. This implies an increased probability of brownouts and blackouts.

Finally, the individual utilities may experience financial difficulties from a prolonged licensing delay. This could arise from the accumulation of unproductive capital assets which require large cash outflows for debt servicing.

- o Foreign Policy Since the moratorium issue is viewed as a litmus test of attitudes toward nuclear power, any form of moratorium might serve to strengthen the hand of anti-nuclear elements in countries with strong commitments to nuclear power, such as France, West Germany and Japan. Your foreign policy advisers believe that serious bilateral problems with leaders of these countries would result from your adoption of a moratorium, particularly when they recognize that the Kemeny Commission did not itself recommend any across-the-board delay in licensing. If a delay of any variety is selected, it will be important to minimize its foreign impact by emphasizing that it is prompted by domestic circumstances. Moreover, your foreign policy advisers believe it is important not to use the word "moratorium" in describing your actions.
- o Congressional Views We have talked with the major Congressional leaders concerned with nuclear energy. All are highly critical of the past performance of the nuclear industry and the NRC, and all demand improvement. Thus there is much support for symbolic moratoria, such as the halt on construction permits proposed by Congressman Markey. However, we detect no sentiment for an extended halt to operating licenses.

### OPTIONS

In considering the options you should bear two facts in mind. First, your authority to direct action on licensing is limited. Absent Congressional direction, the course of action on licensing will be

\*Includes the impact of plants otherwise scheduled for commercial operation in 1979.

determined by the NRC. Nonetheless, a Presidential statement may be expected to have great influence.

Second, you should recognize that your decision on licensing is linked (albeit weakly) to your decision on restructuring. A decision to adopt the Kemeny Commission recommendation on restructuring, for example, might logically lead you to favor some form of delay in licensing; both decisions might be seen to flow from the common premise that the NRC is incapable of doing its job. Nonetheless, the connection between the decisions is sufficiently attenuated that we believe you have the freedom to choose any of the options below, regardless of your decision on restructuring.

#### Option A

Ask the NRC to consider the issuance of licenses (operating licenses and construction permits) on a case-by-case basis (Kemeny recommendation). Before issuing a new license, the NRC would: (a) assess the need to introduce safety improvements, (b) review the competency of the licensee to manage the plant and the adequacy of its training program, and (c) condition licensing upon review and approval of state emergency plans.

#### Pro

- o Would allow operating licenses to be issued as soon as adequate assurance is provided with regard to some of the critical Kemeny Commission recommendations, thereby minimizing the energy impact of delay.
- o Minimizes adverse foreign policy impacts.
- o Recognizes the anomaly in treating operating plants differently from those awaiting licenses.
- o Adopts the exact position of the Commission which you appointed.

#### Con

- o Might overtax the capacity of the NRC since it would have to analyze and implement the TMI recommendations while simultaneously acting on licenses.
- o Could put the Administration in the apparent posture of being less concerned about safety than the NRC.
- o Does not acknowledge the difficulty of processing licenses in a transition period in which the applicable standards are in flux.
- o This option would be opposed by nuclear critics.

Option B

Endorse the NRC strategy of first putting its house in order and verifying the safety and other standards for existing plants before commencing with licensing. Because of the urgency of acting swiftly to effect needed safety reforms, indicate your view that this should be done in six months.

Pro

- o Encourages the NRC to focus its efforts on its most pressing tasks.
- o Provides assurance that new plants will be forced to comply with updated safety requirements.
- o Establishes the discipline of a deadline (albeit an unenforceable one) for the resumption of licensing.
- o Displays your commitment to safety.

Con

- o Could have some adverse energy impacts, but these may not be serious if the deadline is met.
- o May create tension with our major allies.

Option C

Adopt the strategy of Option B, but ask the NRC to consider the processing of operating licenses in exceptional cases where: (a) there is adequate assurance of safety; and (b) the impact of delay on oil consumption or system reliability would be severe.

Pro

- o Would provide some flexibility to allow needed nuclear plants to be put on line.
- o As compared with Option B, reduces adverse foreign policy impacts.
- o Because this option would acknowledge that in general operating licenses will not issue in the transition period, it may be characterized as being more safety-conscious than the Kemeny Commission recommendation (Option A), yet responsive to its recommendation of a case-by-case review.

