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April 20, 2007

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Mr. Richard Cushing Donovan
Clerk of Court
United States Court of Appeals for the First Circuit
John Joseph Moakley U.S. Courthouse
1 Courthouse Way, Suite 2500
Boston, MA 02210

Subject: Consolidated Case Nos. 07-1482, 07-1483
Commonwealth of Massachusetts v. United States; United States
Nuclear Regulatory Commission

Dear Mr. Donovan:

On behalf of Entergy Nuclear Operations, Inc., Entergy Nuclear Vermont Yankee LLC, and Entergy Nuclear Generation Company (hereinafter and collectively "Entergy"), please find enclosed for filing an original set and three photocopied sets of:

1. Entergy's Motion for Intervention as of Right in the above captioned, consolidated proceedings;
2. Entergy's Corporate Disclosure Statement;
3. Appearance Forms for Entergy's counsel; and
4. The Certificate of Service.

In addition, please find enclosed two Applications for Admission to Practice, with two checks for the payment of fees, for Entergy's counsel. I have also enclosed an additional copy of the Motion to be stamped and returned via the enclosed self addressed, stamped envelope for our files.

As indicated on the Certificate of Service, copies of the Motion, Corporate Disclosure Statement, and the Appearance Forms have been served on all parties to the administrative proceeding below, pursuant to F.R.A.P. 15(d).

Mr. Richard Cushing Donovan
April 20, 2007
Page 2

Sincerely yours,

A handwritten signature in black ink, appearing to read "Paul Gaukler". The signature is written in a cursive, somewhat stylized font.

Paul A. Gaukler

Enclosures

cc: Service List

UNITED STATES COURT OF APPEALS
FOR THE FIRST CIRCUIT

Paul A. Gaukler
APPEARANCE FORM
(Please type or print all answers)

Case No.: 07-1482, 07-1483 (consolidated)

Case Name (short): Commonwealth of Massachusetts v. U.S., U.S. Nuclear Regulatory Comm.

FAILURE TO FILL OUT COMPLETELY MAY RESULT IN THE REJECTION OF THIS
FORM AND COULD AFFECT THE PROGRESS OF THE APPEAL

THE CLERK WILL ENTER MY APPEARANCE AS COUNSEL ON BEHALF OF:

Entergy Nuclear Operations, Inc., Entergy Nuclear Vermont Yankee LLC, and
Entergy Nuclear Generation Company, as the

(Specify name of person or entity represented.)

*If you represent a litigant who was a party below, but who is not a party on appeal, do not
designate yourself as counsel for the appellant or the appellee.*

appellant(s)

appellee(s)

amicus curiae

petitioner(s)

respondent(s)

intervenor(s)

not a party on appeal

Paul Gaukler

(Signature)

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Has this case or any related case previously been on appeal?

Yes _____

Court of Appeals No. _____

No X

**United States Court of Appeals
For the First Circuit**

No. 07-1482

COMMONWEALTH OF MASSACHUSETTS

Petitioner

v.

UNITED STATES; UNITED STATES NUCLEAR REGULATORY COMMISSION

Respondents

No. 07-1483

COMMONWEALTH OF MASSACHUSETTS

Petitioner

v.

UNITED STATES; UNITED STATES NUCLEAR REGULATORY COMMISSION

Respondents

**MOTION OF
ENERGY NUCLEAR OPERATIONS, INC., ENERGY NUCLEAR VERMONT
YANKEE LLC, AND ENERGY NUCLEAR GENERATION COMPANY
FOR INTERVENTION AS OF RIGHT**

Entergy Nuclear Operations, Inc., Entergy Nuclear Vermont Yankee LLC, and Entergy Nuclear Generation Company (hereinafter and collectively, "Entergy")¹ respectfully move, pursuant to 28 U.S.C. § 2348, Rule 15(d) of the Federal Rules of Appellate Procedure, and First

¹ Entergy Nuclear Operations, Inc., together with Entergy Nuclear Vermont Yankee LLC, hold the Nuclear Regulatory Commission ("NRC") operating license for the Vermont Yankee Nuclear Power Station, which is located in Vernon, VT. Entergy Nuclear Operations, Inc., together with Entergy Nuclear Generation Company, hold the NRC operating license for the Pilgrim Nuclear Power Station, which is located in Plymouth, MA.

Circuit Local Rule 15(d), for intervention as of right in the above-captioned consolidated actions as a respondent in support of the agency orders identified in the Petitions for Review filed by the Commonwealth of Massachusetts Attorney General (“Attorney General”) in Case Nos. 07-1482 and 07-1483.² By order entered March 26, 2007, this Court consolidated the two cases. In support of its motion, Entergy states the following:

Entergy is entitled to intervene as a matter of right in this action because Entergy is a party in interest in the matters before the NRC which are the subject of the Petitions for Review. In January 2006, Entergy applied to the NRC to renew the operating licenses for an additional twenty year period for both the Vermont Yankee Nuclear Power Station (“VYNPS”) and the Pilgrim Nuclear Power Station (“PNPS”), on which the NRC subsequently provided opportunity for hearings.³ The Attorney General petitioned to intervene and requested a hearing in the licensing proceeding for each license renewal application in which the Attorney General sought to challenge the sufficiency of the applications. Entergy fully participated in the NRC licensing proceedings, which ultimately denied the Attorney General’s intervention petitions and are the subject of the instant, consolidated petitions for review by this Court.

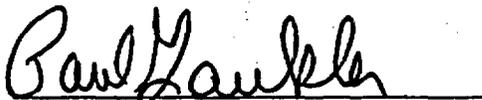
² Petition for Review of U.S. Nuclear Regulatory Commission Decisions LBP-06-20 and CLI-07-03 (Vermont Yankee Nuclear Power Plant), Commonwealth of Massachusetts v. United States and United States Nuclear Regulatory Commission, No. 07-1482 (Mar. 22, 2007); Petition for Review of U.S. Nuclear Regulatory Commission Decisions LBP-06-23 and CLI-07-03 (Pilgrim Nuclear Power Plant), Commonwealth of Massachusetts v. United States and United States Nuclear Regulatory Commission, No. 07-1483 (Mar. 22, 2007). The agency decisions at issue here, LBP-06-20, LBP-06-23, and CLI-07-03, are set forth at Attachments 1, 2, and 3, respectively.

³ See Nuclear Regulatory Commission, Docket No. 50-271, “Entergy Nuclear Operations, Inc., Vermont Yankee Nuclear Power Station; Notice of Acceptance for Docketing of the Application and Notice of Opportunity for Hearing Regarding Renewal of Facility Operating License No. DPR-28 for an Additional 20-Year Period,” 71 Fed. Reg. 15,220 (Mar. 27, 2006); Nuclear Regulatory Commission, Docket No. 50-293, “Entergy Nuclear Operations, Inc., Pilgrim Nuclear Power Station; Notice of Acceptance for Docketing of the Application and Notice of Opportunity for Hearing Regarding Renewal of Facility Operating License No. DPR-35 for an Additional 20-Year Period,” 71 Fed. Reg. 15,222 (Mar. 27, 2006).

The VYNPS NRC operating license renewal is required for Entergy to continue to operate VYNPS for twenty years beyond its current operating license expiration date, which is March 21, 2012. 71 Fed. Reg. at 15,220. The PNPS NRC operating license renewal is required for Entergy to continue to operate PNPS for twenty years beyond its current operating license expiration date, which is June 8, 2012. *Id.* at 15,222. Entergy derives financial benefit from the generation and sale of electricity from VYNPS and PNPS. Each NRC operating license renewal is necessary for Entergy to receive financial benefit from the continued operation of each plant during the twenty year license renewal period, as well as receive any of the other expected benefits. Therefore, Entergy's interests would be adversely affected if the NRC's orders identified in the Petitions were enjoined, set aside, or suspended. 28 U.S.C. § 2348.

Thus, Entergy has substantial, direct, and tangible interests in this Court's affirmance of the NRC orders challenged by the Petitions. Accordingly, Entergy is entitled to intervene as of right in these actions. 28 U.S.C. § 2348. Counsel for Entergy has been authorized by counsel for the Petitioner and counsel for the Respondents to represent that they do not oppose Entergy's intervention as of right in these actions.

Respectfully submitted,



David R. Lewis

Paul A. Gaukler

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Counsel for Entergy

Dated: April 20, 2007

Attachment 1

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

ATOMIC SAFETY AND LICENSING BOARD

Before Administrative Judges:

Alex S. Karlín, Chairman
Dr. Richard E. Wardwell
Dr. Thomas S. Elleman

In the Matter of

Docket No. 50-271-LR
(ASLBP No. 06-849-03-LR)

ENTERGY NUCLEAR VERMONT
YANKEE, LLC, and ENTERGY
NUCLEAR OPERATIONS, INC.
(Vermont Yankee Nuclear Power
Station)

September 22, 2006

**LICENSE RENEWAL: ENVIRONMENTAL REPORT (NEW AND
SIGNIFICANT INFORMATION REGARDING CATEGORY 1
MATTERS)**

In construing 10 C.F.R. § 51.53(c)(3)(i) and (iv), the Commission has stated: "even where the GEIS has found that a particular impact applies generically (Category 1), the applicant must still provide additional analysis in its Environmental Report if new and significant information may bear on the applicability of the Category 1 finding at its particular plant." *Florida Power & Light Co.* (Turkey Point Nuclear Generating Plant, Units 3 and 4), CLI-01-17, 54 NRC 3, 11 (2001) (emphasis added). Likewise, "the applicant must provide additional analysis of even a Category 1 issue if new and significant information has surfaced." *Duke Energy Corp.* (McGuire Nuclear Station, Units 1 and 2; Catawba Nuclear Station, Units 1 and 2), CLI-02-14, 55 NRC 278, 290 (2002).

**LICENSE RENEWAL: ENVIRONMENTAL IMPACT STATEMENTS
(NEW AND SIGNIFICANT INFORMATION REGARDING
CATEGORY 1 MATTERS)**

When preparing the Supplemental EIS, the Staff must consider any significant new information related to Category 1 issues. See 10 C.F.R. §§ 51.92(a)(2), 51.95(c)(3); Final Rule: "Environmental Review for Renewal of Nuclear Power Plant Operating Licenses," 61 Fed. Reg. 28,467, 28,470 (June 5, 1996).

**LICENSE RENEWAL: ENVIRONMENTAL IMPACT STATEMENTS
(NEW AND SIGNIFICANT INFORMATION REGARDING
CATEGORY 1 MATTERS)**

The Commission has stated that the Staff's final Supplemental EIS must take account of public comments concerning new and significant information on Category 1 findings. See *Turkey Point*, CLI-01-17, 54 NRC at 12; *McGuire/Catawba*, CLI-02-14, 55 NRC at 290-91.

**LICENSE RENEWAL: ENVIRONMENTAL REPORT
(LITIGABILITY OF FAILURE TO PROVIDE NEW AND
SIGNIFICANT INFORMATION REGARDING CATEGORY 1
MATTERS)**

Even assuming that the petitioner's information regarding the dangers of high-density racking of spent fuel constitutes known "new and significant information," the Commission's decision in *Turkey Point*, CLI-01-17, 54 NRC 3, compels the Board to conclude that the failure of an applicant to include such new and significant information concerning a Category 1 issue in its environmental report, in violation of 10 C.F.R. § 51.53(c)(3)(iv), does not give rise to an admissible contention.

**LICENSE RENEWAL: ENVIRONMENTAL REPORT
(LITIGABILITY OF FAILURE TO PROVIDE NEW AND
SIGNIFICANT INFORMATION REGARDING CATEGORY 1
MATTERS)**

Even assuming that petitioner's information regarding the risks of terrorism related to the high-density racking of spent fuel in pools is "new and significant information" concerning a Category 1 matter and the failure of the applicant to include the information violates 10 C.F.R. § 51.53(c)(3)(iv), the same result obtains — the contention is not adjudicable under *Turkey Point*. If the petitioner

wants to raise its concerns on this issue, it should pursue one of the three paths specified by the Commission. See *Turkey Point*, CLI-01-17, 54 NRC at 12.

**RULES OF PRACTICE: CONTENTIONS (ADMISSIBILITY; "BALD
AND CONCLUSORY")**

The State of Vermont's citation to specific and potentially inconsistent portions of Entergy's documents, together with the declaration of its unchallenged expert, the State's official nuclear engineer, that "the concrete surface behind the steel shell will closely match the drywell ambient temperature" provide us with alleged "facts or expert opinion," which are "sufficient" to meet the requirements of 10 C.F.R. § 2.309(f)(1)(v) and (vi). The fact that Mr. Sherman's opinion is simple, straightforward, and fact-based does not mean that it is bald or conclusory.

RULES OF PRACTICE: CONTENTIONS (ADMISSIBILITY)

At the contention admission stage, which is a lesser threshold than a merits determination or even a summary disposition ruling, the Board's purpose in applying 10 C.F.R. § 2.309(f)(1) is only to "ensure that the adjudicatory process is used to address real, concrete, specific issues that are appropriate for litigation." Final Rule: "Changes to the Adjudicatory Process," 69 Fed. Reg. 2182, 2202 (Jan. 14, 2004). The State of Vermont's Contention 1 meets this criterion and its factual allegations and attached expert opinion suffice under 10 C.F.R. § 2.309(f)(1)(v) and (vi).

**LICENSE RENEWAL: ENVIRONMENTAL REPORT (NEW AND
SIGNIFICANT INFORMATION REGARDING CATEGORY 1
MATTERS)**

The State of Vermont's contention, presenting what it characterizes as "new and significant information" related to the timeline for the opening of a federal high-level waste geologic repository such as Yucca Mountain, is inadmissible because, although 10 C.F.R. § 51.53(c)(3)(iv) requires an applicant to include any new and significant information concerning Category 1 issues that it is aware of the failure of an applicant to do so is simply not litigable, absent a waiver under 10 C.F.R. § 2.335. We need not, and do not, decide whether the information proffered by the State of Vermont is indeed "new and significant," or whether Entergy was, or should have been, aware of it.

LICENSE RENEWAL: ENVIRONMENTAL REPORT (NEW AND SIGNIFICANT INFORMATION REGARDING CATEGORY 1 MATTERS; WASTE CONFIDENCE RULE)

Issues related to the environmental impact of onsite spent fuel storage after the license renewal term are covered by NRC's Waste Confidence Rule, 10 C.F.R. § 51.23(a) which specifies that the "Commission believes there is reasonable assurance that at least one mined geologic repository will be available within the first quarter of the twenty-first century, and sufficient repository capacity will be available within 30 years beyond the licensed life for operation of any reactor to dispose of the commercial high-level waste and spent fuel originating in such reactor and generated up to that time." Such issues are outside the scope of a license renewal proceeding because under 10 C.F.R. § 2.335(a) contentions may not challenge a regulation. *See Duke Energy Corp.* (Oconee Nuclear Station, Units 1, 2, and 3), CLI-99-11, 49 NRC 328, 344-45 (1999).

LICENSE RENEWAL: SAFETY (SECURITY AND TERRORISM ISSUES)

The State of Vermont contention that the applicant has failed to identify non-safety-related systems, structures, and components in the security area whose failure could prevent satisfactory accomplishment of the functions of safety-related systems, structures, and components under 10 C.F.R. § 54.4(a)(2) is not admissible because, under controlling Commission rulings, security-related issues are not within the scope of a license renewal proceeding under 10 C.F.R. § 2.309(f)(1)(iii). *See Duke Energy Corp.* (McGuire Nuclear Station, Units 1 and 2; Catawba Nuclear Station, Units 1 and 2), CLI-02-26, 56 NRC 358, 364 (2002), and *Dominion Nuclear Connecticut, Inc.* (Millstone Nuclear Power Station, Units 1 and 2), CLI-04-36, 60 NRC 631, 638 (2004).

RULES OF PRACTICE: CONTENTIONS (NEW OR AMENDED)

A petitioner has no right or need to request a "reservation of rights" to file additional contentions later. To the extent that the draft or final SEIS contains data or conclusions that differ significantly from the data or conclusions in the applicant's environmental report or in the GEIS, a petitioner is entitled to use 10 C.F.R. § 2.309(f)(2) as the grounds to file a new or amended contention. However, should the petitioner later file an environmental contention that is *not* based on new information, the contention can only be admitted upon a favorable balancing of the factors found in 10 C.F.R. § 2.309(c).

NEPA: RELATION TO OTHER REQUIRED PERMITS

NRC will consider the fact that an applicant is subject to, and compliant with, other environmental laws and permits, such as a RCRA permit, Clean Air Act permit, or NPDES permit, but this does not obviate the NEPA mandate that, prior to any major federal action significantly affecting the environment, NRC must perform an environmental impact statement assessing these subjects under 10 C.F.R. § 51.71(d).

NEPA: RELATION TO FEDERAL WATER POLLUTION CONTROL ACT § 511

We reject the assertion that section 511(c) of the Federal Water Pollution Control Act bars a contention alleging that the applicant or NRC failed to adequately assess water quality impacts of a proposed license amendment. While section 511(c) bars NRC from imposing or second-guessing effluent limitations or water quality certification requirements imposed by EPA or an authorized state, it does not bar NRC from addressing water quality matters in its assessment of the environmental impact of the license renewal. To the contrary, NEPA requires the NRC to do so.

NEPA: LICENSE RENEWAL (20-YEAR PERIOD)

The contention, which raises the question as to whether an NPDES permit that will expire before the proposed 20-year NRC license renewal would even take effect satisfies the requirements of 10 C.F.R. § 51.53(c)(3)(ii)(B), raises an admissible and material issue of law and fact.

NEPA: CONTENTIONS (LICENSE RENEWAL)

The contention, which raises the question as to whether requirements of 10 C.F.R. § 51.53(c)(3)(ii)(B) supplement the more general requirements of 10 C.F.R. §§ 51.45(c) and 51.53(c), or instead displace and supplant the latter requirements, raises an admissible and material issue of interpretation and construction of the regulations.

LICENSE RENEWAL; DEMONSTRATING THAT AGING WILL BE ADEQUATELY MANAGED

The contention, which alleges that the applicant's plan to manage metal fatigue is too vague and is really only a "plan to develop a plan," raises an admissible and material issue as to whether the applicant has met the 10 C.F.R. § 54.21(c)(1)(iii)

and (a)(3) requirement to "demonstrate that the effects of aging . . . will be adequately managed."

RULES OF PRACTICE: CONTENTIONS (SUFFICIENT EVIDENCE OF DISPUTE)

The contention alleging that the applicant's proposed monitoring techniques are not adequate because they are based on computer models that were not benchmarked, which is supported by a sworn statement by an unchallenged expert who described his professional reasoning, satisfies the requirement that the petitioner provide sufficient evidence to show that there is a genuine dispute concerning a material issue, as required by 10 C.F.R. § 2.309(f)(1)(vi) and is not "bald or conclusory."

RULES OF PRACTICE: CONTENTIONS (SCOPE OF REPLY)

A reply may respond to any legal, logical, or factual arguments presented in an answer. While a petitioner who fails to satisfy the requirements of 10 C.F.R. § 2.309(f)(1) in its initial contention submission may not use its reply to rectify those inadequacies or to raise new arguments, a petitioner may use the reply to flesh out contentions that have already met the pleading requirements.

RULES OF PRACTICE: CONTENTIONS (SUFFICIENT EVIDENCE OF DISPUTE)

At the contention admissibility stage, the petitioner is not required to prove its contention or to provide all the evidence for its contention that may be required later in the proceeding. Rather, a petitioner is only required to provide sufficient information that "the Applicants are sufficiently put on notice so that they will know at least generally what they will have to defend against or oppose, and that there has been sufficient foundation assigned to warrant further exploration of [the] contention." *Kansas City Gas & Electric Co.* (Wolf Creek Generating Station, Unit 1), LBP-84-1, 19 NRC 29, 34 (1984).

RULES OF PRACTICE: CONTENTIONS (SCOPE OF REPLY)

The portions of the reply that respond to legal, logical, and factual arguments raised in the answers, such as Entergy's allegation that the treatment and resolution of the flow-accelerated corrosion issue during NRC's separate review of the extended power uprate application, are appropriate and the motion to strike them is denied.

LICENSE RENEWAL: EMERGENCY PLANNING CONTENTIONS NOT ADMISSIBLE

Emergency planning concerns are not within the scope of a license renewal proceeding and therefore any such contention is not admissible under 10 C.F.R. § 2.309(f)(1)(iii). See, e.g., *Dominion Nuclear Connecticut, Inc.* (Millstone Nuclear Power Station, Units 2 and 3), CLI-05-24, 62 NRC 551, 560-61 (2005).

SELECTION OF HEARING PROCEDURES

The selection of appropriate hearing procedures under 10 C.F.R. § 2.310 is a contention-by-contention matter, dependent on the nature of the specific issues involved in the contention. Thus, for example, a single adjudicatory proceeding may include some contentions litigated under Subpart L and others litigated under Subpart G or N.

SELECTION OF HEARING PROCEDURES: STATE RIGHT TO CROSS-EXAMINATION UNDER SECTION 274(l) OF THE AEA

Section 274(l) of the AEA does not give a state an absolute right of cross-examination, but states only that "the Commission . . . shall afford reasonable opportunity for State representatives to . . . interrogate witnesses." 42 U.S.C. § 2021(l) (emphasis added).

SELECTION OF HEARING PROCEDURES: STATE RIGHT TO CROSS-EXAMINATION UNDER SECTION 274(l) OF THE AEA

The Commission's statement in *Citizens Awareness Network, Inc. v. United States*, 391 F.3d 338 (1st Cir. 2004), that a petitioner's right to cross-examination (in Subpart L proceedings) whenever it "is necessary to ensure the development of an adequate record for decision," 10 C.F.R. § 2.1204(b)(3), is equivalent to a party's right to cross-examination under 5 U.S.C. § 556(d), leads the Board to conclude that Subpart L proceedings satisfy the AEA requirement that State representatives be given a "reasonable opportunity . . . to . . . interrogate witnesses." 42 U.S.C. § 2021(l).

SELECTION OF HEARING PROCEDURES: BOARD DISCRETION

Subpart L is not the automatic default procedure for adjudicatory hearings. If the provisions of 10 C.F.R. § 2.310(c)-(j) do not mandate the use of a specific procedure, then 10 C.F.R. § 2.310(b) specifies that the Board "may" use the Subpart L procedures. In this circumstance the Board, in its sound discretion

must determine the type of hearing procedures most appropriate for the specific contentions before it.

SELECTION OF HEARING PROCEDURES: STATE RIGHT TO CROSS-EXAMINATION UNDER SECTION 274(f) OF THE AEA

We reject the assertion that section 247(f) of the AEA gives a state a right to offer evidence and interrogate witnesses, even if no hearing is otherwise being held and no party has submitted an admissible contention.

RULES OF PRACTICE: CONTENTIONS (ADOPTION)

It is sufficient for our purposes to hold that if a notice of adoption of a contention is filed under 10 C.F.R. § 2.309(f)(3) within a reasonable time (such as 20 days) after the contention has been filed *and* admitted, then it is deemed timely and is not subject to the nontimely factors specified in 10 C.F.R. § 2.309(c). Accordingly, we find that the DPS and NEC adoption notices were timely and the adoptions are granted.

RULES OF PRACTICE: CONTENTIONS (ADOPTION; PROOF OF INDEPENDENT ABILITY TO LITIGATE NOT REQUIRED)

We have serious reservations about requiring the adopting party to demonstrate an independent ability to litigate a contention. No such requirement is imposed under new 10 C.F.R. § 2.309(f)(3). No such requirement is imposed on the original petitioner under 10 C.F.R. § 2.309(f)(1). Further, it is not clear how a Board could determine, in advance, whether an adopter has the "independent ability to litigate a contention" without impermissibly inquiring into the party's finances and membership list. Any such requirement may not comport with section 189a of the AEA.

INTERESTED STATE PARTICIPATION

As provided in 10 C.F.R. § 2.315(c), any interested state, local governmental body, and affected, federally recognized Indian Tribe that has not been admitted as a party under 10 C.F.R. § 2.309 will be given a reasonable opportunity to participate in any hearing conducted in this proceeding. The only timing requirement for giving notice of such participation states that a "representative shall identify those contentions on which it will participate in advance of any hearing held."

TABLE OF CONTENTS

- I. BACKGROUND..... 140
- II. STANDING ANALYSIS 143
 - A. Standards Governing Standing 143
 - B. Rulings on Standing..... 144
 - 1. Vermont Department of Public Service..... 144
 - 2. Massachusetts Attorney General 145
 - 3. New England Coalition 145
 - 4. Town of Marlboro 146
- III. CONTENTION ADMISSIBILITY ANALYSIS 146
 - A. Standards Governing Contention Admissibility 146
 - 1. Brief Explanation of the Basis of the Contention 147
 - 2. Within the Scope of the Proceeding 147
 - 3. Materiality 149
 - 4. Concise Statement of Supporting Facts or Expert Opinion 150
 - 5. Sufficient Information To Show a Genuine Dispute 151
 - 6. New Issues Raised in a Petitioner's Reply Brief 152
 - B. Ruling on Massachusetts Attorney General Contention 152
 - 1. AG Contention 152
 - 2. AG Backfit Petition Under 10 C.F.R. § 50.109 162
 - C. Ruling on DPS Contentions 162
 - 1. DPS Contention 1 (Safety)..... 162
 - 2. DPS Contention 2 (Environmental) 167
 - 3. DPS Contention 3 (Safety)..... 170
 - 4. DPS "Reservation" of Right To File Contentions on Energy Alternatives 174
 - D. Ruling on NEC Contentions 175
 - 1. NEC Contention 1 (Environmental) 175
 - 2. NEC Contention 2 (Safety) 183
 - 3. NEC Contention 3 (Safety) 187
 - 4. NEC Contention 4 (Safety) 192
 - 5. NEC Contention 5 (Safety) 196
 - 6. NEC Contention 6 (Safety) 199
 - E. Ruling on Marlboro Request (Exclusion from Emergency Planning Zone) 201
- IV. SELECTION OF HEARING PROCEDURES 201
 - A. Standards Governing Selection of Hearing Procedures..... 201
 - B. Selection of Hearing Procedures 202

V. STATUTORY RIGHT TO HEARING.....	204
VI. CONTENTION ADOPTION AND INTERESTED STATE PARTICIPATION	206
A. Adoption	206
B. Interested State Participation	209
VII. CONCLUSION	209

MEMORANDUM AND ORDER

(Ruling on Standing, Contentions, Hearing Procedures, State Statutory Claim, and Contention Adoption)

Before the Licensing Board are four petitions to intervene and requests for hearing regarding the application of Entergy Nuclear Vermont Yankee, LLC, and Entergy Nuclear Operations, Inc. (collectively, Entergy), to renew the operating license for the Vermont Yankee Nuclear Power Station in Windham County, Vermont. Entergy seeks to extend its license for an additional 20 years beyond the current expiration date of March 21, 2012. Three of the petitions were filed by governmental entities — the Vermont Department of Public Service (DPS), the Massachusetts Attorney General (AG), and the Town of Marlboro, Vermont (Marlboro). The fourth petition was filed by a nonprofit organization, the New England Coalition (NEC).

For the reasons set forth below, we find that each of the four Petitioners has standing to intervene, but only DPS and NEC have submitted an admissible contention. Accordingly, we admit DPS and NEC as parties to this proceeding. Further, we address four issues related to the petitions and hearing requests and find that (1) the informal hearing procedures of 10 C.F.R. Part 2, Subpart L are the most appropriate procedures for the admitted contentions; (2) DPS's statutory hearing rights under section 274(l) of the Atomic Energy Act of 1954, as amended (AEA), 42 U.S.C. § 2021(l), are satisfied under the Subpart L hearing procedures; (3) DPS and NEC have adopted one another's admitted contentions; and (4) any notice of participation by an interested state or local governmental entity may be filed within 20 days of the date of this ruling.

I. BACKGROUND

On January 25, 2006, Entergy filed an application pursuant to 10 C.F.R. Part 54 to renew Operating License No. DPR-28 for its Vermont Yankee Nuclear Power

Station.¹ Entergy seeks to extend the current operating license for the Vermont Yankee facility, which expires on March 21, 2012, for an additional 20 years. On March 27, 2006, the Commission published a notice of acceptance for docketing of the Entergy renewal application and a notice of opportunity to request a hearing on the application. 71 Fed. Reg. 15,220 (Mar. 27, 2006).

Several entities filed hearing requests/intervention petitions asking to be admitted as parties to any proceeding conducted on the application. Marlboro filed a letter requesting a hearing on its exclusion from the emergency planning zone.² The AG, DPS, and NEC each submitted a request for a hearing, a petition to intervene, and one or more contentions.³ The AG proposed one contention challenging Entergy's application and also submitted a 10 C.F.R. § 50.109 petition for a backfit order. DPS proposed three contentions and NEC proposed six contentions.

Following the establishment of this Board, *see* 71 Fed. Reg. 34,397 (June 14, 2006), Entergy and the NRC Staff (Staff) submitted answers to the four hearing requests.⁴ Although Entergy does not oppose the standing of the four Petitioners, it argues that none of the Petitioners submitted an admissible contention. The Staff agrees that each of the Petitioners has standing, but takes the position that, except for two of NEC's contentions, the proposed contentions fail to meet NRC regulatory requirements. The AG, DPS, and NEC filed replies to the Entergy

¹ Vermont Yankee Nuclear Power Station License Renewal Application (Jan. 25, 2006), ADAMS Accession No. ML060300085 [Application]. Entergy has since supplemented and amended its application several times.

² Letter from Dan MacArthur, Director of Emergency Management, Town of Marlboro, to Office of the Secretary, NRC (dated Apr. 27, 2006, but postmarked on May 15, 2006) [Marlboro Hearing Request].

³ [AG] Request for a Hearing and Petition for Leave To Intervene with Respect to [Entergy]'s Application for Renewal of the Vermont Yankee Nuclear Power Plant Operating License and Petition for Backfit Order Requiring New Design Features To Protect Against Spent Fuel Pool Accidents (May 26, 2006) [AG Petition]; [DPS] Notice of Intention To Participate and Petition To Intervene (May 26, 2006) [DPS Petition]; Petition for Leave To Intervene, Request for Hearing, and Contentions (May 26, 2006) [NEC Petition].

⁴ Entergy's Answer to the [AG]'s Request for a Hearing, Petition for Leave To Intervene, and Petition for Backfit Order (June 22, 2006) [Entergy Answer to AG]; Entergy's Answer to [DPS] Notice of Intention To Participate and Petition To Intervene (June 22, 2006) [Entergy Answer to DPS]; Entergy's Answer to [NEC]'s Petition for Leave To Intervene, Request for Hearing, and Contentions (June 22, 2006) [Entergy Answer to NEC]; Entergy's Answer to the Town of Marlboro's Request for Hearing (June 14, 2006) [Entergy Answer to Marlboro]; NRC Staff Answer Opposing [AG]'s Request for Hearing and Petition for Leave To Intervene and Petition for Backfit (June 22, 2006) [Staff Answer to AG]; NRC Staff Answer to [DPS] Notice of Intention To Participate and Petition To Intervene (June 22, 2006) [Staff Answer to DPS]; NRC Staff Answer to Request for Hearing of [NEC] (June 22, 2006) [Staff Answer to NEC]; NRC Staff Answer to Town of Marlboro's Request for Hearing [Staff Answer to Marlboro].

and Staff answers.⁵ Entergy then filed a motion to strike portions of the DPS and NEC replies, asserting that both replies sought to raise new arguments that were not included in the original petitions, while failing to address the criteria for nontimely filings.⁶ DPS and NEC each filed an opposition to Entergy's motions to strike.⁷ The Staff filed an answer generally supporting Entergy's motions.⁸

On June 5, 2006, DPS filed a notice of intent to adopt all the contentions filed by the AG and NEC, or in the alternative, moved for leave to be allowed to adopt the contentions.⁹ On the same day, NEC made a similar filing, giving notice that it was adopting the contentions filed by the AG and DPS.¹⁰ Entergy opposed both filings because DPS and NEC failed to address the criteria for nontimely contentions.¹¹ The Staff did not oppose the DPS and NEC notices, but asserted that an adopting party must demonstrate an independent ability to litigate any adopted contention.¹² NEC filed a motion for leave to file a reply to Entergy and

⁵[AG]'s Reply to Entergy's and NRC Staff's Responses to Hearing Request and Petition To Intervene with Respect to Vermont Yankee License Renewal Proceeding (June 30, 2006) [AG Reply]; [DPS] Reply to Answer of Applicant and NRC Staff to Notice of Intention To Participate and Petition To Intervene (June 30, 2006) [DPS Reply]; [NEC]'s Reply to Entergy and NRC Staff Answers to Petition for Leave To Intervene, Request for Hearing, and Contentions (June 29, 2006) [NEC Reply]. Prior to the submission of its reply, the AG filed a letter notifying the Board of a recent decision by the U.S. Court of Appeals for the Ninth Circuit, which the AG maintains "has a direct bearing on the contention." Letter from Diane Curran, Counsel for the AG, to Alex S. Karlin et al., ASLB (June 16, 2006).

⁶Entergy's Motion To Strike Portions of [DPS]'s Reply (July 10, 2006) [Entergy Motion To Strike DPS Reply]; Entergy's Motion To Strike Portions of [NEC]'s Reply (July 10, 2006) [Entergy Motion To Strike NEC Reply].

⁷[DPS] Reply to Entergy's Motion To Strike Portions of [DPS]'s Reply (July 20, 2006) [DPS Reply to Entergy Motion To Strike DPS Reply]; [NEC]'s Opposition to Entergy's Motion To Strike Portions of [NEC]'s Reply (July 20, 2006) [NEC Opposition to Entergy Motion To Strike NEC Reply].

⁸NRC Staff Answer to Entergy's Motion To Strike Portions of [DPS] Reply (July 20, 2006) [Staff Answer to Entergy Motion To Strike DPS Reply]; NRC Staff Answer to Entergy Motion To Strike Portions of [NEC]'s Intervention Reply (July 20, 2006) [Staff Answer to Entergy Motion To Strike NEC Reply].

⁹Notice of Intent To Adopt Contentions and Motion for Leave To Be Allowed To Do So (June 5, 2006) [DPS Notice of Intent To Adopt Contentions].

¹⁰[NEC]'s Notice of Adoption of Contentions, or in the Alternative, Motion To Adopt Contentions (June 5, 2006) [NEC Notice of Adoption of Contentions].

¹¹Entergy's Answer to [DPS] Notice and Motion To Adopt Contentions (June 15, 2006) [Entergy Answer to DPS Notice of Intent To Adopt Contentions]; Entergy's Answer to [NEC]'s Notice and Motion To Adopt Contentions (June 20, 2006) [Entergy Answer to NEC Notice of Adoption of Contentions].

¹²NRC Staff Answer to Vermont DPS Notice of Intent To Adopt Contentions and Motion for Leave (June 21, 2006) [Staff Answer to DPS Notice of Intent To Adopt Contentions]; NRC Staff Answer to [NEC] Notice of Adoption of Contentions or Alternative Motion To Adopt Contentions (June 15, 2006) [Staff Answer to NEC Notice of Adoption of Contentions].

the Staff answers.¹³ Both Entergy and the Staff opposed NEC's motion for leave to file a reply.¹⁴

On August 1 and 2, 2006, the Board conducted an oral argument with the Petitioners,¹⁵ Entergy, and the Staff in Brattleboro, Vermont, where we heard arguments relating to the admissibility of the proposed contentions. Tr. at 40-452.

In order for a request for hearing and petition to intervene to be granted, a petitioner must (1) establish that it has standing and (2) propose at least one admissible contention. 10 C.F.R. § 2.309(a). We address each of these two requirements in turn and find that while all of the Petitioners have standing, only DPS and NEC submitted an admissible contention.

II. STANDING ANALYSIS

A. Standards Governing Standing

A petition for leave to intervene must provide certain basic information supporting the petitioner's claim to standing. The required information includes (1) the nature of the petitioner's right under a relevant statute to be made a party to the proceeding; (2) the nature and extent of the petitioner's property, financial, or other interest in the proceeding; and (3) the possible effect of any decision or order that may be issued in the proceeding on the petitioner's interest. 10 C.F.R. § 2.309(d)(1)(ii)-(iv). Judicial concepts of standing are generally followed in NRC proceedings. *Nuclear Management Co., LLC* (Monticello Nuclear Generating Plant), CLI-06-6, 63 NRC 161, 163 (2006). These require that a petitioner establish that "(1) it has suffered a distinct and palpable harm that constitutes injury-in-fact within the zone of interests arguably protected by the governing statute; (2) the injury can fairly be traced to the challenged action; and (3) the injury is likely to be redressed by a favorable decision." *Yankee Atomic Electric Co.* (Yankee Nuclear Power Station), CLI-96-1, 43 NRC 1, 6 (1996). In the context of a license renewal application, relevant governing statutes include the

¹³NEC's Motion for Leave To File a Reply to NRC Staff Answer to [NEC]'s Notice and Motion To Adopt Contentions; to Entergy's Answer to [NEC]'s Notice and Motion To Adopt Contentions; and to Entergy's Answer to [DPS]'s Notice and Motion To Adopt Contentions (June 22, 2006) [NEC Motion for Leave To File Reply].

¹⁴Entergy's Answer to NEC's Motion for Leave To File a Reply (July 3, 2006) [Entergy Answer to NEC Motion for Leave To File Reply]; NRC Staff Answer Opposing NEC's Motion for Leave To File Replies (July 3, 2006) [Staff Answer to NEC Motion for Leave To File Reply].

¹⁵The Board did not hear oral argument from the Town of Marlboro, but did allow the representative from Marlboro to make an opening statement addressing whether the Town is an "interested . . . local governmental body" within the meaning of 10 C.F.R. § 2.315(c). Tr. at 72-74 (Aug. 1, 2006).

Atomic Energy Act of 1954, 42 U.S.C. §§ 2011 *et seq.* (AEA) and the National Environmental Policy Act of 1969, 42 U.S.C. §§ 4321 *et seq.* (NEPA).

An organization seeking to intervene in an NRC proceeding must allege that the challenged action will cause a cognizable injury to the organization's interests or to the interests of its members. *Yankee Atomic Electric Co.* (Yankee Nuclear Power Station), CLI-94-3, 39 NRC 95, 102 n.10 (1994). If the organization seeks standing on its own behalf, it must demonstrate a discrete institutional injury to the organization itself. *International Uranium (USA) Corp.* (White Mesa Uranium Mill), CLI-01-21, 54 NRC 247, 252 (2001). When seeking to intervene in a representational capacity, an organization must identify (by name and address) at least one member who is affected by the licensing action and show that it is authorized by that member to request a hearing on his or her behalf. *Vermont Yankee Nuclear Power Corp.* (Vermont Yankee Nuclear Power Station), CLI-00-20, 52 NRC 151, 163 (2000).

In determining whether a petitioner has met the requirements for establishing standing, the Commission has directed us to "construe the petition in favor of the petitioner." *Georgia Institute of Technology* (Georgia Tech Research Reactor, Atlanta, Georgia), CLI-95-12, 42 NRC 111, 115 (1995). To this end, in proceedings involving nuclear power reactors, the Commission has recognized a proximity presumption, whereby a petitioner is presumed to have standing to intervene without the need to specifically plead injury, causation, and redressability if the petitioner lives within 50 miles of the nuclear power reactor.¹⁶ Meanwhile, a state or local governmental body that wishes to be a party in a proceeding that involves a facility located within its boundaries is automatically deemed to have standing. 10 C.F.R. § 2.309(d)(2)(i)-(ii).

B. Rulings on Standing

I. Vermont Department of Public Service

DPS satisfies the requirement for standing to intervene under section 2.309(d)(2) because the proceeding concerns the Vermont Yankee Nuclear Power Station, which is located within the boundaries of the State of Vermont. *See* DPS Petition at 3. Therefore, DPS is deemed to have standing for purposes of this proceeding and no further showing is required. 10 C.F.R. § 2.309(d)(2)(ii).

¹⁶ *See, e.g., Florida Power & Light Co.* (St. Lucie Nuclear Power Plant, Units 1 and 2), CLI-89-21, 30 NRC 325, 329 (1989) (observing that the presumption applies in proceedings for nuclear power plant "construction permits, operating licenses, or significant amendments thereto"); *Florida Power & Light Co.* (Turkey Point Nuclear Generating Plant, Units 3 and 4), LBP-01-6, 53 NRC 138, 146-50 (2001) (applying the presumption in an operating license renewal proceeding).

2. Massachusetts Attorney General

Although the AG is a representative of a state within the meaning of 10 C.F.R. § 2.309(d)(2), the Vermont Yankee facility is not located within the boundaries of the Commonwealth of Massachusetts and therefore the AG does not qualify for standing under 10 C.F.R. § 2.309(d)(2)(ii). The AG must meet the standing requirements in some other way. The AG's petition states that the Vermont Yankee Nuclear Power Station is located within 10 miles of the Commonwealth of Massachusetts and that an accident during the license renewal period could affect the residents, the environment, and the economy of the Commonwealth. AG Petition at 5 n.1. Under the proximity presumption, a petitioner within the zone of possible harm from a reactor need not specifically plead injury, causation, and redressability. *See supra* note 16. Because the Vermont Yankee Nuclear Power Station is located within 10 miles of the Commonwealth of Massachusetts, we find that the AG has demonstrated standing to participate in this license renewal proceeding.

3. New England Coalition

NEC claims both organizational and representational standing. NEC Petition at 2. To claim standing on its own behalf, an organization must demonstrate a discrete institutional injury that is unique to the organization. *White Mesa*, CLI-01-21, 54 NRC at 252. In its petition, NEC states that its headquarters, which houses its offices, technical library, business records, and equipment, is within 10 miles of the Vermont Yankee facility, that the purpose of the organization is to oppose nuclear hazards, and that the proposed license renewal could increase the risk of an offsite radiological release, which would affect the value of its property and its ability to conduct normal operations. NEC Petition at 2-3; *id.*, Exh. 1, Decl. of Pamela Long, Clerk of the Corporation [NEC] (May 24, 2006). We find that, given the close proximity of NEC's headquarters to the Vermont Yankee plant, these interests are sufficient to demonstrate organizational standing.

With respect to its claim of representational standing, NEC's petition includes declarations from four of its members authorizing the organization to represent their interests in any proceeding regarding Entergy's license renewal application.¹⁷ Each member declares that he or she lives within close proximity to the plant (at distances ranging from 4 to 25 miles of the nuclear facility) and is concerned that the proposed license extension could increase the potential for an accident and the harmful consequences resulting from an offsite radiological release from the

¹⁷ *See* NEC Petition, Exh. 2, Decl. of Sarah Kotkov (May 24, 2006); Exh. 3, Decl. of Sally Shaw (May 24, 2006); Exh. 4, Decl. of David L. Deen (May 24, 2006); Exh. 5, Decl. of Mary King (May 23, 2006).

plant.¹⁸ Based on these declarations and the proximity presumption, we find that NEC satisfies the requirements for representational standing.

