

July 8, 2004

The Honorable James M. Jeffords
United States Senate
Washington, D.C. 20510

Dear Senator Jeffords:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter of June 18, 2004, in which you made specific requests regarding the NRC's investigation of a fire in the main transformer area of the Vermont Yankee Nuclear Power Station. You requested that the NRC: (1) not allow the plant to operate until necessary repairs are made and the NRC certifies that the plant can safely resume operations; (2) initiate a formal incident investigation and oversee the Entergy Nuclear Vermont Yankee, LLC and Entergy Nuclear Operations, Inc.'s (Entergy or the licensee) investigation into this matter; and (3) determine that the conditions leading to this fire are not present in other areas of the plant. You also requested that the State of Vermont be a full partner in the NRC's investigation and that the results be released to the public.

As you may be aware, Entergy resumed electric power generation at Vermont Yankee on July 6, 2004, after completing the necessary repairs. The NRC inspected the events surrounding the fire and the followup actions. Enforcement action, such as an order, that would have required the plant to remain shut down pending NRC approval to restart was not warranted. The fire caused no damage to safety systems and the risk significance of the event was very low.

The NRC initiated a comprehensive review of the event starting with the resident inspectors' on-site inspection activities on June 18, 2004, at the start of the event. The NRC also used its regional Incident Response Center to follow the course of the events and conducted event briefings for interested internal and external stakeholders. The residents' inspection activities were augmented by a region-based inspector with expertise in fire protection and electrical areas. These inspection activities were in accordance with prescribed NRC inspection protocols commensurate with the risk of the event. The NRC inspection activities included an assessment of Entergy's immediate response to the event, monitoring of its event investigation and root cause determinations, and a review of the corrective actions to confirm that any actions needed to assure the safe operation of the plant were accomplished prior to startup. The results of the inspection will be documented in a publicly-available inspection report.

The NRC presented an initial briefing to your staff on June 18, 2004. Also on June 18, the NRC conducted a phone call with the Vermont State Nuclear Engineer, Bill Sherman, to discuss the event. The State was informed of our inspections related to this event and was invited to participate. Mr. Sherman visited Vermont Yankee during the inspection and was informed of the plant status.

I believe that the NRC's response to this event has been appropriate. Entergy determined that an equipment failure in the isolated-phase bus duct between the main generator and the main transformer initiated the fire. This type of electrical bus duct is not used in the plant safety systems. The NRC inspectors ensured that the licensee met NRC requirements and that public health and safety would continue to be protected prior to the licensee's resumption of plant operation. The NRC staff will provide a briefing for your staff on the inspection results if you desire.

If you have further comments or questions related to this matter, please contact me.

Sincerely,

/RA/

Nils J. Diaz

Identical letter sent to:

The Honorable James M. Jeffords
United States Senate
Washington, D.C. 20510

The Honorable Patrick Leahy
United States Senate
Washington, D.C. 20510

The Honorable Bernard Sanders
United States House of Representatives
Washington, D.C. 20515