

EDO Principal Correspondence Control

FROM: DUE: 07/26/00

EDO CONTROL: G20000336
DOC DT: 06/19/00
FINAL REPLY:

Mary Ann Daily
Pennsylvania State Representative

TO:

Chairman Meserve

FOR SIGNATURE OF :

** GRN **

CRC NO:00-0455

Executive Director

DESC:

ROUTING:

Request NRC Review Proposal for Construction of a
Gas-Powered Electric Utility on a Property which
Adjoins the Limerick Nuclear Power Plant

Travers
Paperiello
Miraglia
Norry
Craig
Burns
Kane, NMSS
Cyr, OGC
Lohaus, SP
Miller, RI

DATE: 07/12/00

ASSIGNED TO:

CONTACT:

NRR

Collins

SPECIAL INSTRUCTIONS OR REMARKS:

Template Secy-017

E-Rids Secy-01

OFFICE OF THE SECRETARY
CORRESPONDENCE CONTROL TICKET

Date Printed: Jul 12, 2000 08:33

PAPER NUMBER: LTR-00-0455 **LOGGING DATE:** 07/12/2000
ACTION OFFICE: EDO

AUTHOR: MARY DAILEY
AFFILIATION: PA
ADDRESSEE: RICHARD MESERVE
SUBJECT: REQUEST THE COMM TO REVEIW PROPOSAL FOR THE CONSTRUCTION AND
OPERATION OF A GAS-POWERED ELECTRIC UTILITY ON A PROPERTY, WHICH
ADJOINS A NUC POWER PLANT IN LIMERICK TOWNSHIP, ETC;

ACTION: Signature of EDO
DISTRIBUTION: RF

LETTER DATE: 06/19/2000
ACKNOWLEDGED No
SPECIAL HANDLING: SECY TO ACK

NOTES:
FILE LOCATION: ADAMS

DATE DUE: 07/26/2000 **DATE SIGNED:**

EDO --G20000336

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House of Representatives
COMMONWEALTH OF PENNSYLVANIA
HARRISBURG

COMMITTEES

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PENNSYLVANIA TRAUMA SYSTEMS
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DELEGATIONS

MONTGOMERY COUNTY REPUBLICAN
DELEGATION, SECRETARY

June 19, 2000

Richard Meserve, Chairman
Nuclear Regulatory Commission
Washington, DC 20555

Dear Chairman Meserve:

I am writing to request that the Nuclear Regulatory Commission (NRC) review a proposal for the construction and operation of a gas-powered electric utility on a property, which adjoins a nuclear power plant in Limerick Township, Montgomery County, Pennsylvania, and determine whether this project poses a threat to the health, safety and life of residents in nearby communities. In this regard, Limerick Partners, a subsidiary of Power Works L.L.L., is planning to construct a 500 megawatt gas-fired facility on property adjacent to a nuclear power plant owned by PECO Energy Co.

It is requested that the NRC undertake a thorough review of any and all safety considerations relating to the construction of this gas-fired utility within the shadows of a nuclear facility and to take appropriate action if the Commission determines that this project could pose a threat to public health and safety.

I believe there is a need for an impartial outside agency with expertise in nuclear materials and facilities to make a risk assessment for this plan. Keeping in mind the proximity of these two facilities to each other, it is imperative to determine whether a fire or explosion at this proposed gas-fired facility would pose a threat to the adjoining nuclear power plant, which could result in the release of radioactive material into the environment. My concerns have been heightened by the recent news reports on the forest fires that raged around the facility in Los Alamos, New Mexico, with its storage of nuclear material.

If for some reason, the NRC feels that it cannot take any action or even conduct any safety assessment based upon this request, please let me know what steps I

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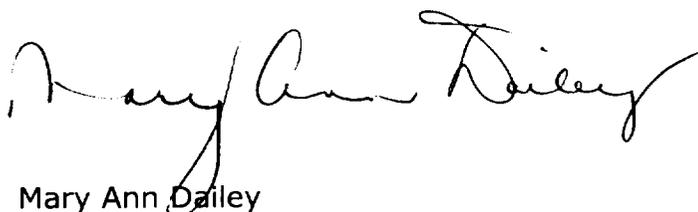
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can take to generate some action by the Commission or by some other agency of the federal government.

I am enclosing several newspaper articles which will provide you with some additional background material on this problem.

I hope to hear from you on this important issue as soon as possible.