4. Town of Marlboro

Although Marlboro is a governmental body within the meaning of 10 C.F.R. § 2.309(d)(2), the Vermont Yankee Nuclear Power Station is not located within the Town's boundaries. Thus, Marlboro must meet the standing pleading requirements in some other way. Marlboro states that it is located within the 10-mile radius of the Vermont Yankee facility. Marlboro Hearing Request at 1. Under the proximity presumption, we find that Marlboro has standing to participate in this proceeding.

III. CONTENTION ADMISSIBILITY ANALYSIS

A. Standards Governing Contention Admissibility

Under 10 C.F.R. § 2.309(f)(1)¹⁹ a hearing request or petition to intervene "must set forth with particularity the contentions sought to be raised." To satisfy this requirement, section 2.309(f)(1) specifies that each contention must:

- (i) Provide a specific statement of the issue of law or fact to be raised or controverted;
- (ii) Provide a brief explanation of the basis for the contention;
- (iii) Demonstrate that the issue raised in the contention is within the scope of the proceeding;
- (iv) Demonstrate that the issue raised in the contention is material to the findings the NRC must make to support the action that is involved in the proceeding;
- (v) Provide a concise statement of the alleged facts or expert opinions which support the requestor's/petitioner's position on the issue and on which the petitioner intends to rely at hearing, together with references to the specific sources and documents on which the requestor/petitioner intends to rely to support its position on the issue; and
- (vi) Provide sufficient information to show that a genuine dispute exists with the applicant/licensee on a material issue of law or fact. This information must include references to specific portions of the application (including the applicant's environmental report and safety report) that the petitioner disputes and the supporting reasons for each dispute, or, if the petitioner believes that the application fails to

¹⁸ See, e.g., NEC Petition, Exh. 2, Decl. of Sarah Kotkov ¶ 4 (May 24, 2006).

¹⁹ In 2004 the Commission revised and reordered its procedural rules. See Final Rule: "Changes to Adjudicatory Process," 69 Fed. Reg. 2182, 2217 (Jan. 14, 2004). Much of the case law regarding contention admissibility focuses on the pre-2004 rule, 10 C.F.R. § 2.714(b)(2) (2004).

contain information on a relevant matter as required by law, the identification of each failure and the supporting reasons for the petitioner's belief.

10 C.F.R. § 2.309(f)(1)(i)-(vi).

The purpose of the contention rule is to "focus litigation on concrete issues and result in a clearer and more focused record for decision." 69 Fed. Reg. at 2202. The Commission has stated that it "should not have to expend resources to support the hearing process unless there is an issue that is appropriate for, and susceptible to, resolution in an NRC hearing." *Id.* The Commission has emphasized that the rules on contention admissibility are "strict by design." *Dominion Nuclear Connecticut, Inc.* (Millstone Nuclear Power Station, Units 2 and 3), CLI-01-24, 54 NRC 349, 358 (2001). Failure to comply with any of these requirements is grounds for the dismissal of a contention. *Private Fuel Storage, L.L.C.* (Independent Spent Fuel Storage Installation), CLI-99-10, 49 NRC 318, 325 (1999). These requirements have been further developed by NRC case law, as summarized below.

1. Brief Explanation of the Basis of the Contention — 10 C.F.R. § 2.309(f)(1)(ii)

A "brief explanation of the basis for the contention" is a necessary prerequisite of an admissible contention. 10 C.F.R. § 2.309(f)(1)(ii). "[A] petitioner must provide some sort of minimal basis indicating the potential validity of the contention." Final Rule: "Rules of Practice for Domestic Licensing Proceedings — Procedural Changes in the Hearing Process," 54 Fed. Reg. 33,168, 33,170 (Aug. 11, 1989). This "brief explanation" of the logical underpinnings of a contention does not require a petitioner "to provide an exhaustive list of possible bases, but simply to provide sufficient alleged factual or legal bases to support the contention." *Louisiana Energy Services, L.P.* (National Enrichment Facility), CLI-04-35, 60 NRC 619, 623 (2004). The brief explanation helps define the scope of a contention — "[t]he reach of a contention necessarily hinges upon its terms coupled with its stated bases." *Public Service Co. of New Hampshire* (Seabrook Station, Units 1 and 2), ALAB-899, 28 NRC 93, 97 (1988), *aff'd sub nom. Massachusetts v. NRC*, 924 F.2d 311 (D.C. Cir. 1991). However, it is the contention, not "bases," whose admissibility must be determined. See 10 C.F.R. § 2.309(a).

2. Within the Scope of the Proceeding — 10 C.F.R. § 2.309(f)(1)(iii)

A petitioner must demonstrate that the issue it seeks to raise is within the scope of the proceeding. 10 C.F.R. § 2.309(f)(1)(iii). The scope of a proceeding is defined by the Commission in its initial hearing notice and order referring

the proceeding to the licensing board. *Duke Power Co.* (Catawba Nuclear Station, Units 1 and 2), ALAB-825, 22 NRC 785, 790-91 (1985). In addition, the Commission has provided a detailed regulatory framework setting forth the safety and environmental issues that fall within the scope of a license renewal proceeding.

Safety contentions in license renewal proceedings must focus on topics related to the detrimental effects of aging and related time-limited issues dealt within 10 C.F.R. Part 54. *Florida Power & Light Co.* (Turkey Point Nuclear Generating Plant, Units 3 and 4), CLI-01-17, 54 NRC 3, 7 (2001); 10 C.F.R. § 54.29(a)(1)-(2). Contentions that focus on safety issues that were thoroughly reviewed when the plant was initially licensed and are continually monitored as part of the NRC's ongoing oversight programs are outside of the scope of license renewal proceedings because "the Commission did not believe it necessary or appropriate to throw open the full gamut of provisions in a plant's current licensing basis to re-analysis during the license renewal review." *Turkey Point*, CLI-01-17, 54 NRC at 9; see also Final Rule: "Nuclear Power Plant License Renewal," 56 Fed. Reg. 64,943, 64,946 (Dec. 13, 1991). Thus, issues that are continually assessed, such as emergency planning, are not within the scope of a license renewal proceeding, *Turkey Point*, CLI-01-17, 54 NRC at 9-10. However, issues that concern age-related degradation, such as metal fatigue, corrosion, and thermal and radiation embrittlement, are within the scope of a license renewal proceeding, *id.* at 7-8. See also Final Rule: "Nuclear Power Plant License Renewal; Revisions," 60 Fed. Reg. 22,461, 22,464 (May 8, 1995).

Environmental contentions in license renewal proceedings are similarly limited in scope. Under 10 C.F.R. Part 51, the Commission's procedural regulations for complying with NEPA, environmental topics in license renewal proceedings are divided into two groups: (1) generic issues based on the Generic Environmental Impact Statement for License Renewal of Nuclear Plants (GEIS, NUREG-1437, May 1996), or (2) plant-specific issues. The GEIS is an extensive study of potential environmental impacts of extending the operating licenses for nuclear power plants for 20 years. *Turkey Point*, CLI-01-17, 54 NRC at 11. Generic issues, or "Category 1" issues as they are referred to in Part 51, generally need not be assessed in a license renewal application because the Commission has already concluded that they involve environmental effects that are similar at all existing plants. *Id.* (citing 10 C.F.R. § 51.53(c)(3)(i)). An applicant, however, "must still provide additional analysis in its Environmental Report if new and significant information may bear on the applicability of the Category 1 finding at its particular plant." *Id.* See also 10 C.F.R. § 51.53(c)(3)(iv). Plant-specific issues, or "Category 2" issues, must also be addressed in a license renewal applicant's Environmental Report. *Turkey Point*, CLI-01-17, 54 NRC at 11-12; 10 C.F.R. § 51.53(c)(3)(ii)-(iii). The Staff must then independently assess the applicant's Environmental Report, setting out its conclusions in a site-specific

draft Supplemental Environmental Impact Statement (SEIS). *Turkey Point*, CLI-01-17, 54 NRC at 12 (citing 10 C.F.R. §§ 51.70, 51.73-74). The draft SEIS must address "significant new circumstances or information relevant" to the license renewal, 10 C.F.R. § 51.72(a)(2), including new and significant information relating to Category 1 issues. *Duke Energy Corp.* (McGuire Nuclear Station, Units 1 and 2; Catawba Nuclear Station, Units 1 and 2), CLI-02-14, 55 NRC 278, 290 (2002). After considering public comments on the draft SEIS, covering both plant-specific Category 2 issues and new and significant information on Category 1 issues, the Staff weighs the expected environmental impacts of license renewal and sets forth its conclusions in the final SEIS. *Id.* (citing Final Rule: "Environmental Review for Renewal of Nuclear Power Plant Operating Licenses," 61 Fed. Reg. 28,467, 28,470 (June 5, 1996)). As with the applicant's Environmental Report and the draft SEIS, the final SEIS must consider new and significant information on Category 1 issues. *McGuire/Catawba*, CLI-02-14, 55 NRC at 290-91; *Turkey Point*, CLI-01-17, 54 NRC at 12.

A contention that challenges a Commission rule or regulation is outside of the scope of the proceeding because, absent a waiver, "no rule or regulation of the Commission . . . is subject to attack . . . in any adjudicatory proceeding." 10 C.F.R. § 2.335(a). Any contention that amounts to an attack on applicable statutory requirements must be rejected by a licensing board as outside the scope of the proceeding. *Philadelphia Electric Co.* (Peach Bottom Atomic Power Station, Units 2 and 3), ALAB-216, 8 AEC 13, 20 (1974). A petitioner that seeks to express a personal view regarding the direction of regulatory policy is not, however, without remedy, and may submit a petition under 10 C.F.R. § 2.802 for rulemaking, or a request under 10 C.F.R. § 2.206 that the NRC Staff take enforcement action.

3. Materiality — 10 C.F.R. § 2.309(f)(1)(iv)

For a contention to be admissible, a petitioner must show "that the issue raised in the contention is material to the findings the NRC must make to support the action that is involved in the proceeding." 10 C.F.R. § 2.309(f)(1)(iv). An issue is only "material" if "the resolution of the dispute would make a difference in the outcome of the licensing proceeding." 54 Fed. Reg. at 33,172. This means that there must be some link between the claimed error or omission regarding the proposed licensing action and the NRC's role in protecting public health and safety or the environment. *Dominion Nuclear Connecticut, Inc.* (Millstone Nuclear Power Station, Units 2 and 3), LBP-04-15, 60 NRC 81, 89 (2004), *aff'd*, CLI-04-36, 60 NRC 631 (2004).

4. *Concise Statement of Supporting Facts or Expert Opinion — 10 C.F.R. § 2.309(f)(1)(v)*

Contentions must be supported by "a concise statement of the alleged facts or expert opinions which support the . . . petitioner's position on the issue . . . together with references to the specific sources and documents on which [it] intends to rely to support its position." 10 C.F.R. § 2.309(f)(1)(v). It is the obligation of the petitioner to present the factual information or expert opinions necessary to support its contention adequately. *Yankee Atomic Electric Co.* (Yankee Nuclear Power Station), CLI-96-7, 43 NRC 235, 262 (1996). Failure to do so requires that the contention be rejected. *Arizona Public Service Co.* (Palo Verde Nuclear Generating Station, Units 1, 2, and 3), CLI-91-12, 34 NRC 149, 155 (1991).

Determining whether a contention is adequately supported by a concise allegation of the facts or expert opinion, however, "does not call upon the intervenor to make its case at [the contention admissibility] stage of the proceeding, but rather to indicate what facts or expert opinions, be it one fact or opinion or many, of which it is aware at that point in time which provide the basis for its contention." 54 Fed. Reg. at 33,170. A petitioner does not have to provide an exhaustive list of its experts or evidence or prove the merits of its contention at the admissibility stage.²⁰ As with a summary disposition motion, the support for a contention may be viewed in a light that is favorable to the petitioner and inferences that can be drawn from evidence may be construed in favor of the petitioner. See *Palo Verde*, CLI 91-12, 34 NRC at 155; 10 C.F.R. § 2.710(c).

Nevertheless, "[m]ere 'notice pleading' is insufficient under these standards. A petitioner's issue will be ruled inadmissible if the petitioner 'has offered no tangible information, no experts, no substantive affidavits,' but instead only 'bare assertions and speculation.'" *Fansteel, Inc.* (Muskogee, Oklahoma Site), CLI-03-13, 58 NRC 195, 203 (2003) (quoting *GPU Nuclear, Inc.* (Oyster Creek Nuclear Generating Station), CLI-00-6, 51 NRC 193, 208 (2000)). And if a petitioner neglects to provide the requisite support for its contentions, the Board should not make assumptions of fact that favor the petitioner, or supply information that is lacking. *Georgia Institute of Technology* (Georgia Tech Research Reactor, Atlanta, Georgia), LBP-95-6, 41 NRC 281, 305 (1995); *Duke Cogema Stone & Webster* (Savannah River Mixed Oxide Fuel Fabrication Facility), LBP-01-35, 54 NRC 403, 422 (2001). Any supporting material provided by a petitioner, including those portions of the material that are not relied upon, is subject to Board scrutiny. *Yankee Atomic Electric Co.* (Yankee Nuclear Power Station), LBP-96-2, 43 NRC 61, 90 (1996), *rev'd in part on other grounds*, CLI-96-7, 43 NRC 235 (1996).

²⁰ *National Enrichment Facility*, CLI-04-35, 60 NRC at 623; *Private Fuel Storage, L.L.C.* (Independent Spent Fuel Storage Installation), CLI-04-22, 60 NRC 125, 139 (2004).

In short, the information, facts, and expert opinion alleged by the petitioner will be examined by the Board to confirm that it does indeed supply adequate support for the contention. *Vermont Yankee Nuclear Power Corp.* (Vermont Yankee Nuclear Power Station), ALAB-919, 30 NRC 29, 48 (1989), *vacated in part on other grounds and remanded*, CLI-90-4, 31 NRC 333 (1990). But at the contention admissibility stage, all that is required is that the petitioner provide "some alleged fact or facts in support of its position." 54 Fed. Reg. at 33,170.

5. *Sufficient Information To Show a Genuine Dispute — 10 C.F.R. § 2.309(f)(1)(vi)*

A properly pled contention must contain "sufficient information to show that a genuine dispute exists with the applicant/licensee on a material issue of law or fact." 10 C.F.R. § 2.309(f)(1)(vi). Specifically, a contention "must include references to specific portions of the application . . . that the petitioner disputes and the supporting reasons for each dispute, or, if the petitioner believes that the application fails to contain information on a relevant matter as required by law, the identification of each failure and the supporting reasons for the petitioner's belief." *Id.* In contrast to subparagraph (v), which focuses on the need for some factual support for the contention, subparagraph (vi) requires that there be a concrete and genuine dispute worth litigating. Making a "bald or conclusory allegation that such a dispute exists" is not sufficient, as a petitioner "must make a minimal showing that material facts are in dispute, thereby demonstrating that an 'inquiry in depth' is appropriate." 54 Fed. Reg. at 33,171 (quoting *Connecticut Bankers Ass'n v. Board of Governors*, 627 F.2d 245, 251 (D.C. Cir. 1980)). For example, "'an expert opinion that merely states a conclusion (e.g., the application is 'deficient,' 'inadequate,' or 'wrong') without providing a reasoned basis or explanation for that conclusion is inadequate because it deprives the Board of its ability to make the necessary, reflective assessment of the opinion.'" *USEC Inc.* (American Centrifuge Plant), CLI-06-10, 63 NRC 451, 472 (2006) (citation omitted) (affirming Licensing Board holding that quotations from an unintelligible correspondence with purported expert, with no explanation or analysis of how the expert's statements relate to an error or omission in the application, are insufficient to support a contention).

Although a petitioner must demonstrate that a "genuine dispute exists" at the contention admissibility stage, it need not demonstrate that it will prevail on the merits. See 54 Fed. Reg. at 33,170-71. Similarly, "at the contention filing stage the factual support necessary to show that a genuine dispute exists need not be in affidavit or formal evidentiary form and need not be of the quality necessary to withstand a summary disposition motion." *Id.* at 33,171.

6. New Issues Raised in a Petitioner's Reply Brief

A petitioner that fails to satisfy the requirements of 10 C.F.R. § 2.309(f)(1) in its initial contention submission may not use its reply to rectify the inadequacies of its petition or to raise new arguments. But the reply may respond to and focus on any legal, logical, or factual arguments presented in the answers.²¹ The amplification of statements provided in an initial petition is legitimate and permissible. *Louisiana Energy Services, L.P.* (National Enrichment Facility), BLP-04-14, 60 NRC 40, 58, *aff'd*, CLI-04-25, 60 NRC 223 (2004).

B. Ruling on Massachusetts Attorney General Contention

1. AG Contention 1

The Environmental Report for Renewal of the Vermont Yankee Nuclear Power Plant Fails to Satisfy NEPA Because it Does Not Address the Environmental Impacts of Severe Spent Fuel Pool Accidents.²²

The essence of this contention is the AG's assertion that Entergy's environmental report (ER) "does not satisfy 10 C.F.R. § 51.53(c)(3)(iv) and NEPA . . . because it fails to address new and significant information regarding the reasonably foreseeable potential for a severe accident involving nuclear fuel stored in high-density storage racks in the Vermont Yankee fuel pool." *Id.* at 21. The AG's logic or "basis" is straightforward. First, the AG points out that NEPA and 10 C.F.R. § 51.53(c)(3)(iv) require that "new and significant information" not previously considered by the NRC in an environmental impact statement (EIS) be included in the ER.²³ More specifically, the AG argues that the regulation requires the ER to include new and significant information even if it concerns a Category 1 matter that was otherwise covered in the GEIS. AG Reply at 8. Second, the AG

²¹ See *Louisiana Energy Services, L.P.* (National Enrichment Facility), CLI-04-25, 60 NRC 223, 225 (2004) (quoting Final Rule: "Changes to the Adjudicatory Process," 69 Fed. Reg. 2182, 2203 (Jan. 14, 2004) (reply must be "narrowly focused on the legal or logical arguments presented in the applicant/licenses or NRC Staff answer")); *Nuclear Management Co., LLC* (Palisades Nuclear Plant), CLI-06-17, 63 NRC 727, 732 (2006) ("Replies must focus narrowly on the legal or factual arguments first presented in the original petition or raised in the answers to it").

²² AG Petition at 21. Unless otherwise noted, our statement of each contention is a direct quote from the text of the relevant petition.

²³ The AG acknowledges that the NRC issued a generic EIS (GEIS) to evaluate many of the common environmental impacts of license renewals, and therefore NRC regulations do not require the preparation of a complete ER and EIS for all aspects of each license renewal application. AG Petition at 12-13 (citing 10 C.F.R. §§ 51.53(c)(3)(i), 51.71(d)). However, the AG points to 10 C.F.R. § 51.53(c)(3)(iv), which, consistent with *Marsh v. Oregon Natural Resources Council*, 490 U.S. 360, 374 (1989), requires that an ER "contain any new and significant information regarding the environmental impacts of license renewal of which the applicant is aware." AG Petition at 15.

asserts that such new and significant information exists concerning the potential impact of an accident involving a high-density spent fuel pool storage facility. Third, the AG says that the ER is defective because it fails to include such new and significant information. Therefore, fourth, the AG concludes that its contention is admissible and is within the proper scope of this license renewal proceeding. AG Petition at 21-23.

The AG summarizes the key elements of his "new and significant information" relating to the risks of a spent fuel pool fire, as follows:

- (a) if the water level in a fuel storage pool drops to the point where the tops of the fuel assemblies are uncovered, the fuel will burn, (b) the fuel will burn regardless of its age, (c) the fire will propagate to other assemblies in the pool, and (c) [*sic*] the fire may be catastrophic.

Id. at 22. The AG supports his allegation that such new and significant information exists with five "facts or expert opinions," see 10 C.F.R. § 2.309(f)(1)(v): (1) the expert declaration and report of Dr. Gordon Thompson,²⁴ (2) the expert declaration and report of Dr. Jan Beyea,²⁵ (3) excerpts from NUREG-1738, (4) the 2006 "Safety and Security of Commercial Spent Nuclear Fuel Storage" report of the National Academy of Sciences,²⁶ and (5) the terrorist attacks of September 11, 2001. AG Petition at 22.

The AG argues that NRC never considered this information in its original EIS for Vermont Yankee or in the GEIS for license renewals, and thus that Entergy's failure to include this new and significant information in its ER contravenes 10 C.F.R. § 51.53(c)(3)(iv) and *Marsh. Id.* at 23. The AG also contends that the environmental impacts of a spent fuel pool accident must be considered by the Staff in the SEIS in order for the Staff to comply with its obligation to consider significant new information relevant to the environmental impacts of license renewal because this information has yet to be considered by the NRC in a previous EIS. *Id.* at 14-15. The AG further asserts that, when the likelihood of

²⁴ Gordon R. Thompson, "Risks and Risk-Reducing Options Associated with Pool Storage of Spent Nuclear Fuel at the Pilgrim and Vermont Yankee Nuclear Power Plants" (May 25, 2006); AG Petition, Exh. 1, Decl. of Dr. Gordon Thompson in Support of [AG]'s Contention and Petition for Backfit Order (May 25, 2006).

²⁵ Jan Beyea, "Report to the Massachusetts Attorney General on the Potential Consequences of a Spent-Fuel-Pool Fire at the Pilgrim or Vermont Yankee Nuclear Plant" (May 25, 2006); AG Petition, Exh. 2, Decl. of Dr. Jan Beyea in Support of [AG]'s Contention and Petition for Backfit Order (May 25, 2006).

²⁶ Committee on the Safety and Security of Commercial Spent Nuclear Fuel Storage, Board on Radioactive Waste Management, National Research Council, *Safety and Security of Commercial Spent Nuclear Fuel Storage: Public Report* (2006).

a terrorist attack is taken into account, the estimated probability of this type of accident is within the range that must be discussed in an ER and EIS. *Id.* at 33-41.

In addition to its argument regarding new and significant information, the AG also contends that the ER is deficient because it does not consider reasonable alternatives for avoiding or mitigating the environmental impacts of a severe spent fuel pool fire. *Id.* at 23, 47. Under 10 C.F.R. § 51.53(c)(3)(ii)(L), an ER must contain severe accident mitigation alternatives (SAMAs) for some issues. See also 10 C.F.R. § 51.53(c)(3)(iii). According to the AG, potential SAMAs for a spent fuel pool fire are ignored, including the alternative of replacing the high-density spent fuel pool racks with low-density racks and transferring any remaining spent fuel to dry storage. AG Petition at 47.

Entergy opposes the AG's contention, claiming that the environmental impacts of spent fuel storage are codified as Category 1 environmental issues, and thus are beyond the scope of this license renewal proceeding. Entergy Answer to AG at 11-12 (citing 10 C.F.R. Part 51, App. B, Table B-1; 10 C.F.R. §§ 51.53(c) and 51.95(c)). According to Entergy, the AG's attempt to bring these issues within the scope of the proceeding by invoking section 51.53(c)(3)(iv) falls short because the generic Category 1 findings resulting from the analysis of the GEIS are NRC rules and, as such, may only be challenged or altered upon the granting of a waiver or rulemaking petition. *Id.* at 12-13. Moreover, Entergy argues that the recent decision in *San Luis Obispo Mothers for Peace v. NRC*, 449 F.3d 1016 (9th Cir. 2006), is inapplicable here because Commission case law establishes that, even if terrorism issues require analysis under NEPA, the GEIS concluded that "if such an event were to occur, the resultant core damage and radiological release would be no worse than those expected from internally initiated events." Entergy Answer to AG at 25-26 (quoting *Duke Energy Corp. (McGuire Nuclear Station, Units 1 and 2; Catawba Nuclear Station, Units 1 and 2)*, CLI-02-26, 56 NRC 358, 365 n.24 (2002)). Entergy also challenges the AG's claim that new and significant information exists, arguing that the risks associated with high-density racking in spent fuel pools were known and considered by NRC long ago and that nothing new is contained in the AG's exhibits. See *id.* at 13-25.

The Staff likewise argues that Category 1 environmental issues are outside of the scope of license renewal proceedings, citing 10 C.F.R. § 51.53(c)(2) and *Turkey Point*, CLI-01-17, 54 NRC at 6-13, for the proposition that a license renewal ER need not provide information regarding the storage of spent fuel. Staff Answer to AG at 11-12. The Staff also relies on *Turkey Point*, CLI-01-17, 54 NRC at 21-22, in arguing that an ER need not address SAMAs for mitigating spent fuel pool accidents. Staff Answer to AG at 12-13. According to the Staff, by asking the Board to address a spent fuel storage issue, the AG is essentially seeking to have the Board treat spent fuel pool issues as a Category 2 issue, which runs counter to the prohibition against challenging a regulation in an adjudicatory proceeding without seeking a waiver. *Id.* at 14. The Staff also argues that the

information in the AG petition is not new and, therefore, need not be included in the Entergy's ER as it has already been presented to the NRC. *Id.* at 16-22. Finally, the Staff asserts that, to the extent the AG's contention attempts to raise terrorism issues, these issues are also outside of the scope of the proceeding. *Id.* at 22-23.

In its reply, the AG argues that the case law and regulatory history make clear that "Category 1 impacts are included in the scope of the new and significant impacts that must be discussed in an ER pursuant to 10 C.F.R. § 51.53(c)(3)(iv)." AG Reply at 8. The AG maintains that the alternative procedures suggested in *Turkey Point* (e.g., the filing of a waiver petition or a rulemaking petition) are inconsistent with NEPA as construed by the Supreme Court in *Marsh. Id.* at 9-10. Further, the AG asserts that *Turkey Point* is inapposite because it did not deal with a contention alleging new and significant information, and that its discussion of issues relating to new and significant information is dicta. *Id.* at 11. The AG goes on to explain that the information in its petition is indeed "new and significant." *Id.* at 12-27. Finally, the AG asks the Board to rule that NEPA requires that Entergy and the Staff consider the environmental impacts of an intentional attack on the Vermont Yankee spent fuel pool, and then to refer its ruling to the Commission to determine the applicability of the *Mothers for Peace* decision. *Id.* at 27-28.

The Board rules that, even if the AG has presented new and significant information related to the risks and environmental impacts of high-density racking in spent fuel pools, as a matter of law the contention is not admissible because the Commission has already decided, in *Turkey Point*, that licensing boards cannot admit an environmental contention regarding a Category 1 issue.

Starting from the proposition that onsite spent fuel management is a Category 1 issue,²⁷ the first step in our reasoning is to confront the apparent conflict between 10 C.F.R. § 51.53(c)(3)(i) and (iv). Subsection (i) states that an applicant's ER "is not required to contain analyses of the environmental impacts of the license renewal issues identified as Category 1 issues in Appendix B." Meanwhile, subsection (iv) specifies that the ER must include "any new and significant information regarding the environmental impacts of license renewal of which the applicant is aware." What if there is "new and significant" information regarding a Category 1 issue? Must the ER include it? The answer, provided by the Commission, is clearly yes.

In construing 10 C.F.R. § 51.53(c)(3) the Commission has stated: "even where the GEIS has found that a particular impact applies generically (Category 1), the applicant *must* still provide additional analysis in its Environmental Report if new and significant information may bear on the applicability of the Category 1 finding

²⁷ 10 C.F.R. Part 51, App. B, Table B-1.

at its particular plant." *Turkey Point*, CLI-01-17, 54 NRC at 11 (emphasis added). Likewise, "the applicant must provide additional analysis of even a Category 1 issue if new and significant information has surfaced." *McGuire/Catawba*, CLI-02-14, 55 NRC at 290. Both Entergy, Tr. at 95, and the NRC Staff, Tr. at 113-14 and 168, acknowledge that the ER *must* include any new and significant information (that the applicant is aware of) regarding the environmental impacts of *Category 1 issues*.

Similarly, when preparing the SEIS, the Staff must consider any significant new information related to Category 1 issues. See 10 C.F.R. §§ 51.92(a)(2), 51.95(c)(3); Final Rule: "Environmental Review for Renewal of Nuclear Power Plant Operating Licenses," 61 Fed. Reg. 28,467, 28,470 (June 5, 1996). "The final SEIS also takes account of public comments, including . . . new information on generic findings." *Turkey Point*, CLI-01-17, 54 NRC at 12; see also *McGuire/Catawba*, CLI-02-14, 55 NRC at 290-91. Therefore, if the information that the AG presents is indeed new and significant, the Staff's SEIS needs to address it.

The second step in our reasoning confronts a more problematic issue: assuming *arguendo* that an ER fails to include new and significant information (known to the applicant) relating to a Category 1 environmental issue and thus fails to comply with 10 C.F.R. § 51.53(c)(3)(iv), does this give rise to an admissible contention? Normally, the answer would be yes. Indeed, the essence of virtually all admissible contentions is an allegation that the applicant has failed to address, or has inadequately addressed, some legally required matter. In this case, however, the Commission has answered this question in the negative. The AG's contention is therefore inadmissible.

Our conclusion — that the failure of an ER to include known new and significant information concerning a Category 1 issue as required in 10 C.F.R. § 51.53(c)(3) cannot give rise to an admissible contention — derives from the Commission's ruling in *Turkey Point*. First, the Commission identified three options for addressing new and significant information that might arise after the GEIS on Category 1 issues was finalized:

The Commission recognizes that even generic findings sometimes need revisiting in particular contexts. Our rules thus provide a number of opportunities for individuals to alert the Commission to new and significant information that might render a generic finding invalid, either with respect to all nuclear power plants or for one plant in particular. In the hearing process, for example, petitioners with new information showing that a generic rule would not serve its purpose at a particular plant may seek a waiver of the rule. Petitioners with evidence that a generic finding is incorrect for all plants may petition the Commission to initiate a fresh rulemaking. Such petitioners may also use the SEIS notice-and-comment process to ask the

NRC to forgo use of the suspect generic finding and to suspend license renewal proceedings, pending a rulemaking or updating of the GEIS.

Turkey Point, CLI-01-17, 54 NRC at 12 (citations omitted).

The implication of this passage is that a citizen does *not* have the (fourth) option of filing a contention to challenge the ER's failure to include new and significant information concerning a Category 1 issue. The Commission confirmed this later in the *Turkey Point* ruling when it stated that "Part 51 treats all spent fuel pool accidents, whatever their cause, as generic, Category 1 events not suitable for case-by-case adjudication." *Id.* at 22. The Commission added that "[a]s we hold in the text, it is Part 51, with its underlying GEIS, that precludes the litigation of that issue." *Id.* at 23 n.14. As the NRC Staff pointed out, the fourth option (e.g., filing a contention) would obviate the other three, because a logical petitioner would always opt for it and skip the extra burdens associated with the other three (e.g., requesting a waiver of the regulations from the Commission). Tr. at 165.

Our reading of *Turkey Point* is consistent with the regulatory history of section 51.53(c)(3)(iv). This requirement — that the ER include any new and significant information — was not part of the proposed rule.²⁸ It was added in the final rule in response to objections from the Council on Environmental Quality (CEQ), the U.S. Environmental Protection Agency (EPA), and members of the public, as follows:

Federal and State agencies questioned how new scientific information could be folded into the GEIS findings because the GEIS would have been performed so far in advance of the actual renewal of an operating license. . . . A group of commenters, including CEQ and EPA noted that the rigidity of the proposed rule hampers the NRC's ability to respond to new information or to different environmental issues not listed in the proposed rule.

61 Fed. Reg. at 28,470.

In response, NRC added 10 C.F.R. § 51.53(c)(3)(iv) to expand "the framework for consideration of significant new information." *Id.* The Statement of Considerations to the final rule refers to SECY-93-032, a Staff memorandum to the Commission reporting that the addition of section 51.53(c)(3)(iv) resolved the CEQ and EPA concerns.²⁹ The memorandum explained that the addition of section 51.53(c)(3)(iv) would have little impact on license renewal adjudications because "[l]itigation of environmental issues in a hearing will be limited to unbounded

²⁸ See Proposed Rule: "Environmental Review for Renewal of Operating Licenses," 56 Fed. Reg. 47,016, 47,027-28 (Sept. 17, 1991).

²⁹ SECY-93-032, Memorandum from James M. Taylor, EDO, to the Commissioners (Feb. 9, 1993), ADAMS Accession No. ML051660667.

category 2 and category 3 issues unless the rule is suspended or waived." SECY-93-032 at 4. (Category 2 and 3 issues were eventually combined into Category 2. See 61 Fed. Reg. at 28,474.) The Commission approved the modifications in the proposed rule and specifically endorsed SECY-93-032.³⁰ Commission approval of SECY-93-032 demonstrates that, when the Commission adopted the final rule, it contemplated that Category 1 issues could only be litigated after the granting of a waiver petition pursuant to 10 C.F.R. § 2.335.

The Commission's intent is also demonstrated by the dialogue that occurred when the Commission was deliberating the final rule and discussing SECY-93-032. The briefing covered the resolution of the CEQ and EPA objections and included an exchange between Commissioner James R. Curtiss and Martin Malsch, the Deputy General Counsel for Licensing and Regulation. Twice the Commissioner asked whether, under 10 C.F.R. § 51.53(c)(3)(iv) or any other part of the license renewal regulations, a petitioner could litigate a Category 1 issue on the claim that there was new and significant information on the issue. Twice the Deputy General Counsel of NRC answered no, not without first obtaining a waiver or other approval from the Commission itself.³¹ With this understanding of the regulations, the Commission approved and finalized section 51.53(c)(3)(iv). Given this regulatory history, it is clear that an allegation of new and significant

³⁰ Memorandum from Samuel J. Chlik, Secretary, to James M. Taylor, EDO (Apr. 22, 1993), ADAMS Accession No. ML003760802.

³¹ Commissioner Curtiss: "[A]ssume for the sake of discussion that the staff says, 'This is not significant new information,' is that kind of issue subsequently one that can be or you intend to be cognizable before the board?"

Mr. Malsch: "Well, it would depend. If the information is — the basic answer is they have to come to the Commission first. If the information is considered significant by the interested party and staff says, 'Now, this is not significant.' If it's generic information, then the remedy is a petition for rulemaking and that usually comes to the Commission. Before the Commission would grant a petition for rulemaking, it would consider the merits of the information. If the information is site specific, then they'd need to petition for a waiver. But after being screened by the board, the board is referred to the Commission and only the Commission can grant waivers. So, again it comes before the Commission.

So, the procedural route is somewhat different, but no matter how it gets there, the Commission would be looking at the staff judgment, looking at what other parties say about it, and making its own determination about significance."

.....
Commissioner Curtiss: "So, there's no circumstance, in other words, where you envision that once a determination is made under the procedures that you've described with regard to the significance of the information by the Commission upon the Staff's recommendation, that we would then in turn need to litigate before the board the significance of that information, whether it was or wasn't significant?"

Mr. Malsch: "Not without the Commission's approval."

Public Meeting, "Briefing on Status of Issues and Approach to GEIS Rulemaking for Part 51" (Feb. 19, 1993), at 14-15, ADAMS Accession No. ML051660665.

information relating to a Category 1 issue may not form the basis of a contention in a license renewal proceeding, absent a waiver.

Based on *Turkey Point* and the regulatory history that underlies it, the Board must rule that a petitioner may not challenge an ER's failure to consider new and significant information for a Category 1 environmental impact without first seeking a waiver of the generic rule. The environmental impacts of onsite spent fuel storage are codified in Appendix B to Subpart A of Part 51 and listed as a Category 1 issue. 10 C.F.R. Part 51, App. B, Table B-1. As the Commission has stated, if a party such as the AG believes that there is significant new information relating to Category 1 license renewal issues, the AG has several options, including filing a petition for rulemaking, providing the information to the NRC Staff (which can then seek Commission approval to suspend the application of the rules or delay the license renewal proceeding), or petitioning the Commission to waive the application of the rule. 61 Fed. Reg. 28,740. The Commission has ruled that its reliance on such GEIS tiering comports with NEPA. *Turkey Point*, CLI-01-17, 54 NRC at 13-14 (citing *Baltimore Gas & Electric Co. v. Natural Resources Defense Council, Inc.*, 462 U.S. 87 (1983)). Thus, absent a waiver, a contention seeking to litigate an ER's failure to include required new and significant information is not admissible.³²

Before concluding this section of the analysis, we note that the parties have expended substantial effort in debating the factual question as to whether "new and significant information" exists concerning the risks and impacts of high-density spent fuel pool storage. The AG cites to the declarations from Dr. Thompson and Dr. Beyea, NUREG 1738, the NAS 2006 Report, and the events of September 11, 2001, as providing such new and significant information. Entergy and the Staff respond, at length, that there is nothing new in these reports. Staff Answer at 16-21; Entergy Answer at 13-25.

The Board has three general responses to this factual debate. First, we note that the risks and effects of high-density racking of spent fuel in pools have been studied and debated since 1979, see AG Petition at 21 (acknowledging that the

³² The Commission's ruling in *Turkey Point* (that an applicant's failure to provide new and significant information relating to a Category 1 issue cannot be adjudicated in a license renewal proceeding) seems inconsistent with its statement that "[a]djudicatory hearings in individual license renewal proceedings will share the same scope of issues as our NRC Staff review." *Turkey Point*, CLI-01-17, 54 NRC at 10 (emphasis added). On the one hand, the ER must include new and significant information relating to Category 1 issues, 10 C.F.R. § 51.53(c)(3)(iv), the Staff must review this information and include any "significant new circumstances or information" relating to Category 1 issues in supplements to the draft SEIS, 10 C.F.R. § 51.72(a)(2), and the Staff's final SEIS will cover any "significant new circumstances or information" relating to Category 1 issues, 10 C.F.R. § 51.92(a)(2). On the other hand, absent a waiver of the regulations, those issues cannot be heard in an adjudicatory hearing. Under the *Turkey Point* holding, the permissible scope of a license renewal adjudicatory hearing is narrower than the scope of the Staff's review.

issue was recognized as early as 1979), and have been the subject of substantial litigation. See *Carolina Power & Light Co.* (Shearon Harris Nuclear Power Plant) LBP-00-19, 52 NRC 85 (2000), *aff'd*, CLI-01-11, 53 NRC 370 (2001), and other cases cited in Staff Answer at 16 n.10. This ground is well trod. Second, we note that, for purposes of admissibility, the AG need not prove that the various documents actually contain new and significant information, but instead need only "[p]rovide a concise statement of the alleged facts or expert opinions which support" the contention and "[p]rovide sufficient information to show that a genuine dispute exists" on this point. 10 C.F.R. § 2.309(f)(1)(v) and (vi). A contention may be plausible enough to meet the admission standards even if it is ultimately denied on the merits. See Final Rule: "Rules of Practice for Domestic Licensing Proceedings — Procedural Changes in the Hearing Process," 54 Fed. Reg. 33,168, 33,170 (Aug. 11, 1989). Third, because we conclude that, as a matter of law, the failure of an ER to include new and significant information relating to a Category 1 issue is not litigable,³³ we need not determine whether the multiple declarations and documents proffered by the AG in fact provide sufficient information to at least support the admissibility of this contention.

In addition to basing its contention on new and significant information relating to the risks of high-density racking of spent fuel in pools, the AG alleges that the ER is defective because it fails to address new and significant information relating to the risks of terrorism (e.g., the terrorist attacks of September 11, 2001). Although this is a different category of "new and significant information," the same result obtains — the contention is not adjudicable under *Turkey Point*. If the AG wants to raise its concerns that new and significant information relating to terrorism needs to be considered, it should pursue one of the three paths specified by the Commission. See *Turkey Point*, CLI-01-17, 54 NRC at 12.

We also note that in *McGuire/Catawba*, the Commission held that there is no need to address terrorism issues in license renewal proceedings because "it is sensible not to devote resources to the likely impact of terrorism during the license renewal period, but instead to concentrate on how to prevent a terrorist attack in the near term at the already licensed facilities." *McGuire/Catawba*, CLI-02-26, 56 NRC at 365. We agree with the AG that this holding is undercut by the Ninth Circuit's decision in *Mothers for Peace*, 449 F.3d at 1016. The Commission, however, gave another reason for rejecting terrorism contentions in license renewal proceedings. In holding that the GEIS adequately addresses terrorism issues generically, the Commission stated:

³³ We also note that 10 C.F.R. § 51.53(c)(3)(iv) only requires the ER to include such new and significant information "of which the applicant is aware." Given our legal conclusion, we need not delve into the mind of Energy to determine the factual question as to whether it was aware of, or should have been aware of, the information proffered by the AG.

Even if we were required by law to consider terrorism under NEPA, the NRC has already issued a . . . GEIS that considers sabotage in connection with license renewal. . . . The GEIS concluded that, if such an event were to occur, the resultant core damage and radiological releases would be no worse than those expected for internally initiated events.

McGuire/Catawba, 56 NRC at 365 n.24 (citations omitted). This component of *McGuire/Catawba*, combined with *Turkey Point*, leads us to conclude that terrorism concerns, even assuming new and significant information is presented, are not litigable in a license renewal proceeding and must be handled via rulemaking or a waiver petition.

Finally, we note that the AG's arguments regarding severe accident mitigation alternatives (SAMAs) also fail to establish an admissible issue. The requirements for a SAMA analysis is found in 10 C.F.R. § 51.53(c)(3)(ii)(L), which states that "[i]f the staff has not previously considered severe accident mitigation alternatives for the applicant's plant in an environmental impact statement or related supplement or in an environmental assessment, a consideration of alternative to mitigate severe accidents must be provided." An applicant, however, only needs to provide this analysis "for those issues identified as Category 2 issues in Appendix B to subpart A of this part." 10 C.F.R. § 51.53(c)(3)(ii). Spent fuel pool storage issues are Category 1 issues. 10 C.F.R. Part 51, App. B, Table B-1. Therefore, the regulations clearly indicate that in a license renewal, SAMAs are not required for spent fuel pool accidents and this challenge is not admissible. See *Turkey Point*, CLI-01-17, 54 NRC at 21-22.

For the reasons discussed above, AG Contention 1 is inadmissible and the AG's hearing request is denied.³⁴ We also note in passing that the AG has already filed a Petition for Rulemaking under 10 C.F.R. § 2.802 to address this issue.³⁵ In this petition, the AG argues that

[r]evocation of 10 C.F.R. §§ 51.53(c)(2) and 51.95(c) and Table B-1 of Appendix A to 10 C.F.R. Part 51 will be necessary to ensure NEPA compliance in the Pilgrim and Vermont Yankee license renewal cases if the ASLB or the Commission interprets those regulations to bar the consideration of significant new information . . .

Id. at 7. In this petition, the AG repeats his claims that new and significant information justifies revisiting the issue at this time. *Id.* at 8-10. Thus we see that the AG has already begun to pursue the alternative remedies specified in *Turkey Point*. CLI-01-17, 54 NRC at 12.

³⁴ Although the AG is not admitted to the proceeding as a party, it may still participate as an interested state. See Section VLB.

³⁵ [AG] Petition for Rulemaking To Amend 10 C.F.R. Part 51 (Aug. 25, 2006).

