

Official Transcript of Proceedings

NUCLEAR REGULATORY COMMISSION

Title: Renewal of Quad Cities Nuclear Power Station
Public Scoping Meeting - Evening Session

Docket Numbers: 50-254, 50-265

Location: Moline, Illinois

Date: Tuesday, April 8, 2003

Work Order No.: NRC-862

Pages 1-44

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

UNITED STATES OF AMERICA

NUCLEAR REGULATORY COMMISSION

+ + + + +

PUBLIC SCOPING MEETING

RENEWAL OF QUAD CITIES LICENSES

+ + + + +

TUESDAY

APRIL 8, 2003

+ + + + +

MOLINE, ILLINOIS

+ + + + +

The NRC Environmental Scoping Meeting was held at The Mark of the Quad Cities, 1201 River Drive, Moline, Illinois, at 7:05 p.m., F. Chip Cameron presiding.

- PRESENT:
- F. Chip Cameron
 - John Tappert
 - T.J. Kim
 - Duke Wheeler

I N D E X

	<u>AGENDA ITEM</u>	<u>PAGE</u>
1		
2		
3	Welcome and Purpose of Meeting -	3
4	(F. Cameron)	
5	Overview of License Renewal Process -	7/9
6	(J. Tappert/T.J.Kim)	
7	Overview of Environmental Review Process -	15
8	(D. Wheeler)	
9	Public Comment -	23
10	(F. Cameron)	
11	T. Tulon	24
12	F. Polaski	30
13	S. Hebel	36
14	L. Perrigo	37
15	Closing/Availability of Transcripts -	43
16	(F. Cameron)	
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		

P-R-O-C-E-E-D-I-N-G-S

(7:05 P.M.)

1
2
3 MR. CAMERON: Good evening everyone. My
4 Name is Chip Cameron and I'm the Special Counsel for
5 Public Liaison at the Nuclear Regulatory Commission
6 and I'd like to welcome all of you to our public
7 meeting tonight and it's my pleasure to serve as your
8 facilitator for tonight's meeting. And in that role,
9 I'll try to assist all of you in having a productive
10 meeting tonight.

11 And as you know, the Exelon Company has
12 submitted a request to the NRC to renew the operating
13 licenses for Units 1 and 2 at the Quad Cities Nuclear
14 Power Station. And the focus of tonight's meeting is
15 on the NRC's evaluation of the environmental impacts
16 that may be associated with the license renewal for
17 those Quad Cities Units.

18 And I just wanted to say a couple of brief
19 words about the meeting process before we get into the
20 substance of our discussions tonight. And the first
21 thing I'd like to address is the format for the
22 meeting. It's basically a two segment-meeting, and by
23 that I mean the first segment is going to be some
24 brief NRC presentations to give you some background on
25 what the NRC's license renewal evaluation process is.
26 And then we'll go on to you for any questions and

1 answers you have about that process or the NRC
2 generally.

3 And then the second segment is to give us
4 an opportunity to listen to anybody who has some more
5 formal comments for us. And we'll ask you, anybody
6 who wants to speak, to come up here and tell us what
7 your recommendations are or concerns are in regard to
8 the license renewal application and specifically, the
9 potential environmental impacts associated with that
10 application.

11 In terms of ground rules, they're very
12 simple. If you have a question, just signal me and
13 I'll bring you this cordless microphone and please
14 give us your name, your affiliation if appropriate,
15 and we'll try to answer any questions that you have.
16 When we get to the formal comment period, we've asked
17 people to sign up either in advance or when they came
18 into the meeting tonight, and I'll ask you to come up
19 and give us your comments.

20 And I don't think that we have a whole lot
21 of speakers tonight, but I usually ask people to try
22 to keep their formal comments in the five to seven
23 minute range so that we can make sure that everybody
24 has a chance to talk tonight.

25 And I also finally wanted to cover the
26 agenda, but I should point out that we are taking a

1 transcript of the meeting. Mr. Ron LeGrand is our
2 stenographer tonight. This will be part of the public
3 record, and that transcript will be available for
4 anybody who wants to see that. And because we are
5 making a transcript, and more importantly because we
6 want to hear what everyone clearly has to say, I would
7 just ask that only one person at a time talk so that
8 we can get a clean transcript and give our full
9 attention to whomever is speaking tonight.

10 We're going to start off with a welcome
11 from Mr. John Tappert, who is right here from the NRC
12 staff, and we've asked John to give you a welcome and
13 a brief overview of the NRC, because John is the Chief
14 of the Environmental Section within the License
15 Renewal and Environmental Impacts Program at the NRC.

16 John and his staff are responsible for
17 doing the environmental reviews, not only on this Quad
18 Cities license renewal application, but for any plant
19 that comes in for license renewal and for other types
20 of reactor licensing actions. By way of background,
21 John has been with the Agency for approximately 12
22 years. He's also served as a Resident Inspector.
23 These are the NRC employees who actually are on-site
24 daily at the reactors and ensures that NRC regulations
25 are being complied with.

1 He also was in the Naval Submarine
2 Program; he was a submariner. And in terms of
3 education, his undergraduate degree is in aeronautic
4 and oceanographic engineering from Virginia Tech. He
5 has a master's degree in Environmental Engineering
6 from Johns Hopkins University in Baltimore.

7 After John is done, we're going to go to
8 Mr. T.J. Kim, who is right here, also from the NRC
9 staff. He does not work in the Environmental Section.
10 He is the Project Manager on the Safety Evaluation of
11 this license renewal application. And as you'll see,
12 after T.J. gives you an overview of the complete
13 license renewal evaluation process, you'll see that
14 there's a safety evaluation and there's an
15 environmental evaluation.

16 And T.J.'s been with the NRC for
17 approximately 20 years. He also has served as a
18 Resident Inspector and his undergraduate degree is in
19 Chemical Engineering from Drexel, and he has a
20 master's in Technical Management from Johns Hopkins.