Sincerely,

A handwritten signature in cursive script that reads "Mary Ann Dailey". The signature is written in black ink and is positioned above the typed name.

Mary Ann Dailey
State Representative
146th Legislative District

MAD/lsk

Enclosures

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The Inquirer **SUN** **IN** **QUIRER** **F** **S**

Friday, June 16, 2000

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PLAIN TEXT for printing EMAIL the story

Public gets say on new power plant

The firm that wants to build near the Limerick nuclear plant met with 100 concerned area residents.

**By Kathryn Masterson
INQUIRER SUBURBAN STAFF**

LIMERICK – PowerWorks, the company that plans to build a 500-megawatt power plant in Limerick, met with about 100 residents last night to sell the community on its proposal.

This was the first informational meeting in a year, though the proposed natural gas-powered plant has been a controversial and often discussed issue in Limerick.

"We are here tonight to start this process," said Ramesh Raman, president of PowerWorks.

Raman said the company would hold more meetings to keep the community informed about the project's progress.

State Rep. Mary Ann Daley told the audience she had requested a public-information session and public hearing with the state Department of Environmental Protection, which must approve PowerWorks' application

sp.ck

Project opponents demanded more information about the company and the environmental risks of the plant.

"I want to find out who you are before you come into my backyard," said Paula Terrell, a resident.

Limerick Partners, a division of Connecticut-based investment group PowerWorks, received zoning approval in December to build the plant on Sanatoga Road next to Peco Energy Co.'s nuclear-power station.

In January, the township and Limerick Partners negotiated a \$5.2 million impact fee, \$1.7 million of which will be used to construct a new sewer plant to serve the plant and the western part of the township.

The company is having the property resurveyed and plans to resubmit a sketch plan to the Board of Supervisors this month or next, Raman said.

Construction is expected to start by March 2001, and the plant should be operating before summer 2003, Raman said.

The project has met with opposition in the community, largely from two

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grassroots organizations, Concerned Citizens for Limerick's Future and an offshoot of the group, Ban-The-Plant.

Both groups have recently hired lawyers to fight the proposed power plant.

Supervisors Chairman Rick Fidler has told residents protesting the plant at Limerick Township meetings that they should turn their attention, instead, to the state Department of Environmental Protection, which must approve it.

Limerick Partners filed with the DEP for its air-quality permit March 15. Public hearings are to start next fall, Raman said.

Kathryn Masterson's e-mail address is kamasterson@phillynews.com.

A note to our readers:

We recently have upgraded our online publishing system. If you are experiencing any problems with the Inquirer Web site, please let us know. Include the date and time of the problem and a brief description. Send your comments to comments@staff.philly.com

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Residents prefer taxes to power plant in Limerick

By Kate Poot
Correspondent

The Limerick Township Supervisors met in front of a packed house on Tuesday night. The township residents came out in force to protest the gas to steam power generating plant that has been proposed by Limerick Partners LLC.

The proposed plant will be built on land adjacent to the current Limerick nuclear power plant, between Sanatoga and Longview roads. The plant will be privately owned and the power will be sold out of state.

Residents were enraged at the proposed plant. They brought up issues of unsightliness, noise and the storage of hazardous chemicals such as ammonia.

Above all their major concern was for the welfare of their children, elderly and infirm.

The Concerned Citizens for Limerick's Future presented testimony regarding the toxins they say will enter the air from the plant. They discussed the possibility of carcinogens and other toxins that would affect the health of the township residents.

The supervisors pointed out that Limerick Partners would have to apply for permits from the federal Environmental Protection Agency as well as the state Department of Environmental Protection.

See **Limerick**, page 3

Limerick residents prefer taxes to power plant

■ Limerick, from Page 1

The Concerned Citizens for Limerick's Future contested that those agencies only look at the individual impact of each plant in the area rather than the combined result. They brought up such issues as hazardous chemicals in the air combined from not only the proposed plant but also, the nuclear power plant and

Occidental Chemical and their effect on the quality of the air.

The supervisors brought up the fact that the power plant would bring much needed tax revenue into the township, and without that income it may be necessary to raise taxes in order to pay for the township's continued growth and development.

The crowd responded with an emphatic

"raise my taxes."

The supervisors stated that although they appreciated all of the residents' concerns they felt the need for further research in those areas. Supervisors Dennis Rumler, Pamela Ricci and Rick Fidler all stated that unless they saw information to sway their current standing that they are in favor of the power plant.

