

FIFTEEN ROPE FERRY ROAD



WATERFORD, CT 06385-2886

July 28, 2004

50-336/423

Frank P. Gillespie
Nuclear Regulatory Commission
Office of Nuclear Reactor Regulation
Room 12 E4, Stop 12 E5
One White Flint North
11555 Rockville Pike
Rockville, Maryland 20852-2738

RE: RELICENSE APPLICATION, DOMINION NUCLEAR CONNECTICUT,
MILLSTONE UNITS 2 & 3

Dear Frank,

As a follow up to my comments made at the recent scoping session for the above referenced relicensing application, I would like you to assist with the following. The answers to these concerns would assist the Town of Waterford understand the long-term tax implications of relicensing. The impact of the Millstone Station on Waterford's tax base is in excess of 20%, which is considered large as ranked in the Generic Environmental Impact Statement. As is indicated in that document capital expenditures occurring during outages and refurbishment in 1994 dollars averaged \$28 million per year. We need information on planned or expected major capital improvements. The Environmental Impact Statement upon which I have already commented, indicates no capital expenditures for refurbishment. In the current deregulated environment this information is no longer available through the Connecticut Department of Public Utility Control.

It is also important for us to understand the impact on our grand list that the 20-year license extension would have. Combining electric deregulation in Connecticut with depreciation precipitously accelerated the drop in the Grand List and the effect of the two combined is enormous. Dominion should provide the data which supports its position that the Millstone Station will be a stable source of revenue for the Town of Waterford. The value of these plants and their profitability would presumably increase with the license renewal, but this information is not included in this document.

Deregulation has such a significant impact, that relicensing should require that the plants project deregulated values and improvements over the life of the extensions under consideration. This will enable the host town to ascertain the fiscal impact on services and the host town population of plant relicensing.

Sincerely,

Paul B. Eccard
First Selectman

cc: Thomas V. Wagner, Planning Director
Robert A. Avena, Town Attorney

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