Con

- o Would cause some to question whether the Administration is serious about safety.
- o Could extend the transition period because of the additional workload of reviewing exceptions.
- o Risks putting the Administration in the position of being asked whether certain individual plants meet the criteria for an exceptional case.
- o Does not acknowledge the difficulty of processing licenses in a transition period in which safety standards are in flux.
- o The exception power may be unnecessary if the deadline is met. And, if the delay is protracted, the decision to request that the NRC grant licenses in exceptional cases could be revisited.
- o Might prompt lawsuits by utilities or the consumers that are bypassed in the queue awaiting licenses.

## AGENCY RECOMMENDATIONS:

WH Counsel and Intergovernmental Affairs support Option A.

DPS, OMB, and FEMA support Option B.

CEQ also supports Option B, but in a formulation which would express your "hope" rather than your "view" that NRC would complete its safety reforms in six months.

NSC, DOE and OSTP support Option C.

## DECISION:

Option A \_\_\_\_\_

Option B \_\_\_\_\_ ✓

Option C \_\_\_\_\_

## II. PROPOSED ACTIONS ON KEMENY COMMISSION RECOMMENDATIONS

Of the 44 Kemeny recommendations, your advisors agree that you should support 38 completely. Three of the remaining six include provisions that appear difficult to execute and we are not in agreement regarding their merits.\* We suggest a noncommittal response to their recommendations. Finally, there are three recommendations for which our response depends on your selection among the options in Part I.\*\*

All of the recommendations are discussed below, following the outline of the Kemeny Commission in their arrangement. We believe an essential element in your response is the specification of the timing and the mechanisms through which you will hold the industry and the affected agencies accountable for the substantive reforms required by the Kemeny recommendations. Thus, the text also indicates the manner by which we propose to implement the recommendations.

### A. Nuclear Regulatory Commission

The Kemeny Report presented a striking condemnation of the Nuclear Regulatory Commission (NRC). The Report finds that "(w)ith its present organization, staff, and attitudes, the NRC is unable to fulfill its responsibility for providing an acceptable level of safety for nuclear power plants." In light of this finding, we recommend that you present an attitude which encourages the internal reforms undertaken to date by the NRC, but which places directly upon that organization the burden of proving to you that effective and adequate change has taken place.

Agency Organization and Management. The first three recommendations address agency structure and management. They urge (a) restructuring the NRC as an Executive Branch agency with a single Administrator; (b) establishment of an oversight committee appointed by the President; and (c) strengthening the role of the Advisory Committee on Reactor Safeguards. Our response to the first two recommendations will depend upon your selections above. With regard to the latter, the Kemeny Commission recommended a strengthened ACRS with the statutory right to intervene as a party in licensing and rulemaking proceedings. We concur with the technical strengthening of ACRS. In addition, we will request

\* These are: Recommendation A.3.b and c (giving the Advisory Committee on Reactor Safety rights to intervene as a party in licensing and rulemaking); Recommendation A.4 (recommending the transfer from NRC of statutory jurisdiction not germane to licensing); and Recommendation A.10 (proposing modifications of the licensing process, such as the issuance of a combined construction permit and operating license).

\*\*These are: Recommendation A.1 (restructuring the NRC as an executive agency with a single head); Recommendation A.2 (establishing a permanent 15-member oversight committee); and Recommendation A.8 (covering licensing during the transition).

the ACRS to focus its attention on those areas directly applicable to reactor safety. But we are not yet persuaded that statutory intervention rights are appropriate, since they would distract from the objectivity and independence of the committee. Thus, we recommend a noncommittal response.

The Agency's Substantive Mandate. The next set of Kemeny recommendations addresses the need for increased regulatory emphasis on assuring safety of nuclear power reactors. Salient features include: (a) establishing safety-cost tradeoffs; (b) employing a broader definition of matters which relate to safety; (c) transfer of statutory responsibilities not related to safety; (d) upgrading of regulatory requirements for operators and supervisors; (e) establishing higher organizational and management standards for licensees; (f) remote siting for new plants; (g) inclusion in the licensing process of plans for mitigation of the consequences of accidents; and (h) conditions for issuing new licenses.