21 We'll then go on to you to see if you have
22 any questions on Mr. Kim's presentation, and then
23 we're going to go to the specifics of the
24 environmental review for this license renewal
25 application.

1 We have Mr. Duke Wheeler right here who's
2 going to do that for us from the NRC. He is in John
3 Tappert's Section. He's the Project Manager for the
4 environmental review, and Duke has been with the
5 Agency for 20 years and before that he was with
6 Westinghouse in their Navy Nuclear Power Program. He
7 was a Nuclear Weapons Officer in the U.S. Army, and he
8 graduated from West Point Military Academy with a
9 degree in Nuclear Engineering.

10 And I would just thank all of you for
11 being with us tonight. The NRC decision on whether to
12 renew the licenses is obviously an important decision,
13 and we thank you for any information that will assist
14 us in making that decision. And I'm going to ask John
15 to give his welcome.

16 MR. TAPPERT: Thank you, Chip. And good
17 evening and welcome. My name is John Tappert and I'm
18 the Chief of the Environmental Section in the Office
19 of Nuclear Reactor Regulation. And on behalf of the
20 Nuclear Regulatory Commission, I'd like to thank you
21 for coming out tonight and participating in our
22 process.

23 There are several things we'd like to
24 cover this evening, and I'd like to briefly go over
25 the purposes of today's meeting. First of all, we'd
26 like to give you a brief overview of the entire

1 license renewal process. Now this includes both a
2 safety review as well as an environmental review,
3 which is the principle purpose of tonight's meeting.

4 Next, we'll identify those issues that
5 we'll be looking at as part of our environmental
6 assessment to look at the impacts of extending the
7 operating license of the Quad Cities Nuclear Power
8 Plant for an additional 20 years. Then we'll give you
9 some information about our schedule and also how you
10 can participate further in the process.

11 And then most importantly, at the
12 conclusion of the staff's remarks, we'd be happy to
13 receive any questions or comments that you may have
14 tonight.

15 But first, let me provide some general
16 context for license renewal program. The Atomic
17 Energy Act gives the NRC the authority to issue
18 operating licenses to commercial nuclear power plants
19 for a period of 40 years. At Quad Cities Units 1 and
20 2, those operating licenses will expire in 2012. Our
21 regulations also make provisions for extending those
22 operating licenses for an additional 20 years as part
23 of a license renewal program, and Exelon has requested
24 license renewal for both Units.

25 As part of the NRC's review of that
26 application, we will be developing an environmental

1 impact statement. Right now we're in what we call
2 scoping, where we seek to identify those issues which
3 will require the greatest focus during our review.
4 And again, the principle purpose of tonight's meeting,
5 is to receive your input into that scoping process.

6 And with that brief introduction, I would
7 like to ask T.J. to describe the safety portion of the
8 review.

9 MR. KIM: Thank you, John. As Chip said,
10 my name is T.J. Kim and I'm the NRC's Project Manager
11 responsible for the safety review of the Exelon's
12 license renewal application for both Quad Cities and
13 Dresden. Before I get into the discussion of the
14 license renewal process, I'd like to take a minute to
15 talk about the Nuclear Regulatory Commission, the NRC,
16 in terms of what we do and what our mission is.

17 As John said earlier, the Atomic Energy
18 Act of 1954, is the enabling legislation that
19 authorizes the NRC to regulate the civilian use of
20 nuclear materials. In carrying out that statutory
21 authority, the NRC's mission is really three-fold.
22 One, to ensure adequate protection of public health
23 and safety. Two, to protect the environment. And
24 three, to provide for a common defense and security.

25 NRC's carries out its mission through a
26 combination of various regulatory programs and

1 processes such as inspections, enforcement actions,
2 assessment of licensee performance, evaluation of
3 operating experiences at all the nuclear plants across
4 the country as well as foreign reactors, promulgation
5 of regulations and rules and licensing.

6 Again, all these major and ongoing
7 programs and processes are designed to ensure that we
8 satisfy our statutory mission. The Atomic Energy Act
9 of 1954, as John mentioned earlier, provides for a
10 forty-year-term, operating term, for power reactors
11 but it also allows for license renewal. By the way,
12 the forty-year term is primarily based on economic and
13 antitrust considerations rather than safety
14 limitations or technical limitations.

15 So to address the requirements and to
16 develop a process for license renewal, the Commission
17 has promulgated the license renewal rule in 10 CFR
18 Part 54. That's Title 10 of the Code Federal
19 Regulations, Part 54. Title 10 is where all the NRC's
20 rules and regulations are compiled.

21 The license renewal process, as defined in
22 10 CFR Part 54, is quite similar to the original
23 licensing process for operating power plants in that
24 it involves a safety review, an environmental impact
25 review, confirmatory plant inspections and also an
26 independent review by the ACRS, or the Advisory

1 Committee on Reactor Safeguards. An important
2 distinction here however, is that in promulgating the
3 license renewal rule, the Commission has determined
4 that many aspects of the current licensing basis for
5 plants, such as the emergency planning and planned
6 physical security are adequately addressed by existing
7 regulatory programs and processes such that they can
8 carry forward into the license renewal term. That's
9 a very important concept in talking about license
10 renewal process.

11 Before I move on to the next slide, I want
12 to just mention briefly about the role of the ACRS,
13 the Advisory Committee on Reactor Safeguards. The
14 ACRS is a group of nationally recognized technical
15 experts in nuclear safety area that basically serves
16 as a consulting body to the Commission itself. And
17 they review each license renewal application, as well
18 as, the staff's safety evaluation report and form
19 their own conclusions and recommendations and report
20 them directly to the Commission.

21 This slide basically provides a big
22 picture overview of the license renewal process, and
23 as you can see on the slide, it involves two parallel
24 paths, safety review at the top here and the other
25 part involves the environmental review process that's
26 depicted down here. The safety review is basically a

1 review conducted by NRC technical staff looking at the
2 technical information contained in the license renewal
3 application.

