

October 13, 2004

MEMORANDUM TO: Chairman Diaz
Commissioner McGaffigan
Commissioner Merrifield

FROM: Luis A. Reyes **/RA/**
Executive Director for Operations

SUBJECT: VERMONT YANKEE NUCLEAR POWER STATION - EXTENDED
POWER UPRATE REVIEW SCHEDULE

PURPOSE:

This memorandum notifies the Commission that the staff's scheduled review completion date for the Vermont Yankee Nuclear Power Station (VYNPS) extended power uprate (EPU) license amendment request will be delayed primarily due to concerns regarding the steam dryer analysis. In addition, supplemental information is needed from the licensee to address technical issues raised during the engineering inspection recently performed at VYNPS.

BACKGROUND:

On September 10, 2003, Entergy Nuclear Vermont Yankee, LLC and Entergy Nuclear Operations, Inc. (Entergy or the licensee), submitted an EPU license amendment request to the Nuclear Regulatory Commission (NRC) for VYNPS. The proposed amendment would allow an increase in the maximum authorized power level from 1593 megawatts thermal (MWt) to 1912 MWt (i.e., an increase of approximately 20 percent). In a letter dated February 20, 2004, the NRC staff informed Entergy that the staff had completed its acceptance review of the VYNPS EPU license amendment application and established a forecast review completion date of January 31, 2005.

REVIEW STATUS:

From the early stages of the VYNPS EPU review, the NRC staff has emphasized that steam dryer integrity was an area receiving a very high level of attention by the NRC due to industry operating experience with steam dryer failures following EPU implementation. Although the steam dryer performs a non-safety-related function, it must maintain its structural integrity to prevent the occurrence of loose parts in the reactor pressure vessel or attached piping systems that could degrade the ability of safety-related components to perform their safety function.

CONTACT: Rick Ennis, NRR/DLPM
301-415-1420

During the course of the review, in order to resolve the steam dryer concerns, the NRC staff has requested additional information, held three public meetings with Entergy, and performed an audit of the steam dryer analysis at the General Electric office in San Jose, California. Based on review of the information provided in the application, the supplements received through October 7, 2004 (Supplements 1 through 19), and the results of the audit, the NRC staff has determined that the information submitted by the licensee to date does not yet provide sufficient assurance that the VYNPS steam dryer will remain capable of maintaining its structural integrity under EPU conditions. During the audit and the most recent public meeting, Entergy staff indicated that further information will be submitted to address the NRC staff concerns related to steam dryer integrity.

In addition to the steam dryer concerns, information is needed from the licensee to address technical issues raised during the engineering inspection recently performed at VYNPS. Entergy has recently submitted some of this information. The remaining information is expected to be submitted in the near future.

SCHEDULE IMPACT:

The next major milestone in the VYNPS EPU review schedule is for the staff to provide a draft Safety Evaluation (SE) to the Advisory Committee on Reactor Safeguards (ACRS). This milestone supports an ACRS subcommittee meeting that is presently scheduled for November 2004, and an ACRS full-committee meeting in December 2004. Based on the current status of the review, the draft SE cannot be completed in time to support the ACRS meetings. Therefore, the staff has notified the ACRS that the November and December meetings need to be rescheduled.

Following receipt and review of the supplemental information, the staff will coordinate with the ACRS to reschedule the meetings. At that time, the staff will also further assess the overall review schedule and establish a new forecast review completion date. At present, it is clear that the forecast review completion date of January 31, 2005, will be delayed by at least several months. The NRC staff will not approve the VYNPS EPU, or any other changes to a reactor's license, unless we can conclude that the proposed change can be executed in a manner that ensures the public's health and safety.

NEXT STEPS:

Following receipt of this memorandum by the Commission, the NRC staff will contact senior management at Entergy to inform them of the schedule impact and issue a letter to Entergy documenting the review status.

cc: SECY
OGC
DOC
OCA
OPA
CFO

NEXT STEPS:

Following receipt of this memorandum by the Commission, the NRC staff will contact senior management at Entergy to inform them of the schedule impact and issue a letter to Entergy documenting the review status.

cc: SECY
 OGC
 DOC
 OCA
 OPA
 CFO

DISTRIBUTION:

Public	REnnis	TScarbrough	TMadden, OCA
PDI-2 Reading	DSkay	CWu	RBores, OCA
JDyer	WRuland	RJasinski	CAnderson, RGN-I
RBorchardt	JStang	TJKim, EDO	DFlorek, RGN-I
BSheron	RBarrett	CMiller, EDO	DPelton, RGN-I
TMarsh	CGrimes	RVirgilio, STP	ACRS
JLyons	Elmbro	SBurnell, OPA	BPoole, OGC
CHolden	KManoly	DScrenci, OPA	VBucci, OIG
AHowe	DTerao	NSheehan, OPA	

ADAMS Accession No: ML042640055

OFFICE	PDI-VY/PM	PDI-2/LA	TECH ED	EMEB/BC	PDI-III/D	OGC
NAME	REnnis	CRaynor	PKleene	Elmbro	WRuland	BPoole
DATE	10/07/04	10/07/04	9/21/04	9/22/04	9/23/04	10/5/04
OFFICE	PDI-VY/SC	PDI-D	DLPM/D	NRR/D	EDO	
NAME	AHowe	CHolden	JLyons for TMarsh	JDyer	LReyes	
DATE	9/29/04	09/23/04	09/24/04	10/12/04	10/13/04	

OFFICIAL RECORD COPY