In general, the Administration should support and endorse these recommendations. We would encourage the actions underway at the NRC to remedy the deficiencies that have been identified. However, we are concerned with suggested changes in the NRC's statutory responsibilities for matters that are not germane to safety. The Administration should evaluate this matter carefully, and after consulting with the Congress, recommend legislation if change is desirable. Until then, we suggest you remain noncommittal on this issue.

The Administration's response to the Kemeny Commission's conditions for issuing new licenses will depend upon your choice among the options for licensing during the transition period.

Agency Procedures. The final three recommendations for NRC concern licensing, rulemaking, and inspection and enforcement procedures. We support the need for change in these areas, but further evaluation is required of some of the specific details of the recommendations, such as a combined construction permit and operating license, the modified role of the Appeals Boards, and the establishment of a Hearing Counsel. For the present we believe you should remain noncommittal on this matter. After you have made your decisions regarding NRC organization, your advisors will address this issue again.

#### B. The Utility and Its Suppliers

The Kemeny Commission acknowledges that its recommendations with respect to the nuclear industry are based on evaluation of a small, almost singular sample. But to the extent that its findings may be representative of the industry as a whole, the Commission urges a dramatic change in attitudes toward safety and regulation. Specifically, the Commission recommends that the industry: (a) set and police its own standards of excellence; (b) establish within each nuclear utility a separate safety group; (c) improve integration and accountability at all management levels; (d) attract highly qualified candidates for operators

and supervisors; (e) upgrade plant procedures; and (f) resolve safety questions more quickly. In addition, utility rate-making agencies are recommended to give explicit attention to the safety implications of their rate-making activities.

We support these recommendations. You should strongly urge the nuclear industry to evaluate continually its commitment to safety to assure that this commitment goes beyond mere compliance with government regulations. The industry has begun significant corrective actions to address deficiencies revealed by the accident at Three Mile Island which should also be recognized publicly. The establishment of the Institute of Nuclear Power Operations (INPO) and the Nuclear Safety Analysis Center demonstrates a commendable responsiveness on the part of the private sector.

Nevertheless, the industry has much to prove. We recommend that you challenge them to continue over the long term the work now beginning. In addition, you should urge the industry through INPO and its other organizations to direct its earliest attention to those utilities whose nuclear generating stations would have a major impact on the displacement of foreign oil. Finally, you should emphasize the role of your Oversight Committee in monitoring industry progress and reporting to you within six months.

#### C. Training of Operating Personnel

These recommendations address several aspects of operator and supervisor training including: the need for accredited training institutions, the role of the licensee and NRC in assuring adequately trained operators and supervisors, continuous retraining, and the need for research on improving the dynamic simulation of nuclear power plant operations.

We believe you should emphasize the need for revising and upgrading operator training and qualifications. Actions taken by both NRC and the industry appear to be responsive to the Kemeny recommendations, and should be pursued vigorously. In this connection, we suggest that you urge the rapid development and appropriate use of simulators by the industry and offer the assistance of Federal agencies with significant simulator experience (e.g., NASA). Further, you should recognize present NRC efforts, but urge that agency to adopt fully the Kemeny recommendations for: (a) more rigorous criteria for operator and supervisor skills; (b) more rigorous standards for simulator training by industry; (c) a program for accreditation of training institutions; (d) the requirement that supervisors and operators graduate from such institutions; and (e) rigorous recertification standards for previously licensed operators.

We suggest that your Oversight Committee both review these training programs to assess their compliance with the recommendations and provide a progress report to you in six months. Rapid improvement in this area is important because it is one of the three requisites for licensing new plants.

#### D. Technical Assessment

The recommendations in this category address: (a) improvements in control room technology, (b) equipment and maintenance inadequacies; (c) the need for continuous monitoring of critical plant measurements; and (d) the need for safety-related technological studies. In addition, the Kemeny Commission recommends continued close monitoring of the TMI cleanup operation and a rigorous investigation of every abnormal event to assess their implications.