2. AG Backfit Petition Under 10 C.F.R. § 50.109

In addition to its intervention petition, the AG submitted a petition requesting the imposition of a backfit order pursuant to 10 C.F.R. § 50.109(a). AG Petition at 48-50. According to the AG, when the Vermont Yankee facility was initially licensed, it used open low-density racks that stored smaller quantities of spent fuel and thus there was no need to consider or design against pool fire accidents. *Id.* at 49. Now, however, the Vermont Yankee pool includes high-density storage racks which, the AG asserts, pose an undue safety risk of pool fire. *Id.* Based on this undue risk, the AG asserts that the Commission should require a backfit order returning the Vermont Yankee spent fuel pool to its original low-density storage configuration and using dry storage for any excess fuel. *Id.* Entergy opposes the backfit order because such a request is beyond the scope of a license renewal proceeding. Entergy Answer to AG at 26-27. The Staff contends that the petition for backfit should be dismissed because the petition is still properly before the Commission, not the Board, and because NRC regulations do not permit an adjudicatory hearing on backfit issues. Staff Answer to AG at 24. In its reply, the AG acknowledges that non-aging-related safety issues are outside the scope of license renewal proceedings, and it was for this reason that the AG separately petitioned the Commission for the backfit order. AG Reply at 31. Thus, according to the AG, the backfit petition is still before the Commission. *Id.*

We conclude that the backfit petition is not currently before the Board. The Commission's referral says nothing regarding the backfit petition and only mentions the hearing requests "submitted in response to a notice issued by the NRC staff that provided an opportunity for hearing on the license renewal application." Letter from Annette L. Vietti-Cook, Secretary, NRC, to G. Paul Bollwerk, III, Chief Administrative Judge, ASLBP (June 7, 2006). All parties agree that the backfit petition is before the Commission and not this Board. Entergy Answer to AG at 26-27; Staff Answer to AG at 24; AG Reply at 31. Therefore, we take no action on the AG's petition for backfit.

C. Ruling on DPS Contentions

1. DPS Contention 1 (Safety)

The Application must be denied because the Applicant has failed to provide the necessary information with regard to age management of primary containment concrete in accordance with 10 C.F.R. § 54.21 such that the Commission cannot find that 10 C.F.R. § 54.29(a) is met.³⁶

³⁶ DPS Petition at 10.

This contention questions whether Entergy has shown that it should be exempt from management of the aging of the primary containment concrete wall that surrounds most of the reactor steel containment vessel or "drywell." DPS states, as the "basis" for this contention, that Entergy's aging management program improperly excludes the "reduction of strength and modulus of the primary [concrete] containment structure due to elevated temperature" even though the "primary containment normal operating temperature limit is above the limit for excluding this attribute." *Id.* at 10. As supporting evidence, DPS points to an alleged conflict within the application. First, DPS notes that the application states that the relevant ASME³⁷ code specifies that "aging due to elevated temperature exposure is not significant as long as concrete general area temperatures do not exceed 150°F." *Id.* (citing Application at 3.5-8). The application goes on to state that "[d]uring normal operation, areas within primary containment are within [this] temperature limit[]" and therefore, the application concludes that aging management of primary containment concrete is not needed. *Id.* at 10-11 (citing Application at 3.5-8). DPS then points out that, elsewhere in the application, Entergy states that the "[n]ormal environment in the drywell during plant operation is . . . an ambient temperature of about 135°F to 165°F." *Id.* at 11 (citing Application at 2.4-3, which references the VYNPS Updated Final Safety Analysis Report (UFSAR) at 5.2-8). DPS notes that the application states that the steel drywell containment shell is enclosed in the reinforced concrete. *Id.* at 11 (citing UFSAR at 5.2-7).

In further evidentiary support, DPS provides the declaration of the Vermont State Nuclear Engineer, Mr. William K. Sherman, who states:

Since the normal environmental maximum of 165°F is above the cut off limit of 150°F, and since the concrete surface behind the steel shell will closely match the drywell ambient temperature, the statement at 3.5-8 of the LRA is not accurate, and reduction of strength and modulus of concrete structures due to elevated temperatures is an aging effect requiring management.

DPS Petition, Decl. of William K. Sherman (May 26, 2006) ¶ 8 [Sherman Decl.]. In sum, DPS contends that the application must be denied because it fails to provide the information (showing that the primary containment concrete "general area temperatures" do not exceed 150°F) necessary to prove that Entergy should be excused from managing the aging of the primary containment concrete. DPS Petition at 10-11.

³⁷ The American Society of Mechanical Engineers (ASME) is an association that develops codes and standards related to materials performance that are commonly accepted by designers and regulatory bodies.

Entergy responds that DPS Contention 1 is "inadmissible because it is vague and unsupported by an adequate basis" and because it "fails to demonstrate the existence of a genuine dispute concerning a material issue." Entergy Answer to DPS at 11. Entergy asserts that there is no inconsistency between the UFSAR statement that the normal drywell temperature will be between 135°F and 165°F and the application statement that "[d]uring normal operation, [general] areas within the primary containment" do not exceed 150°F. *Id.* at 12. This, says Entergy, is because the drywell is cooled by four cooling units. *Id.* at 13. Entergy concludes that DPS provides "no basis" for the "bald claim" by Mr. Sherman that "the concrete surface behind the steel shell will closely match the drywell ambient temperature." *Id.* at 14. Entergy does not challenge Mr. Sherman's expertise and does not provide declarations or documentation to rebut Mr. Sherman's assessment.

The Staff agrees with Entergy that Mr. Sherman's declaration that "the concrete surface behind the steel shell will closely match the drywell ambient temperature" is an "assumption" and is "impermissibly speculative and conclusory and, as such, cannot provide an adequate basis for a contention." Staff Answer to DPS at 11. The Staff complains that Mr. Sherman provides "no data or detailed opinion on heat profile changes." *Id.* The Staff cites a prior Licensing Board case that states that "neither mere speculation nor bare or conclusory assertions, even by an expert, alleging that a matter should be considered will suffice to allow the admission of a proffered contention."³⁸

This Board concludes that DPS Contention 1 satisfies the 10 C.F.R. § 2.309(f)(1) requirements for an admissible contention. First, DPS has provided us with a "specific statement of the issue of law or fact to be raised or controverted." 10 C.F.R. § 2.309(f)(1)(i). In short, DPS asserts that Entergy has failed to show that the "general area temperatures" of the primary containment concrete do not exceed 150°F, and thus fails to show that it qualifies for an exemption from aging management. There is nothing "vague" about this contention.

Second, DPS has certainly provided us with a "brief explanation of the basis" for this contention. DPS's logic is that Entergy's decision not to establish an aging management program for the primary containment concrete is not justified because Entergy has not shown that the concrete general area temperatures do not exceed 150°F. This explanation is based on an alleged inconsistency within the license renewal application, together with the simple logic that when one material is in close proximity to another, the temperature of one may be similar to the temperature of the other. This rationale, whether ultimately shown to be true in

³⁸ *Id.* at 12 (citing *Exelon Generation Co., LLC* (Early Site Permit for Clinton ESP Site), LBP-04-17, 60 NRC 229, 241 (2004), which cites *Fansteel*, CLI-03-13, 58 NRC at 203). In both of the cited cases, the quoted statement was dicta.

this case or not, provides a sufficient explanation of the basis for the contention. See 10 C.F.R. § 2.309(f)(1)(ii).

Third, there is no doubt that this safety contention, which alleges that Entergy fails to supply information that is related to the effects of aging and that is required by the license renewal regulations (10 C.F.R. § 54.21), is within the scope of a license renewal proceeding. See 10 C.F.R. § 2.309(f)(1)(iii). Likewise, DPS has demonstrated that this contention is material to the findings that Staff must make under 10 C.F.R. § 54.29(a) in evaluating the license renewal application. See 10 C.F.R. § 2.309(f)(1)(iv).

The real dispute over the admissibility of DPS Contention 1 relates to whether Mr. Sherman's declaration, including the statement that "the concrete surface behind the steel shell will closely match the drywell ambient temperature" is "bald" or "conclusory." See Entergy Answer to DPS at 14; Staff Answer to DPS at 11. It is not entirely clear to the Board whether this alleged defect is purported to constitute a failure of DPS to provide "a concise statement of the alleged facts or expert opinions" that support its position, 10 C.F.R. § 2.309(f)(1)(v), or a failure to provide "sufficient information to show that a genuine dispute exists with applicant/licensee on a material issue of law or fact." 10 C.F.R. § 2.309(f)(1)(vi). See Tr. at 191-92, 202-04 (Aug. 1, 2006). In any event, Entergy and the Staff agree that Mr. Sherman's statement is bald and conclusory and therefore that the contention cannot stand.

We disagree, and find that DPS's citation to specific and potentially inconsistent portions of Entergy's documents, together with the declaration of Mr. Sherman that "the concrete surface behind the steel shell will closely match the drywell ambient temperature" provide us with alleged "facts or expert opinion," which are "sufficient" to meet the requirements of 10 C.F.R. § 2.309(f)(1)(v) and (vi). Mr. Sherman's opinion is supported by a simple, fact-based argument. DPS points out that the concrete surrounding the primary steel containment would require an aging management when the "general areas" of concrete exceed 150°F. DPS Petition at 10-11. DPS then points to another portion of the application stating that the ambient temperature in the drywell is between 135°F and 165°F. *Id.* at 11. Given that the concrete is separated from the steel drywell by a relatively small gap, Mr. Sherman concludes that "the concrete surface behind the steel shell will closely match the drywell ambient temperature." Sherman Decl. ¶ 8. Given the simple logical inference on which this argument rests, no more explanation is required to raise a dispute, and clearly a genuine one, regarding the general area temperature of the primary containment concrete.

This is not a case of "mere speculation nor bare or conclusory assertions, even by an expert, alleging that a matter *should be considered*." Staff Answer to DPS at 12 (citing the dicta in *Clinton*, LBP-04-17, 60 NRC at 241, and *Fansteel*, CLI-03-13, 58 NRC at 203) (emphasis added). Instead, DPS has clearly pointed out specific portions of the application that show temperatures higher

than 150°F and that reveal a potential inconsistency. DPS's expert does not make bare assertions that the contention "should be considered." Instead, Mr. Sherman, whose expertise is never questioned, provides a "concise statement," identifying relevant portions of the application and USFAR and indicating that "the temperature of the concrete surface behind the steel shell will closely match the drywell ambient temperatures." This is a facially reasonable proposition that warrants the review of supporting and opposing evidence that an adjudicatory hearing will provide.

Nor is this case like the situation in *USEC*, which was cited by the Staff at oral argument. Tr. at 280 (citing *American Centrifuge*, CLI-06-10, 63 NRC at 472). In that case the petitioner cited garbled and virtually incomprehensible statements by one Sergio Edwardovich Pashenko,³⁹ such as "I think that officials information about radiation situation is very poor and very unconcrete," and "It's a very bad model. We must know what wind velocity and what condition in atmospheric (it about 6*8 = 48) were in this model. The work (play as little children) only with average result — very bad!! We must understood it!"⁴⁰ In response, the Commission noted, with some understatement, that "it is unclear just what Mr. Pashenko reviewed," that "Mr. Pashenko's brief remarks are difficult to comprehend" and that even PRESS, the sponsor of this witness, did not seem to understand Mr. Pashenko's statements. *American Centrifuge*, CLI-06-10, 63 NRC at 472.

In contrast, the factual material provided by DPS is clear, concise, and sufficient to create a reasonable (and litigable) concern that the "general area" temperatures of the Vermont Yankee Nuclear Power Station primary containment concrete may exceed 150°F. The facts proffered by DPS include several relevant sections of the Application and UFSAR and a careful declaration by the Nuclear Engineer of the State of Vermont that, due to the proximity of the drywell shell and the primary containment concrete, the temperature of the latter will closely match the temperature of the former (135°F–165°F). At the contention admission stage, which is a lesser threshold than a merits determination or even a summary disposition ruling, the Board's purpose in applying 10 C.F.R. § 2.309(f)(1) is only to "ensure that the adjudicatory process is used to address real, concrete, specific issues that are appropriate for litigation." Final Rule: "Changes to the Adjudicatory Process," 69 Fed. Reg. 2182, 2202 (Jan. 14, 2004). DPS Contention

³⁹The expertise of Mr. Pashenko was never clear. He labeled himself as an "ecologist." The total statement of his education (in his resume) specified "Highest level of education with a degree in both Nuclear Physics and Atmospheric Aerosols." Petition To Intervene by Portsmouth/Piketon Residents for Environmental Safety and Security (PRESS) at 71.

⁴⁰Petition To Intervene by Portsmouth/Piketon Residents for Environmental Safety and Security (PRESS) (Feb. 28, 2006) at 37.

1 meets this criterion, and its factual allegations and attached expert opinion suffice under 10 C.F.R. § 2.309(f)(1)(v) and (vi).⁴¹

2. *DPS Contention 2 (Environmental)*

The Application must be denied because Applicant has failed to comply with the requirements of 10 CFR § 51.53(c)(3)(iv) by failing to include new and significant information regarding the substantial likelihood that spent fuel will have to be stored at the Vermont Yankee site longer than evaluated in the GEIS and perhaps indefinitely and thus has failed to provide the necessary environmental information with regard to onsite land use in accordance with 10 C.F.R. § 54.23 such that the Commission cannot find that the applicable requirements of Subpart A of 10 C.F.R. Part 50 have been satisfied (10 C.F.R. § 54.29(b)).⁴²

As the "basis" for this contention, DPS cites 10 C.F.R. § 51.53(c)(3)(iv) for the proposition that the ER must contain any "new and significant information" regarding the environmental impacts of the license renewal and alleges that although the GEIS indicates that the (Category 1) impacts of onsite land use are "small," this allegation is based on assumptions that are no longer valid due to new and significant information that DPS proffers. DPS Petition at 13-14. DPS argues that such new and significant information shows that "the commitment of onsite land for storage/disposal of spent nuclear fuel from license renewal will be substantially longer than assumed in the GEIS, and may be indefinite," resulting "in an irretrievable commitment of onsite land with a moderate or large impact." *Id.* at 15. According to DPS, the GEIS finding of a small impact is based on "the assumption that the land used for storage of nuclear waste at the reactor site will not exceed 30 years after the end of the license term," i.e., the spent fuel at the Vermont Yankee facility will be removed by 2062. *Id.* at 13 (citing GEIS at 3-1 to 3-2). DPS asserts that this "assumption, in turn, relies upon the assumption that a permanent high level waste repository, and perhaps even a second repository, will be in place by that time to receive the reactor wastes." *Id.* (citing GEIS at 6-79 to 6-81).

DPS presents six points as new and significant information that it claims invalidate the assumption that spent fuel will be removed from the Vermont Yankee facility by 2062. These are: (1) technical problems at Yucca Mountain and changes in national policy make it unlikely that a permanent high-level waste

⁴¹In admitting this contention, we find it unnecessary to rely on the portions of the DPS reply that Entergy argues improperly raise new arguments or claims not found in the original petition. See Entergy Motion To Strike DPS Reply at 10, 14. Therefore, we deny Entergy's motion to strike the portions of the DPS reply that relate to DPS Contention 1.

⁴²DPS Petition at 12-13.

repository will be in place by 2062; (2) Yucca Mountain cannot accommodate the quantity of spent fuel expected to be produced through the end of the Vermont Yankee license renewal term; (3) there are currently no plans to build a second high-level waste repository; (4) current changes in the national high-level waste disposal policy make prior schedules unreliable; (5) the federal government (or a third party) is unlikely to take title for and remove spent fuel generated during the license renewal term; and (6) given these uncertainties, it is reasonable to assume that spent fuel generated during the license renewal term will remain at the Vermont Yankee facility past 2062, and perhaps indefinitely. *Id.* at 14.

As "supporting evidence" for this allegedly new and significant information, DPS provides references to the Bush Administration's Global Nuclear Energy Partnership (GNEP) initiative; to the comments of a U.S. Senator concerning the relationship between GNEP and Yucca Mountain; to a Department of Energy presentation concerning technical problems with Yucca Mountain; to evidence of the Western Governors' Association opposition to Yucca Mountain; to an NRC news release addressing the added security threat following the terrorist attacks of September 11, 2001; to the statutory waste limit for Yucca Mountain; and to past failures in establishing an interim waste storage facility. *Id.* at 15-21. DPS points out that these delays have a special impact in Vermont because the State places a high value on its land use. *Id.* at 21-24. DPS also asserts that its prior attempts to comment on the impropriety of the small impact conclusion in the GEIS were either ignored or were not adequately addressed by the NRC. *Id.* at 24-30.

Entergy argues against admitting DPS Contention 2, saying that it impermissibly challenges the Commission's regulations and raises issues that are outside the scope of a license renewal proceeding. Entergy Answer to DPS at 14. Specifically, Entergy views this contention as a direct challenge to the Waste Confidence Rule (10 C.F.R. § 51.23(a)-(b)), the license renewal regulations, and the generic findings of the GEIS. *Id.* at 14-15. According to Entergy, challenges such as these are barred by 10 C.F.R. § 2.335. *Id.* at 16. Entergy asserts that the requirement that it provide new and significant information in accordance with 10 C.F.R. § 51.53(c)(3)(iv) is inapposite because that regulation only requires Entergy to provide information "of which the applicant is aware" and does not require that it provide information that some other party believes is new or significant. *Id.* at 16. If some other party, such as DPS, is aware of new and significant information bearing on a generic finding, Entergy asserts that the party may raise that information in a hearing only by seeking a waiver of the generic rule pursuant to 10 C.F.R. § 2.335(b). *Id.* at 17. However, because DPS has not complied with section 2.335, Entergy concludes that the Board may not consider this contention. *Id.* at 18. Additionally, Entergy attempts to refute DPS's claim that the information supporting its contention is new and significant by showing that the Commission already considered these issues when promulgating the Waste Confidence Rule. *Id.* at 19-23.

The Staff also views this contention as a challenge to the Waste Confidence Rule and thus opposes its admission. Staff Answer to DPS at 14-15. According to the Staff, the Waste Confidence Rule eliminates the need to discuss the environmental impacts of spent fuel storage following the license renewal period in the GEIS, an SEIS, or an ER, meaning these issues are beyond the scope of a license renewal proceeding. *Id.* at 15-16. The Staff contends that the requirement to address new and significant information pursuant to 10 C.F.R. § 51.53(c)(3)(iv) only applies to issues within the scope of a license renewal proceeding, and that this regulation therefore does not require an applicant to provide new and significant information relating to the long-term storage of spent fuel. *Id.* at 16-17. If a petitioner wishes to challenge issues covered by the Waste Confidence Rule, the Staff argues that the petitioner must seek a waiver of that regulation pursuant to 10 C.F.R. § 2.335. *Id.* at 17. The Staff points out, however, that DPS has not filed a petition for waiver, and thus the Waste Confidence Rule must stay in effect in this proceeding. *Id.*

In its reply, DPS argues that its contention properly focuses on Entergy's failure to provide information that is required to be included in the ER. DPS Reply at 18. DPS points out that there is no dispute that Entergy failed to address the environmental impacts of indefinitely storing spent fuel at the Vermont Yankee facility. *Id.* Further, DPS asserts the "real issue at this stage of the proceeding is whether [Entergy] is legally required to provide such new and significant information regarding on-site land use." *Id.* DPS rejects the suggestion by Entergy and the Staff that it can only raise a contention alleging new and significant information if it files a petition for waiver pursuant to 10 C.F.R. § 2.335(b) because that position "ignores the extensive administrative history confirming that the Commission intends that claims of the existence of new and significant information warranting modifications to the GEIS are to be part of the SEIS and ASLB decision-making process." *Id.* at 39.

We find that DPS Contention 2 is inadmissible for the same reason that the AG contention is inadmissible. While 10 C.F.R. § 51.53(c)(3)(iv) requires an applicant to include any new and significant information concerning Category 1 issues that it is aware of, the failure of an applicant to do so is simply not litigable, absent a waiver under 10 C.F.R. § 2.335. See Section III.B.1. We need not, and do not, decide whether the information proffered by DPS is indeed "new and significant," or whether Entergy was, or should have been, aware of it.⁴³

⁴³ The storage of spent nuclear fuel is discussed in the GEIS at 6-70 to 6-86 and is listed as a Category 1 issue in Appendix B to Part 51. Specifically, Table B-1 of the regulation states that "[t]he expected increase in the volume of spent fuel from an additional 20 years of operation can be safely accommodated on site with small environmental effects through dry or pool storage at all plants if a

(Continued)

We also conclude that issues related to the environmental impact of onsite spent fuel storage after the license renewal term are outside the scope of a license renewal proceeding because contentions may not challenge the NRC's Waste Confidence Rule. *Duke Energy Corp. (Oconee Nuclear Station, Units 1, 2, and 3), CLI-99-11, 49 NRC 328, 344-45 (1999)*. In relevant part, the Waste Confidence Rule states:

The Commission has made a generic determination that, if necessary, spent fuel generated in any reactor can be stored safely and without significant environmental impacts for at least 30 years beyond the licensed life for operation (which may include the term of a revised or renewed license) of that reactor at its spent fuel storage basin or at either onsite or offsite independent spent fuel storage installations. Further, the Commission believes there is reasonable assurance that at least one mined geologic repository will be available within the first quarter of the twenty-first century, and sufficient repository capacity will be available within 30 years beyond the licensed life for operation of any reactor to dispose of the commercial high-level waste and spent fuel originating in such reactor and generated up to that time.

10 C.F.R. § 51.23(a). Under 10 C.F.R. §§ 51.53(c)(2) and 51.95(c)(2), in a license renewal, the ER and the SEIS do not need to discuss spent fuel storage issues related to this generic determination. DPS's attempt to challenge the storage of spent fuel after the license renewal term amounts to an impermissible attack on these regulations. Therefore, for the above-stated reasons, we find that DPS Contention 2 is inadmissible.⁴⁴

3. *DPS Contention 3 (Safety)*

The Application must be denied because the Applicant has failed to fully identify plant systems, structures and components that are non-safety-related systems, structures, and components in the security area whose failure could prevent satisfactory accomplishment of any of the functions of safety-related systems, structures and

permanent repository or monitored retrievable storage is not available." 10 C.F.R. Part 51, App. B, Table B-1. Therefore, issues related to the environmental impact of onsite spent fuel storage during the license renewal term are outside of the scope of this license renewal proceeding.

⁴⁴ Entergy filed a motion to strike portions of the DPS reply, claiming it seeks to raise new arguments that were not included in the original petition but fails to address the criteria for nontimely filings. See Entergy Motion To Strike DPS Reply at 11-12, 14. Even if we were to consider the purported illicit information relating to the reply that relates to DPS Contention 2, it would not change our conclusion that the issues DPS seeks to raise in this contention are outside of the scope of this proceeding. Therefore, we deny Entergy's motion to strike the portions of the DPS reply that relate to DPS Contention 2 because the motion is now moot.

components in accordance with 10 C.F.R. § 54.4(a)(2), such that the Commission cannot find that 10 C.F.R. § 54.29(a) is met.⁴⁵

As the "basis" of this contention, DPS states that Entergy did not include "security systems, structures and components required by 10 C.F.R. Part 73," which "provide physical security and protect against terrorist activities" as part of Entergy's aging management review. DPS Petition at 31. DPS acknowledges that these security systems, structures, and components (SSCs) are not safety SSCs, but explains that their failure "could result in the prevention of safety [SSCs] to perform their safety functions" and therefore asserts that the security SSCs require aging management review. *Id.* According to DPS, the absence "of this screening and aging management review prevents the Commission from completing its review of the requested license renewal in accordance with 10 C.F.R. § 54.29(a)." *Id.*

Under the heading "supporting evidence,"⁴⁶ DPS alleges that the application fails to identify security-related SSCs for screening despite the fact that the SSCs of 10 C.F.R. Part 73 fit within the scope of a license renewal as defined in 10 C.F.R. § 54.4(a)(2).⁴⁷ *Id.* at 31-32. DPS asserts that the failure of these physical security SSCs could allow terrorists to successfully enter the Vermont Yankee facility and to disable safety-related SSCs.⁴⁸ *Id.* at 32. Accordingly, DPS contends that Entergy must perform a screening and an aging management review for these systems. *Id.*

Entergy opposes the admission of DPS Contention 3, asserting that security issues are not within the scope of a license renewal proceeding. See Entergy Answer to DPS at 24-28. Entergy points out that the Commission has repeatedly stated that security issues are not among the aging-related questions that are relevant in license renewal review. *Id.* at 24 (citing *Millstone*, CLI-04-36, 60 NRC at 638, and *McGuire/Catawba*, CLI-02-26, 56 NRC at 364). Given the Commission's clear intent regarding the exclusion of security issues from the scope of license renewal proceedings, Entergy contends that it is inappropriate to interpret Part 73 SSCs as being covered by 10 C.F.R. § 54.4(a)(2). *Id.* at 25. Entergy further argues that, while some nonsafety SSCs are included under

⁴⁵ DPS Petition at 30-31.

⁴⁶ The supporting information regarding DPS Contention 3 is taken essentially verbatim from the statements appearing in Mr. Sherman's declaration. See Sherman Decl. ¶¶ 44-50.

⁴⁷ Section 54.4(a)(2) states that plant SSCs within the scope of Part 54 include "[a]ll nonsafety-related [SSCs] whose failure could prevent satisfactory accomplishment of any of the functions identified in paragraphs (a)(1)(i), (ii), or (iii) of this section." Paragraphs (a)(1)(i), (ii), and (iii) identify the safety-related SSCs that must remain functional during and following design-basis events.

⁴⁸ In an effort to avoid a safeguards information designation, DPS does not identify specific SSCs that are problematic at the Vermont Yankee facility, but instead cites several general provisions in Part 73 that involve SSCs.

section 54.4(a)(2), security SSCs are not included because a security SSC failure would not directly prevent proper functioning of safety SSCs. Rather Entergy asserts such a failure could only impact safety SSCs as the result of an intervening act (e.g., a terrorist intrusion). *Id.* at 25-27.

Citing the same case law as Entergy, the Staff also argues against the admission of this contention on the ground that it is outside the scope of a license renewal proceeding. Staff Answer to DPS at 19. The Staff asserts that, even if some security SSCs are within the scope of section 54.4(a)(2), Commission precedent establishes that these SSCs are not subject to aging management review and therefore, by the terms of 10 C.F.R. § 54.21, are beyond the scope of a license renewal. *Id.* at 20-21. Additionally, the Staff argues that by failing to identify specific SSCs that fit the definition of section 54.4(a)(2), DPS fails to provide the necessary factual support for its contention. *Id.* at 21.

In its reply, DPS reiterates that Part 73 physical barriers and structures are within the scope of section 54.4(a)(2). DPS Reply at 40-42. Giving the examples of vehicle barriers and bullet-resistant enclosures, DPS maintains that security equipment is directly linked to safety functions. *Id.* DPS also argues that the terrorist attacks of September 11, 2001, and the decision by the U.S. Court of Appeals for the Ninth Circuit in *San Luis Obispo Mothers for Peace v. NRC*, 449 F.3d 1016 (9th Cir. 2006), have made the regulatory history for the license renewal rules stale. Therefore, says DPS, the 10 C.F.R. § 73.55(g) maintenance rule does not adequately manage the effects of aging for security SSCs, as the Commission maintained in the 1991 Statement of Considerations. *Id.* at 43-47.

The Board concludes that DPS Contention 3 is not admissible because, under controlling Commission rulings, security-related issues are not within the scope of a license renewal proceeding under 10 C.F.R. § 2.309(f)(1)(iii). The Commission has repeatedly stated that security-related issues are beyond the scope of a license renewal review. In *McGuire/Catawba*, the Commission examined whether terrorism contentions are "sufficiently related to the effects of plant aging to fall within the scope of the" safety portion of a license renewal proceeding. CLI-02-26, 56 NRC at 364. Upon examining the regulatory history to the license renewal rules,⁴⁹ the Commission concluded that "[t]errorism contentions are, by

⁴⁹In addressing this issue, the Commission examined the regulatory history for the license renewal regulations and focused on two key rulemakings. First, the Statement of Considerations for the 1995 license renewal rule states:

[T]he portion of the CLB that can be impacted by the detrimental effects of aging is limited to the design-bases aspects of the CLB. All other aspects of the CLB, e.g., . . . physical protection (security), . . . are not subject to physical aging processes that may cause noncompliance with those aspects of the CLB.

Final Rule: "Nuclear Power Plant License Renewal; Revisions," 60 Fed. Reg. 22,461, 22,475 (May 8, 1995).
(Continued)

their very nature, directly related to security and are therefore, under our rules, unrelated to 'the detrimental effects of aging.' Consequently, they are beyond the scope of, not 'material' to, and inadmissible in, a license renewal proceeding." *McGuire/Catawba*, CLI-02-26, 56 NRC at 364. The Commission repeated this principle in *Millstone* when it affirmed a Licensing Board decision ruling that terrorism issues are not within the scope of license renewal proceedings. CLI-04-36, 60 NRC at 638. In doing so, the Commission specifically stated "security issues at nuclear power reactors, while vital, are simply not among the aging-related questions at stake in a license renewal proceeding." *Id.*

These two cases make clear that security issues are outside the scope of license renewal proceedings. The only attempt that DPS makes to address this adverse precedent is to argue that the license renewal rules predate the September 11, 2001, terrorist attacks and the *Mothers for Peace* decision. See DPS Reply at 43-47. This argument is unpersuasive on both counts. First, the *Millstone* and *McGuire/Catawba* cases were decided after the September 11th attacks. The Commission emphasized that it "takes its security responsibilities seriously and has taken numerous regulatory steps to enhance security at nuclear power reactors." *Millstone*, CLI-04-36, 60 NRC at 638.⁵⁰

Second, the *Mothers for Peace* decision is a NEPA decision that is not relevant to the current discussion of whether a security-related safety (i.e., AEA-related) contention may be admitted in a license renewal proceeding. In *Mothers for Peace*, the Ninth Circuit held that, given NRC's substantial consideration of terrorist attack scenarios under the AEA, NRC is not entitled to refuse categorically to consider the environmental effects of a terrorist attack on a nuclear facility under NEPA. *Mothers for Peace*, 449 F.3d at 1035. DPS Contention 3 is not based on NEPA. Instead, it is a safety contention based on the AEA. Accordingly, *Millstone* and *McGuire/Catawba*, not *Mothers for Peace*, are controlling. Given

1995). Second, the Statement of Considerations for the 1991 license renewal rule "concludes that a review of the adequacy of existing security plans is not necessary as part of the license renewal review process." Final Rule: "Nuclear Power Plant License Renewal," 56 Fed. Reg. 64,943, 64,967 (Dec. 13, 1991).

⁵⁰It is because of the importance of security systems that the Commission does not wait until the license renewal stage to address the aging of security systems, but rather actively manages them under the current licensing basis. See, e.g., 10 C.F.R. §§ 73.46(g)(1), 73.55(g)(1). As the Commission explained in the 1991 Statement of Considerations for the license renewal rule:

The requirements of 10 CFR part 73, notably the testing and maintenance requirements of 10 CFR 73.55(g), include provisions for keeping up the performance of security equipment against impairment due to age-related degradation or other causes. Once a licensee establishes an acceptable physical protection system, changes that would decrease the effectiveness of the system cannot be made without filing an application for license amendment in accordance with 10 CFR 50.54(p)(1).

56 Fed. Reg. at 64,967.

this precedent, we find that security SSCs do not fall within the scope of section 54.4(a)(2). The issues raised are beyond the scope of this license renewal proceeding, and therefore DPS Contention 3 is not admissible.⁵¹

4. DPS "Reservation" of Right to File Contentions on Energy Alternatives

In addition to submitting the three contentions discussed above, DPS states that because the Staff has yet to develop an SEIS, DPS cannot file contentions related to energy alternatives at this time, but it reserves the right to do so should subsequent filings by Entergy or the Staff require such an action. DPS Petition at 9. Under NRC rules, a petitioner must file contentions based on the documents and information available at the time the petition is filed. 10 C.F.R. § 2.309(f)(2). With regard to NEPA issues, the regulation states "the petitioner shall file contentions based on the applicant's environmental report" but "may amend those contentions or file new contentions if there are data or conclusions in the NRC draft or final environmental impact statement, environmental assessment, or any supplements relating thereto, that differ significantly from the data or conclusions in the applicant's documents." 10 C.F.R. § 2.309(f)(2). Therefore, no "reservation of rights" is necessary. To the extent that the draft or final SEIS contains data or conclusions that differ significantly from the data or conclusions in Entergy's environmental report or in the GEIS, DPS is entitled to use 10 C.F.R. § 2.309(f)(2) as the grounds to file a new or amended contention. However, should DPS file an energy alternatives contention that is *not* based on new information, i.e., data or conclusions that differ significantly from data or conclusions in Entergy's ER or the GEIS, the contention can only be admitted upon a favorable balancing of the factors found in 10 C.F.R. § 2.309(c).⁵²

⁵¹ Entergy filed a motion to strike portions of the DPS reply, claiming it seeks to raise new arguments that were not included in the original petition but fails to address the criteria for nontimely filings. See Entergy Motion To Strike DPS Reply at 12, 14. Considering the purported illicit information relating to the reply that relates to DPS Contention 3 would not change our conclusion that the issues DPS seeks to raise in this contention are outside of the scope of this proceeding. Therefore, we deny Entergy's motion to strike the portions of the DPS reply that relate to DPS Contention 3 as the controversy is moot.

⁵² Any new, amended, or nontimely contentions would also have to meet the requirements of 10 C.F.R. § 2.309(f)(1). See *Entergy Nuclear Vermont Yankee, LLC* (Vermont Yankee Nuclear Power Station), LBP-06-14, 63 NRC 568 (2006).

D. Ruling on NEC Contentions

1. NEC Contention 1 (Environmental)

Entergy Failed to Assess Impacts to Water Quality.⁵³

In its only contention filed under NEPA, NEC asserts that Entergy's environmental report (ER) failed to "sufficiently assess[]" the environmental impacts of the license renewal, specifically the impacts of increased thermal discharges into the Connecticut River over the 20-year license extension period. NEC Petition at 10, 13. NEC points out that Entergy acknowledges that the continuing thermal discharge effects from the renewal are classified as a Category 2 issue. *Id.* at 11 (citing ER at 4-16). However, NEC argues that Entergy's effort to address the issue in its ER is flawed because it relies on a National Pollutant Discharge Elimination System (NPDES) permit⁵⁴ issued by the state. *Id.* Rather than providing an assessment of the environmental impacts of its thermal discharges, "Entergy simply concludes that the impact of this increased discharge is small because an NPDES permit may be issued." NEC Petition at 11. NEC objects to the failure of the ER to address the environmental impact of its thermal discharges and states that extended use of the once-through cooling system at Vermont Yankee would result in a one-degree increase in water temperature, which may have significant impacts on the biota in the river. *Id.* NEC argues that Entergy's reliance solely on its NPDES permit is not sufficient because the permit is under appeal and, even if issued, will only be valid for 5 years (2006-2011), and thus will not cover the cumulative impacts of thermal discharges over the 20-year period of the license renewal term (2012-2032). *Id.* NEC asserts that Entergy's ER fails to provide a sufficient basis for the "hard look" at environmental impacts that NEPA requires. *Id.* at 12. Furthermore, says NEC, by failing to provide a convincing rationale for its statement that the impacts of its thermal discharge are small, Entergy has failed to comply with NRC regulations requiring it to include "adverse information" in its environmental report. *Id.* (citing 10 C.F.R. § 51.45(e)).

NEC submits the declaration of Dr. Ross T. Jones, a researcher in ecology and evolutionary biology who specializes in aquatic species, in support of the contention. Dr. Jones asserts that the populations of some native species found in the Connecticut River have declined in recent years, and he cites several studies that show how temperature increases can affect the behavior and physiology of such species. NEC Petition, Exh. 6, Decl. of Dr. Ross T. Jones, Ph.D. (May 24,

⁵³ NEC Petition at 10.

⁵⁴ NPDES permits are issued by the U.S. Environmental Protection Agency (EPA) or by authorized states, pursuant to section 402 of the Federal Water Pollution Control Act of 1972 (FWPCA, Clean Water Act, or CWA), 33 U.S.C. § 1251 *et seq.* NPDES permits impose effluent limitations and other requirements on facilities that discharge pollutants into the waters of the United States.

2006), ¶ 10 [Jones Decl.]. He concludes that a 1-degree temperature increase could have a significant impact on heat-sensitive native species, and that understanding this impact is "even more important if the thermal discharge is going to be occurring for a twenty-year period." *Id.* ¶¶ 11-12.

Entergy responds with the claim that NEC Contention 1 is inadmissible as a challenge to NRC's license renewal rules and "barred" by the FWPCA. Entergy Answer to NEC at 11. First, Entergy asserts that NEC's petition is a "mischaracterization of the Application" in that it implies that the temperature increase is related to the license renewal, which is not the case. *Id.* Entergy claims that 10 C.F.R. § 51.53(c)(3)(ii)(B) expresses Entergy's only obligations here. *Id.* at 12. This regulation specifies that applicants with plants that have once-through cooling water systems

shall provide a copy of current Clean Water Act 316(b) determinations and, if necessary, a 316(a) variance in accordance with 40 CFR part 125, or equivalent State permits and supporting documentation. If the applicant can not provide these documents, it shall assess the impact of the proposed action on fish and shellfish resources resulting from heat shock and impingement and entrainment.

10 C.F.R. § 51.53(c)(3)(ii)(B). Entergy argues that the NPDES permit it will provide is Vermont's 316(a) determination, and that "[t]herefore, under NRC rules, no further analysis [is] required" and NEC's contention is barred. Entergy Answer to NEC at 12.

Entergy points out that section 511(c) of the FWPCA specifies that nothing in NEPA authorizes NRC to review or impose any "effluent limitation or other [FWPCA] requirement" as a condition of a license. *Id.* at 13. If "the EPA or an authorized state has approved a plant's cooling water system," says Entergy, the NRC must "weigh the overall project in light of the conclusions of the EPA or authorized state" and "must take that assessment at face value." *Id.* at 14. Additional analysis is not appropriate. *Id.* (citing *Tennessee Valley Authority* (Yellow Creek Nuclear Plant, Units 1 and 2), ALAB-515, 8 NRC 702, 712-13, 715 (1978)). According to Entergy, the NPDES permit and its supporting documentation provide an assessment that "is dispositive in this proceeding." *Id.* at 16.

In addition, Entergy argues, the contention should be rejected on the ground that "it is not supported by a basis indicating any genuine dispute concerning a material issue." Entergy Answer to NEC at 11. NEC's expert does not assert that thermal discharges will cause declines in aquatic species, says Entergy, but rather that such declines may occur and that additional studies are needed. *Id.* at 17. The example of adverse effects on the shad population were due to temperature changes of 9 to 18 degrees, far larger than permitted under the Vermont Yankee NPDES permit. *Id.* at 18. Entergy asserts that such "bare or conclusory assertions,

even by an expert" are not sufficient to support admission of a contention. *Id.* (citing *System Energy Resources, Inc.* (Early Site Permit for Grand Gulf ESP Site), LBP-04-19, 60 NRC 277, 289 (2004)). Because NEC has not provided sufficient support, says Entergy, Contention 1 fails to meet the contention admissibility standards of 10 C.F.R. § 2.309(f)(1) and should be rejected.

The NRC Staff does not object to admitting Contention 1 provided that it is limited to considering the effects of a 1-degree temperature increase on the American shad population during the license renewal period. Staff Answer to NEC at 8. However, the Staff goes on to complain that NEC's expert does not provide any information to explain why the impacts of a 1-degree increase in the river temperature would be any different from the impacts under a prior permit and why Entergy's characterization of the impacts as "small" is incorrect. *Id.* In the absence of such a showing, says the Staff, NEC has failed to show a genuine dispute with the Applicant as required by NRC regulations. *Id.* Accordingly, the Staff urges the rejection of "any basis challenging the adequacy of Entergy's assessment" and asserts that the only contention basis that remains is the "alleged absence of an assessment of the impacts of the discharge temperature increase, which can be cured by the submission of the amended [NPDES] permit." *Id.* at 9 (emphasis added). The Staff also notes that, to the extent that NEC seeks to have the NRC impose environmental monitoring conditions, the contention must be rejected as beyond NRC's authority. *Id.*

In its reply, NEC disputes the claim that the NPDES permit — "an expired permit that, if renewed, may not be renewed under the same terms and would expire before any license renewal issues" — disposes of Entergy's NEPA obligations during the license renewal term. NEC Reply at 2. NEC asserts that Entergy is also obligated to obtain a state water quality certification under section 401 of the FWPCA, 33 U.S.C. § 1341, and that Entergy has not done so. *Id.* at 3. Furthermore, says NEC, the NPDES permit that Entergy submitted with its answer expired the day after it was signed and is therefore not current. *Id.* at 4. Whatever the status of the permit, however, NEC claims that the extensive monitoring requirements contained therein "underscore[] Entergy's failure to provide a sufficient assessment of its discharge's impacts." *Id.* at 5. NEC also points out Entergy's statement that there is a 1-degree temperature increase related to an increase as measured at a specific point in the Connecticut River — Station 3 — 1.4 miles downstream from the discharge point, and notes that the temperature increases will be greater than 1 degree above that point. *Id.* at 11-12. Finally, NEC rejects the proposition that FWPCA § 511 precludes NEPA review from looking beyond an NPDES permit and states:

Entergy misreads this provision. It only states that NEPA shall not be deemed to authorize federal agencies to review a state's water quality standards (effluent limitations) established under the [FWPCA] or the adequacy of a § 401 water quality

certification. *Id.* See also *S.D. Warren*, 547 U.S. at ___, 126 S.Ct. at 1852, n.8. Requiring an adequate assessment is not a challenge to Vermont's Water Quality standards or the effluent limitations they establish.

Id. at 14.

Entergy's motion to strike portions of NEC's reply challenges those portions of the argument that related to section 401 of the FWPCA and others that relate to temperature increases of greater than 1 degree on the grounds that these matters exceed the scope of the original contention. Entergy Motion To Strike NEC Reply at 9-12, 14. NEC argues that all of its reply is permissible and asserts that references to section 401 of the FWPCA merely add support to its claim that no NPDES permit could ever demonstrate compliance with the Act for the entire 20-year license renewal period. NEC Opposition to Entergy Motion To Strike NEC Reply at 6. With regard to Entergy's arguments that NEC must limit its contention to a 1-degree temperature increase, NEC states that it is a "truism" that "[h]eating the Connecticut River by 1°F a mile and one-half downstream from the plant obviously requires a much higher discharge temperature that will heat portions of the River closer to the point of discharge by much more than one degree," and there was nothing objectionable in NEC's pointing this out in its reply. *Id.* at 8.

The Board concludes that NEC Contention 1 is admissible under 10 C.F.R. § 2.309(f)(1). As an initial matter, 10 C.F.R. § 2.309(f)(1)(i) is met because NEC has provided a "concise statement of the law or fact to be raised or controverted" — "whether Entergy's [ER] sufficiently assesses the impacts of increased thermal discharges over the requested twenty-year license extension."⁵⁵ NEC has satisfied 10 C.F.R. § 2.309(f)(2)(ii) by providing a "brief explanation of the basis" or logic underlying the contention — that the ER contains an insufficient analysis of the thermal impacts in the Connecticut River and merely refers to an NPDES permit, which is under appeal, of allegedly uncertain status, and does not cover the 20 years covered by the proposed license renewal. *Id.* at 11. The issue of whether the ER complies with the provisions of 10 C.F.R. Part 51 relevant to Category 2 environmental matters is certainly "within the scope" of a license renewal proceeding and "material," as required by 10 C.F.R. § 2.309(f)(1)(iii) and (iv).

