

ATTACHMENT 1
OFFICIAL TRANSCRIPT OF PROCEEDINGS
NUCLEAR REGULATORY COMMISSION

PUBLIC ENVIRONMENTAL SCOPING MEETING FOR LICENSE
RENEWAL AT MCGUIRE 1 AND 2

AFTERNOON SESSION
HUNTERSVILLE, NORTH CAROLINA

TUESDAY, SEPTEMBER 25, 2001

Official Transcript of Proceedings

NUCLEAR REGULATORY COMMISSION

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McGuire Nuclear Station Units 1 and 2
Afternoon Session

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Pages 1-58

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UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

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PUBLIC SCOPING MEETING FOR LICENSE RENEWAL
McGUIRE NUCLEAR STATION UNITS 1 & 2

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TUESDAY,
SEPTEMBER 25, 2001

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HUNTERSVILLE, NORTH CAROLINA

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The Public Scoping Meeting took place at the Central
Piedmont Community College, North Campus, 11930 Verhoeff Dr.,
Huntersville, North Carolina, at 1:30 p.m., Chip Cameron, Facilitator, presiding.

PRESENT:

- CHIP CAMERON
- RANI FRANOVICH
- JIM WILSON
- MAYOR JAMES HARRILL
- WAYNE BROOME
- LARRY DICKERSON
- THURMAN ROSS
- BREW BARRON

1 PRESENT: (Cont.)
2 DAYNA HERRICK
3 MELANIE O'CONNELL-UNDERWOOD
4 JOHN GIBB
5 ROSEMARY HUBBARD
6 ALLEN HUBBARD
7 SCOTT HINKLE
8 SALLY ASHWORTH
9 CONSTANCE KOLPITCKE
10 CATHERINE MITCHELL
11 JOAN BODONHEIMER
12 DON MONIAK
13 LOU ZELLER
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P-R-O-C-E-E-D-I-N-G-S

(1:30 p.m.)

FACILITATOR CAMERON: Good afternoon, everybody.

Welcome to the NRC's scoping meeting on the preparation of an Environmental Impact Statement on Duke Energy Corporation's application to renew the operating licenses for McGuire Nuclear Stations unit 1 and 2.

My name is Chip Cameron, I'm the Special Counsel for Public Liaison at the Nuclear Regulatory Commission, and it is my pleasure to serve as your facilitator for this afternoon's meeting.

What I would like to do is talk about three aspects of the meeting itself, before we get into a discussion of the substantive issues.

I would like to talk about the objectives of the meeting. I would also like to talk about format and ground rules for the meeting. And, third, I would like to just give you an overview of the agenda for today's meeting, so that you know what to expect.

In terms of the objectives for the meeting, the NRC wants to explain, to all of you, what the process is for evaluating applications to renew licenses for nuclear plants. And specifically to talk about the environmental review process that the NRC engages in, in evaluating these applications for license renewal.

Now, the meeting is called a scoping meeting, and that is a term that is associated with the preparation of an Environmental Impact Statement. And as you probably know the Environmental Impact Statement is a document that assists the NRC in making a decision on whether to renew the licenses for a particular nuclear power plant.

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1 And scoping basically is a process to help the NRC to identify
2 the information on environmental impacts, on alternatives that should be
3 considered in preparing the Environmental Impact Statement.

4 And that brings me to the second objective. Today the NRC
5 is here to listen to your comments on potential environmental impacts and
6 alternatives. And they will use those comments to help set the scope for the
7 Environmental Impact Statement.

8 The NRC is also accepting written comments on these
9 scoping issues, and you will hear more about that later. But we are here,
10 today, to talk to you in person. And there may be some information, either from
11 the NRC, or from others in the community, in the audience, that will help you
12 to prepare written statements, if you decide to file those written statements with
13 the NRC.

14 But I would just emphasize that the comments made here
15 today have the same weight as the written comments that the NRC will receive.

16 Our format tonight is basically we are going to have two parts
17 to the meeting. The first part is going to consist of two brief NRC presentations
18 to give you some background on license renewal.

19 And after each of those presentations we will go on to you for
20 any clarifying questions that you may have, to make sure that you understand
21 the process before we go on.

22 The second part of the meeting is to give those of you who
23 want to make a more formal statement on potential impacts, potential
24 alternatives. That second part of the meeting will give all of you an opportunity
25 to do that.

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1 And there are some sign-up cards out front. I think people
2 have been signing up to speak. We may not take you in the order you signed
3 up, but please be assured that we will get to you before the meeting is over
4 today.

5 And that leads me to ground rules. Very simple, I just want
6 to make sure that everybody has an opportunity to speak today. And I would
7 ask you to try to be as concise as possible, and I'm also asking all of you to
8 follow a five minute guideline.

9 So if you could wrap up at five minutes, then we will go on to
10 the next person. We are taking a transcript of the meeting today, and that will
11 be available from the NRC.

12 You can either -- I can bring this talking stick out to you, and
13 you can speak from your seat, or you might want to come up to the podium
14 mike to do your formal statements.

15 But if you have a question I will bring this out to you. Just tell
16 us your name, and your affiliation if appropriate, we will have that on the record.

17 And I would ask that only one person at a time speak, not
18 only so that we can get a clear transcript for the meeting, but also so that we
19 can give our full attention to whomever has the floor at the time.

20 In terms of the agenda, we are going to have two NRC
21 presentations, as I said. The first one is going to be by Rani Franovich. She
22 is going to give us the overall context for NRC license renewal.

23 And then we are going to go to Jim Wilson, who is going to
24 talk about the environmental review process for license renewal. And after
25 each of those we will go for questions and answers.

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1 And I should tell you a little bit about both Rani and Jim,
2 before we get started. Rani Franovich is right down here, and she is the project
3 manager for the safety issues on the McGuire license renewal application. And
4 Rani has a background in human factors engineering, a bachelor's in
5 psychology, and a master's in industrial and systems engineering.

6 She is with the license renewal and standardization branch,
7 which is within NRC's Office of Nuclear Reactor Regulation. She was the NRC
8 resident inspector at Catawba for six years, and she has been with the Agency
9 for approximately 10 years, and she will be coming up in a minute to talk about
10 the safety aspects, and also how the environmental aspects are factored into
11 the NRC's decision, along with any inspection findings.

12 Then we are going to go to Mr. Jim Wilson, who is right here.
13 He is the environmental project manager for the McGuire license renewal
14 applications, and he is going to talk specifically to the environmental issues,
15 and the environmental process.

16 Jim is also from the Office of Nuclear Reactor Regulation at
17 the NRC, and he is in a different branch, the branch that does all of the
18 environmental reviews on license renewal. And that branch is the Risk-
19 Informed Initiatives, Environmental, Decommissioning and Rulemaking Branch.

20 Jim has a bachelor's degree in biology, and a master's in
21 zoology, and has been with the Agency for more than 25 years.

22 I would just thank all of you for being here and taking the time
23 to share your comments, and to listen to the NRC today. The NRC has an
24 important decision to make in terms of evaluating these license renewal
25 applications.

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1 And any information that you provide to the NRC today will
2 be helpful to the NRC in making that decision. One final comment. There is
3 something called a feedback form. I always have trouble with that term. But
4 basically it is to get any views that you have on how effective this meeting was,
5 or is there any way that we could improve these meetings.

6 Those forms are back on the registration desks. So if you
7 wouldn't mind filling one out and giving us your perspective, we would
8 appreciate that.

9 And with that I think I'm going to go to Rani. I'm
10 technologically challenged, so I'm going to let someone else do that. I think we
11 have been through purpose and, Rani, why don't you just take it away?

12 MS. FRANOVICH: Can everybody hear me? Okay.

13 As Chip indicated I'm Rani Franovich, I'm the project
14 manager for the safety review of the application for the Catawba and the
15 McGuire license renewal. And just to make it clear, the current operating
16 licenses for the McGuire Units 1 and 2 are due to expire in 2021 and 2023,
17 respectively.

18 The application for renewal, essentially, requests an
19 extension in the operating life of the plant, for up to an additional 20 years.

20 Before I get started on this slide I just want to take a few
21 minutes to describe for you all what the NRC is, and what we do. The NRC is
22 authorized by the Atomic Energy Act of 1954 to regulate the civilian use of
23 nuclear materials.

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1 Our mission is to ensure adequate protection of public health
2 and safety, to protect the environment, and also to provide for the common
3 defense and security.

4 The regulations that the NRC enforces are contained in Title
5 10 of the Code of Federal Regulations, which is commonly referred to as
6 10 CFR. The Atomic Energy Act provides for a 40-year license term for power
7 reactors, but it also allows for renewal.

8 The 40-year operating term is based more on economic
9 considerations and antitrust factors, than safety limitations of the plants. We
10 have, through operating experience, found that major components, some major
11 components that were originally expected to last for 40 years may not,
12 realistically, last for that long.

13 An example of that is steam generators. And a lot of plants
14 across the country have replaced their steam generators for that reason. So
15 we find that because some components and structures can be replaced, or
16 reconditioned, plant life is really determined primarily based on economic
17 considerations.

18 Applications for renewal are submitted years in advance for
19 several reasons. One is if a nuclear power plant's generating capacity is
20 replaced, it can take up to ten years to plan and construct a new generating
21 capacity plant.