4 I have a team of about thirty technical
5 reviewers, NRC folks, back at the NRC headquarters,
6 who are conducting this review right now. And the
7 team is also supported by the technical experts at
8 three different national laboratories including
9 Argonne, Brookhaven and particularly Northwest. So I
10 have quite a bit of talent put together in conducting
11 the safety review.

12 The safety review process also involves
13 on-site inspections for Dresden and Quad Cities
14 license renewal application. We're planning three
15 such inspections. One inspection will be conducted at
16 the Exelon's Engineering Office. The second
17 inspection will be conducted at the Dresden site and
18 the third inspection will be conducted at the Quad
19 Cities site. And each of these inspections will be
20 conducted by a team of seven very experienced
21 Inspectors pulled together by both NRC Headquarters as
22 well as NRC's Region 3 Office. And the results of
23 their inspection will be documented in a separate
24 inspection report as indicated right there.

25 Now, the safety review focuses on two
26 things. The first thing it looks at is the

1 applicant's proposed aging management programs for
2 those plant systems structures and components that are
3 within the scope of license renewal, to ensure that
4 these aging management programs are effective to
5 maintain plant safety throughout the license renewal
6 term. Again, so assessing the effectiveness of the
7 aged proposed aging management programs, is a key
8 aspect involved in the staff safety review.

9 The safety review also involves the NRC
10 staff's assessment of what's called time limited aging
11 analyses. The license renewal rule requires each
12 applicant to basically reevaluate all those design
13 analyses, original design analyses, that assumed a
14 forty year life term. So the reevaluation basically
15 is designed to extend the forty year life term to
16 sixty year life term to come with a license renewal
17 period.

18 An example of a time limited aging
19 analysis would be an environmental qualification
20 analysis of certain electrical cables and components
21 that are expected to survive and function during a
22 design basis accident at the end of its qualified
23 life. And as part of license renewal application,
24 each applicant must demonstrate that those components
25 will indeed be qualified to survive at the end of
26 sixty year life term.

1 So to summarize the safety review then,
2 the safety review has two key aspects. As I mentioned
3 earlier, it looks at the effectiveness of the proposed
4 aging management programs. It also looks at the
5 effectiveness of time limited aging analyses conducted
6 by the applicant. The results of the staff's safety
7 review then will be documented in what's called Safety
8 Evaluation Report, and a copy of that will be provided
9 to the ACRS for basically a second opinion if you
10 will.

11 All right, and the process down here, as
12 I mentioned earlier, is the environmental review
13 process. And it involves scoping activities, which
14 this meeting is a part of. It also involves preparing
15 a draft supplement to GEIS, which stands for Generic
16 Environmental Impact Statement, and then we'll be
17 publishing that draft for public comment. And then
18 eventually we'll issue a final supplement to GEIS.

19 By the way, the next speaker Mr. Duke
20 Wheeler, who is responsible for carrying out this
21 environmental review process, will discuss this
22 process in greater detail in a minute.

23 So as you can see from the slide, the
24 Agency's final decision on whether to approve or deny
25 the application, factors in all those things that I
26 just mentioned, staff safety evaluation report which

1 documents the results of the safety review, a final
2 supplement to GEIS, which documents the results of
3 staff's environmental review, inspection reports, as
4 well as ACRS' independent report. All of it gets
5 factored into the Agency's final decision.

6 And I should mention that the Commission's
7 schedule for this entire process is about twenty-two
8 months. And that concludes my prepared remarks. If
9 there are any questions, I guess I'll be --

10 MR. CAMERON: Okay, thanks T.J. T.J. gave
11 us a lot of information, and are there any questions
12 on the process that he described or the types of
13 things that are looked at in the safety evaluation?
14 Okay. We're going to go to Duke Wheeler now for more
15 detail on the environmental review process and then
16 we'll go out to you to see if you have any questions
17 on that or on anything that we've discussed
18 previously. Duke?

19 MR. WHEELER: Thank you, Chip. May I have
20 the next slide please? I'm Duke Wheeler, and I'm the
21 Environmental Project Manager on the NRC staff who is
22 responsible for coordinating all the activities of the
23 NRC staff and various environmental experts at
24 national laboratories to put together the
25 Environmental Impact Statement that will be associated

1 with the proposed license renewal for Quad Cities
2 Units I and II.

3 The National Environmental Policy Act
4 requires a systematic approach for evaluating the
5 environmental impacts of certain actions that are
6 considered major Federal actions. Consideration must
7 be given to the environmental impacts of actions, as
8 well as, mitigation for those impacts that are
9 considered significant.

10 We are also going to evaluate alternatives
11 to the proposed licensing renewal. And one of the
12 alternatives is what we call the no-action
13 alternative, where we may decide not to take any
14 action or disapprove the proposed license renewal. We
15 will consider the environmental impacts of that
16 alternative as well.

17 The National Environmental Policy Act and
18 the Environmental Impact Statement is a disclosure
19 tool, and it is specifically structured to accommodate
20 public participation, and that's why we're here this
21 evening, to facilitate the public's participation in
22 our process.

23 Our Commission has decided that
24 Environmental Impact Statement will be prepared for
25 proposed license renewals. May I have the next slide
26 please?

1 The decision standard that we are working
2 toward is spelled out on this slide, and it looks like
3 it might have been written by a lawyer too. It
4 doesn't read that clearly, but basically we ask
5 ourselves, are the environmental impacts associated
6 with the proposed license renewal so great that
7 maintaining the license renewal option for Quad Cities
8 is unreasonable?

9 Now the point I'd like to make is that we
10 don't decide whether or not Quad Cities will operate
11 for another 20 years. That decision is actually made
12 by others, such as, the licensing State regulators and
13 so forth. We'll only decide if they meet our
14 requirements for safety and environmental
15 considerations and issue the license to that effect.
16 It's like, if you get a driver's license that doesn't
17 require you to drive a car. May I have the next
18 slide?