⁵⁵ NEC Petition at 13. With regard to the NRC Staff's argument that the contention can be admitted if limited to a 1-degree increase, we believe that the contention must be read reasonably. For example, we do not believe that NEC is alleging that Entergy is planning to increase the temperature of the Connecticut River by 1 degree for the entire length of the river, both upstream and downstream of the discharge point, from the river's source to the sea. Instead, it appears that the 1-degree increase is measured at some specific point downstream of the place where the plant's outfall pipe discharges heated water into the Connecticut River. Above that measuring point (and below the outfall) there will be a mixing zone where the temperature increase in the river will be greater than 1 degree. Below that measuring point, the temperature increase in the river will likely be less than 1 degree.

respectively. The declaration of Dr. Jones is the type of "concise statement of the alleged facts or expert opinions" required by section 2.309(f)(1)(v). Suggestions that Dr. Jones' declaration is "bare or conclusory," Entergy Answer to NEC at 18, are without merit. He has provided extensive information to support his conclusions, and efforts to refute that information on substantive grounds are inappropriate at the contention admissibility stage of the proceeding. And the challenges to NEC's petition indicate that questions of both law and fact are sharply disputed, satisfying the requirement that a genuine dispute exist. 10 C.F.R. § 2.309(f)(1)(vi).

The main focus of the pleadings thus far seems to concern several substantive and merits-related issues. Although it is not this Board's intent to resolve all questions related to this contention at this early stage in the proceeding, some discussion of our reasoning in this matter is appropriate at this point.

First, we reject Entergy's assertion that this contention is barred by section 511(c) of the FWPCA. This is apparent both from the basic structure of NEPA and from the literal language of section 511(c). The basic scheme of NEPA is to require federal agencies to analyze the environmental impacts of each major federal action significantly affecting the environment. NEPA is procedural only and does not specify that the agency must take the least environmentally damaging course of action. NEPA assumes, but does not impose or require, that the action under environmental study is subject to other laws, regulations, and licenses, such as water, air, hazardous waste, zoning, and traffic regulations and permits. While the NEPA environmental impact statement process considers information regarding such other legal requirements, the fact that the applicant is subject to, and complying with, them does not obviate the NEPA mandate that the federal agency perform an EIS covering these topics. Thus, NRC's NEPA regulations state:

Due consideration will be given to compliance with environmental quality standards and requirements that have been imposed by Federal, State, regional, and local agencies having responsibility for environmental protection The environmental impact of the proposed action will be considered in the analysis with respect to matters covered by such standards and requirements irrespective of whether a certificate or license from the appropriate authority has been obtained.

10 C.F.R. § 51.71(d). More importantly for purposes of NEC Contention 1, the NRC regulations flatly state that

[c]ompliance with the environmental quality standards and requirements of the Federal Water Pollution Control Act . . . is not a substitute for and does not negate the requirement for NRC to weigh all environmental effects of the proposed action,

including the degradation, if any, of water quality, and to consider alternatives to the proposed action that are available for reducing adverse effects.

10 C.F.R. § 51.71(d) n.3.

Turning to the specific language of section 511 of the FWPCA, nowhere does it relieve NRC, or any federal agency, from the basic NEPA duty to do an EIS covering "all environmental effects . . . including water quality." Section 511 merely states that NRC cannot second-guess or impose its own effluent limitations, or other water quality requirements that EPA or the State may impose under the FWPCA. The statutory language specifies that

Nothing in [NEPA] shall be deemed to —

(A) authorize any Federal agency . . . to review any effluent limitation or other requirement established pursuant to this Act or the adequacy of any certification under section 401 of this Act; or

(B) authorize any such agency to impose as a condition precedent to the issuance of any license or permit, any effluent limitation other than any such limitation established pursuant to this Act.⁵⁶

In an early case, the Appeal Board construed section 511(c) as follows: "This Commission still must consider any adverse environmental impact that would accrue from the operation of the facility in compliance with EPA-imposed [FWPCA] standards; but it cannot go behind either those standards or the determination by EPA or the state that the facility would comply with them." *Public Service Co. of New Hampshire* (Seabrook Station, Units 1 and 2), ALAB-366, 5 NRC 39, 52 (1977). The Commission subsequently quoted this decision with approval, adding that "[t]he relationship of EPA and this Commission in the present setting may be summarized thus: EPA determines what cooling system a nuclear power facility may use and NRC factors the impacts resulting from the use of that system into the NEPA cost-benefit analysis." *Public Service Co. of New Hampshire* (Seabrook Station, Units 1 and 2), CLI-78-1, 7 NRC 1, 26 (1978).

Thus, we reject Entergy's assertion that section 511(c) of the FWPCA bars NEC Contention 1. Certainly, section 511(c) bars NRC from reviewing or imposing effluent limitations, water quality certification requirements, or other FWPCA requirements. But it does not bar NRC from including water quality matters in its assessment of the environmental impact of the license renewal. To

⁵⁶ 33 U.S.C. § 1371(c)(2). A recent Supreme Court case has taken note of this prohibition in its analysis. *S.D. Warren Co. v. Maine Board of Environmental Protection*, 126 S. Ct. 1843, 1853 n.8 (2006).

the contrary, NEPA requires the NRC to do so. The required EIS, including water quality matters, then becomes a basis for NRC's ultimate NEPA determination of "whether or not the adverse environmental impacts of license renewal are so great that preserving the option of license renewal for energy planning decisionmakers would be unreasonable at the license renewal stage." 10 C.F.R. § 51.95(c)(4); see also 10 C.F.R. § 51.71(d) n.3.

Turning to the specifics of NEC Contention 1 and the pleadings, we see that they focus on a second set of regulatory issues that are narrower and more difficult than the section 511(c) issue. For example, a key issue raised by the pleadings is whether Entergy has satisfied the requirement that renewal applicants with plants with once-through cooling water systems

shall provide a copy of current Clean Water Act 316(b) determinations and, if necessary, a 316(a) variance in accordance with 40 CFR part 125, or equivalent State permits and supporting documentation. If the applicant cannot provide these documents, it shall assess the impact of the proposed action on fish and shellfish resources resulting from heat shock and impingement and entrainment.

10 C.F.R. § 51.53(c)(3)(ii)(B). Entergy points to the March 30, 2006, amendment to its NPDES permit that was issued by the State of Vermont and claims that this document satisfies the first prong of section 51.53(c)(3)(ii)(B).⁵⁷ But the meaning and status of that amendment to the NPDES permit are unclear, given that the permit expired on March 31, 2006, is the subject of an appeal, and was recently stayed. *Entergy Nuclear/Vermont Yankee Thermal Discharge Permit Amendment* (State of Vermont Envtl. Court, Docket No. 89-4-06 Vtec, August 28, 2006) (Appeal of Connecticut River Watershed Council, *et al.*). If the NPDES permit, which addresses the increased thermal impact of the Vermont Yankee facility, is valid and effective, then the first prong of 10 C.F.R. § 51.53(c)(3)(ii)(B) is satisfied. If not, then the second prong requires Entergy to "assess the impact on fish and shellfish resources resulting from heat shock." 10 C.F.R. § 51.53(c)(3)(ii)(B). Presumably, as specified by the NRC Staff, these factual issues will be confronted in the litigation of NEC Contention 1.

Another issue concerning thermal impacts on aquatic systems is whether 10 C.F.R. § 51.53(c)(3)(ii)(B) is the *only* requirement the applicant must meet. The regulation focuses only on "heat shock." Does NEPA require an assessment of all environmental impacts of thermal discharges into a river or only the "heat shock" impacts? Are the general ER requirements found at 10 C.F.R. §§ 51.45(c) and 51.53(c) displaced, or instead merely supplemented, by the more narrow 10

⁵⁷ Letter from Ted A. Sullivan, Site Vice President, Vermont Yankee Nuclear Power Station, to Nuclear Regulatory Commission (License Renewal Application, Amendment No. 6) (July 27, 2006), ADAMS Accession No. ML062130080.

C.F.R. § 51.53(c)(3)(ii)(B)? This is a matter of regulatory interpretation we need not reach today.⁵⁸

Likewise, NEC Contention 1 raises the issue of the dichotomy of the time periods covered by the respective permits. Entergy is asking for license renewal that will cover the period from 2012 to 2032. In order to comply with NEPA, NRC must assess the environmental impacts, including thermal water impacts, for the 20 years in question. Meanwhile, Entergy's NPDES permit (and/or FWPCA 316(b) determination), even once it is final and effective, will expire in 5 years. Under these circumstances, does Entergy satisfy 10 C.F.R. § 51.53(c)(3)(ii)(B) and Part 51 in general, and does NRC satisfy its NEPA duties, by simply attaching a copy of an NPDES permit that will expire before the NRC license renewal even takes effect? Again, this is a legal and factual issue squarely raised by NEC Contention 1.

Turning to another aspect of this contention, in its motion to strike, Entergy takes particular umbrage at those portions of NEC's reply that make reference to certification under section 401 of the FWPCA. Entergy Motion To Strike NEC Reply at 9-11. According to Entergy, "the original contention does not relate to whether a 401 certification is required," and "NEC's new claims regarding 401 certification [are not] related to the purported bases for the original contention." *Id.* at 9-10. Entergy also takes exception to NEC's reference to temperature increases of greater than 1 degree in certain parts of the river. *Id.* at 11. NEC responds that all of its reply "contains only permissible argument and information directly responsive to Entergy and the NRC Staff answers." NEC Opposition to Entergy Motion To Strike NEC Reply at 5.

The Board grants in part and denies in part Entergy's motion to strike portions of NEC's reply. We agree with Entergy that NEC's attempt to introduce an entirely new argument regarding the alleged need for a section 401 certification is not permissible in a reply. See Section III.A.6. We therefore strike those portions of NEC's reply that relate to certification under section 401 of the CWA: the last eight lines of page 3, the first two lines of page 4, the first and second full paragraphs on page 6, and the last five lines of the first full paragraph on page 14. We deny Entergy's motion with respect to all other portions of the reply related to NEC Contention 1, for reasons already stated above.⁵⁹ See *supra* note 55.

⁵⁸ As a general matter, an applicant's environmental report must include "a discussion of the status of compliance with applicable environmental quality standards and requirements including, but not limited to, ... thermal and other water pollution limitations or requirements which have been imposed by Federal, State, regional, and local agencies." 10 C.F.R. § 51.45(d) (*emphasis added*). The question, then, is not whether Entergy must provide any information on the effects of thermal effluents in its ER, but rather whether the materials Entergy has submitted satisfy all obligations in this area.

⁵⁹ The Board will address NEC's motion to amend this contention at a later date. See NEC's Late Contention or, Alternatively, Request for Leave To Amend or File a New Contention (Aug. 7, 2006).

2. NEC Contention 2 (Safety)

Entergy's License Renewal Application does not include an adequate plan to monitor and manage the effects of aging [due to metal fatigue] on key reactor components that are subject to an aging management review, pursuant to 10 C.F.R. § 54.21(a) and an evaluation of time limited aging analysis, pursuant to 10 C.F.R. § 54.21(c).⁶⁰

NEC's first safety contention alleges that section 4.3 of Entergy's application acknowledges that "key [reactor] components will crack and/or fail due to metal fatigue during the proposed renewed license term" but that Entergy has failed to demonstrate that these aging effects will be adequately managed. NEC Petition at 14-15. The regulations specify that each renewal application must contain "an evaluation of time-limited aging analyses (TLAAs⁶¹)" wherein:

The applicant shall demonstrate that —

- (i) The analyses remain valid for the period of extended operation;
- (ii) The analyses have been projected to the end of the period of extended operation; or
- (iii) The effects of aging on the intended function(s) will be adequately managed for the period of extended operation.

10 C.F.R. § 54.21(c)(1)(i)-(iii). NEC also cites 10 C.F.R. § 54.21(a)(3) (the application must "demonstrate that the effects of aging will be adequately managed"). NEC Petition at 16.

According to NEC, Table 4.3.3 of the application shows that Entergy does not meet the first two requirements of the regulation, i.e., subsections (i) and (ii). *Id.* at 15. NEC alleges that Entergy's own data show that the "cumulative use factors (CUFs) that identify which plant component is likely to develop cracks (CUF > 1.0) during the extended period of operation" is greater than 1.0 for a number of key reactor components and piping. *Id.*, Exh. 7, Decl. of Dr. Joram Hopfenfeld (May 12, 2006) ¶¶ 8-10 [Hopfenfeld Decl.]. NEC asserts that these data indicate that Entergy's time-limited aging analyses (TLAAs) for metal fatigue are not valid for the entire period of license renewal and cannot be projected to the

⁶⁰ NEC Petition at 14. This is a direct quote of the first sentence of NEC's section on Contention 2, and more accurately captures the thrust of the petition than does the title of the section.

⁶¹ NRC license renewal regulations define time-limited aging analyses as "licensee calculations and analyses" that (1) "[i]nvolve systems, structures, and components within the scope of a license renewal"; (2) "[c]onsider the effects of aging"; (3) "[i]nvolve time-limited assumptions defined by the current operating term"; (4) "[w]ere determined to be relevant by the licensee in making a safety determination"; (5) "[i]nvolve conclusions . . . related to the capability of the system, structure, or component to perform its intended function"; and (6) "[a]re contained or incorporated by reference in the [current licensing basis]" for the plant. 10 C.F.R. § 54.3.

end of that period, and therefore that Entergy has not complied with 10 C.F.R. § 54.21(c)(1)(i) and (ii). NEC Petition at 15.

Turning to 10 C.F.R. § 54.21(c)(1)(iii), NEC asserts that Entergy failed to "demonstrate that . . . the effects of aging . . . will be adequately managed." NEC points out that Entergy's demonstration that the effects of aging will be adequately managed consists entirely of Entergy's statement that it will implement one or more of the following:

- (1) further refinement of the fatigue analyses to lower the predicted CUFs to less than 1.0
- (2) management of fatigue at the affected locations by an inspection program that has been reviewed and approved by the NRC (e.g., periodic non-destructive examination of the affected locations at inspection intervals to be determined by a method acceptable to NRC);
- (3) repair or replacement of the affected locations.

NEC Petition at 16 (citing the license renewal application at 4.3-7).

NEC alleges that Entergy's proposal is "vague, incomplete, and lacking in transparency" and does not constitute a demonstration that the effects of aging will be adequately managed. NEC Petition at 16. NEC asserts that Entergy's compliance plan does not explain how the CUFs for plant components will be recalculated to yield acceptable values and does not contain either a clear inspection schedule or specific information on how Entergy will repair or replace affected components. NEC Petition at 16; Hopenfeld Decl. ¶¶ 11-13. In the absence of more specific information, says NEC, Entergy's aging management plan for metal fatigue amounts to nothing more than a "plan to develop a plan" and consequently does not meet the requirements of NRC license renewal regulations. NEC Petition at 16-17.

Entergy argues that Contention 2 "is inadmissible because it fails to provide a factual basis demonstrating the existence of any genuine, material dispute with the Application."⁶² Entergy alleges that the Application includes a strategy

⁶²Entergy Answer to NEC at 18. Entergy uses essentially the same broad objection — that the contention "fails to provide a factual basis demonstrating the existence of any genuine, material dispute" (emphasis added) — in response to many of the contentions. See Entergy Answer to NEC at 18, 25, 30, and 36. But throughout its discussion as to why NEC Contention 2 fails to meet the requirements of 10 C.F.R. § 2.309(f)(1)(i)-(vi), Entergy does not cite the regulation or its pertinent subsections. Perhaps Entergy is complaining that the contention lacks a brief explanation of its "basis," as required by 10 C.F.R. § 2.309(f)(1)(ii). Or perhaps Entergy is asserting that the issue raised in the contention is not "material" as required by subsection (iv). Alternatively, it may be that the contention lacks the factual support required by subsection (v), or that there is no showing of a

(Continued)

for managing metal fatigue that combines 10 C.F.R. § 54.21(c)(1)(i) and 10 C.F.R. § 54.21(c)(1)(iii) — Entergy will either refine the CUF calculation for a given component until it comes out to the right number, or it will show how aging of that component will be managed during that period. *Id.* at 18-19. According to Entergy, only the problem of environmentally assisted fatigue — metal fatigue due to exposure to water in the plant — has been raised in this contention, and NEC has failed to challenge any of the specific elements of Entergy's proposed plan in this area. *Id.* at 20-21. Entergy also suggests that any such challenge would fail. The analyses presented in the Application sections relevant to environmentally assisted fatigue are conservative, says Entergy, and recalculating CUFs is therefore feasible at Vermont Yankee. *Id.* at 22. Entergy also claims that it has omitted certain elements of its management plan for plant components affected by environmentally assisted fatigue because it is waiting for new, NRC-approved guidance that is due out at the end of this year. *Id.* at 24.

The NRC Staff does not object to admitting NEC Contention 2 provided it is limited to questioning "whether Entergy has provided information on how CUF values are calculated" and "whether Entergy's aging management plan includes a monitoring plan with an inspection schedule and criteria for inspection frequency." Staff Answer to NEC at 11. The contention is "supported by a thin basis," according to the Staff, and does not provide information to support its challenges to information that does appear in the Application. *Id.* Therefore, says the Staff, the contention should be limited to alleged omissions from the Application and may be rendered moot by subsequent submissions by Entergy. *Id.*

In its reply, NEC repeats its claim that Entergy's defense of its program for managing environmentally assisted fatigue is "vague, incomplete and lacking in transparency." NEC Reply at 15. Entergy fails to provide a technical basis for its claim that the CUF values in the Application are conservative, says NEC, and fails to provide enough information for anyone to evaluate its proposed reanalysis of these values. *Id.* at 17. According to NEC, Entergy's plan to wait for new guidance before issuing its inspection schedule proves that the Application is deficient and premature at this time. *Id.* at 17-18. NEC also objects to the Staff's proposal to limit the contention to items of omission, saying that such a plan "puts NEC in quite a 'Catch 22' situation — *i.e.*, NEC's contention is insufficiently supported because NEC fails to address specifics of Entergy's aging management plan that Entergy has not provided, and apparently has not developed." *Id.* at 19.

In its motion to strike portions of NEC's reply, Entergy alleged that the expert witness declaration attached to the reply contained two new allegations that are

"genuine dispute" as required by subsection (vi). It would be helpful if Entergy tied its analysis to the pertinent regulation and specified which subsections of 10 C.F.R. § 2.309(f)(1) allegedly support its objection.

beyond the scope of the original contention and that therefore should be stricken. Entergy Motion To Strike of NEC Reply at 14. Specifically, Entergy claims that the original contention did not include a challenge to "(1) how the CUF values were calculated and adjusted for environmentally assisted fatigue; and (2) whether Entergy could rely on generic correction factors for certain components." *Id.* (citations omitted). NEC responds by claiming that the original contention challenged Entergy's entire plan for managing environmentally assisted fatigue, including the methods used to calculate the CUF values in the Application. NEC Opposition to Entergy Motion To Strike NEC Reply at 9-10. The second declaration by NEC's expert merely provides additional support for the original contention and is therefore admissible. *Id.* at 11.

The Board finds NEC Contention 2 to be admissible. NEC has identified an aging management issue that is clearly within the scope of a license renewal proceeding and has provided the threshold level of explanation and support required by 10 C.F.R. § 2.309(f)(1). NEC's explanation of the logic underlying its contention, in particular its description of how alleged shortcomings in the Application may result in violations of specific NRC license renewal regulations if not addressed, satisfies the basis requirement of 10 C.F.R. § 2.309(f)(1)(ii). NEC has also provided, in the form of a declaration by its expert, a "concise statement of the alleged facts or expert opinions which support the requestor's/petitioner's position." 10 C.F.R. § 2.309(f)(v).

NEC demonstrates a genuine, material dispute with the Application, as required by 10 C.F.R. § 2.309(f)(1)(iv) and (vi), by raising the question of whether Entergy's "plan to develop a plan" to manage environmentally assisted fatigue is sufficient to meet the license renewal requirements of 10 C.F.R. § 54.21(c)(1)(i)-(iii). Because Entergy itself has stated that it is relying on subsection (iii) of this regulation (i.e., the requirement to *demonstrate* that the effects of aging will be adequately managed) in the case of environmentally assisted fatigue, Entergy Answer to NEC at 19, a legitimate challenge to Entergy's aging management plan constitutes a genuine dispute.

Although we do not intend to address the merits of the contentions in this decision on admissibility, a quick glance at Entergy's brief presentation of this issue in its Application, Application at 4.3-6 to 4.3-7, suggests that NEC's challenge has sufficient legitimacy to warrant further exploration in this proceeding. Entergy does specify the plant locations at which environmentally assisted fatigue is most likely to cause a problem, but the description of Entergy's plans to manage any problems that occur takes up only half a page and appears to *summarize options for future plans* rather than *demonstrating* compliance. *Id.* Efforts by Entergy's attorneys to justify the options presented in the Application, for example, by claiming that reanalyzing the CUF factors is a feasible option, fail to address NEC's concern that the brief presentation in the Application provides no information at all about *how* Entergy intends to reanalyze the CUF factors if

it should become necessary to do so. Where such reanalysis does not produce a CUF less than 1, Entergy's statement that it will implement "management of fatigue at the affected locations by an inspection program that has been reviewed at and approved by the NRC (*e.g.*, periodic non-destructive examination of the affected locations at inspection intervals to be determined by method acceptable to NRC)," *id.* at 4.3-7, is a bit vague. The nature of the inspection program, the type of examination, the inspection locations, the intervals and the methods of inspection have all been left entirely open. Is this a "demonstration" that the effects of aging will be effectively managed, or just a promise or "plan to develop a plan"? We recognize that it may not be possible for Entergy to specify in advance every detail of its aging management program for metal fatigue — future events will inevitably determine some of the actions that Entergy will have to take. However, there is a range of possibilities between a fully elaborated management, analysis, and inspection program and the extremely abbreviated presentation that Entergy has provided here. Presenting sufficient information in the application to "demonstrate that . . . the effects of aging on the intended function(s) will be adequately managed for the period of extended operation," is required by 10 C.F.R. § 54.21(c)(1)(iii) and 10 C.F.R. § 54.21(a)(3), and there is a legitimate legal and factual question as to whether Entergy has met this requirement. We therefore conclude that NEC has raised a genuine, material dispute with the Application and has therefore met the remaining contention admissibility requirements of 10 C.F.R. § 2.309(f)(1).⁶³

3. NEC Contention 3 (Safety)

Entergy's License Renewal Application Does Not Include an Adequate Plan to Monitor and Manage Aging of the Steam Dryer During the Period of Extended Operation.⁶⁴

In Contention 3, NEC challenges Entergy's plan to monitor and manage aging of the steam dryer, saying that "Entergy's proposed monitoring techniques are not adequate to detect crack propagation and growth because they are not based on actual measurement of crack initiation and growth, but instead rely on theoretical calculations of computer models — the Computational Fluid Dynamic [CFD] Model and Acoustic Circuit [AC] Model." NEC Petition at 17. NEC avers that "[p]redictions based on these models are subject to large uncertainties, and must

⁶³ In admitting this contention, we find it unnecessary to rely on the portions of the NEC reply that Entergy argues improperly raise new arguments or claims not found in the original petition. See Entergy Motion To Strike NEC Reply at 14. Therefore, we deny Entergy's motion to strike the portions of the NEC reply that relate to NEC Contention 2 because the issue is now moot.

⁶⁴ NEC Petition at 17.

be confirmed by 'hands-on' assessment." *Id.* NEC acknowledges that Entergy has indicated it will manage cracking in the steam dryer in accordance with the NRC's Generic Aging Lessons Learned (GALL) Report, NUREG-1801, and with General Electric's Services Information Letter on BWR steam dryer integrity, GE-SIL-644, but says that, even so, Entergy's monitoring techniques are not adequate because they are based on "unproven computer models," i.e. the CFD Model and AC Model, neither of which "were benchmarked against properly scaled dryer structure." Hopenfeld Decl. ¶¶ 18-19.

The steam dryer at Vermont Yankee is prone to accelerated aging, says NEC, because the recent 20% power uprate has "increased flow-induced vibrations (FIV), which markedly increase cyclic loads on the steam dryer." NEC Petition at 18. These stresses may cause the dryer to break, and loose parts may create safety hazards if they interfere with important components of the reactor system. *Id.* NEC's expert, Dr. Hopenfeld, recommends that the existing cracks in the steam dryer be monitored continuously by a competent engineer. Hopenfeld Decl. ¶ 18.

Entergy argues that Contention 3 is inadmissible because it is "not supported by a basis demonstrating a material dispute with the Application." Entergy Answer to NEC at 25. Entergy says that NEC "fail[s] to take issue with documentation available on the docket," *id.* at 26, and cites to the Vermont Yankee's application to NRC for an extended power uprate (EPU) which includes a separate adjudication before a different Board,⁶⁵ to demonstrate that the steam dryer monitoring program at Vermont Yankee includes visual inspection and monitoring by instrument in addition to the predictions generated by the models NEC contests. Entergy Answer to NEC at 27-30. Entergy asserts that NEC has an "ironclad obligation" to examine this information and use it to support its contention. *Id.* at 26 (citing *Duke Power Co. (Catawba Nuclear Station, Units 1 and 2)*, ALAB-687, 16 NRC 460, 468 (1982)). Entergy also alleges that Contention 3 is merely an attempt to revive steam dryer contentions that were rejected as late in the EPU proceeding. Entergy Answer to NEC at 26.

The NRC Staff admits that Contention 3 is within the scope of the proceeding "to the extent that it questions whether the two computer models provide an adequate basis for monitoring of crack propagation and growth . . . during the renewal period," but argues that the contention is not supported adequately because Dr. Hopenfeld's opinions are "conclusory." Staff Answer to NEC at 12. The Staff quotes the familiar dicta that "neither mere speculation nor bare or conclusory assertions, even by an expert, . . . will allow admission of a proffered contention." *Id.* at 13 (citing *Exelon Generation Co., LLC (Early Site Permit for Clinton ESP Site)*, LBP-04-17, 60 NRC 229, 241 (2004)). The

⁶⁵ *Entergy Nuclear Vermont Yankee, LLC (Vermont Yankee Nuclear Power Station)*, Docket No. 50-271-OLA, ASLBP No. 04-832-02-OLA.

Staff therefore argues that Contention 3 lacks an adequate basis and fails to demonstrate a genuine dispute, and should therefore be rejected for failing to meet the contention admissibility standards of 10 C.F.R. § 2.309(f)(1).

In its reply, NEC emphasizes that

Entergy's program to monitor its steam dryer during the remaining six years of its current license term, developed in the EPU proceeding, does not address NEC's concern that Entergy has not developed an adequate program to monitor aging of the steam drying [*sic*] during the additional twenty years of its requested second license term.

NEC Reply at 21. Aging management of the steam dryer was not an issue in the EPU proceeding, says NEC, and the EPU proceedings did not "establish[] the technical basis for life extension." *Id.* NEC asserts that the duration of Entergy's visual monitoring program is finite,⁶⁶ and that the application in *this* proceeding does not extend the current program for the full 20 years of the license renewal term. *Id.* at 22. NEC attaches a second declaration by Dr. Hopenfeld and certain testimony from a proceeding before the Vermont Public Service Board in further support of the contention. Entergy's motion to strike portions of NEC's reply specifically challenge the portions that make these assertions, as well as related attachments. Entergy Motion To Strike NEC Reply at 13, 17.

As a threshold matter, the Board notes that since Entergy's existing license continues until 2012, its application for a license renewal necessarily only involves aging management matters *after* that date. Steam dryer monitoring and inspection plans for the time period prior to 2012 are not directly relevant to, or dispositive of, our ruling on NEC Contention 3 except to the extent that Entergy's license renewal application, or other materials properly before *this* Board at this stage in the proceeding, indicates a commitment to continue existing programs. Entergy's apparent assertion that the history of the steam dryer issue in the separate EPU proceeding should resolve the issue in this proceeding is therefore without foundation. As demonstrated by Entergy's own pleading, steam dryer issues were addressed in the EPU proceeding primarily in regard to the power ascension program toward EPU levels and the first few operating cycles thereafter. Entergy Answer to NEC at 28-30. The Board in the EPU proceeding denied several contentions related to steam dryer cracking because they were not timely, but noted that one of the steam dryer contentions "may satisfy the six basic criteria of 10 C.F.R. § 2.309(f)(1)." *Vermont Yankee*, LBP-06-14, 63 NRC at 589 n.35.

⁶⁶ At oral argument, NEC's attorney emphasized that NEC is aware of Entergy's inspection and monitoring program for the current license period, and that the organization's main concern is visual inspection and monitoring during the license renewal term. Tr. at 331-32.

The rulings on contentions in other proceedings are not particularly relevant to the decision this Board must make on NEC Contention 3.

Taking these limits into account, the Board finds that NEC has demonstrated a "genuine dispute" under the standards of 10 C.F.R. § 2.309(f)(1)(vi) by raising a challenge to Entergy's plans for aging management of the steam dryer beyond 2012. Dr. Hopenfeld states his analysis and expert opinion as follows:

[T]he management of cracking at the steam dryer will be in accordance with current guidance per NUREG 1801, GE-SIL-644 and possibly future guidance from BWRRVIP-139, if approved by NRC. No matter which guidance Entergy follows, the status of the existing dryer cracks must be continuously monitored and assessed by a competent engineer.

Entergy's proposed monitoring techniques are not adequate to detect crack propagation and growth because they are not based on actual measurements of crack initiation and growth. Instead, Entergy relies on unproven computer models and moisture monitors which only indicate that the dryer was already damaged. The estimated fatigue loads on the dryer are based on theoretical calculations of two computer models: the [CFD] Model and the [AC] Model. Neither the CFD nor the ACM were benchmarked against properly scaled dryer structure and therefore their predictions are subject to large uncertainties.

Hopenfeld Decl. ¶¶ 18-19.

The Board rejects the argument that these statements are "bald or conclusory." We agree that NRC case law does not permit admission of contentions when petitioners "offer[] no tangible information, no experts, no substantial affidavits," but instead submit only "bare assertions and speculation." *Oyster Creek*, CLI-00-6, 51 NRC at 208. But this is not the case here, where Petitioners present sworn statements by an unchallenged expert who describes his professional reasoning and arrives at recommendations and conclusions based on that reasoning. Full evidentiary presentations are not required at the contention admissibility stage. NEC is not required to prove its contention at this time, but merely to identify the alleged shortcomings in Entergy's application with enough specificity to ensure that "the Applicants are sufficiently put on notice so that they will know at least generally what they will have to defend against or oppose, and that there has been sufficient foundation assigned to warrant further exploration of [the] contention."⁶⁷ We find that NEC has met this requirement.

We also reject the notion that NEC, in contending that Entergy's reliance on the CFD Model and AC Model is problematic, has ignored the other monitoring activities that Entergy has proposed for the next 6 years, and therefore has

⁶⁷ *Kansas City Gas & Electric Co. (Wolf Creek Generating Station, Unit 1)*, LBP-84-1, 19 NRC 29, 34 (1984) (citing *Philadelphia Electric Co. (Peach Bottom Atomic Power Station, Units 2 and 3)*, ALAB-216, 8 AEC 13, 20-21 (1974)).

raised no genuine dispute. To the contrary, Dr. Hopenfeld specifically notes that "management of cracking at the steam dryer will be in accordance with current guidance per NUREG-1801 [and] GE-SIL-644." As we see it, NEC is arguing that, even with such monitoring, reliance on the models during the renewal period that starts in 2012 is inappropriate.⁶⁸

In admitting this contention, this Board grants in part and denies in part Entergy's motion to strike portions of NEC's reply. Specifically, the Board strikes the first paragraph on page 21 of the reply, the first full paragraph on page 23, all portions of the second Hopenfeld declaration concerning this contention (¶¶ 11-15), and all of the attached testimony from the proceeding before the Vermont Public Services Board. These portions of the reply and of its attachments include new arguments and factual information that were not included in the initial petition and do not directly address challenges in the answers, and that therefore exceed the permissible scope of a reply. See Section III.A.6.

The Board denies Entergy's motion to strike relating to NEC Contention 3 with respect to all other portions of the reply. The paragraphs in question respond to legal, logical, and factual arguments raised in the answers, and emphasize the obvious — that, given that this is a license renewal proceeding, NEC is challenging the aging management of the steam dryer during the license renewal period, not during the preceding 6 years. NEC Reply at 21-22. While NRC practice does not permit petitioners to use reply briefs to provide the threshold level of support required for contention admissibility, petitioners may use replies to flesh out contentions that have already met the pleading requirements of 10 C.F.R. § 2.309(f)(1). *National Enrichment Facility*, CLI-04-35, 60 NRC at 623.

The Board also emphasizes that it is not ruling on the factual material Entergy presents in its answer at this time. Entergy's answer appears to challenge NEC's petition on the merits by making extensive reference to documents in another proceeding which, when examined more fully, may or may not turn out to support Entergy's position in this matter. The contention admissibility stage of a proceeding is not the appropriate time for this examination. Furthermore, assurances offered by Entergy's counsel, whether in pleadings or at oral argument, are not in evidence before this Board and cannot be granted the same weight as sworn testimony or exhibits. We conclude that NEC has identified sufficient ambiguity in Entergy's aging management plan for the steam dryer to meet the requirements for contention admissibility.

⁶⁸ We also note that NEC has drawn attention to some ambiguities regarding Entergy's commitments and plans for steam dryer monitoring and inspection during the license renewal term. Specifically, while the Application makes reference to Entergy's current program for managing steam dryer cracking due to FTV, future commitments in this area appear tentative and unspecified. See Application at 3.1.2.2.11.

4. NEC Contention 4 (Safety)

Entergy's License Renewal Application Does Not Include an Adequate Plan to Monitor and Manage Aging of Plant Piping Due to Flow-Accelerated Corrosion During the Period of Extended Operation.⁶⁹

NEC Contention 4 alleges that Entergy's plan for managing flow-accelerated corrosion (FAC) in plant piping fails to meet the requirements of 10 C.F.R. § 54.21(a)(3), i.e., "fails to demonstrate that the effects of aging will be adequately managed so that the intended function(s) will be maintained consistent with the CLB during the period of extended operations." NEC Petition at 18. NEC takes particular exception to Entergy's proposal to use "a computer model called CHECWORKS to determine the scope and frequency of inspections of components that are susceptible to FAC." *Id.* NEC alleges that Entergy cannot rely on CHECWORKS because the recent power uprate has changed plant parameters, including coolant flow rates, and that the model cannot generate accurate recommendations because it has not been benchmarked with data reflecting these new parameters. *Id.* at 19. For that reason, says NEC, "Entergy cannot assure the public that the minimum wall thickness of carbon steel piping and valve components will not be reduced by FAC to below . . . code limits during the period of extended operation." *Id.* See also Hopenfeld Decl. ¶¶ 21-27.

Entergy argues that Contention 4 is "vague and not supported by an adequate basis demonstrating the existence of a genuine material dispute" and that NEC has not identified specific pipes and valves that are vulnerable to FAC. Entergy Answer to NEC at 30. Entergy claims that "NEC fails to demonstrate that its concerns about CHECWORKS have any basis or would materially affect the adequacy of the FAC program" at Vermont Yankee. *Id.* at 31. Entergy points out that CHECWORKS is only one of many "factors considered in planning future inspections," and that "[t]he inspection scope is determined not only by the use of the CHECWORKS tool, but also is based on past VYNPS inspections, engineering judgment and industry operating experience." *Id.* at 32. Entergy also argues that NEC fails to provide "any real basis indicating that CHECWORKS cannot be used after EPU, other than Dr. Hopenfeld's bald assertion that it would take '10-15 years' before CHECWORKS can be benchmarked by inspection data." *Id.* Dr. Hopenfeld "provides absolutely no support for this assertion," says Entergy, and "unsupported conclusory assertions, even by an expert, cannot support the admission of a contention." *Id.* at 32-33. Finally, Entergy claims that the factual information on predicting FAC that was presented in the EPU proceeding should be considered part of this proceeding, which would bar NEC's contention if NEC "makes no effort to discuss or identify any error in the

⁶⁹ NEC Petition at 18.

consideration of FAC in that proceeding." *Id.* at 36. NEC has failed to consider the record of the EPU proceeding, according to Entergy, and has therefore failed to demonstrate a genuine material dispute. *Id.*

The NRC Staff repeats Entergy's argument that Dr. Hopenfeld's claim about benchmarking CHECWORKS is unsupported and therefore provides no basis for Contention 4. Staff Answer to NEC at 14. The Staff asserts that the Generic Aging Lessons Learned (GALL) Report indicates that CHECWORKS was benchmarked using data from many plants, and that it is appropriate to use the model in this condition in connection with a comprehensive FAC management program such as that proposed by Entergy. *Id.* (citing GALL Report § XLM17 Using CHECWORKS in this way "provides a bounding analysis," and "an inspection schedule based on this analysis will 'provide[] reasonable assurance that structural integrity will be maintained between inspections.'" *Id.*

In its reply, NEC emphasizes that resolution of the FAC issue in the EPU proceeding does not resolve it over the much longer time period the Board must consider in the license renewal proceeding. NEC asserts that "[t]he possibility of undetected wall thinning increases substantially with age," and "it may be necessary to modify the FAC program as the plant ages." NEC Reply at 21. NEC argues that Entergy has not explained how it will use CHECWORKS in an aging management program that covers the license renewal period, nor has Entergy provided support for its claim that the wear rate in pipes is proportional to the velocity increase at EPU conditions and therefore presents no predictable problems. *Id.* at 26-27. Finally, NEC argues that Dr. Hopenfeld's statement that it will take 10-15 years to benchmark CHECWORKS at EPU conditions is based on his extensive professional experience and is therefore not conclusory. *Id.* at 27. The declaration by Dr. Hopenfeld that accompanies the reply includes statements related to Contention 4. Entergy's motion to strike portions of the NEC reply seeks to have the second Hopenfeld declaration and all references to it stricken on the grounds that it represents an effort to "recast" the contention and is therefore impermissible under the rules governing reply briefs. Entergy Motion To Strike NEC Reply at 14; see also Section III.A.6.

As we did for Contention 3, the Board begins by pointing out that since Entergy's existing license continues until 2012, its Application for a license renewal necessarily involves only aging management matters after that date. FAC monitoring and inspection plans during the current license period are not directly relevant to, or dispositive of, our ruling on NEC Contention 4, except to the extent that Entergy's license renewal application, or other materials properly before this Board at this stage in the proceeding, indicates a commitment to continue existing programs. Resolution of this issue for the period up to 2012 does not necessarily resolve the issue for the years from 2012 to 2032, especially when the phenomenon in question may have cumulative effects.

Taking this limitation into account, the Board finds that NEC Contention

meets the admissibility standards of 10 C.F.R. § 2.309(f)(1). It raises a challenge to Entergy's plans for aging management of plant components subject to FAC, and it supports that challenge adequately. NEC's expert states his analysis and expert opinion in the following words:

The theoretical basis of FAC is not completely understood; however, it is well established that turbulence intensity, steam quality, material compositions, oxygen content and coolant pH are the main variables that affect FAC. The CHECWORKS computer code is not a mechanistic code; it is an empirical code that must be updated continuously with plant-specific data. Inspection results are routinely used as inputs to the code. The code can be used to predict pipe wall thinning as long as plant parameters (velocity, coolant chemistry, etc.) do not change drastically and the data have been collected for a long period of time. It is important to realize that wall thinning rate from FAC is not necessarily consistent with time, and therefore a considerable number of cycles are needed to establish the FAC rate on a given component at a particular plant. Since Vermont Yankee has recently increased the coolant flow rate by 20%, which also significantly accelerates local wall thinning, it would take at least 10-15 years before CHECWORKS can be benchmarked with the Vermont Yankee inspection data.

Hopenfeld Decl. ¶ 24.

The Board does not agree that such statements are "bald" or "conclusory." As we stated above, NRC regulations do not permit admission of a contention when petitioners offer *no* documentary or expert support for their positions. See Section III.D.3. But NEC has done considerably more here — Dr. Hopenfeld has submitted a sworn statement describing his professional reasoning and conclusions, and his qualifications to speak as an expert on this subject matter have not been challenged. As we have already stated, NEC is not required to prove its contention at this point or to provide all the evidence for its contention that may be required later in the proceeding. See Section III.A.4. Rather, it is required only to provide sufficient information that "the Applicants are sufficiently put on notice so that they will know at least generally what they will have to defend against or oppose, and that there has been sufficient foundation assigned to warrant further exploration of [the] contention." *Wolf Creek*, LBP-84-1, 19 NRC at 34. We find that NEC has met this requirement.⁷⁰

We also reject the notion that NEC's challenge to Entergy's use of CHECWORKS in its aging management program for FAC is barred because similar issues were discussed during the NRC review of Entergy's EPU application. As NEC has claimed,

⁷⁰ We do not elevate Dr. Hopenfeld's reference to "10-15 years" as dispositive here. His point seems to be that benchmarking will take longer than the 6-year period covered by the EPU.

FAC is an aging phenomenon; the EPU proceedings assumed that the plant would operate six years, not 26 years at the high EPU velocities. The possibility of undetected wall thinning increases substantially with age. Therefore, it may be necessary to modify the FAC program as a plant ages. Entergy's license renewal application does not explain how it proposes to use CHECWORKS as an aging management tool during the period of extended operation, or how it will overcome the problem of establishing valid trends at higher EPU velocities

NEC Reply at 26. We have previously stated that materials submitted as part of the EPU proceeding are not dispositive in this proceeding except to the extent that Entergy's license renewal application, or other materials properly before *this* Board at this stage in the proceeding, indicates a commitment to continue existing programs. See Section III.D.3. At the moment we do not see any such clear and binding commitment in the record. Furthermore, even if such a commitment were made, the very nature of a license renewal proceeding prevents NEC from contesting the adequacy of Entergy's current FAC program to deal with the extent of corrosion that is likely over the coming 6 years. Rather, NEC is limited to contesting aging management plans for the next 20 years — in this case by questioning whether a program similar to the current one will be adequate to address the amount of corrosion that may occur during the 20 years of extended operation.

In ruling to admit this contention, this Board grants in part and denies in part Entergy's motion to strike portions of NEC's reply. Specifically, the Board strikes the second Hopenfeld declaration concerning this contention (¶¶ 16-22). This attachment to the reply includes new arguments and factual information that were not included in the initial petition and that do not directly address challenge in the answers, and that therefore exceed the permissible scope of a reply brief. See Section III.A.6.

The Board denies Entergy's motion to strike with respect those portions of the reply itself that deal with Contention 4. The portions in question merely respond to legal, logical, and factual arguments raised in the answers, in particular to Entergy's allegation that the treatment and resolution of the FAC issue during NRC review of the EPU application should be dispositive in the license renewal proceeding. As we see it, the argument in NEC's reply restates the obvious — NEC is challenging aging management plans during the license renewal period not during the preceding 6 years.

As we did in our discussion of Contention 3, the Board also emphasizes that it is not ruling on the factual material Entergy presents in its answer at this time. Entergy's answer appears to challenge NEC's petition on the merits by making extensive reference to documents in the EPU proceeding which may or may not turn out to support Entergy's position in this matter. The contention admissibility stage of a proceeding is not the appropriate time to evaluate this information.