22 Also plans to replace or recondition major components are
23 early considerations for license renewal. So now onto the license renewal
24 process. It is defined in 10 CFR Part 54. Part 54 defines the regulatory
25 process for license renewal, and it also incorporates 10 CFR Part 51, which

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1 provides for the Environmental Impact Statement that is prepared in support of
2 the license renewal determination.

3 The license renewal process defined in 10 CFR Part 54 is
4 similar to the original licensing process in that it involves a safety review, and
5 an environmental review, plant inspections, and a review by the Advisory
6 Committee on Reactor Safeguards, the ACRS.

7 The ACRS is a consultant body to the Commission, so they
8 review the staff's findings on the license renewal application, and we factor their
9 input into the process for issuing a renewed license.

10 This next slide illustrates how the safety review and the
11 environmental review are done. Chip has disappeared with the other mike, so
12 -- where is the other mike?

13 Oh, well, I will just stand here and point to the slide. The
14 safety review process is illustrated in the upper left portion of the slide. And
15 that involves on-site inspection activities, which is done at the plant, by a
16 Region 2 inspection team.

17 The safety review process involves the on-site inspection
18 activities as well as the safety review process the staff does in our headquarters
19 office in Rockville, Maryland.

20 The document that contains the findings and conclusions of
21 the inspection activities is the inspection report. And those inspections are two
22 to three, and the findings, I think, are documented in two to three reports, one
23 for each inspection.

24 The safety review process, the staff's evaluation and findings
25 are documented in the safety evaluation report, which is right here. The safety

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1 evaluation report is reviewed by the ACRS, that is that consultant and advisory
2 committee. And they generate an ACRS report.

3 The inspection report and the ACRS report factor into the
4 Agency's decision on the application. In addition the safety evaluation report
5 also is factored in. If Hearings are applicable, if someone has a contention, and
6 they meet several criteria for bringing their contention into the process, then
7 hearings will also factor into the Agency's decision.

8 And then at the very bottom of the slide you see the parallel
9 process for the environmental review, which involves scoping activities, the
10 generation of a draft supplement to the generic Environmental Impact
11 Statement, comments on that draft, and then finally the final supplement to the
12 generic Environmental Impact Statement.

13 I'm going to talk a little bit about the safety review process.
14 The scope of the renewal safety review process is an evaluation of the
15 effectiveness of existing or proposed inspection and maintenance activities to
16 manage aging effects applicable to a defined scope of passive structures and
17 components.

18 10 CFR 54, the license renewal rule, requires that renewal of
19 an application also evaluate things that are called time limited aging analysis.
20 Those are original design analysis that include a specific assumption about
21 plant life, or component life, usually 40 years.

22 In its application for renewal, an applicant must perform a re-
23 analysis of those assumptions, and describe the implications for the
24 components and structures that they were originally provided for.

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1 Current regulations are adequate for addressing active
2 components because those active components are continuously challenged to
3 reveal degradation or failures. So we have current regulations, quality
4 assurance program, and corrective actions that ensure that those failures are
5 addressed now, as they occur.

6 Current regulations also exist to address other aspects of the
7 existing license. For example emergency plans, and security plans. Those
8 current regulations will also apply in the extended period of operation.

9 Last month the NRC issued a notice to announce its
10 acceptance of Duke Energy's license renewal application for McGuire and
11 Catawba, as well as the opportunity for public participation in the license
12 renewal process.

13 The NRC has received petitions to intervene from two groups.
14 One is the Nuclear Information and Resource Service, and the other is the Blue
15 Ridge Environmental Defense League. If granted the Petitions to Intervene will
16 involve hearings, as illustrated in this slide.

17 So this concludes my brief overview of the safety review
18 process. At this time I would like to see if there might be any questions that I
19 can address from the members of the public.

20 FACILITATOR CAMERON: Any questions for Rani, clarifying
21 questions about the overall license renewal process?

22 (No response.)

23 FACILITATOR CAMERON: Okay, let's go to Jim Wilson.
24 Thank you very much, Rani.

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1 MS. FRANOVICH: Sure. And also I will be available after our
2 presentations if anybody has any questions that they can think of, just come
3 and get me. Thank you.

4 MR. WILSON: My name is Jim Wilson, I'm the environmental
5 project manager for the NRC's review of the application by Duke Energy for
6 license renewal at McGuire.

7 I'm responsible for coordinating the efforts of NRC staff, and
8 our contractors from the National Laboratories to conduct and document an
9 environmental review, and produce an Environmental Impact Statement.

10 NEPA, the National Environmental Policy Act, was enacted
11 in 1969. It requires all federal agencies to use a systematic approach to
12 consider environmental impacts during certain decision making proceedings
13 regarding major federal actions.

14 NEPA requires that we examine environmental impacts of the
15 proposed action, and consider mitigation measures when the impacts are
16 severe. It requires that we consider alternatives to the proposed action, and
17 examine impacts of the alternatives.

18 Finally NEPA requires that we disclose all of this information,
19 and we invite public participation to evaluate it.

20 The NRC has determined that it will prepare an Environmental
21 Impact Statement associated with renewal of operating licenses for an
22 additional 20-year period. Therefore, following the process required by NEPA,
23 we will prepare an Environmental Impact Statement; we will issue it in draft for
24 public comment; and we will look at the environmental impacts associated with
25 McGuire operating for an additional 20 years.

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1 As noted in our Federal Register notice last month, we are
2 conducting scoping to collect comments on what we should include in our
3 Environmental Impact Statement, and this meeting today is part of that scoping
4 process.

5 This slide describes the objectives of our environmental
6 review. Simply put, we are trying to determine whether the renewal of the
7 McGuire licenses is acceptable from an environmental standpoint, if license
8 renewal is a viable option, or not.

9 Whether or not Duke chooses to exercise that option, whether
10 or not they actually operate the McGuire plants is a decision that will be
11 determined by others, such as Duke Energy and state regulatory agencies, and
12 will depend in large measure on the outcome of the safety review.

13 This slide shows in a little more detail the environmental
14 review process associated with a license renewal for McGuire. We received
15 the application in June for license renewal, we issued a notice of intent in
16 August, and informed the public that we are going to prepare an Environmental
17 Impact Statement and conduct scoping. We announced this meeting.

18 And during this scoping process we are going to be collecting
19 comments from the public at the meeting this afternoon, and another one this
20 evening. And these comments will help us determine what the scope and the
21 environmental issues that we should include in our Environmental Impact
22 Statement.

23 Earlier this week we went to the McGuire site with a combined
24 team of NRC staff and personnel from the National Laboratories with

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1 backgrounds in the specific technical and scientific disciplines that are required
2 to perform this environmental review.

3 We familiarized ourselves with the site, and we met with staff
4 from Duke Energy to discuss the information they had submitted in their
5 environmental report. We audited material that was available at the site, and
6 we met with federal, state, and local agencies, and with local service agencies
7 in this area, to collect information that we would need to conduct our
8 environmental review.

9 At the close of the scoping comment period, which is October
10 21st, we will gather up all the comments that we've gathered at this meeting
11 along with any written comments, and we will consider the comments that we
12 received from the public, and from state and federal agencies. Typically, many
13 of these comments contribute materially to our Environmental Impact
14 Statement, when we produce it.

15 We expect to issue the Draft Supplemental Environmental
16 Impact Statement for public comment. This will be Supplement 8 to the
17 Generic Environmental Impact Statement, and we are going to be relying on
18 the conclusions that are in the Generic Environmental Impact Statement for a
19 portion of our findings.

20 The report will be issued as a draft, not because it is
21 incomplete, but because we are at an intermediate stage in a decision making
22 process.

23 After we've issued the Draft Supplemental Environmental
24 Impact Statement, we will have another set of transcribed public meetings to
25 gather comments from the public on whether we did get it right - was the

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1 Environmental Impact Statement adequate to address the application that we
2 received.

3 After we gather the comments on the Environmental Impact
4 Statement draft, we will evaluate them, and if necessary we will revise sections
5 of the final Environmental Impact Statement and issue that early 2003.

6 During our preparation of the draft Environmental Impact
7 Statement for license renewal at McGuire we are going to be talking with state
8 and federal agencies, and resource and permitting agencies. We are going to
9 be talking with local officials, we are going to be talking with service agencies,
10 and as I said before, yesterday we conducted a site audit at the McGuire site,
11 to look at the 20 years of operating data they've collected on-site. And we have
12 people in the area still meeting with county commissioners, and planning
13 commission, we will be doing that later on this week, after the meeting, also.

14 This slide gives an idea of the technical disciplines that we
15 include in our environmental review. We've assembled a staff of about a dozen
16 technical and scientific experts from National Labs, and from the NRC Staff.
17 And they are going to be helping us prepare Environmental Impact Statement
18 to look at the environmental impacts associated with operating the McGuire site
19 for an additional 20 years.

20 And this slide gives you an idea of some of the various
21 technical areas we are looking at...

22 A quick recap of the current status. We are currently in the
23 middle of a scoping period to collect comments on what should be included in
24 the Environmental Impact Statement. That scoping period closes October 21st.

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1 We expect to issue a Draft Environmental Impact Statement
2 in the May time frame of next year. And after receiving comments on the draft
3 we intend to finalize the document and issue it in final form, in about January
4 of 2003.