We recommend that you endorse these steps; recognize that NRC and the industry have taken interim steps to apply the technical lessons learned from TMI; urge the utilities to continue to implement these requirements in a timely fashion; and, stress the importance of the new industry-sponsored organizations in providing feedback to individual utilities. Your Oversight Committee should be directed to monitor industry and NRC progress in this area and report to you.

In addition to these actions taken by the private sector, we recommend that the NRC accelerate work related to light water reactor safety. Funding recommendations are discussed in Part III below.

#### E. Worker and Public Health and Safety

The Kemeny Commission made five recommendations covering expanded and better coordinated radiation effects research, HEW oversight of NRC health-related activities, education of state and local emergency response personnel, improved preparation for emergencies, and the availability of potassium iodide.

The implementation of these recommendations is already underway. On October 23, you announced a series of Administration efforts with respect to low-level ionizing radiation. For example, the Interagency Radiation Research Committee, chaired by the Director of the National Institutes of Health, was established to review the research needs and quality of research in this area. This committee is already functioning and has been directed to consider the Commission's recommendations. However, determination of acceptable levels of exposure should continue to be the responsibility of the regulatory agencies working together through the new Radiation Policy Council.

While we agree with the concept of oversight of NRC's health-related activities, we believe the appropriate mechanism for this review to be the Radiation Policy Council rather than HEW.\* Both NRC and HEW concur. The Council should be directed to respond in a timely manner.

NRC has upgraded utility requirements for emergency preparedness and you should urge industry to respond as soon as possible. Finally, you should direct FEMA to coordinate the education of emergency personnel and the availability of potassium iodide within the context of the state emergency plans.

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\*We do not see this as a substantive disagreement with the Kemeny Commission. In fact, the Commission may not have been aware of your action in establishing the Radiation Policy Council.

## F. Emergency Planning and Response

The recommendations in this category call for approved state emergency response plans as a condition for new operating licenses. They would direct the Federal Emergency Management Agency (FEMA) to set requirements for and approve state emergency response plans. The recommendations include use of accident scenarios in developing and activating emergency response plans, expanded research on medical mitigation of radiation effects, improved public education, studies of costs and benefits of mass evacuations, and better coordination of Federal support capability.

We support these recommendations. The Administration has already taken an active role in addressing the Federal Government's widely scattered and uncoordinated programs for emergency preparedness and response by combining these programs under FEMA. Recognizing that the NRC has the statutory responsibility for on-site emergency preparedness and response, we recommend directing FEMA to: (1) take the lead in the off-site emergency planning and response process; (2) complete by June 1980 the review of state emergency plans in those states with operating reactors; (3) complete the review of state emergency plans in those states with plants scheduled to receive operating licenses in the near future; (4) coordinate the development of an interagency memorandum of understanding (MOU) which would delineate respective agency capabilities and responsibilities and clearly define procedures for coordination for both emergency planning and response; and (5) assure the development of programs to address the recommendations on additional research needs. NRC should be asked to cooperate with FEMA in these activities. FEMA Director Macy is prepared to report periodically to you and the oversight committee on his progress. Finally, we recommend that you strongly urge each state to coordinate its planning with the utilities and local officials.

## G. Public Information

The final Kemeny recommendations cover the responsibilities of the utility, NRC, and state authorities with respect to public information during an emergency, the logistics of information distribution, the responsibility of news media, the establishment of an emergency broadcast network, and public notices of abnormal radiation measurements.

FEMA is the appropriate agency to develop procedures for dissemination of information during an emergency and to delineate clearly in an emergency plan the appropriate roles of the utility, federal agencies, and state agencies. In addition, you should ask the Radiation Policy Council, FEMA, NRC and DOE to coordinate a workshop to identify measures for improving media coverage of radiological emergencies. Finally, we recommend directing FEMA to review progress on implementing these recommendations.