Additionally, given the differing natures of the EPU license amendment and a license renewal request, such materials may not be sufficient to resolve the issue in this proceeding even at the evidentiary stage. As we have already stated, assurances offered by Entergy's counsel, whether in pleadings or at oral argument, are not in evidence before this Board and cannot be granted the same weight as sworn testimony or exhibits. We conclude that NEC has identified sufficient ambiguity in Entergy's aging management plan related to FAC to meet the requirements for contention admissibility.

5. NEC Contention 5 (Safety)

The License Renewal Application Does Not State an Adequate Plan to Manage and Monitor Aging of the Condenser.⁷¹

NEC Contention 5 challenges Entergy's assertion that "main condenser integrity is continually verified during normal plant operation and no aging management program is required to assure the post accident intended function." Application at 3.4-26, Table 3.4.2-1. NEC contends that the plant condenser is "a key plant component necessary to mitigate the release of radioactive gases during an accident at the plant." NEC Petition at 19. Based on his review of the Application, Arnold Gunderson, NEC's expert, claims that "the applicant has not adequately addressed the actual condition of the condenser" and notes that this plant component is likely to withstand neither "the stresses of [EPU]" nor "the pressure of continual operation for the additional 20 years Entergy would like to extend Vermont Yankee's operation." *Id.*, Exh. 8, Decl. of Arnold Gunderson Supporting [NEC Petition] (May 26, 2006) ¶¶9-10. NEC's expert cites several documents provided during discovery in a proceeding before the Vermont Public Service Board in support of his opinion that the condenser is in poor condition and requires both additional inspections and preventive measures such as epoxy coating of certain condenser components if it is to remain in service. *Id.* ¶¶13-25. Following his review of these documents, Mr. Gunderson concludes that "it is not logical to assume that a deficient condenser with six-foot cracks with poor welds, which is lucky to withstand gravity, will be adequate protection to the public by preventing the flow of radioactive gases in the event it is required to mitigate an accident." *Id.* ¶33.

Entergy responds with the claim that Contention 5 fails because it "is entirely predicated on the erroneous unsupported assumption that the condenser must retain its integrity (*i.e.*, must remain intact) in order to perform its post-accident

⁷¹ NEC Petition at 19.

function." Entergy Answer to NEC at 36. Entergy argues that, under the terms of its license renewal application,

[c]ondenser integrity required to perform the *post-accident intended function (holdup and plateout of MSIV leakage)* is continuously confirmed by normal plant operation. This intended function does not require the condenser to be leak-tight, and the post-accident conditions in the condenser will be essentially atmospheric. Since the normal plant operation assures adequate condenser pressure boundary integrity, the post-accident intended function to provide holdup volume and plateout surface is assured.

Id. at 37 (citing Application at 3.4-26) (first emphasis added). Entergy points out that the condenser is not a safety-related component, and that even though the alternative source term analysis credits the condenser for some "hold-up and plate-out of gases"⁷² that might, in the event of a [LOCA], leak past the main steam isolation valve," this post-accident function of the condenser does not require the condenser to be leaktight. Entergy Answer to NEC at 37 n.19. In short, says Entergy, the fact that the condenser works properly during normal operations is sufficient to demonstrate that it remains capable of performing the more limited functions required of it during an accident. According to Entergy, NEC has failed both to provide sufficient information to challenge this part of the Application and to explain any plausible scenario in which the condenser would be unable to perform its post-accident function. *Id.* at 38-39. In Entergy's words, "[a]ll NEC shows is that the condenser may eventually have to be replaced." *Id.* at 40.

The NRC Staff argues that Contention 5 lacks a sufficient basis to the extent that it expresses concerns about the performance of the condenser during an license renewal period, and that it falls outside the scope of the proceeding to the extent that it makes allegations regarding the performance of the condenser during the current license term. Staff Answer to NEC at 16. According to the Staff, the documents referred to by NEC's expert were written in a different context and "do[] not indicate a dispute concerning an Application pending before the NRC." *Id.* Furthermore, says the Staff, "NEC ignores the fact that the application (at 3.4-2) . . . states that the Main Condenser and MSIV Leakage Pathway components will be under aging management programs" and therefore demonstrates that it has failed to fulfill "its obligation to examine publically available information." *Id.*

The Board concludes that NEC Contention 5 is not admissible because NEC has failed to show that the issue raised — the integrity of the condenser —

⁷² The phrase "hold-up and plate-out of gases" means that the condenser physically slows the release of gases (and by implication, the nongaseous daughter fission products) and that the surfaces of its plates capture or absorb some of the fission products.

“within the scope of” or “material to the findings NRC must make to support” a license renewal decision. 10 C.F.R. § 2.309(f)(1)(iii) and (iv). NEC has not provided any supporting information as to how the failure of the condenser would negatively affect its ability to perform its limited post-accident function — the hold-up and plate-out of some gases and solid daughter fission products. For example, even if the condenser cracked or broke into pieces at the same time a LOCA or other accident occurred, NEC has not given us facts, evidence, or any reason to think that the condenser surfaces would not be equally able to retard the flow of, or absorb, gases that may leak through the MSIVs.

NEC’s attempt to rehabilitate its contention by focusing its reply on the “unusual accident” scenario — an accident that destroys the condenser just at the same time the condenser’s post-accident function becomes important — fails both substantively and procedurally. In their initial submission to the Board, NEC and its expert mention this scenario but provide no discussion of how it might come about. NEC Petition at 20. However, they expand their arguments in this area in their reply, in which they make reference to an event at Entergy’s Grand Gulf plant in which the condenser “imploded” and caused an emergency shutdown. NEC Reply at 29. NEC’s pleading does not allege that any radioactive gases were released during the Grand Gulf event. Undeterred, NEC argues that the event demonstrates the possibility of a single incident that “simultaneously cause[s] both implosion of the condenser and a release of radioactive gas.” *Id.* NEC’s reply also includes a second declaration in which its expert, Arnold Gundersen, provides additional detail regarding scenarios that, in his opinion, might lead to such an outcome. *Id.*, Exh. 2, Decl. of Arnold Gundersen Supporting [NEC Reply] (Jun. 29, 2006) ¶¶ 6.3.1-6.3.2. Entergy’s motion to strike portions of NEC’s reply specifically addresses the sections in question here. Entergy Motion To Strike NEC Reply at 15-16.

As a substantive matter, the Board finds that NEC’s reply, while suggesting events that could trigger NEC’s postulated “unusual scenario,” fails to explain how it makes any difference — i.e., how such an event would prevent a broken condenser from performing its limited post-accident function of hold-up and plate-out of gases and other fission products from an MSIV leak. In addition, as a procedural matter, the relevant portions of NEC’s reply, including those paragraphs of the expert’s second declaration that provide accident scenarios, exceed what is permissible in a reply brief and therefore should be seen as an attempt to rehabilitate and to amend the original contention. The Commission has stated clearly that such attempts to amend contentions are impermissible

in reply briefs.⁷³ NEC makes no effort to address the criteria for amended and new contentions in 10 C.F.R. § 2.309(f)(2). The Board therefore strikes Mr. Gundersen’s second declaration and those portions of NEC’s reply brief that refer to it.

For the reasons stated, NEC Contention 5 is not admissible.

6. NEC Contention 6 (Safety)

The License Renewal Application does not include an adequate plan to monitor and manage aging of the primary containment boundary adequate to assure public health and safety for the twenty-year term of the proposed license extension (renewal), as required pursuant to 10 C.F.R. § 54.21(a)(3).⁷⁴

NEC Contention 6 is a safety contention focusing on the adequacy of Entergy’s aging management plan for the reactor primary containment. NEC states that “Entergy has not provided an aging management plan for areas of the primary containment which are difficult to inspect, maintain and repair because of limited access, and which may harbor conditions conducive to general, pitting and crevice corrosion.” NEC Petition at 21. NEC alleges that Entergy has not demonstrated that the steel drywell shell is protected from moisture by its concrete encasement, saying instead that contact areas and narrow spaces between the concrete and the steel are the places “most likely to harbor undetected moisture and corrosion.” *Id.* at 23. To support this contention, NEC cites two in-service inspection reports for the plant that made reference to corrosion and loss of coating in the drywell shell. *Id.* at 23-24. NEC also cites the NRC Staff’s Proposed Interim Staff Guidance LR-ISG-2006-01: Plant Specific Aging Management Program for Inaccessible Areas of Boiling Water Reactor Mark I Steel Containment Drywell Shell.⁷⁵ NEC Petition at 25, Exh. 9.

Entergy responds that Contention 6 is inadmissible because it “fails to identify any deficiency in the discussion of this issue in the application” and therefore fails to demonstrate a genuine dispute with the applicant. Entergy Answer to NEC at 41. Specifically, Entergy asserts that NEC made no effort to show why Entergy’s

⁷³ *National Enrichment Facility*, CLI-04-25, 60 NRC at 224-25 (“[W]e concur with the Board that the reply briefs constituted a late attempt to reinvigorate thinly supported contentions by presenting entirely new arguments in the reply briefs. . . . In Commission practice, and in litigation practice generally, new arguments may not be raised for the first time in a reply brief.”).

⁷⁴ The topic heading of NEC Contention 6 (“Primary Containment Corrosion Including, But Not Limited to the Dry Well”) does not contain a specific statement of the issue that NEC seeks to raise. The statement of the issue NEC seeks to raise appears in the first sentence of the body of the petition and thus we view this sentence as the specific contention. See Tr. at 430-31.

⁷⁵ 71 Fed. Reg. 27,101 (May 9, 2006).

May 15, 2006, amendment to its license renewal application,⁷⁶ which describes Entergy's monitoring plan for the steel drywell shell, its approach to determining whether corrosion is occurring in the inaccessible areas of the structure, and the methods it has used to deal with the corrosion mentioned in the in-service inspection reports, is inadequate. *Id.* at 41-44. The NRC Staff echoes Entergy's argument, saying that NEC has failed to demonstrate a genuine dispute with the applicant or to address why Amendment 2 is inadequate. Staff Answer to NEC at 18.

NEC first addressed Amendment 2 in its reply, arguing that it "does not alleviate NEC's concerns regarding the condition of the lower drywell shell, and the adequacy of Entergy's plans to monitor and inspect less accessible areas."⁷⁷ Specifically, says NEC, the amendment fails to address any "historically reported leaks" that might lead to moisture near the drywell, aging management of gaskets and seals where leakage might affect the primary containment, or maintenance activities and other stresses that might induce corrosion. *Id.* at 32. NEC also claims that Entergy fails to provide sufficient detail to allow reviews to evaluate its plans for ultrasonic testing of the drywell shell. *Id.*

The Board concludes that NEC Contention 6 fails to satisfy the contention admissibility requirements of 10 C.F.R. § 2.309(f)(1)(v) and (vi) in that NEC has failed to "[p]rovide a concise statement of the alleged facts or expert opinions which support the requestor's/petitioner's position on the issue" or to "show that a genuine dispute exists with the applicant/licensee." Specifically, we have little or no idea why NEC believes that Entergy's May 15, 2006, plan for aging management of the drywell shell is inadequate. The in-service inspection reports that NEC cites deal with events in 1999 and 2001 that have apparently been resolved and do not indicate that similar events will happen in the future. The only other support NEC offers for its contention is a meeting notice for a June 2006 meeting involving the NRC Office of Nuclear Reactor Regulation, at which the known corrosion problems at the Oyster Creek Generating Station were discussed, and the NRC Staff proposed guidance document. NEC Petition at 25-26. Neither is relevant to the question of whether corrosion of the drywell shell has been a significant problem at Vermont Yankee in the past or is likely to be so in the future, and neither provides support for NEC's argument that Entergy's plans to manage corrosion of the drywell shell are inadequate. Given the absence of documentary or expert support for NEC's position, this contention fails to

⁷⁶ Letter from Ted A. Sullivan, Site Vice President, Vermont Yankee Nuclear Power Station, to Nuclear Regulatory Commission (License Renewal Application, Amendment No. 2) (May 15, 2006), ADAMS Accession No. ML061380079 [Amendment 2].

⁷⁷ NEC Reply at 31. During the oral argument, it became clear that NEC was not aware of Amendment 2 when NEC filed its petition on May 26, 2006. Tr. at 433. This is understandable, because Amendment 2 did not become publicly available on ADAMS until May 26, 2006. Tr. at 446.

demonstrate that a genuine dispute exists. Under these conditions, the Board finds that NEC Contention 6 is inadmissible.

E. Ruling on Marlboro Request (Exclusion from Emergency Planning Zone)

The Town of Marlboro, Vermont, contends that it was erroneously excluded from the emergency planning zone (EPZ) surrounding the Vermont Yankee Nuclear Power Station. Marlboro Hearing Request at 1. According to Marlboro the State of Vermont has a "whole-town inclusion policy," meaning every town with any property within a 10-mile radius must be included in evacuation and notification planning. *Id.* Marlboro further claims that, despite the fact that it is not included in the EPZ, the evacuation plan involves a travel route through Marlboro which will require the assistance of volunteers from the Town and the use of Town resources. *Id.* Entergy and the Staff both argue that Marlboro's request must be denied because it does not contain a specific contention and because emergency planning issues are outside the scope of license renewal proceedings. Entergy Answer to Marlboro at 1; Staff Answer to Marlboro at 3.

We find that Marlboro has failed to submit an admissible contention. A petitioner must demonstrate that the issues raised in its contention are within the scope of the proceeding. 10 C.F.R. § 2.309(f)(1)(iii). Marlboro, however, has not demonstrated that emergency planning issues are within the scope of this proceeding. To the contrary, it is well established that concerns regarding emergency planning are beyond the scope of license renewal proceedings. See e.g., *Dominion Nuclear Connecticut, Inc.* (Millstone Nuclear Power Station Units 2 and 3), CLI-05-24, 62 NRC 551, 560-61 (2005). Therefore, the Town of Marlboro hearing request is denied.⁷⁸

IV. SELECTION OF HEARING PROCEDURES

A. Standards Governing Selection of Hearing Procedures

NRC regulations provide for a number of different procedural formats for adjudicatory hearings, two of which are relevant here. These are (1) the "Rule for Formal Adjudications," 10 C.F.R. Part 2, Subpart G, and (2) the rule for "Informal Hearing Procedures for NRC Adjudications," 10 C.F.R. Part 2 Subpart L. The formal adjudicatory procedures of Subpart G allow the parties to propound interrogatories, take depositions, and cross-examine witnesses without

⁷⁸ Although the Town of Marlboro is not admitted to the proceeding, it may still participate as an interested local governmental body. See Section VLB.

leave of the Board. In contrast, under the "informal" adjudicatory procedures of Subpart L, discovery is prohibited except for certain mandatory disclosures, the Board conducts oral hearings during which it interrogates the witnesses, and cross-examination by the parties is permitted only if the Board deems it necessary for the development of an adequate record.

The Commission's rule governing the selection of hearing procedures states that upon granting a hearing request in a license renewal proceeding, a licensing board must determine the specific hearing procedures to be used in this proceeding as follows:

(a) Except as determined through the application of paragraphs (b) through (h) of this section, proceedings . . . may be conducted under the procedures of subpart L of this part.

....
(d) In proceedings . . . where the presiding officer by order finds that resolution of the contention or contested matter necessitates resolution of issues of material fact relating to the occurrence of a past activity, where the credibility of an eyewitness may reasonably be expected to be at issue, and/or issues of motive or intent of the party or eyewitness material to the resolution of the contested matter, the hearing for resolution of that contention or contested matter will be conducted under subpart G of this part.

10 C.F.R. § 2.310(a), (d) (emphasis added). Additionally, a petitioner requesting a Subpart G hearing pursuant to section 2.310(d) "must demonstrate, by reference to the contention and the bases provided and the specific procedures in subpart G of this part, that resolution of the contention necessitates resolution of material issues of fact which may be best determined through the use of the identified procedures." 10 C.F.R. § 2.309(g).

The selection of appropriate hearing procedures is a contention-by-contention matter, dependent on the nature of the specific issues involved in the contention. Thus, for example, a single adjudicatory proceeding may include some contentions litigated under Subpart L and others litigated under Subpart G or N.

B. Selection of Hearing Procedures

DPS asserts that it is entitled to an adjudicatory hearing under the formal procedures specified in Subpart G. DPS Petition at 2. NEC, the other admitted party in this proceeding, does not specify a preference for the hearing procedures. Entergy and the Staff oppose the DPS request for Subpart G hearing procedures and argue that the informal procedures set forth in Subpart L should govern this proceeding. Entergy Answer to DPS at 29-30; Staff Answer to DPS at 5-6.

Although DPS states that it is "entitled" to a Subpart G proceeding, DPS

Petition at 2, DPS did not attempt to demonstrate that its contentions meet the criteria of 10 C.F.R. § 2.310(d). DPS Petition at 4 n.4. In its request for a Subpart G hearing, DPS fails to reference its contentions and bases and does not show that resolution of its contentions require resolution of material issues of fact which may be best determined through the use of Subpart G procedures. See 10 C.F.R. § 2.309(g). Therefore, we conclude that DPS has not demonstrated that any of the admitted contentions meet the criteria of 10 C.F.R. § 2.310(d), mandating the use of Subpart G procedures.

We also reject the assertion by DPS that section 274(l) of the AEA, 42 U.S.C. § 2021(l), obviates the need for it to demonstrate that the Subpart G procedures are applicable to the admitted contentions. See DPS Petition at 4 & n.4. Essentially, DPS argues that because section 274(l) grants a State interrogation rights, a Subpart G proceeding is mandated. Its reasoning is based on the fact that, in Subpart G proceedings, the parties are allowed to cross-examine witnesses without leave of the Board, whereas in a Subpart L proceeding cross-examination is only permitted "if the presiding officer determines that cross-examination by the parties is necessary to ensure the development of an adequate record for decision," 10 C.F.R. § 2.1204(b)(3). See DPS Petition at 3-5.

DPS's brief fails to address *Citizens Awareness Network, Inc. v. United States* [CAN v. United States], 391 F.3d 338 (1st Cir. 2004). In that case the First Circuit upheld the validity of the Subpart L regulations on the basis of NRC's representation that the opportunity for cross-examination under 10 C.F.R. § 2.1204(b)(3) of Subpart L is equivalent to the opportunity for cross-examination under the Administrative Procedure Act (APA), 5 U.S.C. § 556(d), i.e., that cross-examination is available whenever it is "required for a full and fair adjudication of the facts."⁷⁹ Section 556(d) of the APA is a relatively generous standard.

DPS also failed to address the only decision concerning the relationship between Section 274(l) of the AEA and the right to a Subpart G proceeding. See *Entergy Nuclear Vermont Yankee, LLC* (Vermont Yankee Nuclear Power Station), LBP-04-31, 60 NRC 686, 710-11 (2004). In that proceeding, the Board held that *CAN v. United States* could be extended to apply to a State's cross-examination under the AEA. *Id.* Specifically, the Board found that since "the opportunity for cross-examination under Subpart L is equivalent to the opportunity for cross-examination under the APA, . . . [it] is likewise consistent with the State's 'reasonable opportunity . . . to interrogate witnesses' under 42 U.S.C. § 2021(l)." *Id.* at 710. We agree with this logic. Accordingly, we find that section 274(l) of the AEA does not give a State an absolute right of cross-examination, but states only that "the Commission . . . shall afford

⁷⁹ 391 F.3d at 351. The Commission represented to the First Circuit that "the standard for allowing cross-examination under [10 C.F.R. § 2.1204(b)(3)] [is] equivalent to the APA standard." *Id.*

reasonable opportunity for State representatives to . . . interrogate witnesses." 42 U.S.C. § 2021(l) (emphasis added). The Subpart L grant of cross-examination to situations where it "is necessary to ensure the development of an adequate record for decision," 10 C.F.R. § 2.1204(b)(3), is consistent with the AEA requirement that State representatives be given a "reasonable opportunity . . . to . . . interrogate witnesses." 42 U.S.C. § 2021(l).

Entergy and the Staff suggest that our determination that DPS failed to meet its burden under 10 C.F.R. § 2.309(g) to show that Subpart G procedures are mandated by 10 C.F.R. § 2.310(d) ends the matter, and *requires* that Subpart L procedures be used for each admitted contention in this proceeding. This is not correct. If a specific hearing procedure is not mandated, the plain language of 10 C.F.R. § 2.310(a) uses the term "may" in describing our options in selecting the appropriate hearing procedures. The use of the permissive "may" instead of the mandatory "shall" indicates that even if a petitioner fails to demonstrate that Subpart G procedures are required, the Board "may" still find that the use of Subpart G procedures is more appropriate than the use of Subpart L procedures for a given contention. "In such a circumstance, the Board, in its sound discretion, must determine the type of hearing procedures most appropriate for the specific contentions before it." *Vermont Yankee*, LBP-04-31, 60 NRC at 705. In adopting this approach we acknowledge the Commission's statement that, unless otherwise provided in 10 C.F.R. § 2.310, Subpart L proceedings should "ordinarily" be used. See Final Rule: "Changes to the Adjudicatory Process," 69 Fed. Reg. 2182, 2222 (Jan. 14, 2004). Furthermore, at this point we see no particular reason why the additional discovery mechanisms of Subpart G are necessary for the full and fair disclosure of the facts. Nor do we see any reason why the moderate limits on cross-examination under a Subpart L proceeding would hinder the development of an adequate record. Weighing these considerations and based on currently available information, we conclude that the procedures of Subpart L are appropriate for the adjudication of admitted contentions.

V. STATUTORY RIGHT TO HEARING

We now turn to the DPS argument that, because it is a State, section 274(l) of the AEA, 42 U.S.C. § 2021(l), gives it the right to offer evidence and interrogate witnesses even if a hearing would otherwise not be required and even if no contentions are admitted. See DPS Petition at 3-5. The Commission's regulations give a State two ways to participate in adjudicatory proceedings. First, an

"interested State" is given "a reasonable opportunity to participate in a hearing" under 10 C.F.R. § 2.315(c).⁸⁰ This allows a State to

introduce evidence, interrogate witnesses where cross-examination by the parties is permitted, advise the Commission without requiring the representative to take a position with respect to the issue, file proposed findings in those proceedings where findings are permitted, and petition for review by the Commission under § 2.341 with respect to the admitted contentions.

10 C.F.R. § 2.315(c). Second, a State that wishes to raise specific concerns may submit contentions complying with the 10 C.F.R. § 2.309(f)(1) requirements and become a party to the adjudication. As a party, a State may offer evidence and, where necessary to ensure the development of an adequate record, may be allowed to interrogate witnesses. 10 C.F.R. §§ 2.1204(b)(3), 2.1208. See also Section IV.B, *supra*. A State that has been admitted as a party is also given the additional opportunity to participate on another party's contentions. See *LES*, CLI-04-35, 60 NRC at 627.

We conclude that the two options that NRC affords to an interested State, when viewed in combination, comply with the section 274(l) mandate that a State, such as DPS, be given a "reasonable opportunity" to participate on the Vermont Yankee license renewal application. We reject the assertion that section 247(l) gives DPS a right to offer evidence and interrogate witnesses, even if no hearing is otherwise being held and no party has submitted an admissible contention. Federal case law recognizes that NRC's requirement that a petitioner identify specific contentions and the particular bases for the contentions is not inconsistent with section 189a of the AEA, which provides that a hearing shall be granted upon the request of any person whose interest may be affected by the proceeding. See, e.g., *Business and Professional People for the Public Interest v. AEC*, 502 F.2d 424, 426-29 (D.C. Cir. 1974). Given that the Commission's rules granting a hearing request only upon the submission of an admissible contention does not violate section 189a, we likewise find that limiting a State's participation to situations where at least one party submits an admissible contention does not violate the section 274(l) requirement that a State be given a "reasonable opportunity" to participate in a hearing. Therefore, we find that DPS's rights under section 247(l) are satisfied by the Commission regulations governing Subpart L proceedings.

⁸⁰This regulation implements section 274(l) of the AEA. The Commission has held that the opportunity to participate as an interested state is available only if the State has not been admitted as a party under 10 C.F.R. § 2.309. *National Enrichment Facility*, CLI-04-35, 60 NRC at 626-27.

VI. CONTENTION ADOPTION AND INTERESTED STATE PARTICIPATION

A. Adoption

Shortly after all the hearing requests were submitted, DPS and NEC each filed a notice of intent to adopt the AG's contention and the contentions of one another. Although DPS and NEC took the position that a simple notice of adoption is sufficient, both also sought, in the alternative, to adopt the other's contentions by motion. See DPS Notice of Intent To Adopt Contentions at 1 n.1; NEC Notice of Adoption of Contentions at 1 n.1. Entergy opposed both filings because DPS and NEC failed to address the criteria for nontimely contentions. Entergy Answer to DPS Notice of Intent To Adopt Contentions at 1-2; Entergy Answer to NEC Notice of Adoption of Contentions at 1-3. The Staff does not oppose DPS and NEC adopting contentions, so long as each party demonstrates an independent ability to litigate any contention for which it becomes the primary sponsor should the initial contention sponsor withdraw from the proceeding. Staff Answer to DPS Notice of Intent To Adopt Contentions at 3; Staff Answer to NEC Notice of Adoption of Contentions at 3.

The Commission's regulations allow a petitioner to adopt the contention of a different petitioner if the adopting petitioner (1) agrees that the sponsoring petitioner will act as the representative with respect to that contention; or (2) if the sponsoring and adopting petitioners jointly agree and designate which one of them will have the authority to act for the petitioners on that contention. 10 C.F.R. § 2.309(f)(3). These are the only substantive regulatory requirements for adoption. When the procedures for adopting contentions were codified in 2004, the Commission explained that by adopting a contention, the adopting party preserves the right to litigate a contention that another party originally proposed if the original sponsoring party leaves the proceeding prior to the resolution of the contention. 69 Fed. Reg. at 2221.

Section 2.309(f)(3), which was added in 2004, is entirely new. Nevertheless, Entergy cites prior case law for the proposition that the nontimely factors should be applied when one intervenor seeks to adopt the contentions of a sponsoring intervenor that seeks to *withdraw* from a proceeding. Entergy Answer to DPS Notice of Intent To Adopt Contentions at 2. See also *Houston Lighting and Power Co.* (South Texas Project, Units 1 and 2), ALAB-799, 21 NRC 360, 381-82 (1985). Entergy seeks to extend the old *South Texas* decision to support the proposition that the section 2.309(c) nontimely factors are applicable *whenever* a party seeks to adopt contentions after the initial contention filing deadline. See, e.g., Entergy Answer to DPS Notice of Intent To Adopt Contentions at 2.

We disagree and conclude that the circumstances in the *South Texas* proceeding are very different from the facts involved in the current contention adoption

requests. In that case, the adoption request came only after the sponsoring intervenor withdrew from the proceeding as part of a settlement agreement. *South Texas*, ALAB-799, 21 NRC at 381. That adoption attempt came several years after the Board admitted the contentions at issue. See *Houston Lighting and Power Co.* (South Texas Project, Units 1 and 2), LBP-80-11, 11 NRC 477 (1980); *Houston Lighting and Power Co.* (South Texas Project, Units 1 and 2), LBP-79-10, 9 NRC 439 (1979). As the Board termed it, the case involved an attempt to adopt "abandoned contentions." *Houston Lighting and Power Co.* (South Texas Project, Units 1 and 2), LBP-82-91, 16 NRC 1364, 1369 (1982).

In contrast, the DPS and NEC adoption notices came very early in this proceeding, only a few weeks after the contentions were due and before we ruled on the admissibility of the contentions. Absent prior consultation between the various petitioners *before* the contentions were filed, consultation which we will not presume, it would have been *impossible* for DPS or NEC to adopt each other's contentions prior to the date they were filed on May 26, 2006. Entergy's position, that all adoptions filed after the original deadline for filing contentions are *automatically* "nontimely" (and thus must go through the eight-factor hoops of 10 C.F.R. § 2.309(c)), would create an illogical and unfair exclusionary wall to adoption. 10 C.F.R. § 2.309(f)(3) imposes no such requirements. It is sufficient for our purposes to hold that if a notice of adoption of a contention is filed within a reasonable time (such as 20 days) after the contention has been filed *and* admitted then it is deemed timely and is not subject to the nontimely factors specified in 10 C.F.R. § 2.309(c). Accordingly, we find that the DPS and NEC adoption notices were timely.¹¹

Next, we turn to the Staff's position. Although the Staff does not oppose the adoption notice, the Staff states that if the initial contention sponsor withdraws from the proceeding, an adopting party must demonstrate an independent ability to litigate each contention it wishes to adopt. See, e.g., Staff Answer to DPS Notice of Intent To Adopt Contentions at 3 (citing *Consolidated Edison Co. of New York* (Indian Point, Units 1 and 2), CLI-01-19, 54 NRC 109, 131-33 (2001)). In *Indian Point*, the Commission granted a petitioner's request to incorporate another petitioner's contentions by reference and stated "if the primary sponsor of an issue later withdraws from this proceeding, the remaining sponsor must then demonstrate to the Presiding Officer its independent ability to litigate this issue. A failure to do so renders the issue subject to dismissal prior to the hearing." *Id.* at 132. The Commission cited no regulation or precedent for this requirement. Nor did the Commission indicate whether it intended to impose this requirement in future adjudications.

¹¹ The 10-day motions deadline of 10 C.F.R. § 2.323(c) does not apply because the adoption of contentions does not require a motion, as simple notice suffices.

If the Commission did intend to create an additional adoption requirement in *Indian Point*, we would expect that this requirement would appear in the 2004 codification of the procedures for contention adoption, or would have been discussed in that rule's Statement of Considerations. Both 10 C.F.R. § 2.309(f)(3) and the Statement of Considerations, however, are entirely silent on whether the adopting party must demonstrate an independent ability to litigate a contention it seeks to adopt. Perhaps this silence is an expression of the fact that the Commission did not intend that this element be included in the new rule.⁸²

We have serious reservations about requiring the adopting party to demonstrate an independent ability to litigate an issue. *Id.* at 132. First, what does it mean? Must the adopting petitioner provide us with its financial statements? Perhaps its membership lists? Amounting to much the same thing, must it hire separate and independent (duplicative?) experts and lawyers? Do we need to see the written retainer agreements, or are pro-bono volunteers sufficient? What level of investigation do we conduct, and what objective criteria do we use, to decide whether the adopting party satisfactorily "demonstrated its independent ability to litigate" the contention? Second, how can we impose this requirement on the adopting party, when there is no such requirement imposed on the original sponsoring petitioner? Surely the Staff is not suggesting that the fact that the original sponsoring party is able to meet the strict but minimal requirements for admission of a contention demonstrates that it has an independent ability to litigate the full merits of the contention. Section 2.309(f) lists many reasons for excluding a contention, but "demonstrating an independent ability to litigate an issue" is not one of them. Third, how does this requirement comport with section 189a of the AEA, which states that the "Commission shall grant a hearing upon the request of any person whose interest may be affected by the proceeding"? 42 U.S.C. § 2239(a)(1)(A). No plaintiff in any federal court faces such a hurdle.

Happily, we need not decide the issue now. NEC and DPS have adopted each other's contentions and neither one of them is withdrawing. Therefore, the current notices of adoption are timely and are granted to the extent that the DPS and NEC contentions have been admitted.⁸³

⁸²To the extent that the Staff has concerns that an adopting party would be unable to litigate an adopted contention after the withdrawal of the initial contention sponsor, we note that the regulations already provide a remedy for dealing with a party that cannot adequately litigate a contention. See 10 C.F.R. § 2.320.

⁸³NEC also filed a motion for leave to file a reply to Entergy and the Staff answers on the adoption issue, a motion which Entergy and the Staff oppose. Having accepted NEC's notice, we deny its motion for leave to file a reply as moot.

B. Interested State Participation

As provided in 10 C.F.R. § 2.315(c), any interested State, local governmental body, and affected, federally recognized Indian Tribe that has not been admitted as a party under 10 C.F.R. § 2.309 will be given a reasonable opportunity to participate in any hearing conducted in this proceeding. The only timing requirement for giving notice of such participation states that a "representative shall identify those contentions on which it will participate in advance of any hearing held." 10 C.F.R. § 2.315(c). Accordingly, the AG for the Commonwealth of Massachusetts, the Town of Marlboro, Vermont, and any other interested state, local governmental body, or affected, federally recognized Indian Tribe that wishes to participate in this hearing shall notify us of same within 20 days of this Order.⁸⁴

VII. CONCLUSION

For the reasons set forth above, the Board concludes that the Vermont Department of Public Service and the New England Coalition both have standing and have each proffered an admissible contention meeting the requirements of 10 C.F.R. § 2.309(f). Accordingly, their requests for hearing are granted. Although the Massachusetts Attorney General and the Town of Marlboro both have standing, neither has proffered an admissible contention and therefore their hearing requests are denied.

The Board rules that the procedures of Subpart L shall be used for these contentions. Within fifteen (15) days of the issuance of service of this Order, the Staff shall notify the Board whether it desires to participate in this proceeding as a party pursuant to 10 C.F.R. § 2.1202. Within thirty (30) days of the service of this Order, the parties shall make their initial disclosures pursuant to 10 C.F.R. § 2.336(a), the Staff shall make its initial disclosures pursuant to 10 C.F.R. § 2.336(b), and the Staff shall file the hearing file pursuant to 10 C.F.R. § 2.1203.

As provided under 10 C.F.R. § 2.311(c), a party, other than a hearing requestor with at least one admitted contention, may appeal this Order to the Commission. All such appeals must be filed within ten (10) days following service of this Order and conform to the provisions of 10 C.F.R. § 2.311(a). Those parties opposing the appeal may file a brief in opposition within ten (10) days of service of the appeal.

⁸⁴As with the adoption of contentions, the 10-day motions deadline does not apply to interested state participation because such participation does not require a motion, as a simple notice suffices.

It is so ORDERED.

THE ATOMIC SAFETY AND
LICENSING BOARD⁸⁵

Alex S. Karlin, Chairman
ADMINISTRATIVE JUDGE

Richard E. Wardwell⁸⁶ (by E. Roy Hawkens)
ADMINISTRATIVE JUDGE

Thomas S. Elleman (by E. Roy Hawkens)
ADMINISTRATIVE JUDGE

Rockville, Maryland
September 22, 2006

⁸⁵ Copies of this Order were sent this date by Internet e-mail transmission to counsel or a representative for (1) Applicant Entergy Nuclear Vermont Yankee, LLC, and Entergy Nuclear Operations, Inc.; (2) Petitioners Town of Marlboro, Vermont, the Massachusetts Attorney General, the Vermont Department of Public Service, and the New England Coalition; and (3) the NRC Staff.

⁸⁶ Judge Wardwell joins in all of this decision except for his dissent on NEC Contention 1, which follows.

DISSENTING OPINION OF JUDGE WARDWELL
ON ADMISSIBILITY OF NEW ENGLAND COALITION'S
CONTENTION 1 (ENVIRONMENTAL)

A. Introduction

I join my colleagues in the issues presented in this Order, except for my dissent with the discussion on NEC's only environmental contention. In this contention, NEC asserts that Entergy's Environmental Report (ER) failed to sufficiently assess the impacts of increased thermal discharges into the Connecticut River over the 20-year license extension period.¹

In accordance with NRC regulations, it seems clear that Entergy has adequately addressed the impacts to water quality required by the rules in their ER and subsequent amendments to their License Renewal Application (LRA). Based on this, I concluded that NEC's contention is inadmissible because it fails to show that a genuine dispute exists with the Applicant. I agree with the NRC Staff, however, that this contention would be admissible on the limited grounds that Entergy's approved NPDES permit from the State of Vermont Agency of Natural Resources (VANR) was not included with the application because the permit had not yet been approved when Entergy submitted their LRA in January 2006. The amended NPDES permit was approved on March 30, 2006. On July 27, 2006, Entergy submitted a copy of the approved amended permit as Amendment 6 to the LRA, thus resolving this issue. While this permit has been appealed, its ongoing status does not have a bearing on my opinion for the reasons presented herein.

B. Discussion

In evaluating NEC Contention 1, I reviewed the regulations to determine what an Applicant is explicitly required to provide in its ER for their LRA. In addition, I reviewed the Staff's responsibilities in preparing their Supplemental Environmental Impact Statement (SEIS) to indicate whether it would be reasonable for an Applicant to provide any additional information that might assist the Staff in performing their NEPA review. These explicit and implicit requirements for an ER during license renewal are discussed in the next two sections. The impacts of the increased thermal discharge (including cumulative impacts) are discussed in Section B.3. The status of the NPDES permit and its effect on this opinion are summarized in Section B.4. Much of the NEC argument accepted by the majority

¹ NEC Petition at 13. For this dissent, I have also reviewed NEC's initial petition (May 26, 2006), and the Entergy and NRC Staff answers (June 22, 2006). While I have also reviewed NEC's reply (June 29, 2006) and note that nothing in it changes my opinion, I believe that most of their response is entirely new, inadmissible argument.

opinion implies that a NEPA analysis, as reflected in an EIS, will not be prepared for the proposed action. This issue is discussed in Section B.5, along with the consistencies between NRC regulations, NEPA, and the Federal Water Pollution Control Act (FWPCA), i.e., the Clean Water Act (CWA).

1. *Explicit ER Requirements*

As required by NRC regulations, 10 C.F.R. § 2.309(f)(2), initial contentions at this stage must be based on the Applicant's Environmental Report (ER). In part, NEC Contention 1 questions the completeness of the portion of Entergy's ER dealing with thermal discharges.

For license renewal applications, section 51.53(c)(2) of the regulations requires that the following general information be included in an applicant's ER: (1) a description of the proposed action, (2) a detailed description of modifications directly affecting the environmental or plant effluents, and (3) a discussion of the environmental impacts of alternatives to the license renewal. Specific requirements for the ER are presented in 10 C.F.R. § 51.53(c)(3) and may be summarized as follows: (1) an applicant's ER is not required to contain an analysis of the environmental impacts identified as Category 1 issues² in Appendix B to Subpart A of the Generic Environmental Impact Statement (GEIS); and (2) for a plant with once-through cooling system (which is one of the operating modes at Vermont Yankee), the applicant must include analyses for the three Category 2 issues³ related to thermal discharges in their SEIS. The Category 2 thermal issues include entrainment of fish and shellfish in early life stages, impingement of fish and shellfish, and heat shock.⁴

It seems apparent that the increase in thermal discharge limits during the license renewal period (i.e., the water quality issues that NEC argues are not assessed in Entergy's application) does not relate to any of these Category 2 issues.⁵

² Category 1 issues are those: (1) that apply to all plants having specified plant or site characteristics, (2) that have a small impact, and (3) whose alternatives analyses demonstrate that additional plant-specific mitigation measures are likely not to be sufficiently beneficial to warrant implementation. 10 C.F.R. Part 51, Subpart A, Appendix B.

³ Category 2 issues are plant- or site-specific environmental impacts which must be evaluated in the SEIS. 10 C.F.R. Part 51, Subpart A, Appendix B; 10 C.F.R. § 51.71(d).

⁴ Section 51.53(c)(3) of 10 C.F.R. also requires that the ER contain any new and significant information regarding the impacts of license renewal of which the applicant is aware; this is not an issue here since NEC has not argued that the applicant failed to present new and significant information.

⁵ Heat shock occurs when aquatic biota that have been acclimated to cooler water are exposed to sudden temperature increases when artificial heating commences. While the temperature of the thermal plume is certainly higher near the discharge point, this is not considered to be heat shock as long as changes in the plume temperature are gradual.

This alone is sufficient reason to reject this contention. But continuing on, the regulations state that an applicant may address Category 2 thermal issues in one of two ways. They may include a copy of the current CWA § 316(b) determination (relating to the location, design, construction, and capacity of the cooling water system to minimize impingement and entrainment), and, if necessary, a section 316(a) demonstration (or equivalent State permits and supporting documentation) to minimize impact of effluent discharges. Alternatively, if the applicant cannot provide the relevant documents, it must assess the impact of the license renewal on fish and shellfish resources resulting from heat shock, impingement, and entrainment. 10 C.F.R. § 51.53(c)(3)(ii)(B).

For its section 316(b) determination, Entergy evaluated the environmental impacts on aquatic resources from entrainment, impingement, and heat shock in their ER (in sections 4.2 to 4.4). It also included a detailed section 316(a) demonstration in its application to amend its NPDES permit. Therefore, it is evident that Entergy has provided all of the information that is explicitly required in the regulations. The amended permit is under an ongoing appeal. The impact of this appeal on my decision is discussed in Section B.4.

2. *Implicit ER Requirements*

While Entergy has clearly met the explicit requirements of the regulations, the next question to address is whether the requirements of section 51.53(c)(3)(ii)(B) are inclusive of all the information needed in an ER. To resolve this issue, I turn to the discussion of the analyses that must be performed by the Staff in preparing the SEIS, using section 51.71(d) and section 51.95(c) of the NRC regulations for guidance. The former section states that the draft SEIS for a license renewal will rely on conclusions presented in the GEIS for Category 1 issues, but must contain an analysis of those issues identified as Category 2. As mentioned above, the only Category 2 issues related to this contention (i.e., thermal impacts on aquatic ecology) are entrainment, impingement, and heat shock. These impacts are addressed in the requirements of a CWA § 361(a) demonstration and the section 316(b) determination. As referenced by VANR's NPDES permit, Entergy has submitted these analyses in their ER and in their application to amend their NPDES permit.

Besides the Category 2 issues, section 51.71(d) does not require any other specific analyses for license renewals in the draft SEIS. Likewise, section 51.95(c) does not require any other new analyses from the Staff in the final SEIS that might affect the contents of the Applicant's ER. Therefore, the ER requirements listed in section 51.53(c)(3)(ii)(B) appear to be inclusive, since the regulations do not require the Staff to evaluate any other specific analyses in preparing their SEIS.

The information required by the regulations is now included in the LRA. Therefore, there is no material dispute and the contention should be rejected. To

require the Applicant to do more is an impermissible challenge to a Commission regulation and outside the scope of the license renewal proceeding. See 10 C.F.R. § 2.335(a).

3. Addressing Impacts of Increased Thermal Discharge Limits

With the granting of a NPDES permit, the State has done a thorough review of the environmental impacts of the increased thermal limits on aquatic ecology. With additional limitations, VANR concluded that there will be no significant impact from the proposed thermal discharge on aquatic biota.

NEC has specifically raised the issue of cumulative impacts from the thermal increase on the aquatic biota in the adjacent river. While there are several Category 1 issues that are potentially associated with this issue,⁶ cumulative impacts are not identified as a separate listed category in the GEIS. The Commission has already decided that a board cannot admit a contention regarding a Category 1 issue. Also, cumulative impacts of the thermal increase do not directly relate to the limited Category 2 issues of entrainment, impingement, and heat shock. Therefore, the NRC regulations do not allow a contention on this additional environmental issue, since it is beyond those delineated in the GEIS. Any contention that attempts to do so is a direct challenge to a Commission regulation and outside the scope of the license renewal proceeding. See 10 C.F.R. § 2.335(a). A petitioner has two options available to expand the scope of the relevant issues, including: (1) submitting a petition for rulemaking under 10 C.F.R. § 2.802, or (2) requesting a waiver of the regulations from the Commission under 10 C.F.R. § 2.335(b). To the best of my knowledge, NEC has not initiated either of these options.

