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GENERAL COUNSEL

UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

October 19, 2004

DOCKETED 10/19/04

Administrative Judge Alex S. Karlin, Chair
Atomic Safety and Licensing Board Panel
U.S. Nuclear Regulatory Commission
Mail Stop: T-3F23
Washington, DC 20555-0001

Administrative Judge Lester S. Rubenstein
Atomic Safety and Licensing Board Panel
U.S. Nuclear Regulatory Commission
Mail Stop: T-3F23
Washington, DC 20555-0001

Administrative Judge Anthony J. Baratta
Atomic Safety and Licensing Board Panel
U.S. Nuclear Regulatory Commission
Mail Stop: T-3F23
Washington, DC 20555-0001

In the Matter of
ENERGY NUCLEAR VERMONT YANKEE LLC and
ENERGY NUCLEAR OPERATIONS, INC.
(Vermont Yankee Nuclear Power Station)
Docket No. 50-271-OLA

Dear Administrative Judges:

Attached for the information of the administrative judges is a copy of a letter sent by the NRC Staff to the applicant in this matter on October 15, 2004. The letter explains that the scheduled completion date for review of the subject application has been delayed.

Respectfully submitted,

Brooke D. Poole
Counsel for NRC Staff

Enclosure: As stated

cc: Service List



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

October 15, 2004

Mr. Michael Kansler
President
Entergy Nuclear Operations, Inc.
440 Hamilton Avenue
White Plains, NY 10601

**SUBJECT: VERMONT YANKEE NUCLEAR POWER STATION - EXTENDED POWER
UPRATE REVIEW SCHEDULE (TAC NO. MC0761)**

Dear Mr. Kansler:

By letter dated September 10, 2003, Entergy Nuclear Vermont Yankee, LLC and Entergy Nuclear Operations, Inc. (Entergy or the licensee), submitted a proposed license amendment to the U.S. Nuclear Regulatory Commission (NRC) for the Vermont Yankee Nuclear Power Station (VYNPS). The proposed amendment, "Technical Specification Proposed Change No. 263, Extended Power Uprate" would allow an increase in the maximum authorized power level for VYNPS from 1593 megawatts thermal (MWT) to 1912 MWT.

In a letter dated February 20, 2004, the NRC staff informed Entergy that the staff had completed its acceptance review of the VYNPS extended power uprate (EPU) license amendment application and established a forecast review completion date of January 31, 2005. The purpose of this letter is to provide notification that the staff's review schedule will be impacted, primarily due to concerns regarding the steam dryer analysis.

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 nonsafety-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.

During the review, in an attempt to resolve our 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 20), 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. The NRC staff expects that Entergy will address additional measures as necessary to account for uncertainties of the analysis.

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.

The next major milestone in the VYNPS EPU review schedule is for the NRC staff to provide a draft Safety Evaluation (SE) to the Advisory Committee on Reactor Safeguards (ACRS). This milestone supports an ACRS subcommittee meeting that was scheduled for mid-November, and an ACRS full committee meeting in early December. Based on the current status of the review, the draft SE cannot be completed in time to support the planned ACRS meetings. Therefore, the staff has notified the ACRS that the November and December meetings will 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 review completion date. At present, it is clear that the original 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.

If you have any questions, please contact the VYNPS Project Manager, Mr. Richard Ennis, at (301) 415-1420.