19 This is a flow chart that shows, in lieu
20 of greater detail, the bottom line of the flow chart
21 that T.J. had up on the screen a few moments ago. And
22 we did receive the application on January the 3rd.
23 About four weeks ago, members of the NRC staff and our
24 environmental experts were out here at the Quad Cities
25 site, and we conducted a site audit as part of our
26 information gathering activities. Then on March the

1 14th, we put a notice in the *Federal Register* and
2 otherwise publicized our notice of intent to prepare
3 an Environmental Impact Statement and conduct scoping.
4 And that's what starts the scoping process which is
5 where we are right now. We're more or less in the
6 middle of it. It's a sixty day period of time and the
7 scoping period ends on April, excuse me, on May the
8 14th.

9 Now if, after reviewing the licensee's
10 environmental report, all the information we got from
11 the site audit, information that we received from the
12 public, if we still require additional information,
13 then I will send a formal request for information to
14 Exelon and I will have that done by May the 23rd.
15 After about eight weeks, I expect to get an answer
16 back from them and then with all of that information,
17 we will prepare a draft of our Environmental Impact
18 Statement. And I'm presently scheduled to publish a
19 draft of the Environmental Impact Statement in
20 November of this year.

21 Now at the same time I publish that
22 Environmental Impact Statement, I will also publicize
23 that fact that the Environmental Impact Statement is
24 out there for public comment. And there will be a
25 seventy-five day comment period on my draft of the
26 Environmental Impact Statement. During that comment

1 period, I will probably have another public meeting,
2 such as this, to facilitate receiving comments from
3 the public on our draft Environmental Impact
4 Statement.

5 Once we get all of that information in,
6 then I expect to publish the final Environmental
7 Impact Statement in July of 2004. And just one or two
8 explanations of the abbreviations here. As T.J. told
9 you, the GEIS, the G-E-I-S, Generic Environmental
10 Impact Statement, is a document that we published
11 several years ago that talks about environmental
12 impacts for any nuclear power plant. It's a generic
13 document. What I'm going to be doing is publishing a
14 supplement to the Generic Environmental Impact
15 Statement which will be a Quad Cities specific
16 Environmental Impact Statement. May I have the next
17 slide?

18 And this slide just indicates some of the
19 sources of information that we reference to get the
20 information we would like while developing a draft, an
21 Environmental Impact Statement. We do communicate
22 with Federal, State and local officials, as well as,
23 local service agencies and other entities as you can
24 see. May I have the next slide?

25 This slide indicates the environmental
26 disciplines where we focus our attention, social

1 economics and environmental justice, atmospheric
2 sciences. We also get into cultural resources and
3 archaeological interests, land use, terrestrial
4 ecology, radiation protection. We do take a look at
5 nuclear safety with regard to severe accidents. Of
6 course regulatory compliance, hydrology water use
7 aquatic ecology.

8 Most of these are familiar terms. One
9 that may be new to you is this term of environmental
10 justice. And that basically causes us to focus on the
11 question of whether or not any environmental impacts
12 associated with the proposed license renewal,
13 disproportionately impact lower income or minority
14 segments of the population. May I have the next
15 slide?

16 This slide just recaps a couple of the key
17 dates that I went over with you. We're more or less
18 in the middle of our scoping comment period right now.
19 And again, November is when I'll issue the draft
20 supplement to the Environmental Impact Statement for
21 your comments. When I get your comments, then by July
22 of 2004, I'll publish the final supplement to the
23 Environmental Impact Statement. And these documents
24 by the way, are available to the public. I've been in
25 touch with and have visited a couple of libraries in
26 the area, the Cordova District Library, the River

1 Valley Public Library, and the Davenport Public
2 Library. They've all graciously agreed to make space
3 available on their library shelves in their reference
4 sections, for documents related to the development of
5 our Environmental Impact Statement for Quad Cities.

6 In addition, I will mail a copy of the
7 draft and the final Environmental Impact Statements to
8 those who would like a copy that fill out one of our
9 view registration cards that was made available to you
10 when you came in. We'll also have that document
11 available on our web site. May I have the next slide?

12 This slide just identifies me as the NRC
13 primary point of contact for anybody with any interest
14 related to our development of the Environmental Impact
15 Statement for the proposed Quad Cities license
16 renewal. And it shows again where in the local area,
17 documents related to our review can be found. And it
18 points out that you can also find documents on our web
19 site. And regarding, by the way, access to our web
20 site, sometimes that can be a little bit difficult
21 working through the internet. If you have any
22 difficulty in getting in to the NRC's web site and
23 getting what you're looking for related to this
24 environmental review, you've got my phone number.
25 Give me a telephone call and we'll go through your
26 interest keystroke-by-keystroke to get you what you're

1 looking for on our website. May I have the next
2 slide?

3 This slide just identifies other ways in
4 which you can get comments to me for consideration.
5 You can certainly send in written comments by mail to
6 the address shown on the slide or Chief of the Rules
7 and Directives Branch. That will guarantee that the
8 comments do get in to the public record. You will
9 also or have a representative who is representing your
10 interest, could stop by our office in Rockville,
11 Maryland. I recognize that this is some distance from
12 here, it may not be that practical, but for some of
13 our plants that have been closer to our part of the
14 country, it does make sense. And I put it on a slide
15 because it is something that is available if you
16 choose to use that way of getting comments to us.

17 And the last item that I have there, is
18 that I have created an e-mail address for the express
19 purpose of receiving your comments on the development
20 of the Quad Cities Environmental Impact Statement.
21 That e-mail address being QUADCITIESEIS@NRC.GOV.
22 Again, if you have difficulty in trying to get a
23 message through to that, if you get something back
24 that says message undeliverable, give me a call at the
25 phone number that was on a previous slide and we'll

1 keep going at it until we can resolve the problem and
2 get your concerns properly addressed.

3 That pretty much concludes my remarks.
4 And what I'd like to do is turn it back over to Chip.
5 Thank you.

6 MR. CAMERON: Okay, thank you Duke. Are
7 there any questions on the specifics of the
8 environmental review process for Duke or any questions
9 on the safety evaluation review? Okay, great. And
10 we'll obviously have time if there is anything that
11 comes up tonight during the rest of the meeting that
12 you don't understand. We'll be glad to go into that.