While not directly required as part of the GEIS, cumulative impacts from effluent discharges have been addressed by Entergy in their application to amend the NPDES permit. VANR notes that the section 316(a) demonstration has considered cumulative impacts and it showed that the alternative effluent limitations will assure the protection and propagation of the aquatic habitat. As discussed in the Responsiveness Summary (RS), these conclusions were based on more than 30 years of monitoring and using predicative analysis by a calibrated computer simulation modeling of the Vernon pool and the tailwater reach below the dam (RS for Permit No. 3-1199, at p. 2-3). Therefore, Entergy has addressed the issue of this contention, even though it is not specifically required to do so by the NRC regulations.

⁶These include, but are not necessarily limited to, accumulation of contaminants in sediments or biota; cold shock; thermal plume barrier to migrating fish; distribution of aquatic organisms; premature emergence of aquatic insects; gas supersaturation; low dissolved oxygen; losses from predation, parasitism, and disease among organisms exposed to sublethal stresses; and stimulations of nuisance organisms. 10 C.F.R. Part 51, Subpart A, Appendix B.

VANR has the opportunity to re-address these effluent limits every 5 years during renewal of the NPDES permit, and to modify the parameters, if necessary, to protect the aquatic biota. In essence, the NPDES renewal period provides an ongoing assessment of cumulative impacts throughout the life of the plant. Based on this, cumulative impacts have been addressed for this issue.

4. NPDES Permit Status

The amendment to Entergy's NPDES permit (authorizing the temperature increase to the thermal discharges under question in this contention) was approved on March 30, 2006, and expired the next day. However, NEC admits that permit remains in effect until the review of the renewal application is complete. NEC Reply at 4; Tr. at 291-92.

The approved amendment was appealed and, in fact, was recently stayed by the State of Vermont Environmental Court on August 28, 2006. I considered the option of admitting this contention as one of omission until this case is decided. However, I ruled out this option as pointless. If the appeal is upheld and the NPDES permit is revoked, the effluent limitations revert back to the previous values and there will be no increase in thermal discharge, rendering this contention moot. If the appeal is denied and the NPDES permit is reinstated, it is my opinion that the contention is inadmissible for the reasons presented in Sections B.1 and B.2. If the NPDES permit is reinstated with modifications, the petitioner may request leave to amend their contention or file a new contention under 10 C.F.R. § 2.309(f)(2).

The petitioner also argues two other points: (1) that the permit will expire in 5 years, before the license renewal period even starts, and (2) that there is no valid section 316 determination since only part of the period was approved for the increased temperatures. In regards to the first issue, the 5-year renewal period for the NPDES permit seems to provide additional assurances that thermal increases will not affect aquatic biota by providing ongoing reassessment on the response of the steam to the higher discharge limits. As mentioned in Section B.3, the NPDES renewal period essentially provides a rolling assessment of cumulative impacts throughout the life of the plant.

In approving Entergy's amendment application, VANR agreed that the CWA § 316(a) demonstration was conclusive for the period from June 16 to October 14, but was inconclusive for the period from May 16 to June 15. As is their right under the CWA, VANR placed additional limitations on the thermal discharge by not approving them for the first portion of the request period (i.e., May 16 to June 15) and only approving the increased temperatures for the second part of the requested period (i.e., June 16 to October 14). These limits may be modified in the future if additional site monitoring indicates that the observed impact on aquatic biota warrants an alternation to these time periods. NEC's environment

contention does not apply to the first period since the temperatures will remain at the previous values. The contention applies to the second period, but should be rejected for the reasons discussed in Sections B.1 and B.2.

5. Consistency within NRC Regulations, CWA, and NEPA

Contrary to what is alleged by NEC and the majority opinion, it is not a question of whether NRC is required to perform a NEPA analysis. The regulations make it clear that, under NEPA, the Commission must analyze the environmental impacts from the proposed action, i.e., license renewal in this case. The Commission has met its NEPA requirements by assessing the environmental impacts associated with license renewal applications in the GEIS. 10 C.F.R. Part 51, Subpart A, Appendix B.

The real dispute related to how the CWA effluent limitations relating to thermal discharge (i.e., sections 316, 401, and 402) are handled in the EIS. In accordance with 10 C.F.R. § 51.71(d), the Staff is required to rely on the conclusions of the GEIS for Category 1 issues and is required to augment the GEIS by evaluating Category 2 site-specific alternative analyses in the SEIS. As mentioned, the three Category 2 issues related to thermal discharge impacts on aquatic biota from once-through cooling systems have been addressed by Entergy's section 316 demonstrations and determinations. In accordance with 10 C.F.R. § 51.71(d), the water pollution limitations imposed pursuant to FWPCA for thermal discharges at Vermont Yankee (i.e., section 316 analyses) must be relied upon in the overall assessment of environmental impacts from the licensed renewal period.

These restrictive requirements in the NRC regulations are consistent with section 511(c)(2) of the CWA, which states that nothing in NEPA authorizes any federal agency to: (1) review any effluent limitation or other requirement established pursuant to the CWA, or (2) impose any effluent limitations other than those established pursuant to FWPCA. Therefore, water pollution limitations or requirements promulgated or imposed pursuant to the FWPCA must be followed as a compliance limitation in the analysis of the overall environmental impacts from the proposed activity. See 10 C.F.R. § 51.71(d).

Having said this, it is important to note that the Commission is not exempt from assessing the overall environmental impacts of the project in accordance with NEPA requirements. As noted in footnote 3 of section 51.71(d) of the NRC regulations, "compliance with the environmental water quality standards and requirements of FWPCA . . . is not a substitute for and does not negate the requirement for NRC to weight all environmental effects of the proposed action."

Here, as in other sections of the regulations (e.g., sections 51.45(c) and 51.53(c)), the proposed action is the license renewal, not the effluent discharge.⁷

What these regulations and accompanying footnote say is that a NEPA analysis must be performed on all environmental effects of the license renewal, but, with regards to thermal discharge (or other CWA requirements), the effluent limitations (e.g., section 316 for thermal discharges) or other requirements imposed by the State (as part of the CWA § 401 water quality certification and CWA § 402 NPDES permit) cannot be altered. In a case such as this where the State of Vermont has assessed the aquatic impacts in approving the plant's cooling system, the NRC must take their evaluation at face value and may not undercut their judgment by undertaking an independent analysis or establishing its own standards. *Carolina Power and Light Co.* (H.B. Robinson, Unit 2), ALAB-569, 10 NRC 557, 562 (1979); *Tennessee Valley Authority* (Yellow Creek Nuclear Plant, Units 1 and 2), ALAB-515, 8 NRC 702, 712-13, 715 (1978). However, the Agency must still perform a NEPA analysis for the license renewal, taking a hard look at other alternatives but not altering CWA effluent limitations.

In addition to not usurping the authority of other permitting agencies, NRC recognized that the "permit process authorized by the FWPCA is an adequate mechanism for control and mitigation of potential aquatic impacts." Proposed Rule: "Environmental Review for Renewal of Operating Licenses," 56 Fed. Reg. 47,016, 47,019 (Sept. 17, 1991). To require another analysis of alternatives on effluent limitations under NEPA would amount to an unnecessary and repetitive review of the water quality impacts already addressed by another permitting agency. However, when no assessment of aquatic impacts has been performed by any other permitting authority, NRC regulations require the Commission to establish the magnitude of potential impacts. See 10 C.F.R. § 51.71(d) n.3. This NRC requirement is also consistent with the CWA since section 511(c) would no longer apply.

C. Summary

Entergy has provided all the ER information required by the regulations. The applicant has addressed the section 316(b) determination in their ER, and cumulative impacts (as well as a section 316(a) demonstration) in their application

⁷To accept much of the argument in the NEC petition and the majority opinion, it seems that one would have to define the proposed action as the effluent discharge. With this definition, the requirements to "weigh all environmental effects" would specifically apply to the effluent discharge and not to the overall license renewal. This clearly is not the case, because to accept this position would make the NEPA mandate of weighing all environmental effects incompatible with section 511(c)(2) of FWPCA which prohibits an agency from using NEPA to impose other effluent limitations besides those authorized by FWPCA.

to amend their NPDES permit. While the NPDES amendment application was not yet approved when the LRA was submitted, the omission of the permit authorizing the thermal increase was rectified with Entergy's July 27, 2006, submittal. This contention is inadmissible on the grounds of lacking a real dispute, because the applicant has addressed the specific environmental concerns raised by NEC and done so in accordance with NRC regulations.

The approved NPDES permit amendment is presently being appealed and has recently been stayed by the State of Vermont Environmental Court. The future status of the permit does not affect the opinion presented herein. Specifically, NEC's contention deals solely with the impacts from the increased thermal limits desired by Entergy. If the approved NPDES permit is overturned, the license reverts back to the original effluent limitations in the previous permit, and the increased thermal discharges will not take place, rendering this contention moot.

There is no procedural way in a license renewal proceeding before this Board to further evaluate cumulative impacts from thermal discharge. To require an applicant to address this impact beyond the limited Category 2 issues of entrainment, impingement, and heat shock would inappropriately challenge a Category 1 issue. The cumulative impacts from the thermal discharge during the license renewal period that NEC tried to raise are not among the Category 2 issues. Moreover, the inability to review and alter the effluent limitations that have been built into the NRC regulations is consistent with CWA § 511(c). Consequently, NEC's contention in this license renewal proceeding, based solely on their undifferentiated claim that the Applicant has failed to analyze the cumulative effects of thermal discharge during the license renewal period would be a direct challenge to the NRC regulations and should be rejected.

Attachment 2

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

ATOMIC SAFETY AND LICENSING BOARD

Before Administrative Judges:

Ann Marshall Young, Chair
Dr. Paul B. Abramson
Dr. Richard F. Cole

In the Matter of

Docket No. 50-293-LR
(ASLBP No. 06-848-02-LR)

ENTERGY NUCLEAR GENERATION
COMPANY and ENTERGY
NUCLEAR OPERATIONS, INC.
(Pilgrim Nuclear Power Station)

October 16, 2006

In this license renewal proceeding the Licensing Board rules that the public interest organization, Pilgrim Watch, and the Massachusetts Attorney General, both of which have petitioned to intervene, have standing to participate in the proceeding; that Pilgrim Watch has submitted two admissible contentions and is therefore admitted as a party; but that the Attorney General has failed to submit an admissible contention and is therefore not admitted as a party to the proceeding.

**RULES OF PRACTICE: STANDING TO INTERVENE;
INTERVENTION**

A petitioner's standing, or right to participate in a Commission licensing proceeding, is grounded in section 189a of the Atomic Energy Act (AEA), which requires the NRC to provide a hearing "upon the request of any person whose interest may be affected by the proceeding," and which has been implemented in Commission regulations at 10 C.F.R. § 2.309.

RULES OF PRACTICE: STANDING TO INTERVENE; INTERVENTION

Judicial concepts of standing, to which licensing boards are to look in ruling on standing, provide the following guidance in determining whether a petitioner has established the necessary "interest" under 10 C.F.R. § 2.714(d)(1): To qualify for standing a petitioner must allege (1) a concrete and particularized injury that is (2) fairly traceable to the challenged action and (3) likely to be redressed by a favorable decision, criteria commonly referred to, respectively, as "injury in fact," causality, and redressability. The injury may be either actual or threatened, but must lie arguably within the "zone of interests" protected by the statutes governing the proceeding — here, either the AEA or the National Environmental Policy Act (NEPA).

RULES OF PRACTICE: STANDING TO INTERVENE; INTERVENTION

Individual petitioners living within 50 miles of a nuclear power plant may establish standing based on a longstanding "proximity presumption" principle in NRC adjudicatory proceedings, under which the elements of standing will be presumed to be satisfied if an individual lives within the zone of possible harm from a significant source of radioactivity, in the geographical area that might be affected by an accidental release of fission products, which has been defined in proceedings involving nuclear power plants as being within a 50-mile radius of such a plant.

RULES OF PRACTICE: STANDING TO INTERVENE; INTERVENTION

An organization that wishes to establish standing to intervene may do so by demonstrating either organizational standing or representational standing. In order to establish organizational standing it must show that the interests of the organization will be harmed by the proceeding. To establish representational standing it must (1) demonstrate that the interests of at least one of its members may be affected by the licensing action and would have standing to sue in his or her own right, (2) identify that member by name and address, and (3) show that the organization is authorized to request a hearing on behalf of that member. Public interest group Petitioner Pilgrim Watch is found to have established representational standing under these criteria.

RULES OF PRACTICE: STANDING TO INTERVENE; INTERVENTION

Under 10 C.F.R. § 2.309(d)(2) a State that wishes to be a party in a proceeding for a facility located within its boundaries need not address the standing requirements, and the Massachusetts Attorney General is therefore found to have standing to participate as the representative of the State of Massachusetts.

RULES OF PRACTICE: CONTENTIONS

To intervene in an NRC proceeding, a petitioner must, in addition to demonstrating standing, submit at least one contention meeting the requirements of 10 C.F.R. § 2.309(f)(1). Failure of a contention to meet any of the requirements of section 2.309(f)(1) is grounds for its dismissal.

RULES OF PRACTICE: CONTENTIONS

The "strict contention rule serves multiple interests," including, first, focusing the hearing process on real disputes susceptible of resolution in an adjudication (for example, a petitioner may not demand an adjudicatory hearing to attack generic NRC requirements or regulations, or to express generalized grievances about NRC policies); second, by requiring detailed pleadings, putting other parties in the proceeding on notice of the petitioner's specific grievances and thereby giving them a good idea of the claims they will be either supporting or opposing; and, third, helping to ensure that full adjudicatory hearings are triggered only by those able to proffer at least some minimal factual and legal foundation in support of their contentions.

RULES OF PRACTICE: CONTENTIONS

Although the February 2004 revision of the NRC procedural rules no longer incorporates provisions formerly found in 10 C.F.R. § 2.714(a)(3), (b)(1), which permitted the amendment and supplementation of petitions and filing of contentions after the original filing of petitions, they contain essentially the same substantive admissibility standards for contentions, which are now found in 10 C.F.R. § 2.309(f), and which are discussed in an Appendix to the Memorandum and Order that also addresses various case law interpreting the requirements in question.

LICENSE RENEWAL: SCOPE

The regulatory authority relating to license renewal is found in 10 C.F.R.

Parts 51 and 54. Part 54 concerns the "Requirements for Renewal of Operating Licenses for Nuclear Power Plants," and addresses safety-related issues in license renewal proceedings. Part 51, concerning "Environmental Protection Regulations for Domestic Licensing and Related Regulatory Functions," addresses the environmental aspects of license renewal.

LICENSE RENEWAL: SCOPE

As described by the Commission in the license renewal adjudicatory proceeding of *Florida Power & Light Co. (Turkey Point Nuclear Generating Plant, Units 3 and 4)*, CLI-01-17, 54 NRC 3 (2001), the NRC license renewal safety review is focused "upon those potential detrimental effects of aging that are not routinely addressed by ongoing regulatory oversight programs," which the Commission considers "the most significant overall safety concern posed by extended reactor operation," and on "plant systems, structures, and components for which current [regulatory] activities and requirements may not be sufficient to manage the effects of aging in the period of extended operation." An issue can be related to plant aging and still not warrant review at the time of a license renewal application, if an aging-related issue is "adequately dealt with by regulatory processes" on an ongoing basis. For example, if a structure or component is already required to be replaced "at mandated, specified time periods," it would fall outside the scope of license renewal review.

LICENSE RENEWAL: SCOPE

The regulatory provisions relating to the environmental aspects of license renewal arise out of the requirement that the National Environmental Policy Act (NEPA), 42 U.S.C. § 4332(C), places on federal agencies to "include in every recommendation or report on . . . major Federal actions significantly affecting the quality of the human environment, a detailed statement by the responsible official on . . . the environmental impact of the proposed action . . ." As noted by the Supreme Court in *Robertson v. Methow Valley Citizens Council*, 490 U.S. 332, 349 (1989), the "statutory requirement that a federal agency contemplating a major action prepare such an environmental impact statement [EIS] serves NEPA's 'action-forcing' purpose in two important respects. . . . It ensures that the agency, in reaching its decision, will have available, and will carefully consider, detailed information concerning significant environmental impacts; it also guarantees that the relevant information will be made available to the larger audience that may also play a role in both the decisionmaking process and the implementation of that decision."

LICENSE RENEWAL: SCOPE

Although the requirements of NEPA are directed to federal agencies and thus the primary duties of NEPA fall on the NRC Staff in NRC proceedings, the initial requirement to analyze the environmental impacts of an action, including license renewal, is directed to applicants, and 10 C.F.R. § 51.53(c) requires a license renewal applicant to submit with its application an environmental report (ER), which "must contain a description of the proposed action, including the applicant's plans to modify the facility or its administrative control procedures as described in accordance with § 54.21," and "describe in detail the modifications directly affecting the environment or affecting plant effluents that affect the environment."

LICENSE RENEWAL: SCOPE

Environmental issues identified as "Category 1," or "generic," issues in Appendix B to Subpart A of Part 51 are not within the scope of a license renewal proceeding. On these issues the Commission found that it could draw generic conclusions that are applicable to nuclear power plants generally. Thus these issues need not be repeatedly assessed on a plant-by-plant basis, and license renewal applicants may in their ERs refer to and adopt the generic environmental impact findings found in Table B-1, Appendix B, for all Category 1 issues, with the following exception: as required by 10 C.F.R. § 51.53(c)(3)(iv), ERs must also contain "any new and significant information regarding the environmental impacts of license renewal of which the applicant is aware," even if this concerns a Category 1 issue.

LICENSE RENEWAL: SCOPE

The Commission was not able to make generic environmental findings on issues identified as "Category 2," or "plant specific," issues in Appendix B to Subpart A, and thus these issues are within the scope of license renewal, and applicants must provide a plant-specific review of them. These issues are characterized by the Commission as involving environmental impact severity levels that could differ significantly from plant to plant, or impacts for which additional plant-specific mitigation measures should be considered.

LICENSE RENEWAL: SCOPE

As required under 10 C.F.R. § 51.95(c), the Commission in 1996 adopted a "Generic Environmental Impact Statement for License Renewal of Nuclear Plants" (GEIS), published as NUREG-1437, which provides data supporting the

table of Category 1 and 2 issues in Appendix B. Issuance of the 1996 GEIS was part of an amendment of the requirements of Part 51 undertaken by the Commission to establish environmental review requirements for license renewals "that were both efficient and more effectively focused."

LICENSE RENEWAL: SCOPE

Section 51.103 of 10 C.F.R. defines the requirements for the "record of decision" relating to any license renewal application, including the standard that the Commission, in making such a decision pursuant to Part 54, "shall determine whether or not the adverse environmental impacts of license renewal are so great that preserving the option of license renewal for energy planning decisionmakers would be unreasonable."

RULES OF PRACTICE: CONTENTIONS; LICENSE RENEWAL

Contentions that the Applicant's ER fails to satisfy NEPA because it does not address the environmental impacts of severe spent fuel pool accidents, and fails to address severe accident mitigation alternatives (SAMAs) that would reduce the potential for spent fuel pool water loss and fires, are found inadmissible, on two grounds, neither of which is addressed by relevant rules, but both of which are mandated by relevant Commission precedent in the *Turkey Point* license renewal proceeding. First, the Commission interpreted the term, "severe accidents," to encompass only reactor accidents and not spent fuel pool accidents, which fall within the analysis of the generic Category 1 issue of onsite storage of spent fuel. Second, the Commission has stated, notwithstanding the responsibility of an applicant in its ER (and the NRC Staff in the supplemental EIS that it must prepare) to address "new and significant information" relating even to Category 1 issues, that an alleged failure to address such "new and significant information" does not give rise to an admissible contention, absent a waiver of the rule in 10 C.F.R. § 51.53(c)(3)(i) that Category 1 issues need not be addressed in a license renewal, and no waiver was requested, because the matters at issue were not considered to involve "special circumstances with respect to the subject matter of the particular proceeding," as required by 10 C.F.R. § 2.335(b).

RULES OF PRACTICE: CONTENTIONS; LICENSE RENEWAL

A contention, that Applicant's aging management program is inadequate with regard to aging management of buried pipes and tanks that contain radioactively contaminated water because it does not provide for monitoring wells that would detect leakage, is admitted, based on its being within the scope of license renewal,

and sufficiently supported as required under the contention admissibility standards of 10 C.F.R. § 2.309(f)(1). In litigation of this contention, scientific articles and reports, as well as the existence of leaks at other facilities and the response to those leaks, may, along with whatever other evidence and expert testimony is provided, be relevant evidence on the factual issues of whether Applicant's aging management program for underground pipes and tanks is satisfactory or deficient, and whether as a result the sort of monitoring wells that Petitioner seeks should be included in this program.

RULES OF PRACTICE: CONTENTIONS; LICENSE RENEWAL

A contention, that Applicant's aging management program fails to adequately assure the continued integrity of the drywell liner for the requested license extension, is denied, because it fails to meet the requirement of 10 C.F.R. § 2.309(f)(vi) that sufficient information be shown to demonstrate that a genuine dispute exists with the Applicant on a material issue of law or fact. Applicant provided a detailed application amendment on how it addressed the matter, and Petitioner failed to state with any specificity or provide information showing how the actions and proposed actions of the Applicant do not comply with the Interim Staff Guidance that Petitioner relied on in support of its contention. A licensing board is not permitted to draw any inferences on behalf of a petitioner, and in the absence of any more specific statement than has been provided, showing how the specific actions of Applicant fall short, or some nexus with problems at other plants, the contention is found to be lacking in its failure to show any genuine dispute on a material issue of fact relating to the matters at issue.

RULES OF PRACTICE: CONTENTIONS

A contention, that Applicant's severe accident mitigation alternatives (SAMA) analysis for the plant is deficient regarding input data on evacuation times, economic consequences, and meteorological patterns, resulting in incorrect conclusions about the costs versus benefits of possible mitigation alternatives such that further analysis is called for, is admitted. SAMAs are within the scope of license renewal as a Category 2 issue; Petitioner is found to have raised questions about input data that are material in these three areas because they concern significant health and safety issues that affect the outcome of the proceeding; and Petitioner is found to have adequately supported its contention under the contention admissibility standards of 10 C.F.R. § 2.309(f)(1).

That some of the information provided by Petitioner on evacuation-related issues is apparently in conflict with some of the data taken by Applicant from the plant's emergency plan is found not to preclude its being considered, because,

while emergency planning has been found in the *Turkey Point* proceeding to be "one of the *safety issues* that need not be re-examined within the context of license renewal," what is challenged in this contention is whether particular bits of information taken from such a plan are sufficiently accurate for use in computing the health and safety consequences of an accident, as an *environmental issue*. Because this challenge is focused upon the accuracy of certain assumptions and input data used in the SAMA computations and how they affect the validity of the SAMA analysis under NEPA, it is found to be appropriate in the three areas admitted.

RULES OF PRACTICE: CONTENTIONS; LICENSE RENEWAL

A contention, that new and significant information about cancer rates in communities around the plant shows that another 20 years of operations may result in greater offsite radiological impacts on human health than was previously known, is denied, because it attempts to challenge both generic findings made in the GEIS, and NRC dose limit rules, without a waiver. Petitioner conceded that it was not suggesting that radiological releases from the plant are greater than currently allowed by the NRC regulations, and thus its contention regarding radiological releases must necessarily be construed as a challenge to the current NRC dose limit regulations found in 10 C.F.R. Part 20, and without a waiver under 10 C.F.R. § 2.335, no request for which was submitted, such a challenge is impermissible in an adjudication proceeding.

TABLE OF CONTENTS

I. INTRODUCTION	266
II. BACKGROUND	266
III. BOARD RULINGS ON STANDING OF PETITIONERS TO PARTICIPATE IN PROCEEDING	269
IV. STANDARDS FOR ADMISSIBILITY OF CONTENTIONS IN LICENSE RENEWAL PROCEEDINGS	272
A. Regulatory Requirements on Contentions	272
B. Scope of Subjects Admissible in License Renewal Proceedings	274
1. Safety-Related Issues	275
2. Environmental Issues	277
V. PETITIONERS' CONTENTIONS, PARTY ARGUMENTS, AND LICENSING BOARD ANALYSIS AND RULINGS	280

A. Massachusetts Attorney General's Contention and Pilgrim Watch Contention 4 (Regarding Spent Fuel Pool Accidents) ...	280
1. Entergy Answer	284
2. NRC Staff Response	286
3. Massachusetts AG and Pilgrim Watch Replies to Entergy and NRC Staff	286
4. Licensing Board Ruling	288
B. Pilgrim Watch Contention 1 (Regarding Inspection for Underground Leaks)	300
1. Entergy Answer	304
2. NRC Staff Response	306
3. Pilgrim Watch Replies to Entergy and NRC Staff	308
4. Licensing Board Ruling	310
C. Pilgrim Watch Contention 2 (Regarding Monitoring for Corrosion in Drywell Liner)	315
1. Entergy Answer	318
2. NRC Staff Response	320
3. Pilgrim Watch Replies to Entergy and NRC Staff	320
4. Licensing Board Ruling	321
D. Pilgrim Watch Contention 3 (Regarding SAMA Analysis)	323
1. Entergy Answer	326
2. NRC Staff Response	331
3. Pilgrim Watch Replies to Entergy and NRC Staff	334
4. Licensing Board Ruling	338
E. Pilgrim Watch Contention 5 (Regarding Radiological Impacts on Human Health)	341
1. Entergy Answer	344
2. NRC Staff Response	345
3. Pilgrim Watch Replies to Entergy and NRC Staff	346
4. Licensing Board Ruling	347
VI. CONCLUSION	348
VII. ORDER	348
APPENDIX: SUMMARY OF GOVERNING CASE LAW ON CONTENTION ADMISSIBILITY STANDARDS	351

MEMORANDUM AND ORDER
(Ruling on Standing and Contentions of Petitioners
Massachusetts Attorney General and Pilgrim Watch)

I. INTRODUCTION

This proceeding involves the application of Entergy Nuclear Operations, Inc., to renew its operating license for the Pilgrim Nuclear Power Station for an additional 20-year period. The Massachusetts Attorney General and the nonprofit citizens' organization, Pilgrim Watch, have filed petitions to intervene, in which they submit contentions challenging various safety and environmental aspects of the proposed license renewal. In addition, the Town of Plymouth, Massachusetts, where the Pilgrim plant is located, is participating in this proceeding as an interested local governmental body, pursuant to 10 C.F.R. §2.315(c).

In this Memorandum and Order we find that both Petitioners have shown standing to participate in the proceeding and that Pilgrim Watch has submitted two admissible contentions. We therefore grant the hearing request of Pilgrim Watch as to Contentions 1 and 3, to the extent discussed and defined below. These contentions relate, respectively, to the aging management program for the Pilgrim plant with regard to inspection for corrosion of buried pipes and tanks and detection of leakage of radioactive water that might result from undetected corrosion and aging; and to certain input data that Pilgrim Watch asserts should have been considered by the Applicant in its "severe accident mitigation alternatives," or "SAMA," analysis.

II. BACKGROUND

Entergy Nuclear Generation Company and Entergy Nuclear Operations, Inc. ("Entergy" or "Applicant") submitted its application requesting renewal of the Pilgrim Nuclear Power Station (PNPS, or "Pilgrim") operating license on January 25, 2006.¹ In response to a March 27, 2006, *Federal Register* notice of opportunity for hearing on the proposed license renewal,² timely requests for a hearing and petitions to intervene were filed by Petitioners Pilgrim Watch

¹ See 71 Fed. Reg. 15,222 (Mar. 27, 2006); see also Pilgrim Nuclear Power Station License Renewal Application, ADAMS Accession No. ML060300028 [hereinafter Application]. In addition to other appendices, the Pilgrim Application includes the Applicant's Environmental Report for Operating License Renewal Stage, ADAMS Accession No. ML060830611 [hereinafter Environmental Report or ER].

² See 71 Fed. Reg. at 15,222.

(PW)³ and the Massachusetts Attorney General (AG),⁴ on May 25 and 26, 2006, respectively. Pilgrim Watch's Petition included five contentions; the Petition filed by the Attorney General proffered a single contention. Subsequently, on June 5, 2006, Pilgrim Watch gave notice pursuant to 10 C.F.R. §§ 2.309(f)(3) and 2.323 of its adoption of the contention filed by the Attorney General,⁵ and on June 16 the Attorney General filed a letter requesting that the Licensing Board apply the June 2, 2006, decision of the U.S. Court of Appeals for the Ninth Circuit in the case, *San Luis Obispo Mothers for Peace v. Nuclear Regulatory Commission*, in ruling on its contention.⁶

Meanwhile, on June 7, 2006, a Licensing Board constituted of Judges Young, Cole, and Nicholas Trikouras was established to preside over this proceeding, and on June 14 the Board issued a scheduling order, providing guidance for the

³ See Request for Hearing and Petition To Intervene by Pilgrim Watch (May 25, 2006) [hereinafter Pilgrim Watch Petition or PW Petition].

⁴ See Massachusetts Attorney General's Request for a Hearing and Petition for Leave To Intervene with Respect to Entergy Nuclear Operation's Inc.'s Application for Renewal of the Pilgrim Nuclear Power Plant Operating License and Petition for Backfit Order Requiring New Design Features To Protect Against Spent Fuel Pool Accidents (May 26, 2006) [hereinafter Attorney General Petition or AG Petition].

As indicated by its title, the AG in its Petition also requests the Commission "to initiate a proceeding for the backfitting of the Pilgrim nuclear power plant to protect against a design-basis accident involving a fire in the spent fuel pool." Attorney General Petition at 50; see *id.* at 48-50. As this part of the petition is directed to the Commission and not this Licensing Board, we have not ruled on it. See Tr. at 157; see also Massachusetts Attorney General's Reply to Entergy's and NRC Staff's Responses to Hearing Request and Petition To Intervene with Respect to Pilgrim License Renewal Proceeding (June 29, 2006) at 31 [hereinafter Attorney General Reply or AG Reply]. We note that on October 10, 2006, the Commission issued an order denying the Attorney General's petitions for backfitting in this and the *Vermont Yankee* proceeding (in which the AG filed an essentially identical contention to that filed in this proceeding, see Massachusetts Attorney General's Request for a Hearing and Petition for Leave To Intervene with Respect to Entergy Nuclear Operations Inc.'s Application for Renewal of the Vermont Yankee Nuclear Power Plant Operating License and Petition for Backfit Order Requiring New Design Features To Protect Against Spent Fuel Pool Accidents (May 26, 2006), ADAMS Accession No. ML061640065), and advising that if the AG wishes to pursue the matter he may file a request for NRC enforcement action under 10 C.F.R. § 2.206. See CLI-06-26, 64 NRC 225, 226-27 (2006).

In addition, the Attorney General on August 25, 2006, filed with the Commission a Petition for Rulemaking To Amend 10 C.F.R. Part 51 with respect to issues relating to spent fuel storage, which likewise is not before this Licensing Board. See Massachusetts Attorney General's Petition for Rulemaking To Amend 10 C.F.R. Part 51 (Aug. 25, 2006), ADAMS Accession No. ML062640409.

⁵ See Notice of Adoption of Contention by Pilgrim Watch (June 5, 2006).

⁶ Letter from Diane Curran to Licensing Board (June 16, 2006), providing Recent Decision by U.S. Court of Appeals for the Ninth Circuit (June 16, 2006), ADAMS Accession No. ML061740349 [hereinafter AG Letter]. The *Mothers for Peace* decision was subsequently published at 449 F.3d 1016 (9th Cir. 2006).

conduct of the proceeding.⁷ The Board subsequently, on June 20, 2006, held a telephone conference to address various prehearing matters,⁸ and, in an Order issued June 21, among other things scheduled, in response to the requests of the Petitioners and the Town of Plymouth, a limited appearance session to hear comments from the public pursuant to 10 C.F.R. § 2.315(a), to be held in early July in conjunction with oral argument on Petitioners' contentions.⁹

The NRC Staff responded to Pilgrim Watch's Notice of Adoption on June 15, 2006,¹⁰ and to the Petitions of Pilgrim Watch and the Attorney General on June 19 and 22, 2006, respectively.¹¹ Entergy filed its Answer to the Attorney General's Petition on June 22, and responded to the Pilgrim Watch Petition on June 26, 2006, including therein its response to Pilgrim Watch's Notice of Adoption of Contention.¹² On June 29, 2006, the Massachusetts Attorney General filed a combined reply to the Answers of Entergy and the NRC Staff.¹³ Pilgrim Watch filed its Replies to the Answers of the NRC Staff and Entergy on June 27 and July 3, 2006, respectively.¹⁴

On July 6 and 7, 2006, the Board held oral argument on the admissibility of the Petitioner's contentions, with the Petitioners, the NRC Staff, Entergy, and the Town of Plymouth participating, in Plymouth, Massachusetts.¹⁵ Following oral argument, the Board required the participants to file supplemental briefs on

⁷ See 71 Fed. Reg. 34,170 (June 13, 2006); Licensing Board Order (Regarding Schedule and Guidance for Proceedings) (June 14, 2006) (unpublished).

⁸ See Transcript at 1-42.

⁹ See Licensing Board Order and Notice (Regarding Oral Argument and Limited Appearance Statement Sessions) (June 21, 2006) (unpublished); Request of Town of Plymouth To Participate as of Right Under 2.315(c) (June 16, 2006).

¹⁰ See NRC Staff Answer to Notice of Adoption of Contentions by Pilgrim Watch (June 15, 2006).

¹¹ See NRC Staff's Response to Request for Hearing and Petition To Intervene Filed by Pilgrim Watch (June 19, 2006) [hereinafter Staff Response to PW Petition]; NRC Staff Answer Opposing Massachusetts Attorney General's Request for Hearing and Petition for Leave To Intervene and Petition for Backfit Order (June 22, 2006) [hereinafter Staff Response to AG Petition].

¹² See Entergy's Answer to the Massachusetts Attorney General's Request for a Hearing, Petition for Leave To Intervene, and Petition for Backfit Order (June 22, 2006) [hereinafter Entergy Answer to AG Petition]; Entergy's Answer to the Request for Hearing and Petition To Intervene by Pilgrim Watch and Notice of Adoption of Contention (June 26, 2006) [hereinafter Entergy Answer to PW Petition].

¹³ See Attorney General Reply.

¹⁴ See Pilgrim Watch Reply to NRC Answer to Request for Hearing and Petition To Intervene by Pilgrim Watch (June 27, 2006) [hereinafter PW Reply to NRC Staff]; Pilgrim Watch Reply to Entergy Answer to Request for Hearing and Petition To Intervene by Pilgrim Watch (July 3, 2006) [hereinafter PW Reply to Entergy].

¹⁵ See Tr. at 40-456. While in Plymouth the Board also conducted the previously scheduled limited appearance session, hearing statements of members of the public pursuant to 10 C.F.R. § 2.315(a). Limited Appearance Transcript at 1-36.

material insufficiently addressed by the participants to that point.¹⁶ The parties submitted these briefs on July 21,¹⁷ and the Attorney General filed a reply to the briefs filed by Entergy and the NRC Staff on July 26, 2006.¹⁸ On July 27, 2006, the Board held a teleconference to discuss the supplemental briefs and topics regarding two of the proffered NEPA-based contentions.¹⁹

Additionally, at the conclusion of the July 27 teleconference, Judge Trikouros read into the record a disclosure statement outlining work that was previously performed by a consulting company of which he was a principal, which included certain analytical services for Entergy regarding a spent fuel pool for another pressurized water reactor owned and operated by Entergy.²⁰ This was followed by the August 4 filing, by the Attorney General and Pilgrim Watch, of Motions for Disqualification of Judge Trikouros, which were opposed by Entergy in a Response filed August 14, 2006.²¹ Acting on the Motions, Judge Trikouros recused himself from the proceeding on August 30, 2006; on the same date, the Chief Administrative Judge of the Atomic Safety and Licensing Board Panel reconstituted the Licensing Board by appointing Administrative Judge Paul B. Abramson to sit in place of Judge Trikouros.²² The deliberations that have led to the rulings herein stated have been among the members of the Board as currently constituted.

III. BOARD RULINGS ON STANDING OF PETITIONERS TO PARTICIPATE IN PROCEEDING

A petitioner's standing, or right to participate in a Commission licensing proceeding, is derived from section 189a of the Atomic Energy Act (AEA), which

¹⁶ See Licensing Board Order (Regarding Need for Further Briefing on Definition of "New and Significant Information" as Addressed in Participants' Petitions, Answers and Replies Relating to Massachusetts Attorney General Contention and Pilgrim Watch Contention 4) (July 14, 2006) (unpublished).

¹⁷ See Entergy's Brief on New and Significant Information in Response to Licensing Board Order of July 14, 2006 (July 21, 2006); Massachusetts Attorney General's Brief Regarding Relevance to This Proceeding of Regulatory Guide's Definition of "New and Significant Information" (July 21, 2006) NRC Staff's Response to July 14, 2006 Licensing Board Order (July 21, 2006).

¹⁸ See Massachusetts Attorney General's Reply Brief Regarding Relevance to This Proceeding of Regulatory Guide's Definition of "New and Significant Information" (July 26, 2006).

¹⁹ See Tr. at 457-93.

²⁰ See Tr. at 489-92.

²¹ See Massachusetts Attorney General's Motion for Disqualification of Judge Nicholas Trikouros (Aug. 4, 2006); Motion on Behalf of Pilgrim Watch for Disqualification of Judge Nicholas Trikouros in the Pilgrim Nuclear Power Station Re-licensing Proceeding (Aug. 4, 2006); Entergy's Response to Motions for Disqualification of Judge Nicholas Trikouros (Aug. 14, 2006).

²² See Notice of Reconstitution (Aug. 30, 2006), 71 Fed. Reg. 52,590 (Sept. 6, 2006).

requires the NRC to provide a hearing "upon the request of any person whose interest may be affected by the proceeding."²³ The Commission has implemented this requirement in its regulations at 10 C.F.R. § 2.309.²⁴

When determining whether a petitioner has established the necessary "interest" under Commission rules, licensing boards are directed by Commission precedent to look to judicial concepts of standing for guidance.²⁵ Under this authority, in order to qualify for standing a petitioner must allege "(1) a concrete and particularized injury that is (2) fairly traceable to the challenged action and (3) likely to be redressed by a favorable decision" — three criteria commonly referred to as "injury in fact," causality, and redressability.²⁶ The requisite injury may be either actual or threatened,²⁷ but must arguably lie within the "zone of interests" protected by the statutes governing the proceeding — here, either the AEA or the National Environmental Policy Act (NEPA).²⁸ Additionally, Commission case law has established a "proximity presumption," whereby an individual may satisfy these standing requirements by demonstrating that his or her residence is within the geographical area that might be affected by an accidental release of fission products, and in proceedings involving nuclear power plants this area has been defined as being within a 50-mile radius of such a plant.²⁹ Accordingly, it will be presumed that the elements of standing are satisfied if an individual lives within the zone of possible harm from the significant source of

²³ 42 U.S.C. § 2239(a)(1)(A) (2000).

²⁴ Subsection (d)(1) of section 2.309 provides in relevant part that the Board shall consider three factors when deciding whether to grant standing to a petitioner: the nature of the petitioner's right under the AEA to be made a party to the proceeding; the nature and extent of the petitioner's property, financial, or other interest in the proceeding; and the possible effect of any order that may be entered in the proceeding on the petitioner's interest. 10 C.F.R. § 2.309(d)(1)(ii)-(iv). The provisions of 10 C.F.R. § 2.309 were formerly found in 10 C.F.R. § 2.714, prior to a major revision of the Commission's procedural rules for adjudications in 2004.

²⁵ See, e.g., *Yankee Atomic Electric Co.* (Yankee Nuclear Power Station), CLI-98-21, 48 NRC 185, 195 (1998); *Quivira Mining Co.* (Ambrosia Lake Facility, Grants, New Mexico), CLI-98-11, 48 NRC 1, 5-6 (1998); *Georgia Institute of Technology* (Georgia Tech Research Reactor, Atlanta, Georgia), CLI-95-12, 42 NRC 111, 115 (1995).

²⁶ *Yankee*, CLI-98-21, 48 NRC at 195 (citing *Steel Co. v. Citizens for a Better Environment*, 523 U.S. 83, 102-04 (1998); *Kelley v. Selin*, 42 F.3d 1501, 1508 (6th Cir. 1995)).

²⁷ *Id.* (citing *Wilderness Society v. Griles*, 824 F.2d 4, 11 (D.C. Cir. 1987)).

²⁸ *Id.* at 195-96 (citing *Ambrosia Lake Facility*, CLI-98-11, 48 NRC at 6).

²⁹ See *Florida Power & Light Co.* (St. Lucie Nuclear Power Plant, Units 1 and 2), CLI-89-21, 30 NRC 325, 329 (1989); *Florida Power & Light Co.* (Turkey Point Nuclear Generating Plant, Units 3 and 4), LBP-01-6, 53 NRC 138, 146-50 (2001); *Virginia Electric and Power Co.* (North Anna Nuclear Power Station, Units 1 and 2), ALAB-522, 9 NRC 54, 56 (1979) ("close proximity [to a facility] has always been deemed to be enough, standing alone, to establish the requisite interest" to confer standing).

radioactivity, without requiring a party to specifically plead injury, causation, and redressability.³⁰

An organization, such as Pilgrim Watch, that wishes to establish standing to intervene may do so by either demonstrating organizational standing or representational standing. In order to establish organizational standing it must show that the interests of the organization will be harmed by the proceeding, while an organization seeking representational standing must demonstrate that the interests of at least one of its members will be harmed by the proceeding.³¹ For an organization to establish representational standing, the organization must: (1) show that at least one of its members may be affected by the licensing action and, accordingly, would have standing to sue in his or her own right; (2) identify that member by name and address; and (3) show that the organization is authorized to request a hearing on behalf of that member.³² Further, the Commission's regulations explain that a State "that wishes to be a party in a proceeding for a facility located within its boundaries need not address the standing requirements." 10 C.F.R. § 2.309(d)(2).

Entergy does not challenge either the Massachusetts Attorney General's or Pilgrim Watch's standing to participate in this proceeding.³³ The NRC Staff does not contest the standing of the Massachusetts Attorney General to intervene in this proceeding,³⁴ and because Pilgrim Watch's representative, Mary Lampert, meets the longstanding "proximity presumption" principle in NRC adjudicatory proceedings, the NRC Staff does not dispute that Pilgrim Watch has demonstrated representational standing.³⁵

We agree, based on the physical proximity of their representative to the Pilgrim Nuclear Power Station, and because the affected member has authorized the Petitioner organization to represent her in this proceeding, that the Pilgrim Watch has demonstrated representational standing to participate under AEA § 189a and the Commission's rules.³⁶ Further, we find that the Massachusetts Attorney General has standing to participate in this proceeding as a representative of the State of Massachusetts as outlined by the Commission in 10 C.F.R. § 2.309(d)(2).

³⁰ See *id.*

³¹ See *Yankee*, CLI-98-21, 48 NRC at 195.