5 This slide provides information on how to access the McGuire
6 license renewal environmental documents. You can contact me directly at the
7 phone number given there, and I will try to answer any questions you have
8 about the staff's review.

9 You can review the application online, or at the NRC website,
10 or at the University of Charlotte J. Murrey Atkins library.

11 And the last slide gives details on how to submit comments
12 on the scope of the draft Environmental Impact Statement. You can give your
13 comments -- did I do something? That is it? Okay.

14 You can give your comments at today's meeting. We will be
15 taking a transcript, we will be evaluating your comments. You can submit them
16 via email at the email address given, mcguireeis@nrc.gov. Or you can send
17 us a letter to the address given, or you can present them in person, in
18 Rockville, Maryland.

19 Do you all have any questions about our environmental
20 review?

21 PARTICIPANT: What were those two dates, again, for the
22 draft?

23 MR. WILSON: We will issue the draft about May of next year,
24 May of 2002. And, again, we will issue a Federal Register notice. If you sign

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1 up in the lobby we will send you a copy of the Environmental Impact Statement,
2 give us your address and we will put you on the mailing list, distribution list.

3 The final document will be issued in January 2003. The other
4 date you need to realize, or keep track of, is October 21st, that is the end of the
5 scoping period when we will gather up all the comments people have submitted,
6 and close the scoping period.

7 FACILITATOR CAMERON: Are all of those dates clear to
8 everybody?

9 (No response.)

10 FACILITATOR CAMERON: Are there any other questions
11 about the environmental review process that Jim could answer before we go on
12 to comments from all of you?

13 (No response.)

14 FACILITATOR CAMERON: Okay. Thank you very much,
15 Jim.

16 We are going to go to the second part of the meeting, which
17 is to hear from those of you who wish to make a statement on potential
18 environmental impacts, alternatives that may help the NRC in the scoping
19 process.

20 And I'm going to ask Mayor James Harrill, the Mayor of the
21 town of Stanley, North Carolina, correct? Mayor Harrill.

22 MAYOR HARRILL: I appreciate the opportunity today to
23 stand here and tell Duke Power, NRC, how grateful we are to have Duke
24 Power, and have McGuire Station here.

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1 It is a great impact on our economy. It brings in a lot of
2 money, a lot of good employees in this area. As far as I've ever heard, and can
3 tell, it is a very safety conscious company. And I think that is something that
4 we all ought to be proud of.

5 I have a nephew that is a nuclear operator, and every fifth
6 week, of the rest of his life, as long as he works in nuclear, he has to go to
7 school. I don't know of any other company, or anybody that is that safety
8 conscious, and that concerned.

9 I have another nephew, by marriage, that is a biologist. And
10 I've heard him say some of what he has to do. They are very, very safety
11 minded, very conscious about the environment, about the working conditions.

12 And after what happened last week, that is something we all
13 have got to be very proud of, that they are safety conscious, and they are
14 thinking about us, other than the economy.

15 Thank you very much for letting me speak.

16 FACILITATOR CAMERON: Thank you, Mayor. We are
17 going to hear from some of the people involved in emergency planning now,
18 and I would like Wayne Broome to come down. Wayne is the director of the
19 Charlotte Mecklenburg emergency management unit.

20 MR. BROOME: Thank you, good afternoon. My name is
21 Wayne Broome, I'm the director of the emergency management office for the
22 city of Charlotte in Mecklenburg county.

23 I have been working in the area of nuclear planning ever
24 since McGuire came out of the ground. I took McGuire out of the ground, and
25 I brought Catawba out of the ground.

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1 And I have been working with Duke Power on an almost daily
2 basis ever since then. I have found that a lot of times in the planning process
3 you have to get everybody on the same sheet of music before you can become
4 successful in your efforts.

5 We initially started out with some situations where local
6 government and Duke had to come to agreement, and we did. We don't
7 always agree, but we always come to the conclusion that citizen safety is a
8 primary factor that we must address.

9 And I have never come to an incident, in the process that I
10 have been involved with, and as long as I have been involved with, where that
11 has ever failed to produce a good result for both Duke, for local government,
12 and for the citizens that live around the nuclear power plants.

13 I think if you went through one of those facilities and looked
14 at the security measures, if you saw how they were built, it may change a lot of
15 opinions of people regarding nuclear power and nuclear industry.

16 We should be, and are, working on a daily basis to make sure
17 that the planning associated with an incident at McGuire is successful. And I
18 don't speak to that because we are evaluated, each and every year, by outside
19 organizations. It is not local government looking over our shoulder, it is not
20 another organization looking over our shoulder, it is the federal government, the
21 NRC in partnership looking over our shoulders to make sure that what we put
22 in a book, is an emergency plan that works, and works for you, the citizens.
23 Thank you.

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1 FACILITATOR CAMERON: If you want to ask a question
2 after we are done, why don't we do that, so we can get everybody on. But we
3 will try to make sure that Mr. Broome is around to answer your question.

4 Let's go to Larry Dickerson, director of the Iredell County
5 emergency management office. Mr. Dickerson.

6 MR. DICKERSON: I am Larry Dickerson, I'm with Iredell
7 County emergency management in Iredell. Or if you are from up north it is
8 Iredell.

9 I am not as old as Wayne. I didn't bring McGuire out of the
10 ground, nor did I bring Catawba out of the ground. But shortly after that I came
11 on board. I have been working with folks at Duke Energy since it was Duke
12 Power.

13 And long before that, for about 15 years now, it has been my
14 privilege to work with them in a number of exercises. I would simply echo the
15 things that Wayne has said, but go a little bit further, the things that the folks
16 at McGuire have worked with us on, in providing equipment to local emergency
17 management, and to our emergency operation center.

18 They have provided, recently, instrumentation. We are
19 constantly online with them with selective signaling, with decision lines, with
20 other communications devices that keep all of the counties that surround
21 McGuire, particularly in what we know as the EPZ, together, and in constant
22 communication.

23 And, again, to reiterate what Wayne said, we are looking at
24 a number of safety issues here, and never, not a single time, has the issue of
25 safety of citizens ever come into question. That has always been something

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1 that has been paramount not only in emergency management, but as well as
2 the folks at Duke Energy.

3 It is a partnership and it is a cooperative partnership. And we
4 continue to look forward to working with a fine group of professional individuals
5 that they are.

6 Now, having said that from the emergency management side
7 of it, I will switch to the environmental side of it, to the folks in zoology and
8 biology.

9 I'm also president of the North Carolina Falconer's Guild. I'm
10 very much involved in raptor biology. I have been working with birds for about
11 seven years now. And I can tell you that they are very viable, and apparently
12 very healthy members of the accipeter family, buteo family, as well as the
13 osprey, along Lake Norman, along Lake Wiley.

14 So from my personal observations, at least as far as the birds
15 of prey are concerned, not only are they viable, but they are healthy. Thank
16 you.

17 FACILITATOR CAMERON: Thank you, Mr. Dickerson. I'm
18 going to work on Iredell. You know, northerners, you can dress them up, but
19 you can't take them anywhere, I guess. But thank you very much.

20 Usually when people come up to make their comments we
21 don't have a question and answer with them. But if there is time at the end of
22 the meeting we may be able to address that question.

23 I think our last local government official, before we hear from
24 Duke Energy about their intentions in terms of the license renewal application,
25 is Mr. Thurman Ross.

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1 Mr. Ross is with the town of Cornellius, North Carolina. Mr.
2 Ross.

3 MR. ROSS: Good afternoon. I'm with the town of Cornellius,
4 and I have been around for a awhile, and I was born in this area. And Duke
5 has always been a neighborly company.

6 My mentor, when I was a child, took me on Duke Power, so
7 I actually saw some land that Duke Power sits on today, and she lives right
8 beside of Duke Power. And she, every time we go over there, she always tells
9 a story about Duke Power, and how safe it is, and everything like that.

10 So from a personal point I think they are good neighbors. We
11 have even been out to their grounds for gatherings, family gatherings, and
12 church gatherings.

13 Now, from the political side being a public official, safety is our
14 number one concern for our citizens. And Duke Power has always shown to
15 be safe with the standards they put in place.

16 The town manager has a brother and mother that works for
17 Duke Power, and he keeps us informed on, keeps us updated on Duke Power.
18 And as far as the economic around here, I have a lot of friends that work at
19 Duke Power. They have been at Duke Power for a while, and it is a huge
20 impact on the economy.

21 And we are just glad to have Duke Power as a neighbor.
22 Thank you.

23 FACILITATOR CAMERON: Thank you, Mr. Ross. Let's go
24 to the Duke Power representatives right now. Mr. Brew Barron is the site vice
25 president at McGuire. Brew?

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1 MR. BARRON: Good afternoon, and thank you Chip for the
2 opportunity to speak.

3 My name is Brew Barron, and I'm site vice president at
4 McGuire Nuclear Station. I have been an engineer with Duke Energy for over
5 29 years now. And I spent 15 of those years working directly at McGuire.

6 At McGuire we consider ourselves to be valued members of
7 this community, good neighbors. As a neighbor I wanted to come over and
8 provide some information about McGuire, and about our license renewal
9 process, and our application.

