

VERMONT YANKEE NUCLEAR POWER CORPORATION

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March 13, 2000
BVY 00-32

U.S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, DC 20555

- References:
- (a) Letter, USNRC to VYNPC, "Request for Additional Information Regarding License Transfer (TAC MA7875)," NVY 00-018, dated February 25, 2000.
 - (b) Letter, AmerGen Vermont, LLC and VYNPC to USNRC, "Application for Order and Confirming Administrative License Amendments for License Transfer," BVY 00-06, dated January 6, 2000.

**Subject: Vermont Yankee Nuclear Power Station
License No. DPR-28 (Docket No. 50-271)
Response to Request for Additional Information Regarding Transfer
of Facility Operating License No. DPR-28 to AmerGen Vermont, LLC**

Reference (a) requested Vermont Yankee Nuclear Power Corporation (VYNPC), the license transferor, to provide additional information in response to questions outlined in the enclosure to that letter. However, the requested information pertains to the intentions of the license transferee (AmerGen Vermont, LLC) regarding technical support, executive staffing and organizational transitions existing or occurring at the time of the transfer. Attachment 1 provides a written reply from AmerGen Vermont, LLC to each of the staff's questions. Attachment 2 contains organization charts that supplement those originally submitted as Enclosure 6 to Reference (b); these charts should be substituted for those previously supplied, and will become Enclosure 6 upon incorporation into Reference (b). Attachment 3 forwards the requested resumes.

This additional and supplemental information is administrative in nature and does not change the scope of the original Application or the conforming license amendment included as Enclosure 1 to Reference (b). VYNPC has evaluated the responses and associated information, and hereby affirms that they do not change the conclusions of the safety assessment and the determination of no significant hazards consideration contained in Enclosure 2 to Reference (b).

We trust that the information provided will enable you to complete your review of Reference (b); however, should you have any questions on this matter, please contact Mr. Wayne M. Limberger at (802) 258-4237.

A001

Attachment 1

Vermont Yankee Nuclear Power Station

**Response to Request for Additional Information Regarding Transfer of
Facility Operating License No. DPR-28 to AmerGen Vermont, LLC**

AmerGen Vermont Replies to Specific Staff Questions

The following information is provided to support the review of (1) the management and technical support organization and (2) the operating organization related to the proposed transfer of the operating license for the Vermont Yankee Nuclear Power Station to AmerGen Vermont:

NRC RAI No. 1

With regard to the management and technical support organization, Section V, "Technical Qualifications of AmerGen Vermont," page 18, states that technical support for the Vermont Yankee Nuclear Power Station will be provided in one of three ways:

- a. Existing staff, who are not located on site, will continue to perform on behalf of AmerGen Vermont
- b. Transfer of the technical support function to AmerGen (the parent company)
- c. Transfer of the technical support function to contractors

However, there is no information provided in the January 6, 2000, submittal that demonstrates how the organizational structure for any of the three options would provide for the integrated management of activities to support the operation and maintenance of the facility.

Identify the option that will be exercised at the time of the transfer. Supporting information, as listed below for each of the options, must be provided. If no single option can be identified, supporting information for all three options is needed to ensure that sufficient technical resources will continue to be provided to adequately support safe operation of the nuclear plant.

Response

It is anticipated that each of these options may be exercised to a certain extent at the time of the transfer. Supporting information regarding each of the options is provided in the following sub-item responses.

NRC RAI No. 1.a

If Option (a), will the existing offsite staff become AmerGen Vermont employees? If so, provide supporting organizational charts showing the reporting relationship and lines of authority of the offsite organization providing technical support to the onsite Vermont Yankee Nuclear Station organization. If the existing offsite technical support staff will not become AmerGen Vermont employees but will still be used to provide technical support, describe how sufficient technical support to the Vermont Yankee facility will be assured.

