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Fermi 3 Application Built on Foundation of Sand with No Quality Assurance, Watchdogs Charge

Monroe, MI. Last Friday, legal interveners in the Fermi 3 licensing proceedings filed a petition with a U.S. Nuclear Regulatory Commission licensing board claiming a serious absence of quality assurance and safety provisions in Detroit Edison's application to build a new Fermi 3 nuclear power reactor. The interveners seek suspension of the processing of the license application until there is a proven program put into place.

On October 5th, the NRC formally charged Detroit Edison for major inadequacies, including failures since 2007 to classify safety-related aspects of the Fermi project as safety-related, failures to impose adequate quality assurance requirements on contract work and oversight, failures to properly document contractor abilities to perform quality assurance, failures to document evaluations of suppliers of safety-related parts for Fermi, and failures to perform audits for quality. The NRC has the option of fining the utility and could impose new requirements which might affect the timetable for planning and construction.

The anti-nuclear interveners are concerned that the NRC's regulatory response might have the effect of coddling the utility, by allowing DTE to make a few changes instead of commencing quality assurance actions essentially from the beginning.

"NRC may alert DTE to QA violations, but whether or not NRC will actually hold DTE's feet to the fire to fix the problem is a whole other question, hence our intervention," said Michael J. Keegan of intervener Don't Waste Michigan. "Quality Assurance cannot be back-filled, but this is precisely what appears to be Detroit Edison's intention. It's the foundation on which all engineering and design is based. Edison's managers have knowingly failed to set up this important function to protect the public and their own workers for more than two years. And yet they seek a 40-year license to run this proposed Fermi 3 plant with blatant disregard for Quality Assurance and ultimately safety of the public. DTE is proposing to build their house on sand."

"It beggars belief that DTE would be so negligent after spending over \$30 million on the application," commented Ed McArdle, Conservation chair, Southeast Michigan group, Sierra Club. "The Michigan Sierra Club will complain to the Michigan Public Service Commission that the money sunk into the ESBWR design for Fermi without a quality assurance program has been 'imprudent' - a waste. Ratepayers must not be tagged with the expense of this bungled plan."

"Quality assurance is one of those boring terms that makes people's eyes glaze over," said Terry Lodge, attorney for the interveners, "until you realize that Davis-Besse very nearly melted down from records manipulation, or that Fermi I nearly exploded because of an unrecorded metal plate

welded to the reactor vessel. DTE needs to face up to the true cost of their unproven and incomplete reactor design instead of elevating the risk to the public by building it with below-standard parts and little analysis of the engineering qualities to build it safely."

"Beginning 50 years ago with Fermi 1, continuing through the turbine explosion disaster on Christmas day 1993 at Fermi 2, and now with Fermi 3, DTE has demonstrated a multi-generational indifference to quality," noted Kevin Kamps of Beyond Nuclear, a Maryland-based intervener. Kamps continued, "We suspect that cost considerations have caused this latest management indifference. The 'gold rush' to meet the Department of Energy's September 2008 deadline for nuclear loan guarantees has created a perverse dynamic, leading to premature applications lacking quality assurance."

"While we applaud NRC's identification of this problem, historically safety and quality concerns are buried and perceived success is all that matters. Public safety issues such as QA don't seem to be a priority," said intervener Kay Cumbow of Citizens for Alternatives to Chemical Contamination. Cumbow elaborated that "We cannot allow the NRC to slap DTE's wrist and resume the pretense that they are above the rest of us, that John and Jane Citizen cannot know more than they do, and that issuing a license is far more important than public health, financial accountability or a watershed's health."

The coalition of interveners in the NRC licensing case includes Beyond Nuclear, Citizens for Alternatives to Chemical Contamination, Citizens Environmental Alliance of Southwestern Ontario, Don't Waste Michigan, the Sierra Club of Michigan and a dozen individuals.