10 Dayna Herrick, who is an engineering supervisor at McGuire
11 is going to provide some information about the environmental programs, and
12 the environmental report. Dayna has a degree in civil engineering. She has
13 worked with Duke Energy for 11 years and spent seven of those years
14 managing environmental programs at McGuire.

15 Our presentation is going to consist, speak on three topics.
16 First of all a little bit of background about McGuire, then I will give an overview
17 of the license renewal application that we sent in, and then Dayna, as I said, will
18 cover the third topic, which will be a summary of the information in the
19 environmental report.

20 Telling you a little bit about McGuire. McGuire was designed,
21 built, and is operated by Duke Energy. It is located on the south end of Lake
22 Norman, near Huntersville. It produces over 2,200 megawatts of electricity.

23 That is enough power to power four cities the size of
24 Charlotte, or larger, all at the same time. We have been operating for 20 years

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1 and providing safe, reliable, and economical power to the community in which
2 we live.

3 Our employees not only work at McGuire, but they live in this
4 area, they are members of this community, their families live here. Their prime
5 mission is the safekeeping of their families, their friends, their neighbors, and
6 the environment in which they all live and play.

7 We do a number, they participate in a number of community
8 support activities. We've had an 11 year association, a partnership, with the
9 Catawba Spring School over in Lincoln county. It is an elementary school
10 where our employees go over and help the students with math and writing,
11 computer skills, perform as lunch buddies with them, email pals, those type of
12 programs, to help them develop.

13 For the past five years we've had a pen pal program with the
14 Long Creek Elementary school in Mecklenburg County. We have 100
15 employees at McGuire that are routinely exchanging letters with fifth graders
16 at Long Creek elementary to help those students develop their written skills,
17 and develop them to be better students and better citizens, better members of
18 our community in the future.

19 We sponsor clean cast fishing events for local children;
20 scouting events, Boy Scouts and Girl Scouts events on-site that allow those
21 Scouts to earn credit for merit badges in energy, or the environment, or
22 computer skills.

23 And we have annual United Way and Arts and Science
24 Council campaigns. Last year the McGuire employees contributed 160,000

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1 dollars worth of their money to local communities through United Way
2 agencies.

3 Supporting the community is a priority for them. Again, we
4 are members of this community, we live here, our families live here, and this is
5 our number one mission, is protection of the area in which we live.

6 The decision to pursue license renewal for McGuire is not a
7 trivial one, it was not a simple decision. In May of 2000 Duke Energy's Oconee
8 Nuclear Station was issued a renewed license.

9 We know from that project, and that experience, that a
10 license renewal application requires the review and evaluation of a tremendous
11 amount of data.

12 We decided to investigate and put together a license renewal
13 application for McGuire, but we decided to do that with the same people, the
14 same experienced team of engineers and scientists that assembled that
15 application for Oconee.

16 We wanted to make sure that we used the best talent
17 available to scrub through that data, turn over every rock that we possibly
18 could, and make sure that every issue that could be related to the safety of
19 McGuire, or its environmental impact, over an extended license period, would
20 be addressed as a part of that application.

21 We have taken on that task, we prepared the application, and
22 on June 13th of this year we submitted an application for license renewal for
23 McGuire Nuclear Station.

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1 That application contains 1,300 pages of data on
2 environmental, technical, and general issues, analysis that support them, and
3 500 engineering drawings that support those analysis.

4 We believe we have turned over every rock, and we have put
5 together the best possible analysis and application for license renewal at
6 McGuire. If the NRC in their efforts have additional questions, need additional
7 data, we are prepared to locate that data, do those analysis, and answer those
8 questions.

9 We believe that license renewal is the right answer for our
10 customers, for our neighbors, and for the community in which we live.

11 And part of this analysis we reviewed various alternatives to
12 license renewal. McGuire Nuclear Station provides low cost base load
13 electricity to the Piedmont Carolinas.

14 We looked at solar, wind, conventional fossil generation, as
15 methods to be able to replace McGuire. But none of those alternatives were
16 selected. We didn't select them because of their high cost, relatively low
17 electrical output, land use impacts, and other environmental impacts.

18 We reached the conclusion, by looking at existing data, and
19 talking to a number, and receiving input from a number of recognized subject
20 matter experts, that there will be no significant environmental impact to the
21 renewing the license for McGuire Nuclear Station.

22 As I said earlier, we are members of this community, and
23 proud to be such. And I want to invite all of you, who are members of the
24 community, to come visit us at McGuire, to come to the energy explorium, learn

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1 more about our site, and make sure that you are absolutely comfortable with
2 McGuire's operation, both today and in the future.

3 And thank you for the opportunity, and thank you for your
4 support, and thank you for the opportunity to speak today.

5 FACILITATOR CAMERON: Thank you very much, Brew.
6 Let's next go to Dayna Herrick who is the engineering supervisor at McGuire.
7 Dayna?

8 MS. HERRICK: My name is Dayna Herrick, I'm an
9 engineering supervisor at McGuire.

10 It was more than 75 years ago that Duke Energy first
11 established its environmental program. And they were one of the first electric
12 utilities to do that.

13 Now our staff numbers more than 150 environmental
14 scientists, technicians, and engineers, whose job is to monitor and safeguard
15 the environment.

16 The initial environmental review for McGuire was conducted
17 in the early 1970s, and it laid the groundwork for the monitoring that we do at
18 McGuire every day.

19 We reviewed these 20-plus years of data, and we consulted
20 with environmental resource and regulatory agencies to make sure that we fully
21 considered all of the relevant issues necessary for McGuire's continued
22 operation.

23 As part of our environmental report we looked at 13 major
24 environmental areas that I've grouped into four general categories, water,
25 plants and animals, air, and people.

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1 I'm going to briefly talk about each of these, starting with
2 water. Duke Energy has conducted water quality and aquatic ecology testing
3 on Lake Norman since the early 1970s. The areas that we study include water
4 quality, water flow at the intake and discharge structures, and aquatic ecology.

5 Our evaluation of the historical data has indicated that we
6 have made no changes to the aquatic resources on lake Norman. And our
7 continued operation will not have an adverse impact on the lake or the river.

8 The second category is plants and animals. As part of our
9 study Duke Energy worked with Dr. L. L. "Chick" Gaddy, a well known
10 environmental scientist, to conduct a survey of threatened and endangered
11 species around the McGuire site.

12 And the results of that study showed that there are no
13 endangered or threatened species at the McGuire site. However, McGuire has
14 a thriving population of osprey, wild turkey, deer, and numerous other species.
15 And we have many ongoing environmental initiatives that we manage in
16 cooperation with the North Carolina Wildlife Resources Commission, the
17 Wildlife Federation, Mecklenburg County Parks and Rec, and the Wild Turkey
18 Federation.

19 We are also wildlife and industry, together, certified by the
20 North Carolina Wildlife Federation. We have a certified backyard habitat. We
21 have a wood duck pond, a blue bird trail, an herbivore pond, a fish friendly pier,
22 and numerous other wildlife areas on-site.

23 Based on our review of our operating history, and a look at
24 our continued operation, we have concluded that we will not adversely impact
25 the plants and animals on-site.

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1 The third category we looked at was air quality. Nuclear
2 power provides almost 50 percent of the total electric generation in the
3 Piedmont Carolinas. Because of that overall emissions from Duke Energy's
4 electric generation system is well below the national average.

5 For the past 20 years McGuire has not adversely impacted
6 the air quality in this region. And there is nothing associated with license
7 renewal that would change that.

8 And the last important area that I want to mention is the
9 people that live in the community around McGuire. McGuire has a national
10 reputation as a well run station, and we are committed, every day, to protecting
11 the safety and health of the public.

12 And this commitment will continue for as long as we are part
13 of this community. In addition to being safely operated we provide many
14 benefits to the community.

15 Over the last five years we've paid nine million annually in
16 property taxes to Mecklenburg county. We have 1,100 employees that helped
17 maintain a strong economy in the area. And our annual payroll of over 77
18 million, helps to support local business and industry.

19 As Brew mentioned earlier, our employees spend thousands
20 of hours, every year, volunteering for school, and civic, and church programs,
21 and groups. We are proud to be part of this community.

22 And just so you know four generations of my family were born
23 and raised in Mecklenburg county. And my husband and I are raising our two
24 small children just two miles from McGuire. We drink the groundwater, we
25 swim in the lake, we love the opportunities that we have in this area.

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1 So I not only have a professional interest, I have an extremely
2 personal interest in preserving the environment around McGuire. Thank you.

3 FACILITATOR CAMERON: Thank you, Dayna. Just to give
4 you a preview, so that you are prepared, we are going to go to Melanie
5 O'Connell Underwood, who is the CEO of the Mooresville-South Iredell
6 Chamber of Commerce, then we are going to go to John Gibb, Rosemary
7 Hubbard, and Allen Hubbard. Melanie?

8 MS. O'CONNELL-UNDERWOOD: Thank you very much for
9 the opportunity to speak.

10 Thanks to your insight and wisdom, over 20 years ago, we
11 have been able to have the McGuire nuclear plant as our neighbor and friend.
12 When we faced oil embargoes in the 1970s, we had some knowledge that the
13 future of the world's power resources had the potential to be unstable.

14 But no one could have predicted, in that time, that in the year
15 2001 the western United States, and California in particular, would have forced
16 brown-outs and power shutdowns.