13 Before we go to you for comment, there's
14 one person that I would like to introduce to you. I
15 mentioned about that John Tappert and that T.J. Kim
16 were Resident Inspectors. Well, I'd like to introduce
17 you to a Resident Inspector at the Quad Cities plant
18 and that's Mike Kurth, who's right here and thank you
19 for being here tonight, Mike.

20 And I would add that when the meeting's
21 over, please feel free to talk to the NRC staff about
22 any questions or concerns that you have. We'll be
23 around, and we do also have some of our expert
24 consultants that are helping us tonight so they will
25 also be available.

1 And we're going to start off our comment
2 period by asking the Exelon Company to give us an idea
3 of their rationale for submitting the license renewal
4 application to the NRC. And we're going to have Mr.
5 Tim Tulon, the Site Vice President at Quad Cities
6 Nuclear Power Station talk to us. Tim?

7 MR. TULON: Yeah, Chip, thank you very much
8 and good evening. My name is Tim Tulon. I am the
9 Site Vice President of the Quad Cities Generation
10 Station, and I'm accountable for its operation. And
11 the first thing I want to do is thank the NRC tonight
12 for consideration of our license application, and also
13 for holding this public meeting because I believe that
14 it's very important that the public has an opportunity
15 to comment.

16 In the late 1990's, I had the very same
17 job at the Braidwood Station which is south of Joliet.
18 I'd have to drive to Quad Cities periodically to do
19 control board observations, to go to meetings and
20 every time I would leave that plant in the late
21 1990's, I would ask myself, is this going to be the
22 last time I'm going to drive to Quad Cities? Because
23 I'll tell you what, I did not think the plant was
24 going to make it in the new environment. So here we
25 are today, you know, the performance of the plant has

1 increased significantly and we're submitting
2 application to extend the life of the plant.

3 So I've got to say, I am truly pleased for
4 the employees of this Station and also for the
5 community. I'm pleased for the employees because of
6 the prospect of continued employment. And also for
7 the community because of the prospect of continuation
8 of a reliable, inexpensive power source. So let me
9 talk to you a few minutes about what this means. You
10 know, each of the two Units at Quad Cities produces
11 912 megawatts of electricity. So if I put this in an
12 easier context to understand, that's the same amount
13 of power that would power approximately 1.7 million
14 households. Think about that, 1.7 million households.
15 So this is a very powerful and a very significant
16 source of electricity.

17 One advantage that the plant brings I
18 think is often overlooked, is the fact that the fuel
19 prices are very, very stable. Both Units can run
20 approximately two years, can run two years at one
21 hundred percent power with, without refueling. And so
22 what that means in the short term, is that we are not
23 subject to supply disruptions. We are not subject to
24 the rapid price fluctuations that we've seen on the
25 Mercantile Exchange there recently for the price of
26 crude oil and natural gas.

1 We have about seven hundred families at
2 Quad Cities that are dependent on this plant to make
3 a living. About three hundred and seven employees are
4 members of the International Brotherhood of Electrical
5 Workers, Local 15. And I've got to tell you, these
6 are good jobs. These are high paying jobs within the
7 community and they offer excellent benefits. And so
8 our annual payroll is \$57 million, much of which flows
9 right back into the local community.

10 You know when I first came to the plant,
11 I had one of the local pastors from one of the small
12 towns seek me out. And he said Tim, he says, you need
13 to do a good job running this particular plant, and it
14 needs to stay open because many of my members work at
15 the Station. So having Quad Cities Generation Station
16 operating for an extended period of time is important
17 for that reason and many, many others to our
18 community.

19 The plant has always had a commitment to
20 use skilled Union trade labor during maintenance
21 refuelings. In fact in the year 2002, we had two
22 refueling outages at Quad Cities. We employed about
23 twelve hundred Union craftsmen during that time frame
24 and we worked right through the Tri-city Building and
25 Trade Councils right here in the Quad Cities. And
26 that resulted in a local payroll to these craftsmen of

1 about \$30 million. And we do intend to continue our
2 support and use of Union trade labor.

3 Additionally, we have about a hundred
4 twenty full-time contractors on site. We also do
5 about \$2 million a year with local Quad Cities area
6 businesses. So I would offer to you, is that number
7 one, we are a very significant employment source for
8 the community and number two, is that we are a
9 positive economic force in the local area. Over the
10 past five years, we've paid about \$17 million in local
11 property taxes or about three and a half million
12 dollars a year.

13 In 1997, the laws of the State of Illinois
14 were changed in regard to how a nuclear plant is to be
15 assessed for taxation. And I'll tell you point blank,
16 that we are currently in disagreement with this matter
17 with the county. It's a very difficult issue for both
18 sides. And so I would tell you, regardless of any
19 extreme positions that were taken in a property tax
20 appeal board, I told Mr. Chairman Bohnsack this
21 afternoon, in no uncertain terms, that Exelon will pay
22 property taxes and we intend to do that. We will
23 continue to work with local taxing bodies to bring a
24 resolution to the issue.

25 In addition, I want to clarify for the
26 record, a comment that was made in testimony this

1 afternoon about how funding is obtained for emergency
2 planning at nuclear plants in the State of Illinois.
3 And how this typically works is that the State gives
4 each reactor an assessment to pay for this type of
5 emergency planning. And the State feeds that money
6 back to the counties which is a significant source for
7 the typical funding for ESDA.

8 Our employees are also generous and
9 they're also involved in many local community
10 activities. You know, last year they contributed
11 about \$150,000 to the local United Way campaign. They
12 have organized blood drives that have raised about 230
13 some pints of blood, units of blood, over the last
14 year. You'll also find our employees involved in
15 coaching youth sports. You will find them involved in
16 scouting. You will find them in Junior Achievement
17 and much, much more.