Response

The vast majority of technical support functions for Vermont Yankee are performed by onsite personnel. There are, however, a limited number of personnel located away from the site performing certain technical support services for the plant. Regardless of whether such personnel become AmerGen or AmerGen Vermont employees, they will be responsible to the Vice President, Vermont Yankee.

If they become AmerGen Vermont employees, such personnel will be responsible to the Vice President, Vermont Yankee as shown on enclosed organization chart 1 (Attachment 2), which supplements Enclosure 6 to the Application.

If they become AmerGen employees, such personnel will report to and receive functional direction from the Vice President, Vermont Yankee with respect to task assignments and performance standards. They will, however, receive AmerGen corporate administrative support with respect to matters such as payroll and benefits, as shown on enclosed organization chart 2 (Attachment 2), which supplements Enclosure 6 to the Application.

NRC RAI No. 1.b

If Option (b), provide supporting organizational chart showing the lines of authority back to AmerGen (the parent company). In addition, provide information about how the wholly owned AmerGen Vermont subsidiary will be assured sufficient technical support resources when competing with other nuclear facilities owned by AmerGen (the parent company).

Response

As mentioned above, if offsite Vermont Yankee personnel become AmerGen employees, such personnel will (as shown on enclosed organization chart 2) report to and receive functional direction from the Vice President, Vermont Yankee with respect to task assignments and performance standards, but will receive AmerGen corporate administrative support with respect to matters such as payroll and benefits.

If this option is exercised, sufficient technical support resources will be assured through written binding agreement between AmerGen and AmerGen Vermont.

NRC RAI No. 1.c

If Option (c), identify if the contractor support will be directly to AmerGen Vermont or through AmerGen (the parent company). If through AmerGen, provide an organizational chart showing the lines of authority from AmerGen Vermont through AmerGen to the contractor. In addition, provide information about how AmerGen Vermont will be assured sufficient technical support resources using that contracting arrangement.

Response

It is anticipated that, at the time of license transfer, contractors will continue to provide support, in which case the contracts will be assigned by Vermont Yankee Nuclear Power Corporation (VYNPC) and assumed by or otherwise transferred directly to AmerGen Vermont.

Those agreements that are not assumed by AmerGen Vermont will be replaced as necessary with equivalent, qualified contracted services. In all cases, the duties and responsibilities of contractors to provide support to Vermont Yankee will be bound by written agreement between AmerGen Vermont and the contractors.

NRC RAI No. 2

Provide resumes for the Chief Nuclear Officer and for the AmerGen Vermont Vice President, Vermont Yankee.

Response

Gerald R. Rainey serves as AmerGen Vermont's Chief Nuclear Officer. It is the intention of the AmerGen Vermont Management Committee that Drew B. Fetters serve as Vice President, Vermont Yankee. Resumes for Mr. Rainey and Mr. Fetters are enclosed as Attachment 3.

NRC RAI No 3

With regard to the operating organization, Section V, "Technical Qualifications of AmerGen Vermont," page 16, states "the existing VYNPC nuclear organization at the Vermont Yankee site will be transferred to AmerGen Vermont, and substantially all of the VYNPC nuclear employees at the Vermont Yankee site involved in the operation and maintenance of the plant will assume similar roles and responsibilities for AmerGen Vermont." Further, page 17 states that "the plant staff, including senior managers, will be substantially unchanged." On the basis of the above information and the information contained in the remainder of the submittal, the definition of "substantially unchanged" is interpreted as:

"the current onsite organizational structure and the assignment of primary responsibility to the plant staff of those onsite organizations will be transferred without change."

Verify this is the correct interpretation or submit the intended meaning for "substantially unchanged."

Response

With one exception, the interpretation is correct; i.e., AmerGen Vermont anticipates that, at the time of license transfer, the onsite organizational structure and assignment of primary responsibility to the plant staff will not be changed.

