July 8, 2003

Mr. Paul Gunter, Director Reactor Watchdog Project Nuclear Information and Resource Service 1424 16th Street NW, Suite 404 Washington, DC 20036

SUBJECT: RESPONSE TO YOUR LETTER DATED APRIL 2, 2003, REGARDING THE EARLY SITE PERMIT APPLICATION REVIEW PROCESS FOR NORTH ANNA NUCLEAR POWER STATION

Dear Mr. Gunter:

This letter responds to the three questions raised in your letter of April 2, 2003 to Michael Scott and Andrew Kugler of the U.S. Nuclear Regulatory Commission (NRC) staff regarding the early site permit (ESP) application review process for North Anna Nuclear Power Station.

Question 1:

Under what conditions can the public raise concerns/contentions in the ESP Environmental Review regarding the environmental impact from the potentially limitless and indefinite expansion of the Independent Spent Fuel Storage Installation as the result of the construction and operation of an unknown number of new nuclear units given any new, significant or conflicting information affecting the Commission findings in the Final First Nuclear Waste Confidence Decision as issued on August 31, 1984, the Final Second Waste Confidence Decision of September 18, 1990, and the "Status Report on the Review of the Waste Confidence Decision" of December 6, 1999?

Response:

The Commission understands that the proposal of Dominion Energy, Inc., the prospective applicant for an ESP at the North Anna site, envisions construction of no more than about 2400 megawatts (electric) of additional nuclear capacity at the site. Because of the need for an ESP applicant to provide bounding analyses in support of its application, any ESP application will, in substance, reflect a limited number of reactors. Accordingly, Dominion's proposal would not involve limitless and indefinite expansion of spent fuel storage requirements. Nevertheless, the Commission has codified its generic determination that:

spent fuel generated in any reactor can be stored safely and without significant environmental impacts for at least 30 years beyond the licensed life for operation (which may include the term of a revised or renewed license) of that reactor at its spent fuel storage basin or at either onsite or offsite independent spent fuel storage installations. Further, the Commission believes there is reasonable assurance that at least one mined geologic repository will be available within the first quarter of the twenty-first century, and sufficient repository capacity will be available within 30 years beyond the licensed life for operation of any reactor to

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dispose of the commercial high-level waste and spent fuel originating in such reactor and generated up to that time.

10 CFR §51.23(a) (2003). The rule is supported by the Commission's Waste Confidence Decision and its subsequent reviews. See Requirements for Licensee Actions Regarding the Disposition of Spent Fuel upon Expiration of Reactor Operating Licenses, 49 Fed. Reg. 34,688 (1984) (codified at 10 CFR §51.23); Waste Confidence Decision Review, 55 Fed. Reg. 38,474 (1990); Waste Confidence Decision Review: Status, 64 Fed. Reg. 68,005 (1999). In light of the rule, the Commission's underlying decision and the subsequent reviews and findings, a contention challenging 10 CFR §51.23 would generally be inadmissible.

Question 2:

Where in the ESP Application process are public concerns and contentions addressed regarding the potential socioeconomic impacts from security issues arising out of expanded nuclear power plant operations on Lake Anna?

Response:

The staff expects that socioeconomic impacts associated with a proposed new nuclear power plant (including those associated with security measures) will be addressed in the environmental report accompanying the ESP application and will be reviewed as part of the NRC's evaluation of environmental impacts in accordance with 10 CFR Part 51. The NRC staff will perform an independent evaluation as part of the staff's consideration of an ESP application. During this process, there are three opportunities for members of the public to provide information on their concerns: first, the public may participate in the scoping process for the NRC staff's development of an environmental impact statement; second, after the completion of the staff's draft environmental impact statement, the public will have at least 45 days to submit comments to the NRC staff for consideration; and third, if a member of the public requests and is admitted as a party in the ESP licensing hearing they may seek to raise a contention for consideration at the hearing.

Question 3:

By whose authority can the public's access to Lake Anna be restricted as the result of elevated security codes? What Memorandums of Agreement (MOA) or Memorandums of Understanding (MOU) with Dominion Energy with which authorities currently exist for restricting public access to Lake Anna under elevated security codes?

Response:

The Commonwealth of Virginia has the authority to restrict usage of Lake Anna as necessary to ensure public health and safety. We are not aware that any memoranda of understanding with Virginia Electric and Power Company (VEPCO), the licensee for the North Anna Power Station, are required to exercise that authority. Dominion Energy, Inc., the prospective applicant for an ESP, and VEPCO are both subsidiaries of Dominion Resources, Inc.

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If you have any questions regarding this letter, please contact Michael Scott at (301) 415-1421.

Sincerely,

/RA/

James E. Lyons, Director New Reactor Licensing Project Office Office of Nuclear Reactor Regulation

Project No. 719

cc: See next page

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Sincerely,

/RA/

James E. Lyons, Director New Reactor Licensing Project Office Office of Nuclear Reactor Regulation

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