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Drop-In Visit

October 7, 2003

4:00 p.m. - EDO

VISITOR REPRESENTING
YANKEE ROWE

- Richard Kacich, President of Yankee Atomic

EXPECTED TOPICS OF DISCUSSION

- Decommissioning progress at Rowe
- License Termination Plan
- Insurance Exemption

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Facility Data

YANKEE ROWE

Licensee:	Yankee Atomic
Location:	Rowe, Massachusetts
Reactor Type:	167 Mw(e) Westinghouse PWR
Containment Type:	Steel Sphere - Uninsulated
Power Level:	Permanently shutdown
OL Issuance Date:	December 24, 1963
OL Expiration Date:	July 9, 2000
Shutdown Date:	October 1, 1991

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Current Issues

EXPECTED DISCUSSION TOPICS

Progress on Decommissioning

Since 1993, Yankee Atomic Energy Company (YAEC) has removed and disposed of the steam generators, pressurizer, reactor vessel and reactor vessel internals. As of June 2001, the majority of systems and components not required to support the storage of spent fuel have been dismantled and disposed of in accordance with the Yankee Nuclear Power Station (YNPS) Decommissioning Plan and Final Safety Analysis Report. As of May 31, 2003, all of the irradiated nuclear fuel has been transferred to the onsite Independent Spent Fuel Storage Installation (ISFSI). On June 21, 2003, the last Transportation and Storage Canister (TSC), containing greater than class C waste (GTCC) was placed on the ISFSI Pad at Rowe.

The first phase of decommissioning consisted of the removal of any remaining systems and components that do not support fuel storage or subsequent decontamination activities. With the completion of the transfer of all spent fuel and GTCC waste from the Spent Fuel Pool (SFP) to the ISFSI, the second phase of decommissioning will involve the dismantlement and decontamination of the SFP and its supporting systems, structures, and components. In the final phase of decommissioning, the possession only license will be terminated.

License Termination Plan

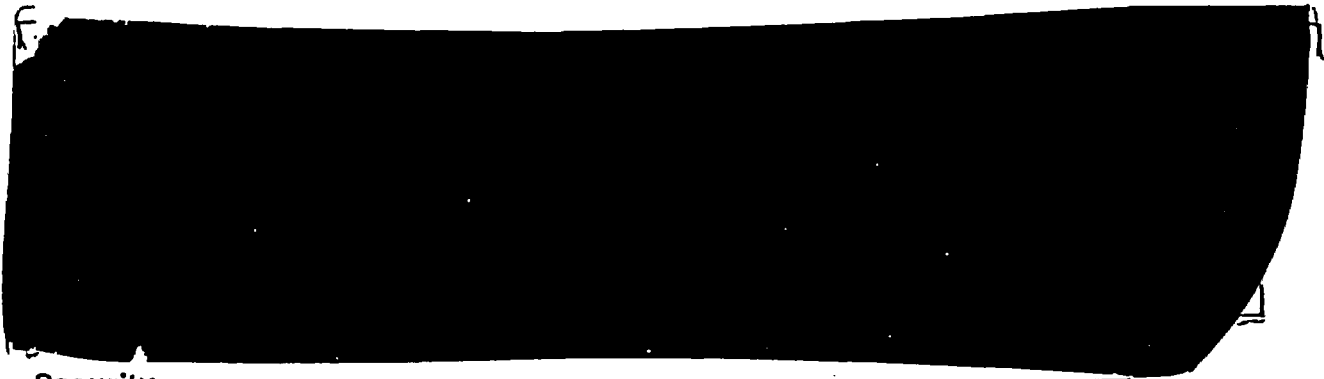
The ultimate goal of decommissioning YNPS is to release the site for unrestricted use. This requires assurance that future uses of the site, after license termination, will not expose members of the general public to unacceptable levels of radiation. In May 1997, YAEC submitted to the Commission for approval a License Termination Plan (LTP) for YNPS, pursuant to 10CFR50.82, as amended by 62 Fed. Reg. 39091 (July 29, 1996). YAEC's LTP employed a survey methodology based on the "Manual for Conducting Radiological Surveys in Support of License Termination," known as the NUREG-5849 Methodology. Subsequently, the Commission, jointly with a group of other federal agencies, approved an alternative survey methodology, known as NUREG-1575, "Multi-Agency Radiation Survey and Site Investigation Manual" (MARSSIM). In May 1999, YAEC advised the Commission that it intended to shift from the NUREG-5849 Methodology to MARSSIM and withdrew its previously submitted LTP application. YAEC plans to submit a new LTP in November 2003. The new plan is expected to conform to NUREG-1700, "Standard Review Plan for Evaluating Nuclear Power Reactor License Termination Plans," April 2000, and address the limits of 10CFR20. Final status surveys will then be conducted to verify that structures and open land areas meet the release criteria. Finally, an independent NRC contractor will conduct a verification survey, thereby allowing unrestricted release of the site. YAEC will maintain responsibility for the site until termination of its 10CFRPart 50 license.