³² See *GPU Nuclear, Inc.* (Oyster Creek Nuclear Generating Station), CLI-00-6, 51 NRC 193, 202 (2000).

³³ See Entergy Answer to AG Petition at 2; Entergy Answer to Pilgrim Watch at 2.

³⁴ See NRC Staff Answer to AG Petition at 3.

³⁵ See NRC Staff Answer to Pilgrim Watch at 5.

³⁶ See *Yankee*, CLI-98-21, 48 NRC at 195; *Georgia Tech*, CLI-95-2, 42 NRC at 115; *Turkey Point*, LBP-01-6, 53 NRC at 146-50.

IV. STANDARDS FOR ADMISSIBILITY OF CONTENTIONS IN LICENSE RENEWAL PROCEEDINGS

A. Regulatory Requirements on Contentions

To intervene in an NRC proceeding, a petitioner must, in addition to demonstrating standing, submit at least one contention meeting the requirements of 10 C.F.R. § 2.309(f)(1).³⁷ Failure of a contention to meet any of the requirements of section 2.309(f)(1) is grounds for its dismissal.³⁸ Heightened standards for the admissibility of contentions originally came into being in 1989, when the Commission amended its rules to "raise the threshold for the admission of contentions."³⁹ The Commission has more recently stated that the "contention rule is strict by design," having been "toughened . . . in 1989 because in prior years 'licensing boards had admitted and litigated numerous contentions that appeared to be based on little more than speculation.'"⁴⁰

³⁷ See 10 C.F.R. § 2.309(a). Section 2.309(f)(1) states that:

(1) A request for hearing or petition for leave to intervene must set forth with particularity the contentions sought to be raised. For each contention, the request or petition must:

(i) Provide a specific statement of the issue of law or fact to be raised or controverted;

(ii) Provide a brief explanation of the basis for the contention;

(iii) Demonstrate that the issue raised in the contention is within the scope of the proceeding;

(iv) Demonstrate that the issue raised in the contention is material to the findings the NRC must make to support the action that is involved in the proceeding;

(v) Provide a concise statement of the alleged facts or expert opinions which support the requestor's/petitioner's position on the issue and on which the petitioner intends to rely at hearing, together with references to the specific sources and documents on which the requestor/petitioner intends to rely to support its position on the issue; and

(vi) Provide sufficient information to show that a genuine dispute exists with the applicant/licensee on a material issue of law or fact. This information must include references to the specific portions of the application (including the applicant's environmental report and safety report) that the petitioner disputes and the supporting reasons for each dispute, or, if the petitioner believes that the application fails to contain information on a relevant matter as required by law, the identification of each failure and the supporting reasons for the petitioner's belief.

³⁸ See *Private Fuel Storage, L.L.C.* (Independent Spent Fuel Storage Installation), CLI-99-10, 49 NRC 318, 325 (1999); *Arizona Public Service Co.* (Palo Verde Nuclear Generating Station, Units 1, 2, and 3), CLI-91-12, 34 NRC 149, 155-56 (1991).

³⁹ Rules of Practice for Domestic Licensing Proceedings — Procedural Changes in the Hearing Process, 54 Fed. Reg. 33,168, 33,168 (Aug. 11, 1989); see also *Duke Energy Corp.* (Oconee Nuclear Station, Units 1, 2, and 3), CLI-99-11, 49 NRC 328, 334 (1999).

⁴⁰ *Dominion Nuclear Connecticut, Inc.* (Millstone Nuclear Power Station, Units 2 and 3), CLI-01-24, 54 NRC 349, 358 (2001) (citing *Oconee*, CLI-99-11, 49 NRC at 334).

The Commission has explained that the "strict contention rule serves multiple interests."⁴¹ These include the following (quoted in list form):

First, it focuses the hearing process on real disputes susceptible of resolution in an adjudication. For example, a petitioner may not demand an adjudicatory hearing to attack generic NRC requirements or regulations, or to express generalized grievances about NRC policies.

Second, the rule's requirement of detailed pleadings puts other parties in the proceeding on notice of the Petitioners' specific grievances and thus gives them a good idea of the claims they will be either supporting or opposing.

Finally, the rule helps to ensure that full adjudicatory hearings are triggered only by those able to proffer at least some minimal factual and legal foundation in support of their contentions.⁴²

In February 2004 a new revision of the procedural rules came into effect.⁴³ Although these rules no longer incorporate provisions formerly found in 10 C.F.R. § 2.714(a)(3), (b)(1), which permitted the amendment and supplementation of petitions and the filing of contentions after the original filing of petitions,⁴⁴ and contain various changes to provisions relating to the hearing process,⁴⁵ they contain essentially the same substantive admissibility standards for contentions. In its Statement of Considerations adopting the new rules, the Commission reiterated the same principles that previously applied, namely, that "[t]he threshold standard is necessary to ensure that hearings cover only genuine and pertinent issues of concern and that the issues are framed and supported concisely enough at the outset to ensure that the proceedings are effective and focused on real, concrete issues."⁴⁶ Additional guidance with respect to each of the requirements now found in subsections (i) through (vi) of section 2.309(f)(1) is found in NRC case law.

Although we do not recount this guidance in any detail in the body of this Memorandum, primarily in view of the sheer size of this body of law, we

⁴¹ *Oconee*, CLI-99-11, 49 NRC at 334.

⁴² *Id.* (citations omitted).

⁴³ Changes to Adjudicatory Process, 69 Fed. Reg. 2182 (Jan. 14, 2004).

⁴⁴ Under the current rules, contentions must be filed with the original petition, within 60 days of notice of the proceeding in the *Federal Register* (unless another period is therein specified). See 10 C.F.R. § 2.309(b)(3)(iii).

⁴⁵ In this connection we note that a challenge to the new rules by several public interest groups (supported by several states including Massachusetts) was overruled in the case of *Citizens Awareness Network, Inc. v. NRC* [*CAN v. NRC*], 391 F.3d 338 (1st Cir. 2004). The Court denied the petitions for review, finding that the new procedures "comply with the relevant provisions of the APA and that the Commission has furnished an adequate explanation for the changes." *Id.* at 343.

⁴⁶ 69 Fed. Reg. at 2189-90.

have — because of its critical importance in determining whether petitioners are granted evidentiary hearings in NRC adjudicatory proceedings — attached as an Appendix to our Memorandum and Order a more detailed and in-depth discussion highlighting the contention admissibility standards as they have been interpreted in various NRC adjudication proceedings. Our rulings herein are informed by these requirements and principles.

B. Scope of Subjects Admissible in License Renewal Proceedings

One of the contention admissibility standards limits contentions to issues demonstrated to be “within the scope” of a proceeding.⁴⁷ Commission regulations and case law address in some detail the scope of license renewal proceedings, which generally concern requests to renew 40-year operating licenses for additional 20-year terms.⁴⁸ The regulatory authority relating to license renewal is found in 10 C.F.R. Parts 51 and 54. Part 54 concerns the “Requirements for Renewal of Operating Licenses for Nuclear Power Plants,” and addresses safety-related issues in license renewal proceedings.⁴⁹ Part 51, concerning “Environmental Protection Regulations for Domestic Licensing and Related Regulatory Functions,” addresses the environmental aspects of license renewal.⁵⁰ The Commission has interpreted these provisions in various adjudicatory proceedings, probably most extensively in a decision in the 2001 *Turkey Point* proceeding.⁵¹

⁴⁷ See 10 C.F.R. § 2.309(f)(1)(iii).

⁴⁸ Section 54.31(b) of 10 C.F.R. provides that:

[a] renewed license will be issued for a fixed period of time, which is the sum of the additional amount of time beyond the expiration of the operating license (not to exceed 20 years) that is requested in a renewal application plus the remaining number of years on the operating license currently in effect. The term of any renewed license may not exceed 40 years.

Section 50.51(a) of 10 C.F.R. states in relevant part that “[e]ach [original] license will be issued for a fixed period of time to be specified in the license but in no case to exceed 40 years from date of issuance.”

⁴⁹ See 10 C.F.R. Part 54.

⁵⁰ See 10 C.F.R. Part 51.

⁵¹ See *Florida Power & Light Co.* (Turkey Point Nuclear Generating Plant, Units 3 and 4), CLI-01-17, 54 NRC 3, 11-13 (2001); see also *Duke Energy Corp.* (McGuire Nuclear Station, Units 1 and 2; Catawba Nuclear Station, Units 1 and 2), CLI-02-26, 56 NRC 358, 363-64 (2002); *Baltimore Gas & Electric Co.* (Calvert Cliffs Nuclear Power Plant, Units 1 and 2), CLI-98-14, 48 NRC 39, 41 (1998), motion to vacate denied, CLI-98-15, 48 NRC 45 (1998); *Duke Energy Corp.* (Oconee Nuclear Station, Units 1, 2, and 3), CLI-98-17, 48 NRC 123, 125 (1998); *Florida Power & Light Co.* (Turkey Point Nuclear Generating Plant, Units 3 and 4), CLI-00-23, 52 NRC 327, 329 (2000); *Dominion Nuclear Connecticut, Inc.* (Millstone Nuclear Power Station, Units 2 and 3), LBP-04-15, 60 NRC 81, 90, *aff'd*, CLI-04-36, 60 NRC 631 (2004).

1. Safety-Related Issues in License Renewal Proceedings

Various sections of Part 54 speak to the scope of safety-related issues in license renewal proceedings. First, 10 C.F.R. § 54.4, titled “Scope,” specifies the plant systems, structures, and components that are within the scope of this part.⁵² Sections 54.3 (containing definitions), 54.21 (addressing technical information to be included in an application and further identifying relevant structures and components), and 54.29 (stating the “Standards for issuance of a renewed license”) provide additional definition of what is encompassed within a license renewal review, limiting the scope to aging-management issues and some “time-limited aging analyses” that are associated with the functions of relevant plant systems, structures, and components.⁵³ Applicants must “demonstrate how their programs will be effective in managing the effects of aging during the proposed period of extended operation,” at a “detailed . . . ‘component and structure level,’ rather than at a more generalized ‘system level.’”⁵⁴

The Commission in *Turkey Point* stated that, in developing 10 C.F.R. Part 54 beginning in the 1980s, it sought “to develop a process that would be both efficient, avoiding duplicative assessments where possible, and effective, allowing the NRC Staff to focus its resources on the most significant safety concerns at issue during the renewal term.”⁵⁵ Noting that the “issues and concerns involved in an extended 20 years of operation are not identical to the issues reviewed when a reactor facility is first built and licensed,” the Commission found that

⁵² Section 54.4(a) describes those “systems, structures, and components” that are within scope as:

(1) Safety-related systems, structures, and components which are those relied upon to remain functional during and following design-basis events (as defined in 10 CFR 50.49 (b)(1)) to ensure the following functions —

(i) The integrity of the reactor coolant pressure boundary;

(ii) The capability to shut down the reactor and maintain it in a safe shutdown condition; or

(iii) The capability to prevent or mitigate the consequences of accidents which could result in potential offsite exposures comparable to those referred to in § 50.34(a)(1), § 50.67(b)(2), or § 100.11 of this chapter, as applicable.

(2) All nonsafety-related systems, structures, and components whose failure could prevent satisfactory accomplishment of any of the functions identified in paragraphs (a)(1)(i), (ii), or (iii) of this section.

(3) All systems, structures, and components relied on in safety analyses or plant evaluations to perform a function that demonstrates compliance with the Commission’s regulations for fire protection (10 CFR 50.48), environmental qualification (10 CFR 50.49), pressurized thermal shock (10 CFR 50.61), anticipated transients without scram (10 CFR 50.62), and station blackout (10 CFR 50.63).

⁵³ See Final Rule: “Nuclear Power Plant License Renewal; Revisions,” 60 Fed. Reg. 22,461, 22,463 (May 8, 1995).

⁵⁴ *Turkey Point*, CLI-01-17, 54 NRC at 8 (quoting 60 Fed. Reg. at 22,462).

⁵⁵ *Id.* at 7.

requiring a full reassessment of safety issues that were "thoroughly reviewed when the facility was first licensed" and continue to be "routinely monitored and assessed by ongoing agency oversight and agency-mandated licensee programs" would be "both unnecessary and wasteful."⁵⁶ Nor did the Commission "believe it necessary or appropriate to throw open the full gamut of provisions in a plant's current licensing basis to re-analysis during the license renewal review."⁵⁷

The Commission chose, rather, to focus the NRC license renewal safety review "upon those potential detrimental effects of aging that are not routinely addressed by ongoing regulatory oversight programs," which it considered "the most significant overall safety concern posed by extended reactor operation."⁵⁸ The Commission in *Turkey Point* described some of the "Detrimental Effects of Aging and Related Time-Limited Issues" as follows:

By its very nature, the aging of materials "becomes important principally during the period of extended operation beyond the initial 40-year license term," particularly since the design of some components may have been based explicitly upon an assumed service life of 40 years. See [Final Rule: "Nuclear Power Plant License Renewal," 56 Fed. Reg. 64,943, 64,946 (Dec. 13, 1991)]; see also Final Rule, "Nuclear Power Plant License Renewal; Revisions," 60 Fed. Reg. 22,461, 22,479 (May 8, 1995). Adverse aging effects can result from metal fatigue, erosion, corrosion, thermal and radiation embrittlement, microbiologically induced effects, creep, and shrinkage. Such age-related degradation can affect a number of reactor and auxiliary systems, including the reactor vessel, the reactor coolant system pressure boundary, steam generators, electrical cables, the pressurizer, heat exchangers, and the spent fuel pool. Indeed, a host of individual components and structures are

⁵⁶ *Id.*

⁵⁷ *Id.* at 9. "Current licensing basis" (CLB) is described by the Commission in *Turkey Point* as follows:

["CLB" is] a term of art comprehending the various Commission requirements applicable to a specific plant that are in effect at the time of the license renewal application. The current licensing basis consists of the license requirements, including license conditions and technical specifications. It also includes the plant-specific design basis information documented in the plant's most recent Final Safety Analysis Report, and any orders, exemptions, and licensee commitments that are part of the docket for the plant's license, i.e., responses to NRC bulletins, generic letters, and enforcement actions, and other licensee commitments documented in NRC safety evaluations or licensee event reports. See 10 C.F.R. § 54.3. The current licensing basis additionally includes all of the regulatory requirements found in Parts 2, 19, 20, 21, 30, 40, 50, 55, 72, 73, and 100 with which the particular applicant must comply. *Id.*

.... The [CLB] represents an "evolving set of requirements and commitments for a specific plant that are modified as necessary over the life of a plant to ensure continuation of an adequate level of safety." 60 Fed. Reg. at 22,473. It is effectively addressed and maintained by ongoing agency oversight, review, and enforcement.

Id.

⁵⁸ *Turkey Point*, CLI-01-17, 54 NRC at 7.

at issue. See 10 C.F.R. § 54.21(a)(1)(i). Left unmitigated, the effects of aging can overstress equipment, unacceptably reduce safety margins, and lead to the loss of required plant functions, including the capability to shut down the reactor and maintain it in a shutdown condition, and to otherwise prevent or mitigate the consequences of accidents with a potential for offsite exposures.⁵⁹

The Commission has also framed the focus of license renewal review as being on "plant systems, structures, and components for which current [regulatory] activities and requirements *may not* be sufficient to manage the effects of aging in the period of extended operation."⁶⁰ An issue can be related to plant aging and still not warrant review at the time of a license renewal application, if an aging-related issue is "adequately dealt with by regulatory processes" on an ongoing basis.⁶¹ For example, if a structure or component is already required to be replaced "at mandated, specified time periods," it would fall outside the scope of license renewal review.⁶²

2. Environmental Issues in License Renewal Proceedings

Regulatory provisions relating to the environmental aspects of license renewal arise out of the requirement that the National Environmental Policy Act (NEPA) places on federal agencies to "include in every recommendation or report on . . . major Federal actions significantly affecting the quality of the human environment, a detailed statement by the responsible official on [] the environmental impact of the proposed action . . ."⁶³ As has been noted by the Supreme Court, the "statutory requirement that a federal agency contemplating a major action prepare such an environmental impact statement [EIS] serves NEPA's 'action-forcing' purpose in two important respects":

It ensures that the agency, in reaching its decision, will have available, and will carefully consider, detailed information concerning significant environmental impacts; it also guarantees that the relevant information will be made available to the larger audience that may also play a role in both the decisionmaking process and the implementation of that decision.⁶⁴

⁵⁹ *Id.* at 7-8.

⁶⁰ *Id.* at 10 (citing 60 Fed. Reg. at 22,469) (alteration in original).

⁶¹ *Id.* at 10 n.2.

⁶² *Id.*

⁶³ 42 U.S.C. § 4332; see *Robertson v. Methow Valley Citizens Council*, 490 U.S. 332, 348 (1989).

⁶⁴ *Robertson*, 490 U.S. at 349. Of course, as the Court also noted, "NEPA itself does not mandate particular results, but simply prescribes the necessary process. . . . If the adverse environmental effects of the proposed action are adequately identified and evaluated, the agency is not constrained by NEPA from deciding that other values outweigh the environmental costs." *Id.* at 350 (citations omitted). As

(Continued)

Part 51 of 10 C.F.R. contains NRC's rules relating to and implementing relevant NEPA requirements, and section 51.20(a)(2) requires an environmental impact statement for issuance or renewal of a nuclear reactor operating license. Other sections relating to license renewal include, most significantly, 10 C.F.R. §§ 51.53(c), 51.95(c), and 51.103(a)(5), and Appendix B to Subpart A.

Although the requirements of NEPA are directed to federal agencies and thus the primary duties of NEPA fall on the NRC Staff in NRC proceedings,⁶⁵ the initial requirement to analyze the environmental impacts of an action, including license renewal, is directed to applicants under relevant NRC rules.⁶⁶ Accordingly, section 51.53(c) requires a license renewal applicant to submit with its application an environmental report (ER), which "must contain a description of the proposed action, including the applicant's plans to modify the facility or its administrative control procedures as described in accordance with § 54.21," and "describe in detail the modifications directly affecting the environment or affecting plant effluents that affect the environment."⁶⁷ The report is not required to contain analyses of environmental impacts identified as "Category 1," or "generic," issues in Appendix B to Subpart A of Part 51, but "must contain analyses of the environmental impacts of the proposed action, including the impacts of refurbishment activities, if any, associated with license renewal and the impacts of operation during the renewal term," for those issues identified as "Category 2," or "plant specific," issues in Appendix B to Subpart A.⁶⁸

As required under 10 C.F.R. § 51.95(c), the Commission in 1996 adopted a "Generic Environmental Impact Statement for License Renewal of Nuclear Plants" (GEIS), an extensive study of the potential environmental impacts of extending the operating licenses for nuclear power plants, which was published as NUREG-1437 and provides data supporting the table of Category 1 and 2 issues in Appendix B.⁶⁹ Issuance of the 1996 GEIS was part of an amendment of the requirements of Part 51 undertaken by the Commission to establish environmental

the Court also observed, in the companion case of *Marsh v. Oregon Natural Resources Council*, 490 U.S. 360, 371 (1989), "by focusing Government and public attention on the environmental effects of proposed agency action," NEPA "ensures that the agency will not act on incomplete information, only to regret its decision after it is too late to correct."

⁶⁵ See, e.g., 10 C.F.R. § 51.70(b), which states among other things that "[t]he NRC staff will independently evaluate and be responsible for the reliability of all information used in the draft environmental impact statement."

⁶⁶ See 10 C.F.R. § 51.41.

⁶⁷ 10 C.F.R. § 51.53(c)(2); see § 51.53(c)(1).

⁶⁸ 10 C.F.R. § 51.53(c)(3)(i), (ii).

⁶⁹ See NUREG-1437, "Generic Environmental Impact Statement for License Renewal of Nuclear Plants" (May 1996) [hereinafter GEIS]; Final Rule: "Environmental Review for Renewal of Nuclear Power Plant Operating Licenses," 61 Fed. Reg. 28,467 (June 5, 1996), amended by 61 Fed. Reg. 66,537 (Dec. 18, 1996); 10 C.F.R. Part 51, Subpart A, App. B n.l.

review requirements for license renewals "that were both efficient and more effectively focused."⁷⁰

Issues on which the Commission found that it could draw "generic conclusions applicable to all existing nuclear power plants, or to a specific subgroup of plants," were, as indicated above, identified as "Category 1" issues.⁷¹ This categorization was based on the Commission's conclusion that these issues involve "environmental effects that are essentially similar for all plants," and thus they "need not be assessed repeatedly on a site-specific basis, plant-by-plant."⁷² Thus, under Part 51, license renewal applicants may — with an exception relevant in this case that we discuss further below, requiring that ERs contain "any new and significant information regarding the environmental impacts of license renewal of which the applicant is aware"⁷³ — in their site-specific ERs refer to and adopt the generic environmental impact findings found in Table B-1, Appendix B, for all Category 1 issues.⁷⁴

On the other hand, environmental issues for which the Commission was not able to make generic environmental findings are designated as Category 2 matters, and applicants must provide plant-specific analyses of the environmental impacts of these.⁷⁵ These issues are characterized by the Commission as involving environmental impact severity levels that "might differ significantly from one plant to another," or impacts for which additional plant-specific mitigation measures should be considered.⁷⁶ For example, the "impact of extended operation on endangered or threatened species varies from one location to another," according to the Commission, and is thus included within Category 2.⁷⁷ Another example, relevant in this proceeding, is the requirement that "alternatives to mitigate severe accidents must be considered for all plants that have not [previously] considered such alternatives."⁷⁸ Again, although the initial requirement falls upon applicants,

⁷⁰ *Turkey Point*, CLI-01-17, 54 NRC at 11.

⁷¹ *Id.* at 11 (citing 10 C.F.R. Part 51, Subpart A, App. B).

⁷² *Id.*

⁷³ 10 C.F.R. § 51.53(c)(3)(iv).

⁷⁴ *Turkey Point*, CLI-01-17, 54 NRC at 11 (citing 10 C.F.R. § 51.53(c)(3)(i)).

⁷⁵ *Id.* (citing 10 C.F.R. Part 51, Subpart A, App. B).

⁷⁶ *Id.*

⁷⁷ *Id.* at 12.

⁷⁸ 10 C.F.R. Part 51, Subpart A, Appendix B; see § 51.53(c)(3)(ii)(L). This requirement arises out of "NEPA's 'demand that an agency prepare a detailed statement on 'any adverse environmental effects which cannot be avoided should the proposal be implemented,' 42 U.S.C. § 4332(C)(ii)," implicit in which "is an understanding that the EIS will discuss the extent to which adverse effects can be avoided." *Robertson*, 490 U.S. at 351-52. The basis for the requirement is that "omission of a reasonably complete discussion of possible mitigation measures would undermine the 'action-forcing' function of NEPA. Without such a discussion, neither the agency nor other interested groups or individuals can properly evaluate the severity of the adverse effects." *Id.* at 352.

the ultimate responsibility lies with the Staff, who must address these issues in a Supplemental Environmental Impact Statement (SEIS)⁷⁹ that is specific to the particular site involved and provides the Staff's independent assessment of the applicant's ER.⁸⁰

Finally, section 51.103 defines the requirements for the "record of decision" relating to any license renewal application, including the standard that the Commission, in making such a decision pursuant to Part 54, "shall determine whether or not the adverse environmental impacts of license renewal are so great that preserving the option of license renewal for energy planning decisionmakers would be unreasonable."⁸¹

V. PETITIONERS' CONTENTIONS, PARTY ARGUMENTS, AND LICENSING BOARD ANALYSIS AND RULINGS

With the preceding general contention admissibility requirements and license renewal scope principles in mind, we turn now to the Petitioners' contentions.

A. Massachusetts Attorney General's Contention and Pilgrim Watch Contention 4 (Regarding Spent Fuel Pool Accidents)

Because of their similarity, and because Pilgrim Watch has also sought to adopt the Attorney General's Contention, we consider this contention together with Pilgrim Watch Contention 4. Our discussion addresses the points raised in support of both, and the arguments raised in opposition to both. Because we do not admit either contention, it is not necessary that we rule on Pilgrim Watch's motion to adopt the AG's contention, and therefore we do not address it herein.

The contentions here at issue state as follows:

AG Contention: The Environmental Report for Renewal of the Pilgrim Nuclear Power Plant Fails to Satisfy NEPA Because it Does Not Address the Environmental Impacts of Severe Spent Fuel Pool Accidents.⁸²

Pilgrim Watch Contention 4: The Environmental Report Fails to Address Severe Accident Mitigation Alternatives (SAMAs) Which Would Reduce the Potential for Spent Fuel Pool Water Loss and Fires.⁸³

⁷⁹ See 10 C.F.R. § 51.95(c).

⁸⁰ See *Turkey Point*, CLI-01-17, 54 NRC at 12 (citing 10 C.F.R. §§ 51.70, 51.73-.74).

⁸¹ 10 C.F.R. § 51.103(a)(5).

⁸² AG Petition at 21.

⁸³ PW Petition at 50.

Pilgrim Watch in its contention centers on the SAMA argument, stating as follows:

The Environmental Report [ER] is inadequate because it fails to address the environmental impacts of the on-site storage of spent fuel assemblies which, already densely packed in the cooling pool, will be increased by fifty percent during the renewal period. A severe accident in the spent fuel pool should have been considered in Applicant's SAMA review just as accidents involving other aspects of the uranium fuel cycle were. In addition, new information shows spent fuel will remain on-site longer than was anticipated and is more vulnerable than previously known to accidental fires and acts of malice and insanity. The ER should address [SAMAs] that would substantially reduce the risks and the consequences associated with on-site spent fuel storage. Petitioners have outlined some of these alternatives.⁸⁴

Pilgrim Watch argues that "[a]ny exemption in the [GEIS] and 10 C.F.R. § 51.53 for spent fuel storage covers normal operations only, not severe accidents," and therefore severe accidents involving the spent fuel pool should also be considered to be a Category 2 issue.⁸⁵ PW also claims to have brought forth "new and significant information that makes consideration of the spent fuel pool necessary under NEPA."⁸⁶ Pilgrim Watch suggests that an adjudicatory hearing is the "only way to properly address Petitioners' concerns,"⁸⁷ arguing that other means such as a petition for enforcement under 10 C.F.R. § 2.206 or a rulemaking petition under 10 C.F.R. § 2.802 could not realistically address their concerns in a timely fashion.⁸⁸

Among other arguments offered as basis to support Contention 4, PW urges that new information, relating to questions about national storage of high-level waste, indicates that spent fuel "will remain on-site longer than anticipated" at the time either the GEIS or the Waste Confidence Rule was adopted.⁸⁹ In PW's view, "it makes more sense and is more protective of the environment to assess the impacts of on-site spent fuel storage *before* permission is given to generate more waste."⁹⁰ PW also contends that new information suggests a greater risk of

⁸⁴ *Id.*

⁸⁵ *Id.*; see *id.* at 52.

⁸⁶ *Id.* at 50.

⁸⁷ *Id.* at 54.

⁸⁸ See *id.* at 55.

⁸⁹ *Id.* at 56; see *id.* at 56-61.

⁹⁰ *Id.* at 61-62; see also 10 C.F.R. § 51.23. We note that the U.S. Court of Appeals for the D.C. Circuit recently dismissed a challenge to the Waste Confidence Rule brought by the State of Nevada, finding, in an unpublished decision, that Nevada did not have standing because it "can point to no injury in fact as a legal or practical consequence of the rule," and that "[t]he rule has no legal effect in the anticipated Yucca Mountain proceeding." *Nevada v. NRC*, No. 05-1350, 2006 WL 2828864, at *1 (D.C. Cir., Sept. 22, 2006).

accidental fires in spent fuel pools than previously thought, in part because the fuel is more densely packed than originally planned; in part because an accident or act of malice or insanity could lead to loss of water from the pool; in part because the spent fuel pools of boiling-water Mark I and Mark II reactors like Pilgrim are particularly vulnerable to attack, being above ground; and in part because terrorist attacks on nuclear plants are asserted to be reasonably foreseeable threats in the wake of September 11, 2001.⁹¹

Emphasizing the SAMA aspect of its contention, PW argues that the consequences of water loss as a result of any of several causes could be catastrophic and suggests several mitigation alternatives for consideration, including: using a combination of low-density, reconfigured storage of spent fuel assemblies and moving older assemblies to dry cask storage; installing a spray cooling system; and limiting the frequency of full core offloads.⁹² Finally, PW suggests that dry cask storage makes sense from an economic, cost-benefit perspective, and calls for further analysis on SAMAs.⁹³

Using some of the same arguments and supporting its contention as well with expert reports and other sources, the AG in his sole contention also argues that the ER fails to satisfy 10 C.F.R. § 51.53(c)(3)(iii) because it does not consider SAMAs for a severe spent fuel pool accident.⁹⁴ His primary argument, however, essentially consists of the assertion that Entergy's ER "does not satisfy the requirements of 10 C.F.R. § 51.53(c)(3)(iv) and NEPA . . . because it fails to address new and significant information regarding the reasonably foreseeable potential for a severe accident involving nuclear fuel stored in high-density storage racks in the Pilgrim fuel pool."⁹⁵ As with PW's contention, the AG points out that NEPA and 10 C.F.R. § 51.53(c)(3)(iv) require that "new and significant information" not previously considered by the NRC in an environmental impact statement (EIS) be included in the ER.⁹⁶ More specifically, the AG argues that the regulation requires the ER to include new and significant information even if it concerns a Category 1 matter otherwise covered in the GEIS.⁹⁷ Also, just as PW

⁹¹ PW Petition at 62-71.

⁹² See *id.* at 73-75.

⁹³ See *id.* at 75-77.

⁹⁴ AG Petition at 23.

⁹⁵ *Id.* at 21.

⁹⁶ *Id.* at 15. The AG acknowledges that the NRC issued a generic EIS (GEIS) to evaluate many of the common environmental impacts of license renewals and therefore NRC regulations do not require the preparation of a complete ER and EIS for all aspects of each license renewal application. AG Petition at 12-13 (citing 10 C.F.R. §§ 51.53(c)(3)(i), 51.71(d)). However, the AG points to 10 C.F.R. § 51.53(c)(3)(iv), which, consistent with the Court's decision in *Marsh*, 490 U.S. at 374, requires that an ER "contain any new and significant information regarding the environmental impacts of license renewal of which the applicant is aware." AG Petition at 15.

⁹⁷ AG Petition at 15; AG Reply at 8.

does, the AG asserts that such new and significant information exists concerning the potential impact of an accident involving a high-density spent fuel pool storage facility, and that the ER is deficient because it fails to include such new and significant information.⁹⁸ The AG argues that he has presented "sufficient information to create a 'genuine material dispute of fact or law adequate to warrant further inquiry' into the question of whether the likelihood of a pool fire falls within the range of probability considered reasonably foreseeable by the NRC."⁹⁹

The AG summarizes the key principles arising out of the "new and significant information" he submits, relating to the risks of a spent fuel pool fire, as follows:

- (a) if the water level in a fuel storage pool drops to the point where the tops of the fuel assemblies are uncovered, the fuel will burn, (b) the fuel will burn regardless of its age, (c) the fire will propagate to other assemblies in the pool, and [d] the fire may be catastrophic.¹⁰⁰

The AG supports his allegation that such new and significant information exists with five "facts or expert opinion[s]"¹⁰¹: (1) the expert declaration and report of Dr. Gordon Thompson,¹⁰² (2) the expert declaration and report of Dr. Jan Beyea,¹⁰³ (3) excerpts from NUREG-1738, (4) the 2006 "Safety and Security of Commercial Spent Nuclear Fuel Storage" report of the National Academy of Sciences,¹⁰⁴ and (5) the terrorist attacks of September 11, 2001.¹⁰⁵

⁹⁸ See AG Petition at 22; PW Petition at 50.

⁹⁹ AG Petition at 23 (citing *Carolina Power & Light Co. (Shearon Harris Nuclear Power Plant)*, LBP-00-19, 52 NRC 85, 97-98 (2000)).

¹⁰⁰ *Id.* at 22.

¹⁰¹ See *id.*

¹⁰² AG Petition, Exh. 1, Decl. of Dr. Gordon Thompson in Support of [AG]'s Contention and Petition for Backfit Order (May 25, 2006).

¹⁰³ AG Petition, Exh. 2, Decl. of Dr. Jan Beyea in Support of [AG]'s Contention and Petition for Backfit Order (May 25, 2006).

¹⁰⁴ AG Petition, Exh. 4, Committee on the Safety and Security of Commercial Spent Nuclear Fuel Storage, Board on Radioactive Waste Management, National Research Council, Safety and Security of Commercial Spent Nuclear Fuel Storage: Public Report (Washington, DC: National Academies Press, 2006). This report is also cited by PW in support of its Contention 4. See PW Petition at 65.

¹⁰⁵ See, e.g., AG Petition at 22, 33-40. As indicated above, the Attorney General also, on June 16, 2006, filed a letter requesting the Licensing Board to apply the June 2, 2006, decision of the U.S. Court of Appeals for the Ninth Circuit in the case, *San Luis Obispo Mothers for Peace v. Nuclear Regulatory Commission*, "by ruling that the environmental impacts of an intentional attack on the Pilgrim fuel storage pool must be addressed in an EIS, or seek appropriate guidance from the Commission." AG Letter at 2. (In *Mothers for Peace*, the Court reversed the Commission's determination that NEPA does not require an analysis of the environmental impact of terrorism, in that the NRC's "categorical refusal to consider the environmental effects of a terrorist attack" is unreasonable under NEPA. Thus,

(Continued)

The AG argues that NRC never considered this information in its original EIS for Pilgrim or in the GEIS for license renewals, and that Entergy's failure to include this new and significant information in its ER thus contravenes 10 C.F.R. § 51.53(c)(3)(iv) and the Supreme Court decision in the *Marsh* case.¹⁰⁶ The AG also contends that the environmental impacts of a spent fuel pool accident must be considered by the Staff in the SEIS in order for the Staff to comply with its obligation to consider significant new information relevant to the environmental impacts of license renewal because this information has not been considered by the NRC in a previous EIS.¹⁰⁷ Further, the AG asserts, when the likelihood of a terrorist attack is taken into account, the estimated probability of this type of accident is within the range that must be discussed in an ER and EIS.¹⁰⁸

With respect to its argument that the ER is deficient because it does not consider reasonable alternatives for avoiding or mitigating the environmental impacts of a severe spent fuel pool fire, the AG contends that a combination of two potential SAMAs "would virtually eliminate the vulnerability of the Pilgrim fuel pool to attack": low-density racking of fuel assemblies in the pool, and dry storage in casks.¹⁰⁹

1. Entergy Answer to Massachusetts AG Contention and Pilgrim Watch Contention 4

Entergy opposes both the AG's contention and Pilgrim Watch Contention 4, claiming that the environmental impacts of spent fuel storage are codified as Category 1 environmental issues, and thus are beyond the scope of this license renewal proceeding.¹¹⁰ According to Entergy, the attempt to bring these issues within the scope of the proceeding by invoking section 51.53(c)(3)(iv) falls short because the generic Category 1 findings resulting from the analysis of the GEIS

the Court found, the "EA [environmental assessment] prepared in reliance on that determination is inadequate and fails to comply with NEPA's mandate." 449 F.3d at 1028, 1035. The Court denied the petition for review with regard to additional claims by the petitioner that the NRC's actions had violated the Atomic Energy Act and the Administrative Procedure Act, noting among other things that NRC's "reliance on its own prior opinions in its decision in this case does not violate the APA's notice and comment provisions," and that "[t]he agency has the discretion to use adjudication to establish a binding legal norm." *Id.* at 1027.)

¹⁰⁶ See AG Petition at 23, 24-30.

¹⁰⁷ *Id.* at 15, 21.

¹⁰⁸ *Id.* at 33-41.

¹⁰⁹ *Id.* at 41; see also *id.* at 23, 47. As discussed above, see *supra* pp. 281-82, PW also suggests these same two mitigation alternatives. See PW Petition at 73.

¹¹⁰ See Entergy Answer to AG Petition at 11-13 (citing 10 C.F.R. Part 51, App. B, Table B-1, 10 C.F.R. §§ 51.53(c), 51.95(c)); Entergy Answer to PW Petition at 46-48 (citing 10 C.F.R. Part 51, App. B, Table B-1, 10 C.F.R. §§ 51.53(c), 51.95(c); GEIS at 6-72-6-75).

are NRC rules and, as such, may only be challenged or altered upon the granting of a waiver or rulemaking petition.¹¹¹ Moreover, Entergy argues that the recent decision in *San Luis Obispo Mothers for Peace v. NRC* is inapplicable here because Commission case law establishes that, even if terrorism issues require analysis under NEPA, the GEIS concluded that "if such an event were to occur, the resultant core damage and radiological release would be no worse than those expected from internally initiated events."¹¹²

Entergy challenges the AG's claim that new and significant information exists, arguing that the risks associated with high-density racking in spent fuel pools were known and considered by NRC long ago and that nothing new is contained in the AG's exhibits.¹¹³ In any event, Entergy asserts, none of the sources cited by the Attorney General contain new or significant information, or "controvert [] the conclusion in the GEIS that the occurrence of a zirconium spent fuel pool fire is 'highly remote.'" ¹¹⁴ In addition, the NRC "has fully considered the NAS report and found no basis, even in the context of a terrorist attack, to change its conclusion regarding the risks of spent fuel pool fires stated in the GEIS," ¹¹⁵ and has concluded that the Alvarez report cited in the Thompson and Beyea reports "suffer[s] from excessive conservatism, with the result that its recommendations do not have a sound technical basis."¹¹⁶ Entergy characterizes the claims of the Thompson report as being "broad, unsupported claims," and argues that the Attorney General's contention is "not supported by any credible basis establishing the probability of a spent fuel fire or demonstrating that it is sufficiently foreseeable to warrant consideration under NEPA."¹¹⁷

Entergy also argues that SAMAs are limited to nuclear reactor accidents and do not include spent fuel storage accidents,¹¹⁸ that the challenge to the Waste Confidence rule is based upon information that is neither new nor significant,¹¹⁹ and that PW's remaining arguments provide insufficient support to admit the contentions at issue.¹²⁰

¹¹¹ Entergy Answer to AG Petition at 13; Entergy Answer to PW Petition at 49-50.

¹¹² Entergy Answer to AG Petition at 26 (quoting *Duke Energy Corp. (McGuire Nuclear Station, Units 1 and 2; Catawba Nuclear Station, Units 1 and 2)*, CLI-02-26, 56 NRC 358, 365 n.24 (2002)); Entergy Answer to PW Petition at 54.

¹¹³ See Entergy Answer to AG Petition at 14-15.

¹¹⁴ *Id.* at 15; see *id.* at 15-16.

¹¹⁵ *Id.* at 15-16.

¹¹⁶ See *id.* at 16, 17.

¹¹⁷ *Id.* at 19, 25; see *id.* at 17-25.

¹¹⁸ See Entergy Answer to PW Petition at 48-49.

¹¹⁹ *Id.* at 51 (citing *Oconee*, CLI-99-11, 49 NRC at 344-45).

¹²⁰ See *id.* at 51-56.

2. NRC Staff Response to Massachusetts AG Contention and Pilgrim Watch Contention 4

The Staff likewise argues that Category 1 environmental issues are outside of the scope of license renewal proceedings, citing 10 C.F.R. § 51.53(c)(2) and *Turkey Point*¹²¹ for the proposition that a license renewal ER need not provide information regarding the storage of spent fuel.¹²² The Staff also relies on *Turkey Point* in arguing that an ER need not address SAMAs for mitigating spent fuel pool accidents.¹²³ According to the Staff, by asking the Board to address a spent fuel storage issue, the AG and PW essentially seek to have the Board treat spent fuel pool issues as a Category 2 issue, which runs counter to the prohibition against challenging a regulation in an adjudicatory proceeding without seeking a waiver.¹²⁴ The Staff also argues that the information in the AG petition is not new and, therefore, need not be included in Entergy's ER as it has already been presented to the NRC.¹²⁵ Finally, the Staff asserts that, to the extent the AG's contention attempts to raise terrorism issues, these issues are also outside of the scope of the proceeding.¹²⁶

3. Massachusetts AG and Pilgrim Watch Replies to Entergy and NRC Staff

In its reply to Entergy and the Staff, the AG argues that the case law and regulatory history make clear that "Category 1 impacts are included in the scope of the new and significant impacts that must be discussed in an ER pursuant to 10 C.F.R. § 51.53(c)(3)(iv)."¹²⁷ The AG maintains that the alternative procedures suggested in *Turkey Point* (e.g., the filing of a waiver petition or a rulemaking petition) are inconsistent with NEPA as construed by the Supreme Court in *Marsh*.¹²⁸ Further, the AG asserts that *Turkey Point* is inapposite because it did

¹²¹ *Turkey Point*, CLI-01-17, 54 NRC at 6-13.

¹²² See Staff Response to AG Petition at 10-12; Staff Response to PW Petition at 34-36; see also *Turkey Point*, CLI-01-17, 54 NRC at 6-13.

¹²³ See Staff Response to AG Petition at 9-11; Staff Response to PW Petition at 34-36 (citing *Turkey Point*, CLI-01-17, 54 NRC at 21-22).

¹²⁴ See Staff Response to AG Petition at 10-11, 14; Staff Response to PW Petition at 36.

¹²⁵ See Staff Response to PW Petition at 37; Staff Response to AG Petition at 15-18.

¹²⁶ See Staff Response to AG Petition at 19-20; Staff Response to PW Petition at 38.

¹²⁷ AG Reply at 8.

¹²⁸ See *id.* at 9-10. The Attorney General has also argued that, "in order to get a hearing and in order to raise a legitimate contention," the "one door" open to it was to file a contention, Tr. at 87, in part because it did not believe it met the requirements for a waiver under 10 C.F.R. § 2.335 that "special circumstances with respect to the subject matter of the particular proceeding (must be) such

(Continued)

not deal with a contention alleging new and significant information, and that its discussion of issues relating to new and significant information is dicta."¹²⁹ The AG goes on to explain how in its view the information in its petition is indeed "new and significant."¹³⁰ Finally, the AG asks the Board to rule that NEPA requires that Entergy and the Staff consider the environmental impacts of an intentional attack on the Pilgrim spent fuel pool, and then to refer its ruling to the Commission to determine the applicability of the *Mothers for Peace* decision.¹³¹

Pilgrim Watch replies that the inclusion of onsite spent fuel as a Category 1 issue under "Uranium Fuel Cycle" in Appendix B to Subpart A of Part 51 relates only to normal operations and "does not prevent it from being a Category 2 issue for the purposes of 'Severe Accidents.'"¹³² PW cites the Licensing Board's decision in *Turkey Point* as distinguishing SAMAs when it denied a contention relating only to "severe accidents" and not SAMAs,¹³³ and argues that the alternative procedural avenues of waiver and rulemaking petitions are inconsistent with *Marsh* and NEPA's requirement for supplementation of EISs.¹³⁴ It further argues that the issue it has raised is site-specific rather than generic, and that it has "submitted new and significant information which casts doubt on the current generic treatment of this issue and supports its contention that NEPA requires that this issue be reviewed as part of the license renewal process."¹³⁵ PW makes similar arguments in its Reply to the Staff,¹³⁶ and also cites the *Mothers for Peace* decision¹³⁷ in support of its contention insofar as it raises terrorist attacks as a new and significant issue.¹³⁸

that application of the rule . . . would not serve the purposes for which the rule . . . was adopted," or as characterized by the Commission in *Turkey Point*, in which it stated that "[i]n the hearing process . . . petitioners with new information showing that a generic rule would not serve its purpose at a particular plant may seek a waiver of a rule," but "[p]etitioners with evidence that a generic finding is incorrect for all plants may petition [for a] rulemaking." *Turkey Point*, CLI-01-17, 54 NRC at 12; see Tr. at 88-90, 109-115, 138-40. The AG argues that the "new and significant information" at issue concerns not only the Pilgrim plant but also others. Tr. at 88. As indicated above, see *supra* note 4, the AG has filed a rulemaking petition.