Limerick getting another power plant

By ERIK SCHWARTZ
Mercury Staff Writer

6/17/99

LIMERICK — Taking advantage of Pennsylvania's new, deregulated electricity market, a Connecticut company plans to build a \$300-million gas-fired power plant near the Limerick nuclear plant.

Limerick Partners, a subsidiary of PowerWorks LLC, has an agreement to buy 65 acres of land near the corner of Longview and Sanatoga roads, where the facility would draw natural gas from a Columbia Gas Transportation pipeline running through the property and produce electricity to enter the regional power grid near the nuclear power plant.

Limerick Partners, of Wilton, Conn., is among the first companies to move toward building new generation facilities in Pennsylvania.

Reflective of the new and changing mix of players in the energy industry, Columbia, the pipeline owner, is developing a plant in Eddystone, Delaware County. Gas companies, traditional utilities and start-ups are competing and merging, partnering and acquiring assets.

PECO Energy Co. owns the nuclear plant and the transmission wires running from it. Limerick Partners intends to sell its electricity on the wholesale market to a large utility such as PECO or another firm hoping to gain market share in a rapidly changing industry, according to co-owner and project financial chief Ramesh Raman.

"In Pennsylvania, everybody is trying to get market share," Raman said. "That's the name of this game."

Major energy companies, such as Atlanta's Southern Co., Florida Power and Light Co. Inc., and Southern California Edison Co., are coming to Pennsylvania, which sits in the world's third-largest power pool, or market, Raman said.

"This system is really set up for this type of deregulation," he said. "It has a very strong transmission grid."

(See POWER PLANT on A3)

Conn. company plans to build power plant in Limerick

(POWER PLANT from A1)

Limerick officials have been talking with Raman and his colleagues since last fall about the proposed 500-megawatt plant, which would generate enough electricity for 500,000 homes. PECO's Limerick Generating Station produces 2,200 megawatts.

With its gas and steam turbines, the new plant would need large amounts of water.

Township Manager Ed Fink said the project could help extend public-water service to homes in the Linfield section, where residents with wells struggle decreasing groundwater supplies.

Raman said his firm may take water from the nearby Schuylkill River or use treated

sewage-plant effluent or another source of "recycled water."

"We will try not to use potable water supplies because they are needed in the community," he said. "Whatever way we can do that, we will."

"Over our dead bodies" will the plant draw water from deep wells that would further deplete Linfield residents' groundwater, Fink said.

The facility would employ 15 to 20 people. As a private company, Limerick Partners would pay local property taxes unlike PECO, a public utility whose power plant returned the township about \$15,000 last year.

While the electricity market is being freed from government's control, building and operating a generation plant remains under

the purview of many regulators. Raman said his company would need approvals from a long list of federal, state, regional and local agencies.

Raman estimated construction costs at \$300 million and the complex would cover 13 acres with the remaining land left as a wooded buffer. He said groundbreaking would take place in "12 to 18 months because the permitting process will take that long."

"Finally, we'll have a use that will generate some definite revenue for" the township, Fink said.

Raman, 38, said he is one of three principals in Limerick Partners. The group is comprised of five veterans of the independent-power industry that

emerged after a 1978 federal law allowed firms to build plants to generate power and sell it to public utilities. The privately financed company is seeking sites throughout the country to develop natural-gas plants.

The plants are "flexible, efficient, environmentally benign source of power," he said. "It's a very sound way of producing electricity."

Burning natural gas produces none of the sulfur emissions common to oil- and coal-fired plants in eastern Pennsylvania. And, using technology similar to an automobile catalytic converter's, gas-fired plants release fewer oxides of nitrogen: 3 to 5 parts per million compared to 11 to 15 parts per million for oil and coal plants.

Gas plants like the one Raman's firm is proposing are designed to meet the standards of the federal Clean Air Act and will eventually help replace the nation's aging nuclear generating stations, he said.

Raman said he led the township supervisors' April 28 tour of a Sayreville, N.J., power plant to address their concerns about noise, and air pollution. He said that in the coming weeks and months the developers would work to explain the plant to residents.

"It's a large project, a big-dollar project," he said. "It's tough on people to have this sort of thing, even though once we've built it, it's not going to impact anybody. It's a change and a factor we're cognizant of."