18 Regarding the environment, many people did
19 not realize that we are the only private sector
20 facility to operate a fish hatchery on the Mississippi
21 River. So since 1984, over four million fish have
22 been stocked right here locally in Mississippi Pools
23 14 and 13. We have an annual goal to produce fish,
24 and that's 5,000 yearling hybrid striped bass and
25 175,000 walleye fingerlings. And this is a very

1 significant recreational benefit to the local
2 community.

3 During the preparation of the license
4 extension request, a study was to made to say what
5 would happen to the environment if Quad Cities Nuclear
6 Plant was replaced by coal burning generation? And
7 this is what would happen. Coal burning generation of
8 the equivalent output would produce about 6,000 tons
9 of sulphur dioxide each year. It would produce 1700
10 tons of nitric oxides and also carbon monoxides. And
11 so this lack of greenhouse gas generation is important
12 right now and it's going to be of increase and
13 importance to this nation as time goes on.

14 A word about security post 9/11, as we
15 have spent over a million dollars strengthening the
16 security at Quad Cities and we continue to monitor and
17 adjust that program. I will tell you flatly, that
18 domestic nuclear plants today are the best protected
19 civilian facilities in the nation, period. And this
20 issue is as important to us as it is to you, and we
21 will continue strong support for the security program.

22 Again Chip, I want to thank the NRC for
23 consideration of the license extension. I'd like to
24 close the remarks here this evening by just
25 reiterating that the management team of Quad Cities is
26 absolutely committed to the safe and reliable

1 operation of this facility. Thank you. I appreciate
2 the opportunity to comment, sir.

3 MR. CAMERON: One final comment from
4 Exelon, Mr. Fred Polaski, who's the Manager for
5 License Renewal at Exelon is going to tell us a little
6 bit more specifically about the license renewal
7 application. Fred?

8 MR. POLASKI: Thank you, Chip. As Chip
9 said, my name is Fred Polaski and I am Exelon's
10 Corporate Manager for License Renewal within the
11 entire Exelon Company. Exelon was formed about three
12 years ago with the merger of ComEd here in Illinois
13 and PECO Energy in Pennsylvania. And at the time of
14 the merger, I was heading up a license renewal project
15 for PECO at our Peach Bottom Plant, and got this job
16 when the company merged and was responsible for the
17 work on the application for both Dresden and Quad
18 Cities and also for Peach Bottom Plant in Pennsylvania
19 which will be getting its new license on May the 12th.

20 I've been working in the nuclear business
21 for over 30 years. About 20 of it at Peach Bottom.
22 I held a Senior Reactor Operators license there for 13
23 years, and for the last seven, I've been working in
24 the area of license renewal. I've spent several years
25 working with industry groups on the development of the

1 process and the last several years in the Peach Bottom
2 and then lately the Dresden and Quad Cities projects.

3 Mr. Tulon talked about the reasons why
4 continuing to operate Quad Cities would be good for
5 the community, and I'd like to talk a little bit about
6 how we prepare that license for application and the
7 extensive amount of engineering effort that went into
8 developing the application.

9 ComEd, the predecessor to Exelon or one of
10 the predecessors, decided to develop a license renewal
11 application for Dresden and Quad Cities back in the
12 year 2000. The project began in August of 2000 and we
13 submitted the application January 3rd of 2003. The
14 application, and there's not a copy in here, but
15 there's copies out on the table, the safety evaluation
16 part of it that T.J. talked about was a volume that's
17 about this thick for jointly for Dresden and Quad
18 Cities. The environmental reports are each about that
19 thick. I can assure you that what backs that up is a
20 volume of information at least one hundred times as
21 large, with all the supporting documentation that
22 supports those summary reports of what we need at the
23 point of the license renewal application.

24 And from an engineering viewpoint, Exelon
25 invested over 40 man years of effort into doing the
26 analysis required to prepare that supporting

1 information and the license renewal application. So
2 it's an extensive amount of work that went into that.

3 I'd like to speak first a little bit about
4 the safety review, and I know that's not the main
5 subject of tonight's topic but it's also probably the
6 part of the review that had the most effort put into
7 it. What we had to do at Exelon was perform a review
8 of the equipment that's important to safety and safe
9 operation of the plant. We had to determine whether
10 the necessary maintenance and operation was occurring
11 so that that equipment would operate when it was
12 needed if there was an emergency situation at the
13 plant.

14 And the reason you need to do that is when
15 Dresden and Quad Cities were built, all the equipment
16 was brand new. It was thoroughly tested. It was
17 proven that it would function and do what it needed to
18 do but as equipment is operated with time, it will
19 age. It doesn't mean it won't work when it's needed
20 to but it does age. And what it means though is that
21 the operators, the maintenance technicians at the
22 plant, need to perform the routine maintenance on that
23 equipment to make sure that it will function when it's
24 needed in an emergency situation.

25 Our review concluded that the equipment is
26 being maintained properly. The aging of the equipment

1 is being managed properly, so that it will operate
2 when it's needed to and basically the plant is in good
3 condition to operate for an additional 20 years. We
4 also took a look at all the engineering analysis that
5 were done to support the initial 40 years of operation
6 and were able to conclude that 60 years is not a
7 problem. In fact, many that engineering analysis
8 would support operation even beyond 60 years.

9 I guess one thing though about what we
10 did, and I want you to look at on that, is an analogy
11 to an automobile. And the reason I do this is I think
12 a lot of people's perception of a nuclear power plant
13 is it's a big concrete building, you can't see what's
14 in there, and you don't have the slightest idea what's
15 behind it and it's got a chain-link fence with barbed-
16 wire and you can't even get close to it. And it's a
17 lot larger, more complicated process than an
18 automobile but I think the analogy has got some value
19 to it.

20 When you buy a new car, it's been tested
21 at the factory, it's been proven to run, you drive it
22 and it does what it needs to do. You can drive it,
23 you can stop it, you can operate it safely. But if
24 you don't maintain it, you don't change the oil
25 periodically, get tune-ups, all that, it's not going
26 to run well and when you need to do things like stop

1 suddenly, the brakes may not work. So you do normal
2 maintenance on that to keep it in good operating
3 condition so it will work. Basically, that's what we
4 do in a nuclear power plant. We want to keep it
5 running well and efficiently and safely, so we need to
6 do the proper maintenance. And the conclusion of our
7 review was that that work is being done.