17 How fortunate we are to emphatically be able to answer with
18 a yes the question, is your power source safe and reliable?

19 As the economic developer for the Mooresville-South Iredell
20 community, in the past six years I have worked with over 400 projects that have
21 been involved in looking at our area for relocation.

22 One of the keys to the success of our economic development
23 efforts is being able to tell perspective companies that not only is the power
24 available, it is available in any size load that is needed, it is reliable, it is safe,
25 and it is economical.

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1 The McGuire Nuclear Plant has maintained this record for the
2 past 20 years, and provided us with reliable power at a very reasonable cost.

3 Mooresville is the sixth fastest growing community in North
4 Carolina. Just south of us Huntersville is the number one fastest growing
5 community in the state.

6 The McGuire nuclear plant played a key role in the power
7 loads that is able to support this phenomenal growth. Economic developers
8 rely heavily on an available and economical power supply.

9 Without this nuclear power our ability to remain competitive,
10 and to retain our existing companies, as well as recruit new businesses, is
11 greatly diminished. I'm confident, as an economic developer, that I could ask
12 my peers in California, and they would attest to that fact right now.

13 The McGuire nuclear plant employs over 1,000 employees.
14 And I'm a little off in the statistics you just gave, but approximately 80 percent
15 of these employees live within a 30 mile drive of the facility. Their payroll alone,
16 which is close to 80 million, only multiplies as it is spent in our community.

17 The property taxes to our neighboring county, Mecklenburg,
18 of now eight million, are paying significant contributions in our schools, roads,
19 libraries, police, fire, and it just keeps going.

20 In closing I want to reiterate the fact that the McGuire nuclear
21 plant has provided safe electricity to the residents of our community for over 20
22 years.

23 By granting McGuire a renewal license we can all be assured
24 of a stable source of electricity for another 40 years. Thank you very much for
25 allowing me to speak on behalf of the Mooresville-South Iredell community.

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1 FACILITATOR CAMERON: Thank you very much, Melanie.
2 And we are going to attach a copy of Melanie's statement as an attachment to
3 the transcript.

4 And if anybody else has a written statement that they want us
5 to attach to the transcript, we will be pleased to do that.

6 Mr. John Gibb?

7 MR. GIBB: Good afternoon. My name is John Gibb. I'm
8 here just to represent myself.

9 I moved to Charlotte five years ago from Chicago. I'm
10 currently re-careering. I'm studying to be a paralegal, and honestly I would like
11 to go into administrative law. Do you have any applications?

12 More relevant, though, is my past experience. I spent 18
13 years in the metals and industrial plastics manufacturer, distribution, and
14 fabrication industry, directly and indirectly supplying Commonwealth Edison
15 when I was in the Chicago area, and indirectly Duke Energy here in Charlotte.

16 I found that members of the Nuclear Regulatory Commission
17 and many, if not all, employees of Duke Energy are highly educated
18 professionals. Unfortunately my first comment is that the people who supply
19 you are not even close to being at your level.

20 In fact, when I was in Chicago several companies in my field
21 were convicted of criminal activities regarding supplying of nuclear stations. It
22 is not Duke's responsibility, nor can you possibly know everything that goes into
23 your plants, despite the most stringent 10CFR regulations you put in.
24 Regrettably documents can be falsified.

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1 I say this because I have heard some concern about your ice
2 condenser cooling system. I cannot evaluate that, I'm not an engineer, I don't
3 know. But I do know no matter how strong a chain is, it is only as strong as its
4 weakest link.

5 And I ask Duke to think about this, and the NRC to think
6 about this. Remember that you must take into consideration who supplied you
7 in the first place. And also remember that when Three Mile Island happened,
8 it was not because of a design or engineering, or construction failure, it was
9 because of a stuck valve supplied by a subcontractor. Thank you.

10 FACILITATOR CAMERON: Thank you very much, Mr. Gibb.

11 Let's go to Rosemary Hubbard right now. Rosemary is with
12 the Blue Ridge Environmental Defense League. And after that Allen Hubbard
13 is going to speak, and he is assisting her now, I think.

14 MS. HUBBARD: I also represent Charlotte Women for
15 Environmental Justice.

16 There is a word I've been listening for that I have not heard
17 today. And that word is plutonium. I've heard a great many complimentary, it
18 is sort of a love fest going on between the local politicians, and Duke Power,
19 and so forth.

20 I want you all to think back to September 11th, and just what
21 happened in what we thought was a very secure area, the Pentagon, Wall
22 Street. What could have been more of an icon, two icons of what American
23 business and industry stand for?

24 But since September 11th we have seen just how fragile we
25 are. What on earth is to keep a plane from plowing into these plants when

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1 Duke Power, Duke Energy, as it is called now, is using plutonium, a very
2 deadly, deadly substance?

3 Why have you not been mentioning the most obvious word
4 today, plutonium? Since September 11th, more than ever, every American, all
5 of you here, have been more concerned than ever about the kind of world we
6 are leaving to our grandchildren.

7 And now we learn that Duke Energy is about to use a very
8 deadly substance in these plants. Now, you say, this does not have to do with
9 the relicensing, that is separate. No, it isn't, I'm sorry.

10 That is disingenuous for you to say that, because they are
11 intimately connected. My people have lived in west Mecklenburg county since
12 the colonial times, since the French and Indian Wars. So it is nine generations,
13 and I'm part Cherokee, so I go back before that.

14 We had clean water and clean air. Over these many years,
15 however, we have seen a tremendous degradation of our groundwater, our
16 rivers, our streams, and our air. And Duke Energy has been a great contributor
17 to that.

18 This part of the county, if I can show you this, I would like for
19 the NRC to see this. So I would like very much for you to see it. This is a map
20 about environmental injustice in Mecklenburg County. These red spots are
21 superfund spills. These orange spots are toxic air permits. And the others are
22 PCB spills.

23 This is one of the worse sites in the United States, right here
24 on the Catawba river. And for the most part you have poor whites, you have

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1 blacks, and you have latinos living in this part of town, known as West
2 Charlotte, that stretches over to the river.

3 In recent years you have had development of more wealthy
4 communities right on the river because of Duke Power's crescent resources.
5 But nonetheless there are tens, and tens of thousands of families who are very
6 poor, not as well educated as we would like Americans to be, living in this most
7 polluted part of town.

8 Up here is where the McGuire plant is. Right down here
9 would be where the Catawba River Plant is. West Charlotte and West
10 Mecklenburg are home to industrial parks, superfund sites, PCB spills, a
11 petroleum tank farm that would have a five mile high ball of flame if it ever had
12 an explosion there.

13 We are also home, mostly, to poor whites, blacks, and latinos.
14 And we are also home to industry, and industrial giants such as Duke Power.
15 Duke Power, Duke Energy has, just inside the last week and a half, made
16 major headlines on the front page of the Observer for funneling many millions,
17 it may be as much as 100 million dollars to its shareholders, that should have
18 gone in rebates to its customers.

19 Duke Energy is now before the North Carolina State
20 Regulatory Commission for this very reason. Already our part of town is heavily
21 burdened with hazards from a petroleum tank farm, from the airport where we
22 just had a US Air crash not that long ago, it is in everybody's memory, and
23 industrial parks.

24 You just think about what happened on September 11th. Tell
25 me how it is that you think that this plutonium that is being used in these plants

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1 that Duke Energy wants to use, from our nuclear disarmament, cannot be a
2 target of terrorism?

3 You are going to be transporting it long distances, across the
4 country, from a sparsely populated area, to a heavily populated area.

5 Now, I don't know what schools you've all been to, but I
6 mean, it seems to me that Logic 101 would say that this is a very dangerous
7 thing to do.

8 The NRC begged you to consider all this, because you will
9 further burden these many scores of thousands of families, unless you rein in
10 Duke Power's ability to carry out their plans for using this plutonium.

11 Thank you very much.

12 FACILITATOR CAMERON: Thank you, Rosemary. And I
13 should have mentioned the Charlotte Women for Environmental Justice is
14 another group that you represent.

15 Let's go to Allen Hubbard. Allen?

16 MR. HUBBARD: I just want to make a few additional
17 comments regarding the transportation of this mixed oxide uranium plutonium,
18 which is planned to be used at the McGuire and Catawba plants.

19 And, like she said, you will be going through heavily populated
20 growing areas, wide open to attack, whether you truck it -- if you truck it you will
21 have traffic jams on 77. The amount of this stuff you can't see, a lot of this stuff
22 you can't see will kill you.

23 And I don't want to be an alarmist. But I just think, you know,
24 let sleeping dogs lie, leave the stuff in Arizona where it belongs, where it was
25 generated, where it sits, and not ship it over here and put us all at risk with it.

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1 Duke is going to have a total security nightmare, the
2 government will. If the government has generated most of the environmental
3 laws I'm familiar with, the government is going to be ultimately responsible for
4 this plutonium, no matter who gets it, or uses it, or does whatever, it is still the
5 U.S. government that was the generator, and will have to oversee this all the
6 way until it is no longer hazardous.

7 I always think of the state lottery. You go out of the state, you
8 go take a chance on the lottery, and you pay a dollar or two, and the chance is
9 that something really nice will happen to you, but it is a very slim chance.