The one exception is the addition of the AmerGen Vermont Vice President, whose responsibilities are twofold with respect to the current VYNPC organization:

- a) He will discharge the duties and responsibilities of the current Vice President of Operations.
- b) He will assume direct, onsite responsibility for the safe, reliable, and economic operation and maintenance of Vermont Yankee, now under the purview of the President and CEO, VYNPC.

The Vice President, Vermont Yankee will report to the AmerGen Vermont CEO and CNO who, will assume some of the corporate duties and responsibilities of the current President and CEO of VYNPC.

Attachment 2

Vermont Yankee Nuclear Power Station

**Response to Request for Additional Information Regarding Transfer of
Facility Operating License No. DPR-28 to AmerGen Vermont, LLC**

Organizational Charts (Replacing Enclosure 6 of the Application)

ORGANIZATION CHART POST-AQUISITION MANAGEMENT VERMONT YANKEE

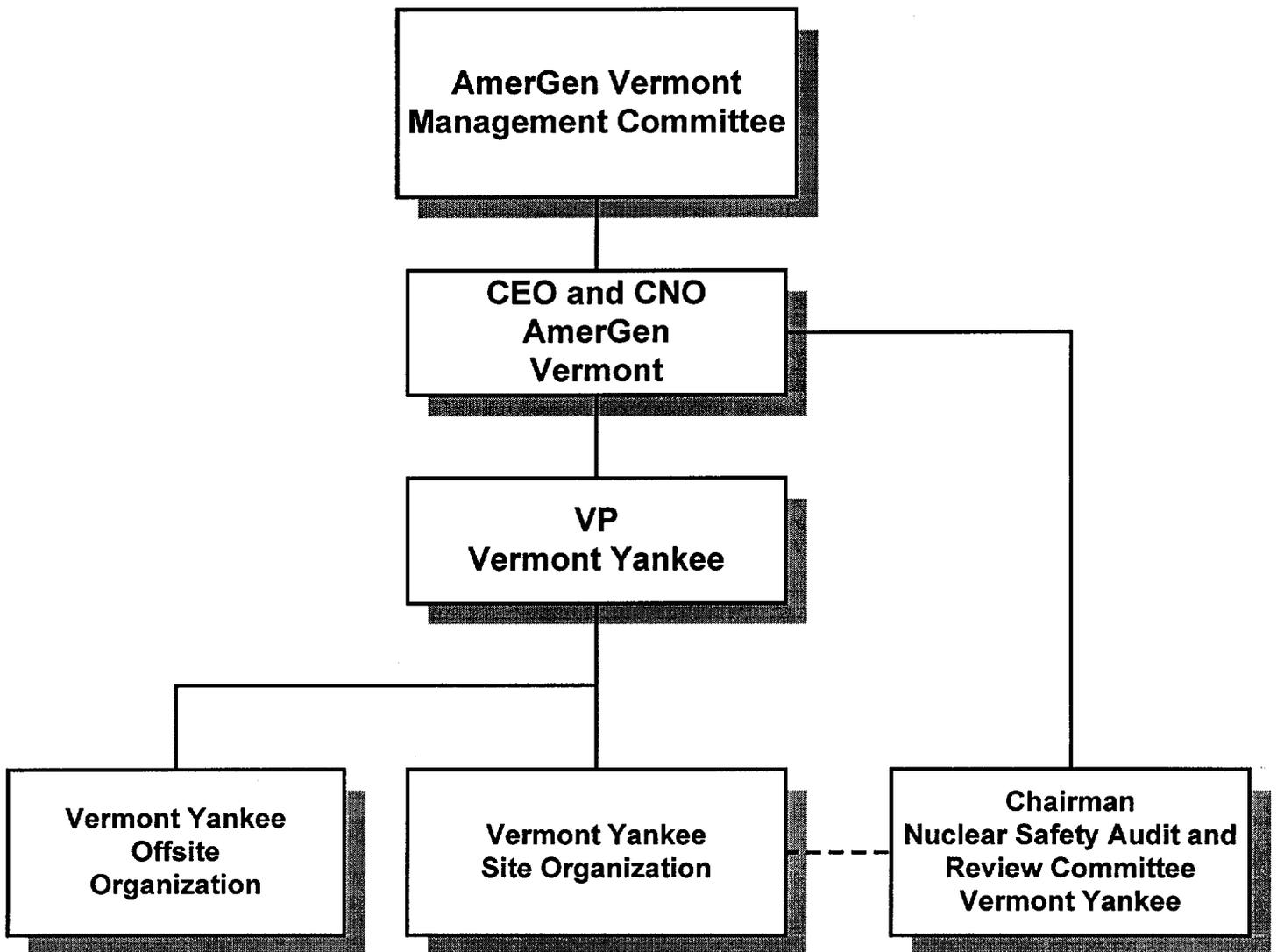


CHART 1

ORGANIZATION CHART POST-AQUISITION MANAGEMENT VERMONT YANKEE

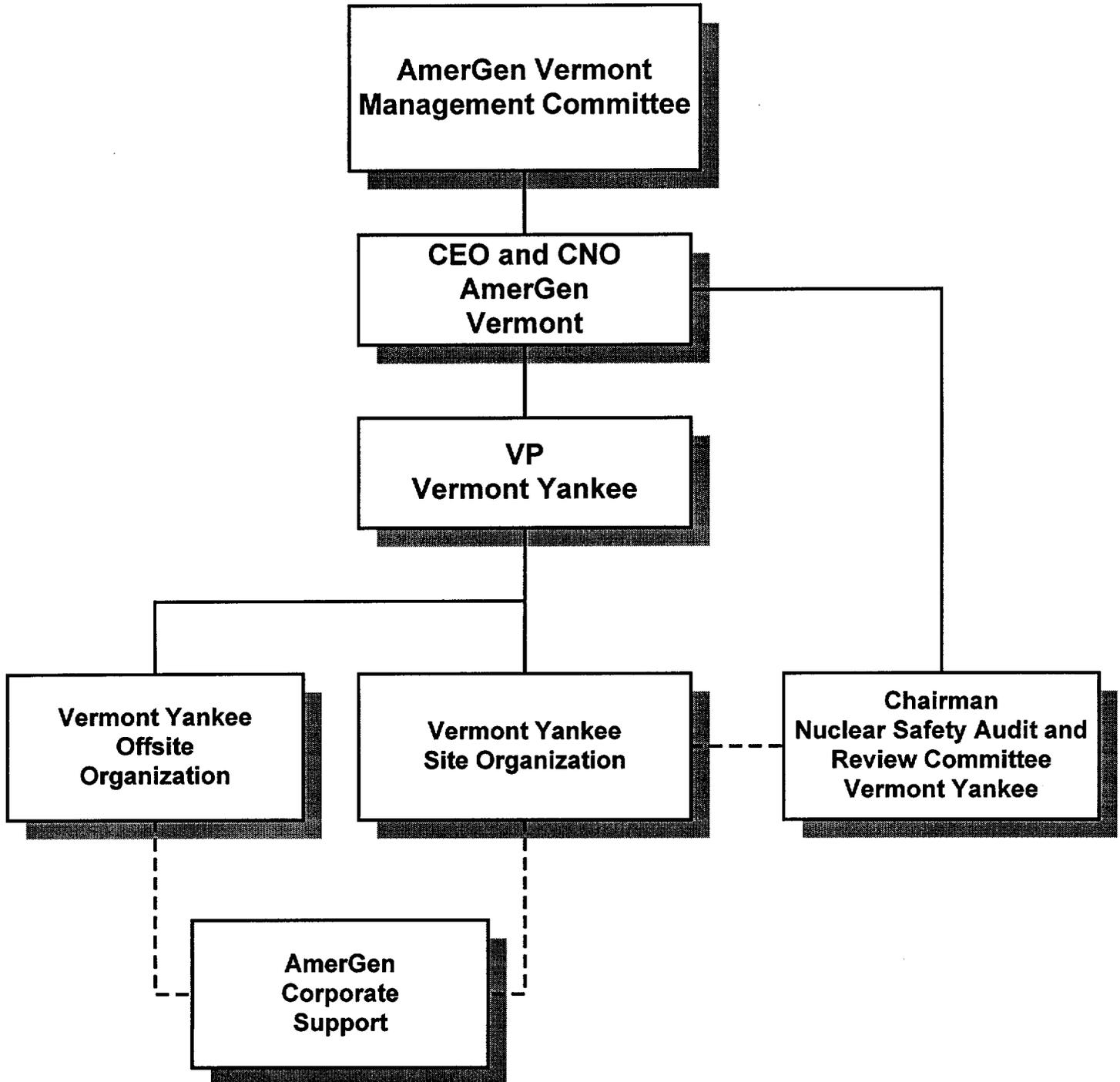


CHART 2

Attachment 3

Vermont Yankee Nuclear Power Station

Response to Request for Additional Information Regarding Transfer of
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Resumes of Chief Nuclear Officer and AmerGen Vermont Vice President, Vermont Yankee