The licensee is expected to request an expedited (12 month) review of the LTP by the NRC staff. A series of pre-submittal meetings have been held, both at NRC headquarters and at the site, discussing the LTP and potential issues, to facilitate an expedited NRC review.

Insurance Exemption

Yankee Rowe submitted an exemption request to reduce the primary level of off-site financial protection from \$100 million to \$25 million. The licensee stated that this reduction was consistent with the reduced risk now that the spent fuel has been relocated from pool storage to an onsite ISFSI. The licensee relied in part on SECY-00-0145, issued on June 28, 2000, as justification for their requests to reduce their insurance under 10 CFR 140.11. That paper proposed rulemaking to address insurance reductions at decommissioning plants. However, on September 27, 2000, due to concerns about the potential for zirconium fire, the Commission returned the paper without a vote, and directed the staff to submit a revised paper. (SRM-SECY-00-0145).

In addition, since September 11, 2001, concern over sabotage has complicated the issue. The staff's revised paper, SECY-01-0100, dated June 4, 2001, again addressed the issue of reducing insurance. The ACRS, on July 24, 2001, commented that the staff needed to address the large uncertainties associated with radiological sabotage. On October 25, 2001, the staff withdrew SECY-01-0100, and several other papers, due to the terrorist attacks. On July 31, 2003, the Director's Quarterly Status Report noted that RM#547 - Integrated Rulemaking for Decommissioning Reactors (EP, Insurance, Safeguards) - was on hold.



Security

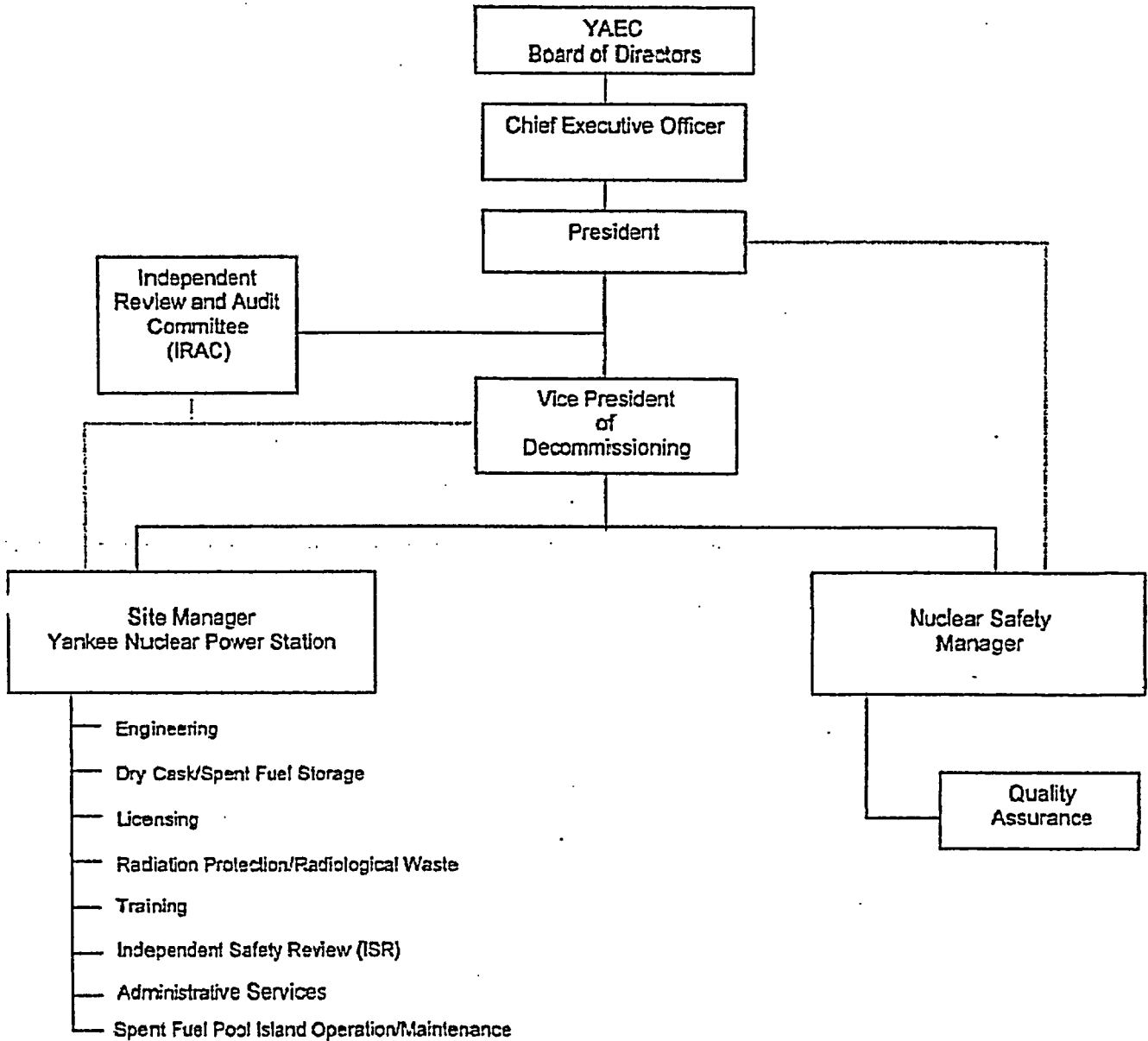
The licensee complied with the appropriate security orders for Decommissioning Reactors and ISFSIs. They are currently in the process of revising their security plan to reflect the transfer of all spent fuel from pool storage to the onsite ISFSI. That revision has been submitted to the staff for review. Additionally, they have requested a change to the local law enforcement assistance portion of the ISFSI order. That request is currently under review by the staff.