### III. THE COSTS OF IMPLEMENTATION

The activities recommended by your advisors will require new budgetary commitments. We propose to submit a FY 1980 supplemental appropriation of \$49.2M for the Nuclear Regulatory Commission (NRC) and \$8.9M for the Federal Emergency Management Agency (FEMA). The latter appropriation will enable FEMA to develop needed emergency response plans, in cooperation with the affected states, within the next six months. DOE will also undertake some additional work in FY 1980; namely, the acquisition and evaluation of data from the disabled reactor at Three Mile Island. The \$7M cost of this activity in FY 1980 will be satisfied by reprogramming. The supplemental appropriations will be submitted to Congress simultaneously with your statement, and the fact sheet accompanying your statement will provide a detailed analysis of your budgetary proposal.

OMB will also monitor the development of your FY 1981 budget to assure that it is consistent with the Kemeny Commission recommendations. We understand several agencies, including NRC and DOE, have made submissions that will be judged on their merits.

The details concerning the FY 1980 activities are set out in the table below:

	<u>(\$ in Millions)</u>
<u>NRC:</u>	
o TMI lessons learned associated with changes in procedures and technology at the reactors and within NRC that can be promptly implemented.....	32.6 — ?
o Evacuation and Emergency Planning.....	4.4
o Risk Assessment.....	3.3
o Operator Qualification and Licensing.....	2.3
o Miscellaneous Research and Regulation.....	6.6
<u>FEMA:</u>	
o Fund state planners to develop emergency response plan.....	2.7
o Travel funds to monitor plan development.....	.2
o Fund publication of emergency public information materials.....	3.0
o Fund development of low cost, low range dosimeters.....	2.0
o Test emergency response plans.....	1.0
<u>DOE:</u>	
o Fund the acquisition and evaluation of data from TMI-2 (part of joint DOE/NRC/EPRI project).....	7.0* — ?
Total.....	65.5

\*To be met by reprogramming

TAB "A"

## TAB A

THE PRESIDENT'S PUBLIC STATEMENTS REGARDING NUCLEAR POWER

The following are excerpts from some of your public statements on nuclear power since January 1, 1978. Also included is an excerpt from your first debate with President Ford.

November 15, 1979, AFC-CIO Convention, Washington, D.C.:

"We cannot close down all nuclear power plants, burn less coal, refuse to build oil refineries, refuse to explore for new oil sources, oppose the production of synthetic fuels, and at the same time encourage the waste of energy by artificially holding down its price in order to encourage more consumption. This is a ridiculous combination of proposals which could only be put forward in an election campaign. America knows better".

October 13, 1979, National Public Radio Broadcast:

"So, I think there is a place for nuclear power. It ought to be safe; . . . and its use can be minimized to the extent that we save energy and shift to other sources of energy. But I don't want to mislead you. I think there will be a place for nuclear power in the future. It is my responsibility along with others to guarantee that it is safe."

". . . I think that the economic considerations and others that I've described already, that I need not repeat, will permit our country to minimize the use of nuclear power in the future compared to some other countries."

September 12, Town Meeting, Steubenville, Ohio:

"Until the Kemeny report is in to me -- and that'll be later on this month -- concerning the causes of the incident that we had at the Three Mile Island plant in Pennsylvania, it will not be possible for us to make a policy decision on the use of nuclear power in the future."

August 22, 1979, Town Meeting, Burlington, Iowa:

"During my campaign for President, 2-1/2, 3 years ago, I said that we ought to make atomic power a source of energy as a last resort. And what I mean by that is that as we conserve and produce other forms of energy, our Nation will need less atomic power."

August 10, 1979, Editors and News Directors, Washington D.C.:

"When the Kemeny report is made to me by the end of this month, I will assess it very thoroughly. I will obviously carry out the recommendations of the Kemeny report if they're at all practical, and I'm sure it would be a practical recommendation. At that time I think it would be incumbent on me as President to explain to the American people the situation that does exist with nuclear power."

June 29, 1979, Tokyo Economic Summit Conference:

"Without the expansion of nuclear power generating capacity in the coming decades, economic growth and higher employment will be hard to achieve. This must be done under conditions guaranteeing our people's safety."

May 4, 1979, News Conference, Des Moines, Iowa:

"I have always thought that nuclear power should be used as a last resort in the evolution of energy. But I also recognize that when you use what oil is available, and what natural gas is available, and what coal is available, and what solar energy is available, up until now we have seen a need to use nuclear power."