GERALD R. RAINEY

12/21/99 - Present

President and Chief Nuclear Officer - PECO Energy Company and Chief Executive Officer - AmerGen Energy Company, LLC

As President and CNO - Responsible for direction of all PECO Nuclear functions within PECO Energy Company, including Limerick Generating Station, Peach Bottom Atomic Power Station, Nuclear Quality Assurance and Station Support.

As CEO - AmerGen Energy - Responsible for direction of Three Mile Island, Clinton Power Station and future acquisitions of nuclear power plants.

7/1/99 - 12/20/99

President and Chief Nuclear Officer - PECO Energy Company and Chief Executive Officer - AmerGen Energy Company, LLC

As President and CNO - Responsible for direction of all PECO Nuclear functions within PECO Energy Company, including Limerick Generating Station, Peach Bottom Atomic Power Station, Nuclear Quality Assurance and Station Support.

As CEO - AmerGen Energy - Responsible for direction of all acquisitions and future acquisitions of nuclear power plants.

6/1/98 - 6/30/99

President and Chief Nuclear Officer - PECO Nuclear - PECO Energy Company

Responsible for direction of all PECO Nuclear functions within PECO Energy Company, including Limerick Generating Station, Peach Bottom Atomic Power Station, Nuclear Quality Assurance, Nuclear Planning and Development, and Station Support and for providing management services at Millstone, Unit 1 and the Clinton Nuclear Power Station.

4/1/96 - 5/31/98

Senior Vice President - Nuclear Operations
PECO Energy Company

Responsible for the overall leadership of the operations portion of PECO Nuclear, including the four boiling water reactors at Limerick Generating Station and Peach Bottom Atomic Power Station, as well as PECO Nuclear's Support Services.

11/24/93 - 4/1/96

Vice President - Peach Bottom Atomic Power Station, PECO Energy Company

Responsible for all site operations of the two unit boiling water reactor facility.

7/20/92 - 11/24/93

Vice President - Station Support
PECO Energy Company

Responsible for Engineering and Nuclear Maintenance activities as well as Nuclear Information Systems and Business Services organizations.

6/4/90 - 7/20/92

Station Manager - Eddystone Generating Station
PECO Energy Company

Responsible for all site operations of Eddystone Generating Station.

12/87 - 6/4/90

Superintendent - Maintenance I&C
Peach Bottom Atomic Power Station
PECO Energy Company

Provided overall authorization and continuity for all aspects of plant equipment maintenance (corrective and preventive) and instrument controls. Also, directed required maintenance and housekeeping of building structures and general site area.