Sincerely,



Ledyard B. Marsh, Director
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket No. 50-271

cc: See next page

Vermont Yankee Nuclear Power Station

cc:

Regional Administrator, Region I
U. S. Nuclear Regulatory Commission
475 Allendale Road
King of Prussia, PA 19406-1415

Mr. David R. Lewis
Shaw, Pittman, Potts & Trowbridge
2300 N Street, N.W.
Washington, DC 20037-1128

Ms. Christine S. Salembier, Commissioner
Vermont Department of Public Service
112 State Street
Montpelier, VT 05620-2601

Mr. Michael H. Dworkin, Chairman
Public Service Board
State of Vermont
112 State Street
Montpelier, VT 05620-2701

Chairman, Board of Selectmen
Town of Vernon
P.O. Box 116
Vernon, VT 05354-0116

Operating Experience Coordinator
Vermont Yankee Nuclear Power Station
320 Governor Hunt Road
Vernon, VT 05354

G. Dana Bisbee, Esq..
Deputy Attorney General
33 Capitol Street
Concord, NH 03301-6937

Chief, Safety Unit
Office of the Attorney General
One Ashburton Place, 19th Floor
Boston, MA 02108

Ms. Deborah B. Katz
Box 83
Shelburne Falls, MA 01370

Ms. Carla A. White, RRPT, CHP
Radiological Health
Vermont Department of Health
P.O. Box 70, Drawer #43
108 Cherry Street
Burlington, VT 05402-0070

Mr. James M. DeVincentis
Manager, Licensing
Vermont Yankee Nuclear Power Station
P.O. Box 0500
185 Old Ferry Road
Brattleboro, VT 05302-0500

Resident Inspector
Vermont Yankee Nuclear Power Station
U. S. Nuclear Regulatory Commission
P.O. Box 176
Vernon, VT 05354

Director, Massachusetts Emergency
Management Agency
ATTN: James Muckerheide
400 Worcester Rd.
Framingham, MA 01702-5399

Jonathan M. Block, Esq.
Main Street
P.O. Box 566
Putney, VT 05346-0566

Mr. John F. McCann
Director, Nuclear Safety Assurance
Entergy Nuclear Operations, Inc.
440 Hamilton Avenue
White Plains, NY 10601

Mr. Gary J. Taylor
Chief Executive Officer
Entergy Operations
1340 Echelon Parkway
Jackson, MS 39213

Vermont Yankee Nuclear Power Station

cc:

Mr. John T. Herron
Sr. VP and Chief Operating Officer
Entergy Nuclear Operations, Inc.
440 Hamilton Avenue
White Plains, NY 10601

Mr. Danny L. Pace
Vice President, Engineering
Entergy Nuclear Operations, Inc.
440 Hamilton Avenue
White Plains, NY 10601

Mr. Brian O'Grady
Vice President, Operations Support
Entergy Nuclear Operations, Inc.
440 Hamilton Avenue
White Plains, NY 10601

Mr. Michael J. Colomb
Director of Oversight
Entergy Nuclear Operations, Inc.
440 Hamilton Avenue
White Plains, NY 10601

Mr. John M. Fulton
Assistant General Counsel
Entergy Nuclear Operations, Inc.
440 Hamilton Avenue
White Plains, NY 10601

Mr. Jay K. Thayer
Site Vice President
Entergy Nuclear Operations, Inc.
Vermont Yankee Nuclear Power Station
P.O. Box 0500
185 Old Ferry Road
Brattleboro, VT 05302-0500

Mr. Kenneth L. Graesser
38832 N. Ashley Drive
Lake Villa, IL 60046

Mr. James Snizek
5486 Nithsdale Drive
Salisbury, MD 21801

Mr. Ronald Toole
1282 Valley of Lakes
Box R-10
Hazelton, PA 18202

Ms. Stacey M. Lousteau
Treasury Department
Entergy Services, Inc.
639 Loyola Avenue
New Orleans, LA 70113

Mr. Raymond Shadis
New England Coalition
Post Office Box 98
Edgecomb, ME 04556

Mr. James P. Matteau
Executive Director
Windham Regional Commission
139 Main Street, Suite 505
Brattleboro, VT 05301

Mr. William K. Sherman
Vermont Department of Public Service
112 State Street
Drawer 20
Montpelier, VT 05620-2601

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Sincerely,

/RA/

Ledyard B. Marsh, Director
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket No. 50-271

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