8 From the environmental side, we took a
9 look at all the different aspects of how an operation
10 is planned, could impact the environment. It's not
11 just those things you normally think of, like the
12 impact on the way when you built the plant or whether
13 anything, heat is released from the process of
14 generating electricity, but the impact on the local
15 environment and population and socio-economic aspects
16 of it. And our conclusion, on all those, is that the
17 impact on the environment is small, and that's the
18 word we use in the application because that's the
19 regulatory term that's used when you're doing that
20 evaluation.

21 And I know when I first got into it, I
22 sort of had some problems understanding what it meant.
23 What it really came down to, when you look at the big
24 picture, what we're able to conclude is if that plant
25 operates beyond 40 years, from 40 years to 60 years,
26 so an additional 20 year period, the impact on the

1 environment during that additional 20 years won't be
2 any different than the impact on the environment
3 today. And everybody knows that when you operate a
4 power plant, whether it's a nuclear plant, a fossil
5 plant, when you build a new building, when you drive
6 a car, you're having some impact on the environment
7 and we've concluded is that that environmental impact
8 is acceptable. It meets the regulatory standards for
9 an additional 20 years of operation.

10 One of the things that we looked at,
11 specifically, was that if the license is not renewed
12 for Quad Cities and an additional 1800 megawatts of
13 generation, electrical generation, is installed,
14 what's the impact of that on the environment and we
15 looked at several different options. And the
16 conclusion was that continued operation of Quad Cities
17 would have a smaller environmental impact than any of
18 the other alternatives we looked at.

19 So to conclude, I think Exelon's concluded
20 this, and I personally believe this, in the review of
21 the project, is that Quad Cities is a safely operated
22 nuclear power plant. It can operate safely for 60
23 years with an additional 20 years of operation. And
24 during that time period, it will provide 1800
25 megawatts of clean, reliable, environmentally
26 friendly, economic electricity. It's going to benefit

1 this community, the State of Illinois and our country.
2 Thank you.

3 MR. CAMERON: Okay, thank you Fred. Next
4 we're going to go to Sue Hebel who is the Director of
5 the Cordova District Library.

6 MS. HEBEL: Yes, I'm Sue Hebel. I work at
7 the, I'm the Director of the Cordova District Library
8 and I was also an employee at the River Valley Library
9 in Port Byron for over eight years. My husband and I
10 have lived in Upper Rock Island County for over 20
11 years, so I'm very familiar with both communities.

12 I'm here to talk about the Quad Cities
13 Nuclear Power Station being a good neighbor. The
14 station has had a positive impact on the environment
15 in Cordova as well as in Port Byron. The plant keeps
16 the river open in the winter time. Because of this,
17 there are many more eagles and water fowl in the area.
18 Our library is right on the river so my office faces
19 the river so I see a lot of that. Also, the station
20 supports the fish hatchery and stocks the river with
21 walleye and striped bass.

22 As someone who deals with the public, the
23 Cordova community has a lot of retired people, so
24 there's lots of people that fish and when they come in
25 the library, they talk about the fishing being so much
26 better in the area since the plant has done that.

1 I'm also in charge of Academic Achievement
2 Award Program for Riverdale High School, which is
3 supported by the Quad Cities Chamber of Commerce, and
4 the plant has been very generous with this scholarship
5 program. This program provides scholarships to our
6 local area seniors who have excelled academically and
7 are heading to college. We appreciate that.

8 Aside from the tax issue, the Quad Cities
9 Nuclear Power Station has been a good neighbor
10 financially to the Cordova Library as well. They're
11 very supportive of our library activities. They have
12 given financially to our library requests and they
13 enable us to do activities that we otherwise could not
14 afford to do. These activities are for the youth of
15 our community. My library board and I are very
16 appreciative of their support, and therefore, we
17 support the relicensing of the Quad Cities Nuclear
18 Power Station. Thank you.

19 MR. CAMERON: Thank you very much Sue for
20 those comments. We're going to go next to Leslie,
21 Leslie Perrigo.

22 MS. PERRIGO: Hi, I'm Leslie Perrigo. I'm
23 just a concerned citizen. A few things, concerns that
24 I have regarding the relicensing of the Quad Cities
25 Nuclear Power Plant for an additional 20 years. Like
26 Mr. Cameron pointed out, nuclear power plants, the

1 forty year period, is based on economic and not
2 necessarily safety specifications.

3 In 1994, an unearned regulated inspection
4 by the NRC, actually found evidence of core shell
5 cracking at the Quad Cities Units which then, at that
6 time, caused the NRC to reevaluate their process for
7 their inspections. This is but one of the many costly
8 repairs which are associated with the extension of an
9 operating license.

10 Another concern is with the recent ruling
11 that the NRC, of the NRC, to exclude the threat of
12 terrorism from the relicensing process. Spent fuel
13 pools contain mass amounts of potentially harmful
14 radioactive material. Design of spent fuel pool
15 storage for General Electric Mark I boiling water
16 reactors is particularly vulnerable, and Exelon has
17 already stated that they have no plans to install
18 hardened on-site storage. Hardened on-site storage
19 for spent fuel would be resistant to an attack and
20 should be viewed as a necessary component to Homeland
21 Security. If our nuclear facilities are poorly
22 defended, we may feel compelled to use military force
23 around the world aggressively which could facilitate
24 an endless cycle of violence.

25 Also, there are three hundred and thirty-
26 four thousand and forty people in Iowa and over two

1 million people in Illinois who live within one mile of
2 the proposed transit route for the shipment of high
3 level radioactive waste. There is no transportation
4 plan for the one hundred thousand truckloads or twenty
5 thousand train loads of high level waste that will
6 pass through forty-five states over 38 years.