4/87 - 12/87

Superintendent - Plant Services
Peach Bottom Atomic Power Station
PECO Energy Company

Provided overall direction of nuclear station activities associates with Outage Management, Maintenance, and Health Physics Departments.

3/85 - 4/87

Branch Engineer Testing and Laboratories
Division - Engineering
Limerick Generating Station
PECO Energy Company

Responsible for the activities of all Testing and Laboratories Limerick branch personnel assigned to Limerick Generating Station. This included personnel assigned to Unit 1 to support the operating unit and the I&C technicians assigned to Unit 2 Checkout and Startup Organization.

10/81 - 3/85

Instrumentation and Controls Engineer
Limerick Generating Station

Reported to Technical Engineer and Project Startup Engineer on the following:

1. Coordinating the activities of the Research and Testing Division personnel assigned for checkout, test, and calibration of instruments and control loops related to system components under the control of the Electric Production Department.
2. Assigning specific duties and responsibilities to the personnel assigned to him.
3. Assigning priorities for instrument and control loop calibration maintenance, and surveillance testing.

2/80 - 10/81

Maintenance Department Vendor Coordinating
Engineer - Peach Bottom Atomic Power Station
PECO Energy Company

Reported to the Station Section Superintendent, Maintenance Department, on the following:

1. Coordinated the activities for outside contractors employed by the Peach Bottom Maintenance Department, and assigned duties and responsibilities to personnel in the Vendor Coordinator Group.
2. Provided Peach Bottom maintenance foreman with crafts to supplement his existing work forces.

2/79 - 2/80

Test Engineer - Cromby Generating Station
PECO Energy Company

Performance testing, plant accounting and maintenance of plant instrumentation, including calibration, troubleshooting, and tuning. Instructed and published technical support to all groups in the plant.

4/78 - 2/79

Test Engineer - Eddystone Generating Station
PECO Energy Company

Similar to those stated for Cromby Station above.

4/77 - 4/78

Supervising Technical Assistant - Eddystone
Generating Station
PECO Energy Company

Supervised the assigned work part of the Test Engineer group. This part of the group consisted of 6 to 10 technicians and new engineers. The majority of our work was controls maintenance and calibration.

1/75 - 4/77

Senior Technical Assistant - Eddystone
Generating Station - PECO Energy Company

Primarily assigned to startup group for Eddystone 3 and 4 plant. As startup progressed, duties shifted to those outlined for Test Engineer (2/79 - 2/80).

6/71 - 1/75

Technical Assistant - Eddystone Generating
Station - PECO Energy Company

Worked in Test Engineer group with same basic duties as those outlined from 2/79 to 2/80. Special projects included writing plant discussions for Units 3 and 4, instructing operating-training classes, and assisting engineer on Pratt and Whitney fuel-air composition effects on jet engines project.

6/69 - 6/71

Junior Technical Assistant - Barbadoes
Generating Station - PECO Energy Company

Worked in Test Engineer Group with same basic duties outlined from 2/79 to 2/80. Special projects included performing heat transfer tests on condenser tubes to determine the best method for acid cleaning condensers (1 month assignment); and startup assistance for Edison Steam Plant new boilers (2 month assignment).

RESUME
DREW B. FETTERS
VICE PRESIDENT
NUCLEAR ACQUISITIONS

PROFILE:

Twenty seven years of diverse engineering, engineering management, project management, construction and maintenance experience in connection with nuclear generating stations. Demonstrated ability to deal with top management and regulatory agencies.

PROFESSIONAL
EXPERIENCE:

PECO ENERGY COMPANY
(1973)

Vice President - Nuclear Acquisitions
(June, 1999 – Present)

Responsible for transition of Vermont Yankee from VYNPC to AmerGen Vermont ownership, including license transfer and financial closure, as well as planning for post-closing achievement of operational excellence initiatives. Serving also as Vice President, AmerGen, and Vice President, AmerGen Vermont.