10 What we are doing -- and that is voluntary, you don't have to
11 buy that lottery ticket. But we are being asked, and not asked but forced, to
12 take the same variety of risk that something awfully bad will happen to us.

13 There are overpasses on the interstates, there are bridges,
14 there are airplanes, whatever. And it would be -- we would be sitting ducks for
15 any kind of attack on these shipments.

16 I mean, I know they are going special transports. I don't really
17 know if it is going to be on the railway, or coming up from Barnwell on either I-
18 77, or on the tracks, I don't know how they are going to do it, but they will know
19 where it is.

20 I just -- we are doing fine the way we are. I mean, and it
21 seems like a win-win situation, cheap energy, and the government gets rid of
22 the plutonium.

23 And this all sounds very well and good but we are the ones,
24 here in Charlotte, that are going to have to take it on the chin. And I just want

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1 to make you aware of this, and that a lot of us are really quite concerned about
2 it. Thank you.

3 FACILITATOR CAMERON: Thank you, Mr. Hubbard.

4 Next we are going to go to Scott Hinkle, and then we will go
5 to Sally Ashworth, and then to Constance Kolpitcke. And Mr. Hinkle is
6 executive director of the Lake Norman Times.

7 MR. HINKLE: Thank you, good afternoon, a pleasure to be
8 here.

9 It has been said that McGuire Nuclear Station is a good
10 neighbor. And I can't say that enough, I can't stress that enough. I have seen,
11 first-hand, the work that its employees do in our community, at our local
12 schools.

13 I have witnessed these people as my friends and neighbors.
14 Contrary to the way it may appear in most media, the employees of McGuire
15 Nuclear Station are not people who stand behind steel and reinforced concrete.
16 They are people out there in our communities.

17 And we know them by name, and we see them by the acts
18 that they do. They are a credible and tangible resource that is appreciated in
19 our schools, in our civic groups, in our churches.

20 In terms of the environmental impact of the plant, which is
21 incredibly, and remarkably negligible, Lake Norman is among the most
22 cleanest, it is among the most cleanest and environmentally sound bodies of
23 water in the eastern United States.

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1 It is a wonderful resource for thousands of people, if not
2 hundreds of thousands of people use each and every day. It is an incredibly
3 clean source of drinking water for our communities.

4 When it comes to the people that work at the plant, I must
5 admit that I turn to them, and their expertise at times, before I turn to folks that
6 work in our institutions of higher learning, regionally.

7 The incredible mind force of people that work on the island
8 at McGuire, and their incredible library of knowledge when it comes to zoology,
9 and herbology, and the aquatic life of the streams and rivers where their
10 facilities impact, is remarkable.

11 They are people with faces, again, that are resources in this
12 community. Like every American I think we recognize the events of a couple
13 of weeks ago. And the only thing I can tell you is the bottom line to me is, who
14 do I trust?

15 Do I trust middle east oil cartels to provide the energy of this
16 nation, or do I trust a publicly traded corporation with almost a century of safe
17 operation?

18 Well, there is no question. I trust the folks at Duke Energy,
19 and I trust the folks at McGuire Nuclear Station. When it comes to the decision
20 to possibly burn mixed oxide fuel and plutonium, do I trust the United States
21 government, or do I trust the Russians to dispose of it? I think I trust the faces
22 at Duke Energy to take advantage of a clean, safe, fuel that is going to be there
23 regardless.

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1 Finally I would like to say that, you know, I trust Brew Barron
2 and his staff. Like every American I look at the professionals at the NRC and
3 our government to ensure safe operation of nuclear facilities.

4 But, here locally, I trust the people I know, they are my
5 neighbors. I trust Brew, and I trust his very capable staff and the job that they
6 do each and every day to supply our region with clean, economical energy.

7 I believe in nuclear generation, I believe it is the
8 environmentally responsible way to create electricity. It is, obviously, cleaner
9 than fossil. And it is, obviously, an economical way to create electricity.

10 When it comes to the relicensing of a plant that is already
11 there, and of course the tremendous capital resources that it would take to
12 replace that generation with another plant, or in another part of our country, it
13 makes absolutely no sense not to relicense the units at McGuire.

14 Thank you.

15 FACILITATOR CAMERON: Thank you, Mr. Hinkle.

16 Sally Ashworth, Sally is the Chairwoman of the Lake Norman
17 Convention and Visitors Bureau.

18 MS. ASHWORTH: Hello, I'm Sally Ashworth, and as he was
19 saying, I've chaired the Lake Norman Convention and Visitors Bureau, as well
20 as I serve on the Chamber of Commerce, the Lake Norman Chamber of
21 Commerce Board of Directors.

22 I have known Brew Barron for a number of years. I also host,
23 or I also work in the hospitality industry in the Lake Norman area. And I cannot
24 tell you the impact, as far as economic impact, that Duke Power does, and
25 represents with our hospitality industry.

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1 We are looking at exit 36 to exit 18. My husband and I, we
2 have lived in Huntersville since 1995, and I have both been associated with
3 Brew, and with Duke Energy, socially and professionally, as far as a
4 relationship with their staff.

5 I have worked closely with Valerie Patterson, with Rita Sikes,
6 and as far as other employees at the Energy Explorium. And I currently serve,
7 with Winston Kelly, on the Board of Directors at the Chamber of Commerce.

8 In 1998, when I was working with the leadership group, as far
9 as being a participant, there were 18 of us that went over to the McGuire
10 station. And I cannot tell you, I did not know that much about their facility, nor
11 their people over there.

12 And from that experiment, as far as the tour that they
13 provided us, as Brew was asking all of you all, if you all have not visited that
14 facility, you need to. It is a very safe -- the way that they work over there, the
15 way that they explain to you what they do over there, both professionally, you
16 just feel very safe.

17 And I can't tell you how, as far as their professional
18 demeanor, the staff was with all of us over there at the McGuire station. The
19 employees of McGuire spoke to us specifically with each role that they did, and
20 as many precautions as they take as far as making McGuire remain as an
21 efficient plant, but also one with a partner of our local environment.

22 As I was telling you, with the hospitality industry, Brew Barron
23 and his staff, they have about three outages every year. And the economic
24 impact that they do on our hospitality industry, and as Scott Hinkle has just

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1 said, with the tragedy that happened two weeks ago, it still remains, we have
2 to have somebody like that, that keeps our hotels running as well as they have.

3 And when I say the impact, we are not just talking about the
4 Huntersville impact, I'm talking about from exit 36 to exit 18, and probably on
5 down into Duke Power in the Charlotte area.

6 I sincerely hope that you grant McGuire Nuclear Plant an
7 opportunity to extend their license at the Lake Norman area, and I thank you
8 for my time.

9 FACILITATOR CAMERON: Thank you, Sally. Next let's go
10 to Constance Kolpitcke. And I apologize in advance, Constance, I probably
11 blew that one. And then we will go to Catherine Mitchell after Constance.

12 MS. KOLPITCKE: I'm used to having my name messed up,
13 so it doesn't bother me.

14 I appreciate the good work that Duke does in the community.
15 I particularly enjoyed being able to enjoy an outdoor concert this summer by the
16 Charlotte Symphony Orchestra. I have enjoyed taking visitors to the Energy
17 Explorium. I enjoyed having Mr. Barron speak to the Davidson seniors.

18 But all this is beside the point. To me this has been
19 advertised, as the issue, is whether there should be license renewal for the
20 McGuire stations. But to me it is about common sense.

21 I don't think we should renew any of our nuclear plants
22 licenses across the country until there has been a solution of what to do with
23 the nuclear radioactive waste that is accumulating.

24 It has been going on for what, decades? Somebody wants
25 to send it to Nevada, Nevada wants to send it to South Carolina. Nobody wants

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1 it, and it is a potential fire bomb if a terrorist comes in with a plane and just
2 suicides, kamakazi-like, into these ceramic, whatever enclosures are housing
3 this waste, that as I understand is sitting outdoors on concrete pads.

4 There is nothing to be done with it. So if you don't have a
5 solution to a problem, why keep adding to the problem and keep creating more
6 waste, with nobody knowing what to do with it?

7 I think we need to concentrate on developing alternative
8 energy sources. A gentleman spoke that they had eliminated, they had looked
9 at solar, and other forms of energy, and had discounted it.

10 Maybe it will cost us more, maybe we will have to pay more
11 for our energy. Maybe we will have to conserve, maybe we will have to share
12 rides, maybe we will have to walk, maybe we will have to move closer to our
13 jobs.

14 But let's don't sacrifice the lives of our posterity. Maybe it
15 won't happen for another 100, 200, 300 years, but do we want to be
16 responsible for letting some disaster happen, when we don't have to?

17 Let's put our resources into developing the sustainable energy
18 resources. There is an energy fair coming up over in western North Carolina
19 near Ashville, the weekend of October 20th, 21st. If you want to learn more
20 about alternative energy resources go over there.

21 There is a wonderful building that is the Center for
22 Environmental Studies at Catawba College that just opened over here in
23 Salisbury, a beautiful facility, that has just so integrated the conservation of
24 water, the use of solar energy, and it is a wonderful facility. If you don't know
25 about it I suggest you go over to Salisbury and take a look at that facility.

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1 Thank you.