April 25, 1979, Town Meeting, Portsmouth, New Hampshire:

". . . Although the Three Mile Island incident was a very serious threat and it caused us great consternation and concern, there may be a gold or silver lining to this cloud, because we may learn from it the limits of nuclear power and how to enhance the safety of nuclear power in the future."

May 22, 1978, Remarks at Roundtable Discussions with Oak Ridge Scientists, Oak Ridge, Tennessee:

"And the proper balancing of environmental constraints with the expeditious supply of nuclear power for our people is one that is a responsibility of yours and also of mine."

May 20, 1978, News Conference, Portland, Oregon:

Question: "During your campaign, you said that nuclear power should be America's last energy resort. When and why have you changed your position?"

Answer: "Well, I haven't changed my position. I always made it clear when I said that, that our first emphasis ought to be on conservation . . . I think, that we should increase our production of coal and renew an effort to encourage additional use of solar power, cut down on imports and to the extent that all those efforts are not successful, we ought to make up the difference with atomic power."

"But I always made it clear and still feel that there is a significant role to be played by nuclear power."

February 18, 1978, Nashua, New Hampshire:

"But after all those possibilities (tide power, oil, natural gas, coal, solar) are explored and exploited, there is still a need in the foreseeable future for nuclear power. And I think New England is one of the areas of our country that needs nuclear power perhaps better than some others."

January 13, 1978, Editors and News Directors, Washington, D.C.:

"Well you know, when I say "last resort," a phrase that I used throughout the campaign, and have used as President too, it doesn't mean that it's a necessary evil. My own position is that we ought to have conservation of energy as a first priority -- in fact, if I have to put them in an order, to cut down on the waste of all kinds of energy. . . . I would say I would rather shift to solar than coal. But there's a legitimate place for nuclear power in our country. . . . But I think we ought to have a realization that nuclear power should fill in the gap between those other sources of energy and what our Nation's total needs are. . . . So, I'd say that within that framework, there's a legitimate role for atomic power to play. If there are constraints in the future on light water reactors, it won't be because of obstacles placed in their way by the Government. It will be other problems that might prevent their being widely used in this country, economic problems, primarily."

During the Campaign, the Ford/Carter First Debate:

"We need to shift from oil to coal. We need to concentrate our research and development effort on coal burning and extraction that's safe for miners, that also is clear burning. We need to shift very strongly toward solar energy and have strict conservation measures and then, as a last resort only, continue to use atomic power."

"I would certainly not cut out atomic power altogether. We can't afford to give up that opportunity until later. But, to the extent that we continue to use atomic power, I would be responsible as President to make sure that the safety precautions were initiated and maintained."

TAB "B"

## TAB B

SAMPLE STATEMENTS ON NUCLEAR POLICY FOR ISSUE 1Option A.

The Presidential Commission did not examine whether, as a matter of public policy, we should continue to rely on nuclear power. As the events of recent weeks in Iran have shown, we do not have the luxury of lightly foresaking any of our domestic energy resources. The 72 operating reactors in this country provide nearly 13 percent of our Nation's electrical needs, and in some areas, our dependence on nuclear power is close to 50 percent. Turning off these plants would cause major disruption. Moreover, even with the achievement of my ambitious goals for conservation and for solar and other new energy sources, we will continue to need electrical generating capacity from our traditional sources: coal and nuclear. Our nation's energy future must continue to include nuclear power. But our first priority is to ensure that it is as safe as possible through:

- o a tough, effective regulatory system,
- o significantly improved attitudes and technical and managerial capabilities on the part of the electric utilities,
- o effective coordination of the response to accidents.

I believe, however, that an energy future that relies on energy conservation, solar and other renewable energy resources, and new incentives for the development of our domestic fossil fuel resources and synthetic fuels is our most attractive energy future. It is a future my Administration is committed to achieving, and I have proposed a comprehensive legislative and administrative program to do so. Our reliance on nuclear power can and should be kept to a minimum by using it only as a last resort and by putting priority attention on the use of conservation, domestic production and alternative energy technologies. If we achieve our goals, we may not in this century need nuclear power plants beyond those operating or in the construction pipeline.