Vice President - Nuclear Development
(June, 1998 – June, 1999)

Responsible for evaluating the feasibility of the Company's investment in nuclear opportunities in North America (specifically involved in Management Contracts, the AmerGen partnership and the TMI acquisition).

Vice President - Nuclear Planning & Development
(May, 1997 - June, 1998)

Responsible for leadership and oversight of central maintenance support (Reactor Services and Turbines), strategic planning, administration, business development and interface with the two nuclear facilities. Chairman BWROG Executive Oversight Committee.

Vice President - Station Support
(September 1995 -May, 1997)

Responsible for all Nuclear support functions, including Central Maintenance, Engineering, Licensing, Fuel Management, and Emergency Planning, for Nuclear's Limerick and Peach Bottom power plants. BWROG Executive Oversight Committee Member.

Director - Nuclear Engineering Division

(March 1994 - September 1995)

Report directly to the Vice President of Station Support Department. Responsible for nuclear plant design basis, engineering of major programs, projects and studies for PECO nuclear stations. EPRI Nuclear Power Council Member.

Director of Maintenance - Limerick Generating Station

(April 1993 - March 1994)

Report directly to the Vice President of Limerick Generating Station. Responsible for the planning and execution of all Maintenance and Instrument and Control activities for Limerick, two 1100 Mwe nuclear generating units.

Project Director - Financial Information Systems Project

(1992 - 1993 - 4 months)

Report directly to the Senior Vice President-Financial. Responsible for the development and execution of a project plan to replace the corporate general ledger, procurement and timekeeping systems at PECO.

NEEDS Task Force - Nuclear Group

(1992 - 9 months)

Member of a task force reporting directly to the Senior Vice President - Nuclear. This group performed a comprehensive analysis of all Nuclear Group activities and made staffing and organizational recommendations to executive management.

Manager of Projects - Limerick Generating Station

(1989 - 1993)

Report directly to the Vice President of Nuclear Engineering and Services Department. Responsible for establishing the priorities for all capital and expense modifications to the Limerick Station and through a staff of ten project managers assuring the timely planning, engineering and installation of all modification work.

Project Manager - Limerick Generating Station

(1987 - 1989)

Reported directly to the Vice President of Nuclear Engineering Department. Responsible for coordination of all engineering activities with respect to Limerick Unit 2 construction, and responsible for coordination of engineering support for the operational Limerick Unit 1.

Project Manager - Limerick Generating Station Unit 2

(1984 - 1987)

Reported to the Division Manager of Mechanical Engineering Division. Responsible for the coordination of all engineering at Bechtel and Philadelphia Electric Company for the construction of Unit 2 and the budget and cost for the entire project.

Assistant Chairman Test Review Board - Limerick Generating Station
(1983 - 1984)

Directed group of approximately 30 matrixed engineers in the review and approval of preoperational tests and results for the Preoperational Test Program for Unit 1 at Limerick.

Project Management Staff - Limerick Generating Station
(1980 - 1983)

One of three residents in Bechtel Power Corporation's offices in San Francisco. Performed overall owner management for Civil, Mechanical (Systems) and Plant Design work on Limerick.

Project Engineer - Containment Suppression Chamber Modifications for Peach Bottom Atomic Power Station
(1978 - 1980)

Responsible for research and design of upgrades to containment structures and systems. Served as member of the Mark I Containment Owners Group and Member of Technical Review Committee for the 15 Mark I GE BWR's.

Civil Engineer
(1973 - 1978)

Performed various structural design projects and was a construction field Engineer on Limerick Generating Station, a two-unit boiling water reactor, in the reactor building.

EDUCATION:

Bachelor of Science, Civil Engineering
Lehigh University - 1973

Masters of Science, Civil & Urban Engineering
University of Pennsylvania - 1978

Professional Engineer
State of Pennsylvania - 1979

Masters of Business Administration
St. Mary's College of California - 1984

Project Management Professional Certification - 1994