2 FACILITATOR CAMERON: Thank you, Constance.
3 Catherine Mitchell, also from Blue Ridge Environmental Defense League.

4 MS. MITCHELL: I understand that there are many Duke
5 employees who live in the Charlotte area, Catawba area, and around the
6 reactors who feel very safe around these reactors. And I understand that there
7 are many people who Duke employs who believe and are doing the very best
8 that they can to make these reactors safe for the communities.

9 I don't think anybody questions that. But what I would like to
10 say is let's take a look for a minute, and suspend some of those concerns,
11 some of those realities, and let's look at some of the really tough questions, that
12 there simply aren't any answers for.

13 And there are many concerns coming up around this
14 relicensing issues, but for time constraints I'm going to focus on one in
15 particular, and that has to do with terrorism, and the reality of nuclear power
16 reactors, and nuclear shipments as terrorist targets.

17 The Blue Ridge Environmental Defense League has
18 repeatedly been on record, for over a decade, regarding this kind of threat.
19 More recently we have spoken about the specific dangers of introducing
20 plutonium to the equation and the proposed use of mixed oxide or plutonium
21 fuel in these reactors.

22 And for this reason, and in light of the events of the last few
23 weeks, I would like to begin by addressing the obvious. And that is nuclear
24 power plants and nuclear shipments pose real and dangerous targets to those
25 wishing to inflict the highest level of damage to this region.

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1 And any discussion of a license renewal should basically
2 include this real and probable threat, and the security necessary to prevent
3 strikes of this kind.

4 In addition I would also like to say that the license renewal
5 process has to include the use of plutonium fuel in these reactors, and the
6 subsequent impact of this program on the region. And this would necessarily
7 require both McGuire and Catawba to have very specific environmental impact
8 assessments.

9 To use a generic impact assessment would be false,
10 misleading, and really completely unacceptable in light of our current situation.
11 It is clear that Duke is intending to go forward with this. They have a signed
12 contract with the Department of Energy.

13 And this program, make no mistake about it, adds yet another
14 level of unacceptable risk to this region, and there is no way to avoid that, and
15 it has to be considered in any kind of license renewal process, which is
16 currently not on the table.

17 At the same time I think that the NRC has to look to its own
18 history of downplaying the role of terrorism against nuclear facilities, or
19 shipments in this country.

20 It is time for the NRC, and every utility and pertinent
21 regulatory or investigative agency, to pay attention to these real and present
22 dangers, and take appropriate action and stop misleading the American people,
23 and Congress, about the oversight and safety of these reactors.

24 Records of sabotage at nuclear plants in this country abound.
25 This is not a new situation. And an exercises supervised by the Nuclear

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1 Regulatory Commission security guards at half of the nuclear power facilities
2 in this country failed to repel mock terrorist attacks against safety systems that
3 were designed to prevent a reactor meltdown.

4 Yet the NRC has, in recent past, suggested weakening the
5 security procedures that are in place in response to industry complaints. And,
6 in fact, considered turning them over to the industries themselves to manage.

7 This is unacceptable, especially at this time. Terrorist
8 assaults of nuclear power plants has been on the radar, but it has been on the
9 radar for years, it is not news.

10 During the period of time surrounding the first World Trade
11 Center bombing the FBI investigated, and raided, a terrorist training camp
12 located a few miles from Three Mile Island.

13 During this period of time the Three Mile Island was, did
14 experience a security breach. The FBI did raid that camp. Shortly after the first
15 World Trade Center bombing there was a letter that the FBI investigated, and
16 verified, from a terrorist organization claiming 150 suicide death soldiers who
17 were -- whose sole purpose was to attack nuclear power plants in this country.

18 This is documented, this is on the record. And this is what we
19 are facing right now. We cannot bury our heads. All the feel good images on
20 this screen are not going to change what we are facing.

21 And I think that we obviously have to look at that, and now is
22 certainly the time in regard to relicensing nuclear power plants in this country.
23 And I will try to wrap this up quickly.

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1 This morning Paul Leventhal, of the Nuclear Control Institute,
2 released a report on nuclear terrorism at the Washington Press Club. That
3 should be available this afternoon, I would think, on the website.

4 In which he stated: "A nuclear plant houses more than 1,000
5 times the radiation as released in an atomic bomb blast. The magnitude of a
6 single attack could reach beyond 100,000 deaths, and the immediate loss of
7 tens of billions of dollars, and irreversible damage. The lands and properties
8 destroyed would remain useless for decades, and would become a stark
9 monument reminding the world of the terrorist's ideology."

10 I believe we understand those kinds of images now. Home
11 owner insurance, I might add, does not cover such accidents, and the liabilities
12 of these nuclear facilities is marginal, with industry trying, right now, to make it
13 even more marginal.

14 Duke Energy recently submitted a request for a declaratory
15 ruling from the NRC to limit liability from the day-to-day operation of these
16 plants.

17 Meanwhile, we in the community sit here asking for accurate
18 and realistic assessment of the risks associated with the operation of this plant.
19 I would like to know if we are addressing these issues, are we prepared to
20 create the kind of security that is going to be involved in protecting our
21 communities from terrorist attacks on the over 100 nuclear reactors in this
22 country.

23 At a recent international conference on nuclear proliferation
24 in Austria, just this past week, two recommendations came out. One was the
25 fact that, well two statements were released that are of particular importance.

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1 The first being that every nuclear reactor in the world is at risk
2 for a terrorist attack. The second recommendation that came out from that
3 conference was that every nuclear reactor in the world should be capable of
4 maintaining anti-aircraft protection against terrorists attacks.

5 My question is, do we continue to look at a growth situation
6 for an industry when we have to consider these kinds of safety guidelines for
7 the immediate future?

8 I think not. I think it might be time to re-evaluate the future
9 of nuclear energy in this country, and I would ask that the NRC, Duke Energy,
10 and all of those involved in this license process, please listen to those in the
11 community, and pay attention to what we have already known for decades.

12 Thank you very much.

13 FACILITATOR CAMERON: Thank you, Catherine. Could we
14 have Joan Bodonheimer come up? Joan is the principal of the Long Creek
15 Elementary School. Just a teacher..? That is good enough.

16 MS. BODONHEIMER: My name is Joan Bodonheimer, and
17 I am a teacher at Long Creek Elementary School. And I'm speaking today on
18 behalf of Duke Energy and McGuire Nuclear Station, because they are very
19 important to our school. So I'm speaking from that aspect, rather than the
20 environmental aspect.

21 These are real people, and they are very real people to the
22 students in our school. About five years ago Duke Power adopted our school
23 and initiated a Pony Express writing program, where the students have a pen
24 pal. These were our fifth grade students.

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1 And the children, in turn, write back to them each month.
2 They are so excited the day that their letters arrive, they can't wait to get home
3 and tell their parents that they got mail from their pen pals.

4 As the year progresses the program blossoms. The
5 employees volunteer more time, they eat lunch with their pen pals, and the
6 children are finally thrilled to meet the person that they've been writing each
7 month. It makes them feel very important.

8 And these employees do this just out of the goodness of their
9 hearts, they are not coerced into it. At Christmas time the pen pals come to our
10 school bringing gifts for each child. They also have expanded their program to
11 help needy families at our school.

12 So it is very important not only to the students that we teach,
13 but to others in the school, based on need.

14 Finally in May Duke Power hosts a pen pal picnic at McGuire.
15 This is our final get-together. Every volunteer meets his or her pen pal, eats
16 lunch with them, and just spends an hour talking to the children.

17 The students are very excited to get to come to McGuire to
18 tour the facility, learn more about their pen pal's job. And this is truly one of our
19 most exciting field trips throughout the year.

20 As you can see, Duke Power is very actively involved in our
21 community, and it is a very important part of our school at Long Creek
22 Elementary.

23 Thank you.

24 FACILITATOR CAMERON: Thank you, Joan. The NRC is
25 going to conduct another meeting tonight, from 7 to 10. I would welcome all of

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1 you to come back for that. There is also going to be an informal open house
2 from 6 to 7 if you want to talk informally with NRC staff, or some of the experts
3 that we have working with us, who are looking at various types of environmental
4 impacts.

5 They will also be available right after this meeting if you care
6 to speak with them. We don't have any other speakers for this particular
7 session.

8 I would ask if Mr. Broome could perhaps talk to this lady down
9 here, who has a question about emergency planning. But I think we can do
10 that off-line, and we can see if we can get that information for you.

11 And with that I would adjourn this meeting. Yes? Pardon me,
12 Don? If you would like to say something..., come on up..., yes.

13 MR. MONIAK: My name is Don Moniak, I'm the organizer for
14 the Blue Ridge Environmental Defense League. I want to talk a little bit about
15 the use of the plutonium fuel in Duke reactors, for starters.

16 And before I even get to that I want to give you a quote from
17 the NRC's Advisory Committee on Nuclear Safeguards. It was a meeting in
18 February 2nd, 2001. This is an excerpt from the transcript.

19 Mr. Powers said: "I just wonder if ice condensers have some
20 peculiarity about them that I don't know about, other than vulnerable
21 containment?" And then there was laughter among the experts.

22 Another expert, Mr. Kress says: "You are reading my mind."
23 And Mr. Powers said: "I saw you grinning over there."

24 Now, these are the experts, Advisory Committee on Nuclear
25 Safeguards. I may not agree with everything they issue, but there is no dispute

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1 that they are highly qualified to judge the safety of nuclear reactors, nuclear
2 materials, fuel facilities, etcetera.