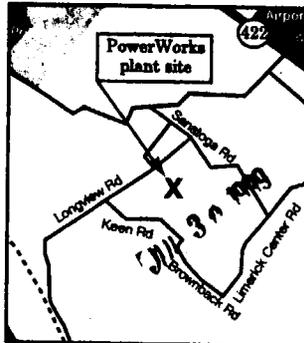
New Limerick plant would be air-cooled

By ERIK SCHWARTZ
Mercury Staff Writer

LIMERICK - Citing the current drought and a potentially drier future, the firm planning a natural gas-fired electric power station in the Linfield section of the township has chosen a design that dramatically reduces the amount of water required to operate.

PowerWorks L.L.C., of Wilton, Conn., will cool its proposed 500-megawatt plant using an air system, said project chief Ramesh Raman, decreasing the need for water from an average of 3.5 million gallons per day to less than 100,000 gallons per day.

"The main reason is that



Mercury Map by C.D. Six

using that much water doesn't work anymore, especially given the condition of Pennsylvania with the drought," Raman said.

"We did that consciously because it really is a more environmentally friendly technology."

To put a water-cooled power station's needs into perspective, Citizen's Utilities Water Co. of Pennsylvania now provides about 2 million gallons of water daily to 20,400 people in Limerick, Royersford, Spring City, Upper Providence, East Vincent and East Pikeland.

Initially, PowerWorks officials believed they would have to design a facility with an evaporation cooling system, reliant on large quantities of water, said Bob Courtney, PowerWorks engineer and principal. But improved technology now allows an air-cooled power station to

compete with water-cooled operations, Courtney said.

One thousand-degree exhaust from the plant's two gas-fired electric turbines will enter a steam generator. The hot air will heat water inside the generator and create steam.

The steam will power another electric turbine before it is pumped through a network of piping known as an air-cooled condenser. By blowing air on the outside of the pipes, the steam condenses back into water. The water is recycled to the steam generator.

PowerWorks' turbines will generate 500 megawatts of electricity, enough to supply the

(See POWER on A5)

New Limerick plant would be air-cooled

(POWER from A1)

average power needs of 300,000 homes. PECO Energy Co.'s Limerick Generating Station, just down Longview Road from PowerWorks' proposed site, produces 2,400 megawatts using nuclear power and consumes about 35 million gallons of water a day.

Competitors hoping to build power stations in newly-deregulated Pennsylvania are lining up projects throughout the region.

As with the Limerick nuclear plant, which helped prompt construction of the once-controversial Point Pleasant pumping station to divert water from the Delaware River, water is

an important consideration for the current wave of electricity entrepreneurs.

Last week, a Texas company announced plans for a 1,000-megawatt plant in Upper Hanover and Hereford townships. Panda Energy International Inc., of Dallas, is considering buying and pumping Allentown wastewater through an 18-mile pipeline to help supply the 8 million gallons a day it would need to run a water-cooled facility.

Using air "is a little more expensive and we do lose some efficiency," Raman said. "It's not a tremendous amount and we can live with it because we're closer to the (electricity) load

centers in Philadelphia and King of Prussia than the Berks County generators."

PowerWorks also will save \$1.5 million to \$2 million annually on water, a figure expected to rise, he said.

Despite the company's intention to cool its plant with air, PowerWorks still pledges to improve public water service in the Linfield area, where residents have long struggled with well problems, according to Limerick Township Manager Ed Fink.

Raman met with homeowners on Melissa Lane Monday night to discuss his project, which will sit less than a mile from their rela-

tively secluded cul-de-sac, and the ramifications of an air-cooled system.

An air-cooled condenser would require towers more than 100 feet tall, twice the height of towers in a water-cooled plant, Raman said. He told residents that the air-cooled condenser's fans would produce a noise level similar to what they would hear from a water-cooled facility, at or below the regulatory standard.

PowerWorks has begun applying for township approval. Complete permitting could take up to 18 months; construction is expected to take another 15 months.

A

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(POWER PLANT from A1)

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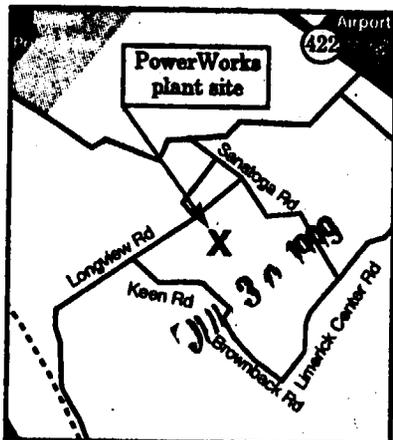
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