Additional Paragraph for Option A (CEQ legislative proposal)

In order to ensure that we do not use more nuclear power than we need, I will ask Congress for legislation which would allow construction to begin on new nuclear power plants only if economical and practicable conservation and renewable energy resources alternatives were not available. In this way, we will all be assured that if there is a safer, preferable alternative, it will be used.

Option B.

The Presidential Commission did not examine whether, as a matter of public policy, we should continue to rely on nuclear power. As the events of recent weeks in Iran have shown, we do not have the luxury of lightly forsaking any of our domestic energy resources. The 72 operating reactors in this country provide nearly 13 percent of our Nation's electrical needs, and in some areas, our dependence on nuclear power is close to 50 percent. Turning off these plants would cause major disruption. Moreover, even with the achievement of my ambitious goals for conservation and for solar and other new energy sources, we will continue to need electrical generating capacity from our traditional sources; coal and nuclear. We cannot turn off nuclear power, without simultaneously turning down our economy and turning up our energy vulnerability. Our nation's energy future must continue to include nuclear power. But our first priority is to ensure that it is as safe as possible.

*CO2  
buildup*

It is neither my intention to promote nuclear power, nor to terminate the use of its use. It is, however, my firm resolve to ensure that this energy source is acceptably safe through:

- o a tough, effective regulatory system,
- o significantly improved attitudes and technical and managerial capabilities on the part of the electric utilities,
- o effective coordination of the response to accidents.

If nuclear power is able to meet these tough standards, it will compete on its own merits with other energy sources.

Additional Paragraph for Option B, Replacing Previous Sentence (OMB proposal)

We cannot turn away from nuclear power, now or in the future. Because energy supplies may become more insecure and their sources more unstable, we must preserve the nuclear option. It may be a last resort, but it clearly is a necessary option and within the context of these toughened standards, we must allow it to compete on its merits with the alternatives.

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EXECUTIVE OFFICE OF THE PRESIDENT  
COUNCIL ON ENVIRONMENTAL QUALITY  
722 JACKSON PLACE, N. W.  
WASHINGTON, D. C. 20006

November 26, 1979

MEMORANDUM FOR THE PRESIDENT

FROM: Gus Speth *Gus Speth*

SUBJECT: Decision Memorandum on Kemeny Commission Recommendations

I believe that the events at Three Mile Island, the findings of the Kemeny Commission and other revelations (e.g. those regarding the state of nuclear waste management) all argue in favor of you taking a position in 1980 that is more cautious on nuclear power than that which you took in 1976.

Your position in 1976 was that we should continue to use atomic power "as a last resort only" and that we should "keep [our] dependence [on nuclear energy] to a minimum." You have since reiterated and reaffirmed this "last resort" view in occasional statements around the country, such as your statement in Iowa on May 4, 1979, and most recently in your November 7 meeting with environmental leaders in the Cabinet Room.

The decision memo fails to stress sufficiently the advantage of continuing these themes and setting out a clear policy that puts renewables and conservation first. In my judgment, the public wants two things in this area above all: assurance that reactors are as safe as we can make them and assurance that if preferable alternatives are available, they will be used instead of nuclear. The proposal I support would provide this assurance in a way that does not threaten the continued use of nuclear power.

Senator Kennedy is stressing his position on nuclear power as an important difference with you. He favors a two-year moratorium on new construction starts. I would not advocate such a policy to you, but I see little need to give him this issue, which will be important in 1980. The CEQ proposal in the decision memorandum is better substantively and politically than a two-year moratorium and would allow you to keep the initiative on the nuclear power question.

CUTLER COMMENTS

THE WHITE HOUSE

WASHINGTON

November 23, 1979

MEMORANDUM TO THE PRESIDENT

FROM: LLOYD N. CUTLER *Inc*

SUBJECT: Three Mile Island (Kemeny) Report

As a student of regulation and as a former Executive Director of a major national commission (the Eisenhower or Violence Commission), I venture to submit a brief statement of my reasons for my votes on the various options presented to you in the paper coordinated by Frank Press. I think the issue paper gives rather short shrift to some good recommendations of a good commission which has thought seriously about the problem you assigned to it. As a general principle and specifically as to these recommendations, I think they are entitled to greater weight than the paper recommends.