3 So that is what McGuire and Catawba are known for, is their
4 vulnerabilities, because they have weak containment systems, and that is a
5 fact. In spite of that Duke is a partner in a limited liability company of Duke,
6 Cogema, Stone and Webster, which is under contract with the Department of
7 Energy to perform plutonium MOX fuel fabrication and radiation services.

8 Under its existing contract it is -- they are required, through
9 a performance guarantee, to design modifications to Catawba and McGuire.
10 To license the modifications, amend the license to use plutonium MOX fuel,
11 and qualify plutonium MOX fuel for use at Catawba and McGuire.

12 And this all has to be done by about 2003, or 2004, so it has
13 to start pretty soon here. Same time frame we are looking at for this renewal
14 process.

15 Duke, in its application to renew its license wrote on page 4
16 of its June 13th renewal application, that one potential future change to the
17 current licensing basis involves the use of mixed oxide MOX fuel at McGuire
18 and Catawba.

19 Duke is planning to submit, later this year, a license
20 amendment request related to the use of MOX fuel. Now, the Nuclear
21 Regulatory Commission would have us believe that they can't do anything until
22 they receive an application, but that is false.

23 Because under the National Environmental Policy Act, which
24 mandates agencies to begin environmental analysis at the earliest possible

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1 time, not at the convenience of licensees, or developers, under NEPA the NRC
2 is obligated to start evaluating it now.

3 There is no reason why this meeting cannot be considered
4 within the broad context of using plutonium fuel in Duke reactors. And to do so
5 is an utter abandonment of their commitment and their obligation to NEPA,
6 which is National Environmental Policy.

7 Now, Duke's lawyers, who I've had the opportunity to spar
8 with, I'm not sure how successfully yet, and the NRC lawyers, they generally
9 tend to come in on the same side of things, from what I've seen.

10 And from what I've seen so far we are very fortunate to have
11 an Atomic Safety Licensing Board that is, truly functions to be independent, as
12 compared to the NRC staff, which really looks just like the lawyers for the
13 applicants, for Duke, in all these meetings. They very seldom disagree.

14 And they just run you through a legal rigmarole of semantics
15 and rhetoric. Under -- when you do an Environmental Impact Statement there
16 is nothing to say that you cannot evaluate a proposed action, even if that action
17 isn't final.

18 The use of plutonium fuel is mandated to be evaluated now,
19 under contract to the Department of Energy. If the NRC was to evaluate it,
20 within the context of this Environmental Impact Statement, it would save us all
21 a lot of money and time, which is what NEPA is supposed to be about.

22 Instead we are told that we have to wait until Duke submits
23 a license amendment. Which means right now there is four different major
24 proposed actions that we may have to comment under, or try to get standing

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1 under, in order to address the use of plutonium fuel for the next 15, 20 years,
2 from 2007 to 2024 in Duke reactors.

3 And that is -- this process, the process of building a plutonium
4 fuel fabrication facility, for which there is no justification if Duke reactors are
5 found to be unsafe, or somehow they close, because then there is no market,
6 the amendment, and also the most recent of issuing of Duke is coming up with
7 some new limited liability company to operate the reactors, for which there is
8 an opportunity for a hearing, as well.

9 So at what point is Duke going to come out and defend this
10 proposal of theirs in the real public forum, instead of skipping around and
11 playing rope-a-dope? It is a very cowardly regulatory approach by a major
12 company. And it is supposed to be a patriotic act, they tell us, that they are
13 using plutonium fuel, which implies that every other utility in the country is
14 unpatriotic because they don't want it.

15 Come forward, put forward your proposal, and quit delaying
16 the process. Quit forcing regulatory burdens on the public, because the NRC
17 feels that jaywalking through the NEPA process, it feels like it can get away
18 with it.

19 Thank you.

20 FACILITATOR CAMERON: Thank you, Don, for those
21 recommendations. We have one final speaker for this afternoon's meeting, and
22 that is Lou Zeller, who is either the director or co-director, and Lou tell us about
23 that, but he is with the Blue Ridge Environmental Defense League.

24 MR. ZELLER: Thank you, Chip. I'm Lou Zeller, and I'm a
25 community organizer with the Blue Ridge Environmental Defense League. Blue

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1 Ridge has been in North Carolina and Virginia, Tennessee, and most recently
2 in South Carolina. Our origins are in the Blue Ridge mountains, hence our
3 name. We began in 1984.

4 I want to just hit the highlights of some of our written remarks
5 before this assembly today. One has to do with alternative sources of energy.
6 Duke, in its application, in its environmental report did say that they had
7 established that combined cycle units of conventional fossil fuels, and that
8 combined cycle units and fossil fuels would meet the needs of electric
9 generation in this part of the country.

10 Duke says that they believe that combined cycle technology
11 is the most economically attractive baseload technology. I think that this is --
12 I don't know what economically attractive means to anyone in the room here,
13 but I don't think that Duke did a sufficient analysis to be able to tell us if their
14 comparison with other forms of renewable energy, including wind power, and
15 solar power, had been compared alongside of the continued use of the
16 Catawba or the McGuire reactors, in this case.

17 I think this is -- Blue Ridge Environmental Defense League
18 has a long term interest in future energy supplies, as do other citizens in the
19 country. Even the Atomic Safety and Licensing Board identifies that its
20 responsibility is to continue the national debate over the role that nuclear power
21 should play in meeting energy needs.

22 I might point out, as a dramatic point, that the consideration
23 of safety issues in terrorism with regards to wind powered generators almost
24 seems ridiculous, because there are no issues with regard to safety and

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1 terrorism, with regard to wind energy generators. This is a significant omission
2 in their application process.

3 Mr. Moniak has also -- has already gone somewhat into the
4 issue of segmentation of the process with regard to plutonium fuel. Duke is
5 required, under 10CFR51, to submit a description of the proposed action,
6 including the applicant's plans to modify the facility.

7 We think that Duke wrongly dismisses the requirement to
8 analyze these plants to modify the facility for use of plutonium fuel during the
9 license renewal process, as required.

10 They state in their application that one potential future change
11 to the current licensing basis involves the use of mixed oxide fuel at McGuire,
12 and at Catawba. Duke is planning to submit, later this year, license
13 amendment.

14 Again, we rest our case. This is segmentation. They know
15 they are going to do it, and there is already an existing contract to that effect.

16 A major issue with regards to accident containment failures
17 at the reactor have to do with the ice condenser issues. Hazards in nuclear
18 plants are a combination of human and technical errors. Both types of error are
19 noted in the Nuclear Regulatory Commission's plan performance reviews at
20 both McGuire and Catawba.

21 For example, the PPR notes shortcomings in ice condenser
22 maintenance, and inspection; corrosion of service water pipes, auxiliary
23 feedwater pipes, which are the only source of water for steam generators when
24 the main feedwater system fails; and examples of poor engineering

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1 performance. Ice condensers simply must work during reactor emergency, as
2 an airbag must work during an auto accident.

3 Other plants, including the Cooke Plant in Illinois, was shut
4 down because of identified problems with ice condensers. Just for clarity sake,
5 the ice is located behind a number of doors in these reactors. When pressure
6 and containment reaches a certain level above pressure inside the ice
7 condenser area, McGuire plant employees determined, in 1997, that 10 of the
8 48 ice condenser inlet doors, in the lower containment, were incapable of
9 opening with less force than specified in the plant's technical specifications, and
10 may not have opened in an accident situation.

11 Two recent NRC performance summaries, which I've included
12 in my written remarks, I think speak for themselves. This one is dated March
13 of 2001, inadequate corrective actions for recurring problems would shut down
14 operations involving loss or let down of inadvertent reactor cooling system, cool
15 down transients. You can read that for yourself.

16 In the event of a severe accident, when the reactor fuel melts,
17 the risk that reactor containment will rupture, and large releases of radioactive
18 material get into the environment, will occur at significantly greater at Catawba
19 and McGuire than at other pressured water reactors with other types of
20 containment.

21 There is no backup system for reactor containment. The
22 steel containment vessel is the only one. Other plant systems may have
23 backups. There is only one containment vessel with the issues of
24 embrittlement, which we see with a fuel like plutonium, with a higher neutron

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1 flux, it induces a whole new range of problems with regard to the continued
2 reactor safety issues, much beyond 2021, or 2023.

3 Finally I would say this, after listening to many of the
4 comments today, that to state that nuclear safety cannot be based on a
5 handshake. Everything changed after September 11th.

6 The Nuclear Regulatory Commission, and I advise Duke,
7 must assume that someone will rattle the doors until they find one unlocked.
8 A new approach to safety and security must begin today so that we may know
9 that these plants do not present an extreme risk to the citizens of the Charlotte,
10 Mecklenburg, Statesville, Catawba County, and who knows how far.

11 Thank you.

12 FACILITATOR CAMERON: Thank you, Lou. As I mentioned
13 the NRC will be back for another meeting at 7 o'clock tonight, preceded by a 6
14 to 7 open house. The staff will be around after this meeting.

15 I would just thank you for the comments that we heard today,
16 and we are adjourned until the open house at 6. Thank you.

17 (Whereupon, at 3:20 p.m., the above-entitled matter was
18 concluded.)
19
20

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