7 Any industry that produces this much high
8 level radioactive waste, as a general practice, is
9 neither clean or cheap. Although the nuclear industry
10 does produce far less, or does emit far less carbon
11 than conventional plants such as coal, carbon dioxide
12 is still emitted at every step of the nuclear fuel
13 chain from uranium mining to the decommissioning of
14 old reactors.

15 As to the claim that nuclear power is
16 cheap, the Department of Energy has recently released
17 their budget projections for 2004. An anticipated
18 \$591 million alone is requested for Yucca Mountain.
19 Of this, \$438 million would come from taxpayers. I
20 realize that Cordova is a major employer for our area,
21 but I would also like to point out that under
22 deregulation, many jobs have already been cut.

23 Also as a case study, that the State of
24 New York in the 1990's, was sixty percent reliable on
25 nuclear power and when the Nine Mile, or when the
26 nuclear accident happened, and they kind of

1 reevaluated that. They did shut down about six out of
2 eight plants I believe it was, and they combated that
3 they made up for the difference of the loss in power
4 by instituting energy conservation and also just
5 energy efficiency.

6 So it is possible to function in the Quad
7 Cities without nuclear power plants, and we do have
8 amazing potential for renewable energy. Every year
9 the sun emits two thousand times more energy than the
10 world consumption needs. When resources in the West
11 and Midwest have more potential energy than the oil
12 fields of Saudi Arabia and together electricity and
13 hydrogen can meet all the energy needs of a modern
14 society. This of course is a transitional period in
15 our time. This is a very exciting time in technology,
16 so we would just like the NRC to consider other
17 options and just acknowledge that there are other
18 options out there and taking it into consideration all
19 the safety concerns regarding nuclear power. Thank
20 you.

21 MR. CAMERON: Okay, thank you Leslie. And
22 I guess I just wanted to ask the staff a couple of
23 clarifications. First on Leslie's last point,
24 typically alternative energy sources are considered in
25 the preparation as the Environmental Impact Statement.
26 Is that correct?

1 MR. TAPPERT: The Environmental Impact
2 Statement and the National Environmental Policy Act
3 require that the real heart of that is the analysis of
4 alternatives. So the idea is you have a proposed
5 action, and then you look at what alternatives are out
6 there and assess those impacts so the decisionmakers
7 can make an informed decision. So in our
8 Environmental Impact Statement, we'll be looking at
9 alternative generating capacity including
10 conservation, solar and whatnot. So the source of
11 discussion and analyses will be in there.

12 MR. CAMERON: So, thank you for that
13 scoping comment, Leslie. The other point that you
14 raised, you raised a particularly important point
15 about terrorism and security and I just wanted to put
16 the, what the NRC looks at in, as far as terrorism, in
17 context because I think that you sighted one statement
18 about the fact that terrorism is not looked at within
19 the context of licensed renewal. And that's partially
20 true, but I don't want people to get the impression
21 that it isn't looked at in license renewal and I'm
22 going to ask the staff to just clarify that a little
23 bit.

24 Because I think that the statement about
25 not looking at it is true in terms of the preparation
26 of the Environmental Impact Statement, but when the

1 NRC looks at the safety side of license renewal, it's
2 very specifically considered and I just want to make
3 sure that that's correct or, what can you say about
4 that part of it, John, because maybe that's not
5 correct.

6 MR. TAPPERT: Right. And the Commission
7 did in fact say that terrorism is not in the scope of
8 the environmental review for license renewal. And the
9 basis for that decision was not that terrorism wasn't
10 important, security wasn't important, but that the
11 security issues were being handled in other forms. I
12 mean, it's hard to believe but it's been a year and a
13 half since the 9/11 attacks, and a lot has been done
14 to improve the safety and security of these nuclear
15 power plants which are very robust in the first place.

16 We've issued an inner compensatory
17 measures immediately after the attacks. Subsequently,
18 we've issued orders to every one of the hundred and
19 three operating nuclear power plants to increase their
20 security posture.

21 When the Attorney General changes the
22 threat level from orange to yellow or whatnot, there's
23 specific actions that are associated with that. So a
24 number of actions are being taken. The Commission is
25 still undergoing a top to bottom security review.
26 We're assessing what additional actions need to be co-

1 defined in the regulations to make sure that these
2 facilities are as safe as they can possibly be. So
3 while you're correct in saying that you're not going
4 to see anything about it in our Environmental Impact
5 Statement, but a lot of activities are being done to
6 improve the securities facilities

7 MR. CAMERON: Okay, thanks John. I was a
8 little bit confused on that myself and I guess the
9 point that I wanted to make sure that we got out, is
10 that type of issue, that issue is considered in the
11 normal operation and regulation of the plant as
12 opposed to license renewal.

13 MR. TAPPERT: And the critical point there
14 is that terrorism security shouldn't be limited to
15 license renewal because it affects all one hundred and
16 three plants. It doesn't affect the half dozen we're
17 looking at for license renewal. We don't want to wait
18 20 years to address security terrorism at these
19 plants, so it's being handled in the current operating
20 basis for all the plants and is being handled today.

21 MR. CAMERON: Thanks, John. Is there
22 anybody else who wanted to speak tonight, to say
23 anything? I don't think that Mr. Whitt, is Mr. Whitt
24 here? Okay. Are there any questions? You've heard
25 some NRC presentations and some good public comments.
26 Are there any questions for the staff that we can

1 answer at this point? And besides again, we'll be
2 here after the meeting if you want to talk
3 individually with NRC staff members.

4 And I guess with that, I would thank you
5 for being here tonight. And I'm going to ask John
6 Tappert to just close the meeting out for us. John?

7 MR. TAPPERT: Thanks, Chip. And again,
8 thanks for coming out. We appreciate you taking time
9 out of your evening to come to our meeting and provide
10 us your comments and thoughts. And as Duke provided
11 you several contacts, the means of contacting us and
12 our comment period runs for another month. So if
13 something occurs to you on the way home tonight,
14 please send us an e-mail or write us a letter and we
15 appreciate your time. Thanks.

16 (Whereupon the above matter concluded at
17 8:10 p.m.)