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Facility Organization

YANKEE ATOMIC ELECTRIC COMPANY

ORGANIZATION CHART



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Resume

RICHARD M. KACICH

Richard M. Kacich is the President of Yankee Atomic Electric Company (YAEC), responsible for overseeing all decommissioning activities at the Yankee Nuclear Power Station in Rowe, MA and administrative offices in Auburn, MA. In this capacity, he reports to Bruce Kenyon, CEO of YAEC and the Connecticut Yankee Atomic Power Company (CYAPCO). He is currently a member of the Maine Yankee Atomic Power Company (MYAPCO) Board of Directors, the Maine Yankee Nuclear Committee, and the CYAPCO and MYAPCO Joint Oversight Committee. Prior to this appointment, Mr. Kacich was the Director of Special Projects at Northeast Utilities (NU) reporting to Raymond Necci, Vice-President of Utility Group Services. He was appointed to this position effective April 1, 2001, immediately following the closing of the Millstone sale to Dominion. In this position, Rick was involved in a variety of business activities, including close-out of the sale of Seabrook Station which occurred on November 1, 2002. With respect to Seabrook, he served as the Seller Representative for the eight companies that sold their interest in the Station, a follow-on to his role as the Seller Representative on the Transition Executive Committee during the divestiture process. Rick was also involved in the oversight of the various nuclear facilities in which NU has an ownership interest. This included serving on the Board of Directors for CYAPCO, MYAPCO and YAEC, as well as Chairing the Connecticut Yankee Oversight Committee and Co-Chairing the CYAPCO and MYAPCO Joint Oversight Committee. He also served as Chairman of the Seabrook Nuclear Safety Audit & Review Committee (NSARC) through the period of NU ownership.

From November 1998 through March 2001, Rick was the Director of the Business Services organization at NU. He was responsible for managing performance and financial affairs for Millstone Station, and managed consolidated business functions for the Nuclear Group. He oversaw the bidding of Millstone output to the grid, and managed interfaces with ISO-New England and the entitlement contract customers for Millstone's output. He served as the controller for Millstone Station, provided internal business reports to senior management and to the NU Trustees, provided expert testimony on nuclear prudence and restructuring issues, and coordinated the interface with numerous external groups. He served as the on-site lead for the Millstone divestiture process, including the coordination of on-site due diligence; was the lead presenter during the management presentations; and served in the role of co-chair of the Dominion/Millstone Integration Team. He also served in the Station Emergency Response Organization in the capacity of Executive Spokesperson at the Hartford Armory.

Born in [REDACTED] he earned a Bachelor of Science degree in Nuclear Engineering from Rensselaer Polytechnic Institute (RPI) in Troy, NY in [REDACTED]. The following year he received a Master of Engineering degree in Nuclear Engineering from RPI. While at RPI, he was an instructor at the RPI Critical Facility, wrote, *A Manual of Experiments for the Rensselaer Reactor Facility*, and held a senior reactor operator's license. In July 1992, he earned an Executive MBA from the University of Hartford. Ex 6

He joined NU in 1975 as an assistant engineer. He participated in the initial core loading and start-up testing of Millstone Unit 2 in 1975-1976. He subsequently served in various positions in the licensing organization and was promoted to licensing supervisor in 1982. In 1987, he

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assumed the role of Manager, Generation Facilities Licensing, which involved coordination of all licensing activities for NU's fossil, hydroelectric, and nuclear generating facilities. In March 1992, he was promoted to Director, Nuclear Licensing. From December 1993 to February 1996, his duties as Director expanded to include nuclear planning, budgeting and financial analysis and nuclear safety engineering, as well as licensing. For seven months beginning in February 1996, he assumed the new position of Director, Nuclear Operational Standards, responsible for all financial analysis and budgeting functions, and the Nuclear Excellence Plan designed to recover Millstone Station. In September 1996, he was appointed Director, Special Projects, responsible for coordinating the interface with numerous external groups, for preparing responses to Public Utility Commission interrogatories, providing expert testimony on nuclear restructuring and prudence issues, and administering and upgrading the Nuclear Group policies and Millstone Station administrative procedures.

He is a member of the American Nuclear Society and is a registered professional engineer in the State of Connecticut.

Mr. Kacich has participated in numerous owners groups and industry activities, including the INPO APOC for Millstone Station, the SEP Owners Group (chairman), the BWR Owners Group, the Nuclear Utility Fire Protection Group, the Nuclear Utility Group on Environmental Qualification, the Nuclear Utility Backfitting and Reform Group, and various Atomic Industrial Forum and NEI activities.

September 2003

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