Issue: The Future of Nuclear Power

I favor Option B. The Kemeny Commission Report offers an excellent opportunity to preserve the option of nuclear power while at the same time increasing our vigilance to assure its safety. No matter how much we may accomplish through conservation and the development of other energy alternatives, we and the rest of the world are going to need nuclear power. Its relative potential for safety, economy and cleanliness, compared to other energy sources, becomes more apparent every decade. We need to act vigorously to realize this potential, and we should not destroy it by appearing hesitant about nuclear energy at this critical moment.

A two-year moratorium would be a body-blow to the future of nuclear energy and American technical leadership in this field.

Issue: Restructuring the Nuclear Regulatory Commission

I favor Option A in a slightly modified form. Instead of adopting the Kemeny proposal whole-hog and proposing specific legislation, I recommend that the President state that the Kemeny single-Administrator proposal is worthy of serious consideration and deserves further study both by the Executive Branch and the Congress. In due course a legislative proposal could be submitted, without necessarily making it a high priority item on the President's 1980 legislative program.

I personally favor the single Administrator within the Executive Branch, because it permits the President to shape and manage an energy program more effectively and with greater accountability. Moreover, transcripts of the NRC's meetings on TMI show clearly that a collegial body chosen from varied backgrounds is poorly designed to deal with a safety crisis. Decisions have to be made much faster than a collegial body can make them.

We have a square precedent for the wisdom of the Kemeny recommendation in the transfer of aircraft safety and certification responsibilities from the collegial and independent Civil Aeronautics Board to the single Federal Aviation Administrator within the Executive Branch. The capacity of the single Administrator to respond quickly and effectively to a safety crisis was recently illustrated by the case of the DC 10.

Issue: Licensing During the Transition

I favor Option A. I think the paragraph at page 24 of the summary of the Kemeny Commission states the position very sensibly and would be difficult to improve upon.

As a general proposition, and as an ex-Executive Director of the National Commission on the Causes and Prevention of Violence (the Eisenhower Commission), I think it is important as a matter of public confidence for the recommendations of presidential commissions to be considered seriously by the Executive Branch and, unless clearly erroneous, to be given the presumption of being valid conclusions drawn by reasonable and experienced men, who have spent more time on the problem at issue than any of us possibly can. This is why I also favor naming Chairman Kemeny, Harry McPherson and other members of the Kemeny Commission to whatever advisory committee the President creates to monitor the performance of the Agency in its next configuration.

THE WHITE HOUSE  
WASHINGTON

Phil has seen

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THE WHITE HOUSE  
WASHINGTON

November 30, 1979

MR. PRESIDENT:

Cpl. Crowley's funeral mass is at Ft. Meyer Chapel at 12:45 p.m. today. To attend you would depart the White House at 12:30 p.m. and arrive back at approximately 1:30 p.m. Your schedule can be easily re-arranged to accommodate this.

Jody recommends you attend. You will not be called on to speak. A press pool should go along.

Approve attendance

Disapprove

PHIL

11/30/79

Sarah Weddington  
Louis Martin

The attached was returned in the President's outbox today and is forwarded to you for appropriate handling.

Rick Hutcheson

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BILL OWENS

#11-4

*Sanah W.*  
ACT  
TO DAY  
\*

Bill Owens (State Senator, Boston, Massachusetts)  
(617) 727-8934-0; (617) 298-3564-H; (617) 298-2843 (submitted 11/29/79)

Owens is the only black state senator in the history of Massachusetts, and is considered to be very influential in the state. You spoke with him at the Gospel Concert in September.

- Indicate how important Owens' support is to our efforts in Massachusetts.
- Ask him to endorse you (coordinating it through Tracy Gallagher in our New England Regional Office.)

NOTE: (Date of call 11-29)

*Would like to support JC  
Concern re pressure for Ken. - Standing firm - Will need  
Commitment for Prez's help in our race. JC - "you've got it"  
Will travel for JC - great asset  
Can make dent or take black community in Boston/Mass.  
Louis Martin call Fri 11/30 to set up appt at W. House - important \**