¹²⁹ AG Reply at 11.

¹³⁰ See *id.* at 12-27.

¹³¹ *Id.* at 27-28.

¹³² PW Reply to Entergy at 25.

¹³³ *Id.* at 26-27.

¹³⁴ *Id.* at 27-28.

¹³⁵ *Id.* at 30; see *id.* at 28-30.

¹³⁶ PW Reply to NRC Staff at 19-20.

¹³⁷ See *id.* at 20.

¹³⁸ *Id.* at 20-21.

4. Licensing Board Ruling on Massachusetts AG Contention and PW Contention 4

We find these contentions to be inadmissible, on two separate grounds. We address first the Petitioners' arguments (primarily espoused by Pilgrim Watch) that the contentions should be admitted because they raise matters relating to "severe accidents" and "severe accident mitigation alternatives," or "SAMAs," a site-specific Category 2 issue¹³⁹ that must be addressed in a license renewal under 10 C.F.R. § 51.53(c)(ii)(L) and Appendix B to Subpart A of 10 C.F.R. Part 51. For reasons we set forth in some detail below, we find that these arguments fail because of Commission precedent interpreting the term, "severe accidents," to encompass only reactor accidents and not spent fuel pool accidents, which fall within the analysis of the generic Category 1 issue of onsite storage of spent fuel.

Next, we address the Petitioners' arguments (indeed, the Attorney General's central argument) that the contentions should be admitted because they challenge the Applicant's failure to address various matters that they contend constitute "new and significant information," which must be addressed under 10 C.F.R. § 51.53(c)(3)(iv), even if they concern a Category 1 issue. Again, these arguments fail in the face of Commission precedent, in this instance establishing that, notwithstanding the responsibility of an applicant in its ER (and the NRC Staff in the SEIS) to address "new and significant information" relating even to Category 1 issues, an alleged failure to address such "new and significant information" does not give rise to an admissible contention, absent a waiver of the rule in 10 C.F.R. § 51.53(c)(3)(i) that Category 1 issues need not be addressed in a license renewal.

We would note with regard to both of these issues that the analysis that brings us to our conclusions regarding them does not follow an entirely straight path, primarily because relevant rules in neither instance directly resolve the issues in question. However, Commission precedent in the *Turkey Point* license renewal proceeding, interpreting the rules in question and the regulatory framework within which they fall, mandates our rulings on both issues.

We note further that we do not rule herein on two other questions relating to the contentions at issue. First, in light of our rulings on the preceding two primarily legal issues, we need not, and do not, go into the question whether either Petitioner has sufficiently supported either contention insofar as it alleges as a factual matter that there exists "new and significant information" that should have been addressed by the Applicant, relating to the risks and environmental impacts of high-density racking in, and accidents involving, spent fuel pools. Nor

¹³⁹ See *supra* Section IV.B, discussion of "Category 1," or "generic" issues, and "Category 2," or "site-specific" issues.

should our rulings herein be interpreted as suggesting a finding on this in either direction.

Second, regarding the Petitioners' arguments based on the Ninth Circuit's decision in *Mothers for Peace v. NRC*, we again follow Commission precedent, in this instance declining to rule on such matters at this time in light of the procedural posture of that case. We recognize, as another Licensing Board has recently observed (ruling in the *Vermont Yankee* license renewal proceeding on a virtually identical contention filed by the Massachusetts Attorney General in that case), that the *Mothers for Peace* decision might impact our rulings herein.¹⁴⁰ However, a majority of the Commission has recently issued two rulings declining to apply the Court's decision in *Mothers for Peace* in NRC proceedings at this time. First, in the NRC proceeding from which the *Mothers for Peace* decision arose, it denied Petitioners' motion for various relief based on the Court's decision, finding it "unnecessary and premature," and noting as well that the Court's ruling did not "circumscrib[e] the procedures that the NRC must employ" for addressing terrorism in the NEPA context and thus the Commission has "maximum procedural leeway" to address the issue.¹⁴¹ Second, it postponed addressing a request of the State of New Jersey in the *Oyster Creek* license renewal proceeding that it consider the Ninth Circuit's decision in ruling on the State's appeal of the Licensing Board's denial of its contention relating, *inter alia*, to SAMAs and spent fuel pool vulnerability.¹⁴² Based upon this authority, we also will refrain from issuing a ruling based on the *Mothers for Peace* decision at this time, without, however, foreclosing the possibility that future pleadings may be filed based on future developments in that case, as appropriate at such time.

a. Ruling on "Severe Accident"- and SAMA-Related Arguments

As indicated above, the critical determinative issue relating to severe accidents and SAMAs is what the term "severe accident" encompasses, thus defining what accidents are to be examined in the context of a "severe accident mitigation alternatives," or "SAMA," analysis. At first blush, the arguments of PW and the AG, to the effect that severe accidents include spent fuel pool accidents and that a SAMA analysis must therefore address such accidents, seem plausible. The Licensing Board in *Turkey Point* indeed distinguished SAMAs in denying contentions concerning "severe accidents" that contained no mention of "mitigation

¹⁴⁰ *Energy Nuclear Vermont Yankee, LLC* (Vermont Yankee Nuclear Power Station), LBP-06-20 64 NRC 131, 160 (2006) (citing 449 F.3d at 1016).

¹⁴¹ See *Pacific Gas and Electric Co.* (Diablo Canyon Power Plant Independent Spent Fuel Storage Installation), CLI-06-23, 64 NRC 107, 108 (2006).

¹⁴² See *Amergen Energy Co., LLC* (Oyster Creek Nuclear Generating Station), CLI-06-24, 64 NRC 111, 115 (2006).

alternatives," which is the crux of a SAMA.¹⁴³ In addition, NRC regulations offer little guidance, providing neither a definition of the term "severe accident," nor stating explicitly whether the "severe accidents" to be examined in SAMA analyses include or exclude spent fuel pool accidents.

Section 51.53(c)(3)(ii) states that the environmental report must contain analyses of the environmental impacts of the proposed action that are identified as Category 2 issues in Appendix B to Subpart A of Part 50, and then goes on to recount in narrative form the same issues identified as Category 2 issues in Appendix B (with SAMAs addressed in section 51.53(c)(3)(ii)(L)). It does not, however, define "severe accidents" or "SAMAs," or limit SAMAs in any way other than as stated in subsection (L) — i.e., "a consideration of alternatives to mitigate severe accidents must be provided" only "[i]f the staff has not previously considered severe accident mitigation alternatives for the applicant's plant in an [EIS] or related supplement or in an environmental assessment." And the entry in Appendix B, Table B-1, likewise provides no assistance on the question before us, stating merely as follows:

Severe accidents — 2 — SMALL. The probability weighted consequences of atmospheric releases, fallout onto open bodies of water, releases to ground water, and societal and economic impacts from severe accidents are small for all plants. However, alternatives to mitigate severe accidents must be considered for all plants that have not considered such alternatives. See § 51.53(c)(ii)(L).

Certainly, "severe accidents" is a term of art long used in the nuclear industry and incorporated into Commission guidance documents, including NUREG-1150, which is focused singularly upon accidents involving damage to the

¹⁴³ *Florida Power & Light Co. (Turkey Point Nuclear Generating Plant, Units 3 and 4)*, LBP-01-6, 53 NRC 138 (2001). That Licensing Board stated:

[S]ection 51.53 does not require the Applicant broadly to consider severe accident risks. Rather, it only requires the Applicant to consider 'severe accident mitigation alternatives' (SAMAs). 10 C.F.R. § 51.53(c)(3)(ii)(L). The Commission, therefore, has left consideration of SAMAs as the only Category 2 issue with respect to severe accidents, but this portion of Ms. Lorion's contention does not seek to raise any issue related to severe accident mitigation alternatives. Her contention neither identifies any mitigation alternatives that should be considered nor challenges the Applicant's evaluation of SAMAs in its environmental report.

Id. at 160-61. Further:

Mr. Oncavage's allegation that an accident involving spent fuel is a Category 2 issue does not make the contention admissible. As discussed earlier (*see supra* p. 160), only severe accident mitigation alternatives may be considered for license renewal severe accident Category 2 issues, and Mr. Oncavage has not raised any issue involving mitigation alternatives.

Id. at 165.

reactor core.¹⁴⁴ But the rules themselves contain no such reference or limitation.

The most on-point source on the issue is Commission case law in the *Turkey Point* proceeding. It must be noted that, when it considered the question of severe accidents and SAMAs, on the appeal of one of the petitioners in that proceeding, the Commission endorsed the distinction made by the Licensing Board, between the need to propose a SAMA and the more substantive question of risk associated with severe accidents.¹⁴⁵ It then went on, however, to focus upon what is essentially an alternative, and ultimately more significant, rationale for its ruling upholding the denial of the contention in question — that SAMAs apply only to reactor accidents, not to spent fuel pool accidents.¹⁴⁶

It is argued that the Commission's language in this regard is "gratuitous," on an issue that did not need to be decided directly.¹⁴⁷ The length and specificity of the Commission's discussion, however, belies such an interpretation, and suggests that the Commission saw this second ground for its ruling as being more important than, and indeed in effect rendering irrelevant, the question whether that petitioner mentioned SAMAs in his "severe accident" contention. We quote at length from this discussion in order to illustrate this:

a. Onsite Storage of Spent Fuel Is a Category 1 Issue

Our rules explicitly conclude that "[t]he expected increase in the volume of spent fuel from an additional 20 years of operation can be safely accommodated on site with small environmental effects through dry or pool storage at all plants if a permanent repository or monitored retrievable storage is not available." Table B-1, Subpart A, Appendix B to Part 51. *See Oconee*, CLI-99-11, 49 NRC at 343-44. The GEIS provides the background analyses and justification for this generically applicable finding. *See* GEIS at 6-70 to 6-86. It finds "ample basis to conclude that continued storage of existing spent fuel and storage of spent fuel generated during the license renewal period can be accomplished safely and without significant environmental impacts." *Id.* at 6-85. The GEIS takes full account of "the total accumulated volumes of spent fuel after an additional 20 years of operation." *Id.* at 6-79; *see also id.* at 6-80 to 6-81.

The GEIS's finding encompasses spent fuel accident risks and their mitigation. *See* GEIS, at xlviii, 6-72 to 6-76, 6-86, 6-92. The NRC has spent years studying in great detail the risks and consequences of potential spent fuel pool accidents,

¹⁴⁴ NUREG-1150, "Severe Accident Risks: An Assessment for Five U.S. Nuclear Power Plants" (Dec. 1990). *See also* Policy Statement on Severe Reactor Accidents Regarding Future Designs and Existing Plants, 50 Fed. Reg. 32, 138 (Aug. 1985).

¹⁴⁵ *Turkey Point*, CLI-01-17, 54 NRC at 21-22.

¹⁴⁶ *Id.*

¹⁴⁷ *See* PW Reply to NRC Staff at 19.

and the GEIS analysis is rooted in these earlier studies. NRC studies and the agency's operational experience support the conclusion that onsite reactor spent fuel storage, which has continued for decades, presents no undue risk to public health and safety. Because the GEIS analysis of onsite spent fuel storage encompasses the risk of accidents, Contention 2 falls beyond the scope of individual license renewal proceedings.

Mr. Oncavage argues, however, that a "catastrophic radiological accident at a spent fuel facility would be a severe accident which is a category 2 issue." Amended Petition at 2. Part 51 does provide that "alternatives to mitigate severe accidents must be considered for all plants that have not considered such alternatives." See Appendix B to Subpart A of Part 51; see also GEIS at 5-106 to 5-116. But Mr. Oncavage's Contention 2 says nothing about mitigation alternatives. And, in any event, Part 51's reference to "severe accident mitigation alternatives" applies to nuclear reactor accidents, not spent fuel storage accidents. Not only Mr. Oncavage, but also the NRC Staff and FPL, apparently was confused on this point, for no one raised the important distinction between reactor accidents and spent fuel accidents. As we have seen, the GEIS deals with spent fuel storage risks (including accidents) generically, and concludes that "regulatory requirements already in place provide adequate mitigation." GEIS at 6-86, 6-92, xviii; see also *id.* at 6-72 to 6-76.

On the issue of onsite fuel storage, then, the GEIS rejects the need for further consideration of mitigation alternatives at the license renewal stage. *Id.* Indeed, for all issues designated as Category 1, the Commission has concluded that additional site-specific mitigation alternatives are unlikely to be beneficial and need not be considered for license renewal. See 61 Fed. Reg. at 28,484; GEIS at 1-5, 1-9.

The NRC customarily has studied reactor accidents and spent fuel accidents separately. For instance, our "Policy Statement on Severe Reactor Accidents Regarding Future Designs and Existing Plants" discusses only reactor accidents and defines "[s]evere nuclear accidents [as] those in which substantial damage is done to the reactor core whether or not there are serious offsite consequences." 50 Fed. Reg. 32,138 (Aug. 1985) (emphasis added). Similarly, the various NRC studies on severe accidents typically focus upon potential damage to the reactor core of nuclear power plants.¹⁰ A different set of studies altogether is devoted to spent fuel pool accidents, and has concluded that the risk of accidents is acceptably small.¹¹ Hence, Part 51 and the GEIS treat the matter generically. Indeed, the events that could lead to a severe reactor accident vary significantly from plant to plant, thereby requiring plant-specific consideration, whereas accidents involving spent fuel pools or dry casks are more amenable to generic consideration.

[Discussion of possibility of spent fuel pool accidents caused by hurricanes.] Mr. Oncavage did not seek a waiver of the Category 1 determination for spent fuel issues, nor did his hurricane discussions raise any information that might render the GEIS's Category 1 finding inapplicable to the Turkey Point facility. Nothing in Mr. Oncavage's "hurricane" claim renders it litigable under our license renewal rules.

In short, Part 51's license renewal provisions cover environmental issues relating

*to onsite spent fuel storage generically.*¹⁴ All such issues, including accident risk, fall outside the scope of license renewal proceedings.

[FN10] See, e.g., NUREG-1150, "Severe Accident Risks: An Assessment for Five U.S. Nuclear Power Plants (Dec. 1990) (examining core meltdown risks); NUREG/CR-3042, "Evaluation of External Hazards to Nuclear Power Plants in United States" (Dec. 1987) (examining the risk of core damage from external events).

[FN11] See, e.g., NUREG-1353, "Regulatory Analysis for the Resolution of Generic Issue 82, 'Beyond Design Basis Accidents in Spent Fuel Pools' (April 1989); NUREG/CR-4982, "Severe Accidents in Spent Fuel Pools in Support of Generic Safety Issue 82" (July 1987); NUREG/CR-5281, "Value/Impact Analyses of Accident Preventive and Mitigative Options for Spent Fuel Pools" (Mar. 1989); NUREG/CR-5176, "Seismic Failure and Cask Drop Analysis of the Spent Fuel Pools at Two Representative Nuclear Power Plants (Jan. 1989). A recent study of spent fuel storage risks at decommissioning reactors finds the risk of accident somewhat greater than originally believed, but still very low. See NUREG-1738, "Technical Study of Spent Fuel Pool Accident Risk at Decommissioning Nuclear Power Plants (Feb. 2001).

[FN14] [Discussion noting that Waste Confidence rule applies only to storage of spent fuel after a reactor ceases operation.] As we hold in the text, it is Part 51, with its underlying GEIS, that precludes litigation of that issue.^{14a}

The Commission in the preceding passage clearly did not address merely in passing the issue of whether the severe accidents to be addressed in a SAMA analysis under 10 C.F.R. Part 51 include spent fuel pool accidents. Rather, it explicitly noted that all participants in that proceeding had overlooked the "important distinction between reactor accidents and spent fuel accidents," going into great detail discussing the differences between reactor and spent fuel pool accidents, and explaining why it found that SAMAs do not apply to accidents involving spent fuel pools. It cited the GEIS extensively in support of its statements to this effect. The passage indeed may be read as emphasizing that, even were the contention in question there to have been read as implicitly bringing SAMAs into play, it would not have been deemed admissible. In this light, and taking into account the references to the cited portions of the GEIS, noted by the Commission as underlying Part 51 of the regulations, while we might observe that it would have been preferable to include specific language in the actual SAMA rule limiting SAMAs to reactor accidents if that is what was intended, the Commission is hardly equivocal in the interpretation provided in the passage quoted above.

On this basis, we are constrained to find the Massachusetts AG Contention and PW Contention 4 to be inadmissible insofar as they are based on the SAMA-related arguments summarized above.

^{14a} Turkey Point, CLI-01-17, 54 NRC at 21-23 (emphasis added).

b. *Ruling on Legal Issues Involved in "New and Significant Information"-Related Arguments*

We likewise must find the contentions at issue to be inadmissible insofar as they are based on the requirement of 10 C.F.R. § 51.53(c)(3)(iv) that the ER "must contain any new and significant information regarding the environmental impacts of license renewal of which the applicant is aware."

Again, the rule itself does not dictate this ruling. Indeed, section 51.53(c)(3)(iv) may be read as in effect creating an exception to section 51.53(c)(3)(i)'s allowance that an applicant's ER "is not required to contain analyses of the environmental impacts of the license renewal issues identified as Category 1 issues in Appendix B." Commission precedent supports this reading that the requirement of section 51.53(c)(3)(iv) applies not only to Category 2 issues but also to Category 1 issues — at least to the extent that it applies to the responsibilities of the Applicant and the Staff. In *Turkey Point* the Commission stated that, "[e]ven where the GEIS has found that a particular impact applies generically (Category 1), the applicant must still provide additional analysis in its Environmental Report if new and significant information may bear on the applicability of the Category 1 finding at its particular plant."¹⁴⁹ Later, in the *McGuire* proceeding, the Commission reinforced this ruling, stating again that "the applicant must provide additional analysis of even a Category 1 issue if new and significant information has surfaced."¹⁵⁰ Similarly, the Commission has indicated in its rulemaking that the Staff must, when preparing the SEIS, consider any significant new information related to Category 1 issues.¹⁵¹

On the basis of the foregoing, one might read subsection (c)(3)(iv) of section 51.53 as an exception to subsection (c)(3)(i) also in an adjudication context, particularly in light of the Commission's statement in *Turkey Point* that "[a]djudicatory hearings in individual license renewal proceedings will share the same scope of issues as our NRC Staff review."¹⁵² Thus the Petitioners' argument, that an alleged failure of an applicant to comply with the requirement of section 51.53(c)(3)(iv) may give rise to an admissible contention (assuming proper support under the contention admissibility rules), might also be persuasive — but for other statements of the Commission in *Turkey Point* that lead to a contrary conclusion.

¹⁴⁹ *Id.* at 11 (emphasis added).

¹⁵⁰ *Duke Energy Corp.* (McGuire Nuclear Station, Units 1 and 2; Catawba Nuclear Station, Units 1 and 2), CLI-02-14, 55 NRC 278, 290 (2002).

¹⁵¹ See 10 C.F.R. §§ 51.92(a)(2), 51.95(c)(3); 61 Fed. Reg. at 28,470. In addition, in *Turkey Point* the Commission stated that the "final SEIS also takes account of public comments, including . . . new information on generic findings." *Turkey Point*, CLI-01-17, 54 NRC at 12; see also *McGuire/Catawba*, CLI-02-14, 55 NRC at 290-91.

¹⁵² *Turkey Point*, CLI-01-17, 54 NRC at 10.

In these other statements, the Commission has indicated that any new and significant information on matters designated as Category 1 issues in Part 51 may be initiated by petitioners only through means other than the submission of contentions. First, the Commission identified three specific options that individuals and petitioners might pursue to address new and significant information that may have arisen after the GEIS on Category 1 issues was finalized:

The Commission recognizes that even generic findings sometimes need revisiting in particular contexts. Our rules thus provide a number of opportunities for individuals to alert the Commission to new and significant information that might render a generic finding invalid, either with respect to all nuclear power plants or for one plant in particular. In the hearing process, for example, petitioners with new information showing that a generic rule would not serve its purpose at a particular plant may seek a waiver of the rule. . . . Petitioners with evidence that a generic finding is incorrect for all plants may petition the Commission to initiate a fresh rulemaking. . . . Such petitioners may also use the SEIS notice and comment process to ask the NRC to forgo use of the suspect generic finding and to suspend license renewal proceedings, pending a rulemaking or updating of the GEIS. See 61 Fed. Reg. at 28,470; GEIS at 1-10 to 1-11.¹⁵³

Later in its decision, in the specific context of spent fuel pool accidents (which, as indicated above, it found to fall within the Category 1 issue of onsite storage of spent fuel¹⁵⁴), the Commission made clear that its intent was that these options were to be the exclusive options open to members of the public on the issue, stating that "Part 51 treats all spent fuel accidents, whatever their cause, as generic, Category 1 events not suitable for case-by-case adjudication."¹⁵⁵ Further, removing any doubt as to its intent, the Commission added, "As we hold in the text, it is part 51, with its underlying GEIS, that precludes the litigation of that issue."¹⁵⁶

As the *Vermont Yankee* Licensing Board noted in its decision in that license renewal proceeding, the preceding reading of *Turkey Point* is consistent with the regulatory history of 10 C.F.R. § 51.53(c)(3)(iv).¹⁵⁷ The requirement that the ER include any new and significant information was not part of the original proposed

¹⁵³ *Turkey Point*, CLI-01-17, 54 NRC at 12. We note that the Commission's language referring to the waiver process when information relates to "a particular plant" supports the AG's argument that it would need to show some special circumstances relating to the Pilgrim plant in particular in order to qualify for a waiver. See *supra* note 128.

¹⁵⁴ See *Turkey Point*, CLI-01-17, 54 NRC at 21-23; 10 C.F.R. Part 51, App. B, Table B-1.

¹⁵⁵ *Id.* at 22 (emphasis added).

¹⁵⁶ *Id.* at 23 n.14 (emphasis added).

¹⁵⁷ See *Vermont Yankee*, LBP-06-20, 64 NRC at 157-59.

rule.¹⁵⁸ It was added in the final rule in response to objections from the Council on Environmental Quality (CEQ), the U.S. Environmental Protection Agency (EPA), and members of the public. As the Commission noted:

Federal and State agencies questioned how new scientific information could be folded into the GEIS findings because the GEIS would have been performed so far in advance of the actual renewal of an operating license. . . . A group of commenters, including CEQ and EPA noted that the rigidity of the proposed rule hampers the NRC's ability to respond to new information or to different environmental issues not listed in the proposed rule.¹⁵⁹

The Commission in response added 10 C.F.R. § 51.53(c)(3)(iv), to expand "the framework for consideration of significant new information."¹⁶⁰ The Statement of Considerations to the final rule refers to SECY-93-032, a Staff memorandum to the Commission proposing certain rule changes, including the addition of the provision in 10 C.F.R. § 51.53(c)(3)(iv), to resolve the CEQ and EPA concerns.¹⁶¹ One of the proposed changes was that "[l]itigation of environmental issues in a hearing will be limited to unbounded category 2 and category 3 issues unless the rule is suspended or waived."¹⁶² The Commission approved modification of the proposed rule and specifically endorsed SECY-93-032.¹⁶³ Commission approval of SECY-93-032 may thus be read as demonstrating that, when the Commission adopted the final rule, it contemplated that Category 1 issues could be litigated only after the granting of a waiver petition pursuant to 10 C.F.R. § 2.335, suspending the provision in 10 C.F.R. § 51.53(c)(3)(i) that an ER need not address "Category 1" issues and thus allowing Petitioners to challenge a failure of the ER to address alleged "new and significant information" with regard to such an issue.¹⁶⁴

¹⁵⁸ See Proposed Rule: "Environmental Review for Renewal of Operating Licenses," 56 Fed. Reg. 47,016, 47,027-28 (Sept. 17, 1991).

¹⁵⁹ 61 Fed. Reg. at 28,470.

¹⁶⁰ *Id.*

¹⁶¹ See *id.*; SECY-93-032, Memorandum from James M. Taylor, EDO, to the Commissioners (Feb. 9, 1993) (ADAMS Accession No. ML051660667).

¹⁶² SECY-93-032 at 4. We note that Category 2 and 3 issues were eventually combined into Category 2. See 61 Fed. Reg. at 28,474.

¹⁶³ Memorandum from Samuel J. Chilk, Secretary, to James M. Taylor, EDO (Apr. 22, 1993) (ADAMS Accession No. ML003760802).

¹⁶⁴ The additional change to the rule combining "category 2" and "category 3" issues into, simply, "category 2," would itself not appear to alter this conclusion, as the pertinent distinction being drawn was between those issues that were generic and those that were plant-specific, which would not affect the procedures contemplated vis a vis members of the public who might want to challenge an applicant's failure to address "new and significant information" about an otherwise "category 1" issue.

The failure to adopt an actual rule provision stating that "litigation of environmental issues in a hearing will be limited to category 2 issues unless the rule is suspended or waived" might well, as argued by Petitioners, be taken to indicate that the Commission ultimately decided against such a provision, except for subsequent indications of the Commission's intent to the contrary, both at the rulemaking stage and in its later *Turkey Point* decision, as discussed above. With respect to the former, we consider a dialogue that occurred when the Commission was deliberating the final rule and discussing SECY-93-032.¹⁶⁵ The briefing covered the resolution of the CEQ and EPA objections and included an exchange between Commissioner James R. Curtiss and Martin Malsch, the Deputy General Counsel for Licensing and Regulation. Twice the Commissioner asked whether, under 10 C.F.R. § 51.53(c)(3)(iv) or any other part of the license renewal regulations, a petitioner could litigate a Category 1 issue on the claim that there was new and significant information on the issue.¹⁶⁶ The Deputy General Counsel of NRC answered that such a claim could not be litigated without first obtaining approval, in the form of a waiver, from the Commission itself.¹⁶⁷ With

¹⁶⁵ See Public Meeting, "Briefing on Status of Issues and Approach to GEIS Rulemaking for Part 51" (Feb. 19, 1993) (ADAMS Accession No. ML051660665).

¹⁶⁶ *Id.* at 14.

¹⁶⁷ See *id.* The discussion in question was as follows:

Commissioner Curtiss: "[A]ssume for the sake of discussion that the staff says, 'This is not significant new information,' is that kind of issue subsequently one that can be or you intend to be cognizable before the board?

Mr. Malsch: Well, it would depend. If the information is — the basic answer is they have to come to the Commission first. If the information is considered significant by the interested party and staff says, "Now, this is not significant." If it's generic information, then the remedy is a petition for rulemaking and that usually comes to the Commission. Before the Commission would grant a petition for rulemaking, it would consider the merits of the information. If the information is site specific, then they'd need to petition for a waiver. But after being screened by the board, the board is referred to the Commission and only the Commission can grant waivers. So, again it comes before the Commission.

So, the procedural route is somewhat different, but no matter how it gets there, the Commission would be looking at the staff judgment, looking at what other parties say about it, and making its own determination about significance.

....

Commissioner Curtiss: So, there's no circumstance, in other words, where you envision that once a determination is made under the procedures that you've described with regard to the significance of the information by the Commission upon the staff's recommendation, that we would then in turn need to litigate before the board the significance of that information, whether it was or wasn't significant?

Mr. Malsch: Not without the Commission's approval.

Id.

this understanding of the regulations, the Commission approved and finalized section 51.53(c)(3)(iv).¹⁶⁸

With regard to whether the NRC's resolution of the matters raised by the CEQ and EPA commenters — requiring applicants and the NRC Staff to address any "new and significant information" but taking the position that any alleged lack of such information could *not* be the subject of an admissible contention absent a waiver — satisfies NEPA and case law interpreting it including the *Marsh* case, we find that this would not contravene such law, given that other means are provided for public participation in the SEIS process. It is not required that the public participation aspect of NEPA be accomplished in an adjudicatory proceeding.¹⁶⁹

Again, while it might have been preferable to have written into the rule itself the prohibition on allowing contentions based on the exception to section 51.53(c)(3)(i) found in section 51.53(c)(3)(iv) and on allegations of "new and significant information" as therein provided, we must, based on the Commission precedent in *Turkey Point* and the preceding analysis, and as in the *Vermont Yankee* proceeding, rule in this proceeding that Petitioners Massachusetts Attorney General and Pilgrim Watch may not challenge in a contention the Applicant's ER for any alleged failure to consider new and significant information with regard to the Category 1 issue of onsite storage of spent fuel, without seeking and obtaining a waiver of the generic rule.¹⁷⁰ Although the Attorney General has recently filed

¹⁶⁸ See 61 Fed. Reg. at 28,467.

¹⁶⁹ This public participation aspect of NEPA arises from the "informational role" played by the EIS, in "giv[ing] the public the assurance that the agency has indeed considered environmental concerns in its decisionmaking process," . . . and, perhaps more significantly, provid[ing] a springboard for public comment." *Robertson*, 490 U.S. at 349 (quoting *Baltimore Gas & Electric Co. v. Natural Resources Defense Council, Inc.*, 462 U.S. 87, 97 (1983)). The court in *Robertson* noted relevant Council on Environmental Quality (CEQ) regulations requiring agencies to request and consider comments from "other federal agencies, appropriate state and local agencies, affected Indian tribes, any relevant applicant, the public generally, and, in particular, interested or affected persons or organizations." *Id.* at 350 n.13 (citing 40 C.F.R. § 1503.1). Other CEQ regulations specifically address "Public involvement," and "public hearings or public meetings," but do not require adjudicatory hearings. 40 C.F.R. § 1506.6c. The Court also noted, in *Marsh*, that the required dissemination of information "permits the public . . . to react to the effects of a proposed action at a meaningful time." *Marsh*, 490 U.S. at 371. See also 10 C.F.R. § 51.92(d)(1).

¹⁷⁰ We note the Attorney General's argument in his reply that a "plain reading" of section 51.53(c)(3)(iv) leads not only to the conclusion that the "new and significant information" a licensee must provide includes information regarding Category 1 issues, but also to a finding that petitioners are entitled to challenge the adequacy of the ER in this regard in contentions. AG Reply at 9; see *id.* at 5-9. We note also his argument to the effect that any limitation associated with SECY-93-032, so as to exclude litigation of Category 1 issues without a waiver, should not be followed because it was "never codified in the final rule." *Id.* at 8 n.7. However, the AG also relies on regulatory

(Continued)

a Petition for Rulemaking with regard to the matters at issue in its Contention,¹⁷¹ neither the AG nor Pilgrim Watch has sought a waiver,¹⁷² and thus the contention must be ruled inadmissible insofar as it seeks to challenge the absence of alleged new and significant information in the Applicant's ER.¹⁷³

Absent future developments in the *Mothers for Peace* case to the contrary,¹⁷⁴ this would include the matter of the alleged potential for terrorist attacks on the

history in arguing that its interpretation of the rule — i.e., that Entergy is required under section 51.53(c)(3)(iv) to address "new and significant information" even relating to Category 1 issues — should be followed. See *id.* at 6. Indeed, we agree with the AG on this interpretation, as evidenced in our discussion in the text. And, as we also discuss in the text, to construe section 51.53(c)(3)(iv) as an exception to section 51.53(c)(3)(i) also in a litigation context is a reasonable reading of the rule.

However, our inquiry cannot end so quickly, because, although "interpretation of any regulation must begin with the language and structure of the provision itself," see *Wrangler Laboratories*, ALAB-951, 33 NRC 505, 513 (1991) (cited by the AG in his Reply at 6), "administrative history and other available guidance may be consulted for . . . the resolution of ambiguities in a regulation's language[, so long as an] interpretation [does] not conflict with the plain meaning of the wording used in [a] regulation." *Wrangler*, ALAB-951, 33 NRC at 513-14. Section 51.53(c)(3)(iv) may well be viewed as being ambiguous, in that it clearly conflicts with section 51.53(c)(3)(i) and there is no "plain language" explicitly stating that section 51.53(c)(3)(iv) creates an exception to section 51.53(c)(3)(i) — in any context. From this perspective, the Commission — which, "[a]bsent constitutional constraints or extremely compelling circumstances . . . 'should be free to fashion [its] own rules of procedure and to pursue methods of inquiry capable of permitting [it] to discharge [its] multitudinous duties,'" *Vermont Yankee Nuclear Power Corp. v. Natural Resources Defense Council, Inc.*, 435 U.S. 519, 543 (1978) (citations omitted), and which may choose, "in its informed discretion," to proceed "by general rule or by individual, ad hoc litigation," *SEC v. Chenery Corp.*, 332 U.S. 194, 203 (1947), — may be viewed as having the discretion to state its interpretation of these regulatory provisions as it did in *Turkey Point*. And thus this Licensing Board would appear to be bound by the Commission's interpretation of section 51.53(c)(3)(iv) in *Turkey Point*, to the effect that section 51.53(c)(3)(iv) creates an exception to section 51.53(c)(3)(i) in the context of the requirements for ERs and EISs but *not* with regard to the scope of issues permitted to be raised in contentions in a license renewal adjudication context, absent a waiver, as discussed in the text. See also *CAN v. NRC*, 391 F.3d at 349, 360-61; *Mothers for Peace*, 449 F.3d at 1027.

¹⁷¹ See Massachusetts Attorney General's Petition for Rulemaking To Amend 10 C.F.R. Part 51 (Aug. 25, 2006) (ADAMS Accession No. MLD62640409).

¹⁷² With respect to a petitioner who alleges "new and significant information" that applies not only to a particular plant or plants involved in a proceeding, but is more broadly applicable and thus raises a more "generic" issue, it would seem that the only recourse is indeed, as discussed at oral argument, see *supra* note 128, a petition for rulemaking, such as that filed by the Attorney General. We note that the AG and the City of Plymouth have both indicated that they are less concerned about *how* the matters at issue are addressed than that they *are* in fact addressed, not merely generically but in a manner that assures that the situation at Pilgrim is in fact addressed and not overlooked, as might be the case were any rulemaking not to become effective until *after* this license renewal proceeding is completed. See Tr. at 140, 144-47; see *id.* at 148-56.

¹⁷³ Thus we need not address, and have not addressed herein, the question whether there is indeed new and significant information in this instance.

¹⁷⁴ See *supra* p. 289.

spent fuel pool. In *McGuire*, the Commission held that there is no need to address terrorism issues in license renewal proceedings because "it is sensible not to devote resources to the likely impact of terrorism during the license renewal period, but instead to concentrate on how to prevent a terrorist attack in the near term at the already licensed facilities."¹⁷⁵ The Commission also, in holding that the GEIS adequately addresses terrorism issues generically, stated:

Even if we were required by law to consider terrorism under NEPA, the NRC has already issued a . . . GEIS that considers sabotage in connection with license renewal. . . . The GEIS concluded that, if such an event were to occur, the resultant core damage and radiological releases would be no worse than those expected for internally initiated events.¹⁷⁶

This authority supports a conclusion that terrorism concerns, even assuming new and significant information is presented, are not litigable in a license renewal proceeding without a waiver.

In conclusion, based on the preceding analysis, the Massachusetts Attorney General's Contention and Pilgrim Watch Contention 4 must be ruled inadmissible and are consequently denied.

B. Pilgrim Watch Contention 1: The Aging Management Plan Does Not Adequately Inspect and Monitor for Leaks in All Systems and Components That May Contain Radioactively Contaminated Water

Petitioner Pilgrim Watch in this contention states:

The Aging Management program proposed in the Pilgrim application for license renewal is inadequate because (1) it does not provide for adequate inspection of all systems and components that may contain radioactively contaminated water and (2) there is no adequate monitoring to determine if and when leakage from these areas occurs. Some of these systems include underground pipes and tanks which the current aging management and inspection programs do not effectively inspect and monitor.¹⁷⁷

As basis for this contention, Pilgrim Watch states that:

. . . recent events around the country have demonstrated that leaks of underground pipes and tanks can result in the release of massive amounts of radioactive materials into the ground water. Exposure to this radiation can be a threat to human health, and

¹⁷⁵ *McGuire/Catawba*, CLI-02-26, 56 NRC at 361.

¹⁷⁶ *Id.* at 365 n.24.

¹⁷⁷ PW Petition at 4.

is a violation of NRC regulations. Because older plants are more likely to experience corrosion and leakage problems, and low energy radionuclides can speed up the rate of corrosion, Pilgrim should be required, as part of its Aging Management Program, to adequately inspect and monitor any systems and components that carry radioactive water. The Aging Management Plan should be revised to include this inspection and monitoring before a license renewal is granted.¹⁷⁸

Relying on the requirement for an aging management program that addresses structures and components including pipes, and referring to the provision for inspection of buried pipes and tanks in section B.1.2 of Entergy's Application, PW argues that deficiencies in the aging management plan for such pipes and tanks that contain radioactive water could "endanger the safety and welfare of the public"¹⁷⁹ and "significantly impact health,"¹⁸⁰ and therefore this contention is within the scope of this license renewal proceeding and material to the findings that must be made to support the action at issue in this proceeding.¹⁸¹

Pilgrim Watch has submitted exhibits produced by the Union of Concerned Scientists documenting leaks of radioactively contaminated water at eight nuclear facilities,¹⁸² and also supports its contention by reference to various other documents. These include, with regard to health concerns related to radioactive material in groundwater, statements by Arjun Makhijani, Ph.D.,¹⁸³ scholarly and newspaper articles,¹⁸⁴ and the "BIER VII report."¹⁸⁵ Cited with regard to plant aging and corrosion are additional publications of the Union of Concerned Scien-

¹⁷⁸ *Id.* at 6.

¹⁷⁹ *Id.* at 5.

¹⁸⁰ *Id.* at 6.

¹⁸¹ *Id.* at 4-6 (citing *Turkey Point*, CLI-00-23, 52 NRC at 329; *Turkey Point*, CLI-01-17, 54 NRC at 7; 10 C.F.R. § 54.21; Application at B-17; *Dominion Nuclear Connecticut, Inc.* (Millstone Nuclear Power Station, Units 2 and 3), 60 NRC 81 (2004); *Private Fuel Storage, L.L.C.* (Independent Spent Fuel Storage Installation), LBP-98-7, 47 NRC 142, 179-80 (1998), *aff'd in part*, CLI-98-13, 48 NRC 26 (1998)).

¹⁸² PW Petition, Exh. A, Contaminated Water Leakage, A-1, Union of Concerned Scientists et al, Petition Pursuant to 10 CFR 2.206 — Enforcement Action — Longstanding Leakage of Contaminated Water, Appendix A, January 25, 2006; A-1, NRC Preliminary Notification of Event or Unusual Occurrence — PNP-III-06-004B, Byron NPS, April 20, 2006; A-3, NRC Event Number 42381, Palo Verde, NRC: Event Notification Report of March 3, 2006.

¹⁸³ PW Petition at 8 nn.2 & 3.

¹⁸⁴ *Id.* at 8 n.3 (citing J.D. Harrison, A. Khurshheed, & B.E. Lambert, "Uncertainties in Dose Coefficients for Intakes of Tritiated Water and Organically Bound Forms of Tritium by Members of the Public," *Radiation Protection Dosimetry*, Vol. 98, No. 3, 2002, pp. 299-311); *id.* at 9 (*Indian Point Officials Zero in on Leak: Source of Radioactive Strontium 90 Turning Up in Groundwater Believed To Be from Spent Fuel Rod Pool*, Associated Press (May 12, 2006)).

¹⁸⁵ *Id.* at 9 (citing National Academy of Sciences, *Health Risks from Exposure to Low Levels of Ionizing Radiation: BEIR VII Phase 2* (2006)).

tists¹⁸⁶ and NASA,¹⁸⁷ on the greater likelihood of aging-related problems in later phases of life,¹⁸⁸ and a book by G. Bellanger on low-energy radionuclides inducing corrosion through degradation of the passive oxide layers that protect metals.¹⁸⁹ On the Pilgrim plant's asserted vulnerability to undetected leaks, PW cites a U.S. Government Accounting Office report discussing suspected counterfeit or substandard pipe fittings at the plant.¹⁹⁰ In support of its assertion that monitoring wells should be placed between the plant and the ocean, PW submits the final EIS for the original licensing of the plant, in which it is noted that "[s]urface topography is such that surface drainage from the station is seaward"¹⁹¹

Pilgrim Watch refers to Appendices A and B of Entergy's Application, including specifically Appendix A, § A.2.1.2 at A-14, and Appendix B, § B.1.2 at B-17, in support of its challenge to the Applicant's stated plans regarding its "Buried Pipes and Tanks Inspection Program."¹⁹² The former describes the "Buried Piping and Tanks Inspection Program" as including "(a) preventive measures to mitigate corrosion and (b) inspections to manage the effects of corrosion on the pressure-retaining capability of buried carbon steel, stainless steel, and titanium components"; states that "[b]uried components are inspected when excavated during maintenance"; and states further that, "[i]f trending within the corrective action program identifies susceptible locations, the areas with a history of corrosion problems are evaluated for the need for additional inspection, alternate coating, or replacement."¹⁹³ The cited section from Appendix B, also titled "Buried Piping and Tanks Inspection," states that this program "is comparable to the program described in NUREG-1801, Section XLM34, Buried Piping and Tanks Inspection," and provides that "[b]uried components are inspected

¹⁸⁶ *Id.* (citing David Lochbaum, Union of Concerned Scientists, *U.S. Nuclear Plants: The Risk of a Lifetime* (2004)).

¹⁸⁷ *Id.* at 9-10 (citing National Aeronautics and Space Administration (NASA), *Using Reliability-Centered Maintenance as the Foundation for an Efficient and Reliable Overall Maintenance Strategy* (2001)).

¹⁸⁸ PW cites the NASA-originated example of the "Bathtub Curve" graph, used in the Union of Concerned Scientists publication to illustrate that "after a relatively stable (bottom of the bathtub) period in the middle life of [a] subject, a steep rise in age-related failures occurs towards the end of its life." *Id.* at 10 (citing Lochbaum at 4).

¹⁸⁹ *Id.* at 10-11 (citing G. Bellanger, *Corrosion Induced by Low Energy Radionuclides: Modeling of Tritium and Its Radiolytic and Decay Products Formed in Nuclear Installations* (Elsevier Publications, 2006)).

¹⁹⁰ *Id.* at 11 (citing U.S. GAO, *Nuclear Safety and Health Counterfeit and Substandard Products Are a Government-wide Concern* (Oct. 1990)).

¹⁹¹ *Id.* at 13 n.5 (quoting Atomic Energy Commission, *Pilgrim Nuclear Power Station Final EIS* (May 1972)).

¹⁹² *Id.* at 11-12.

¹⁹³ Application, Appendix A, § A.2.1.2, at A-14.

when excavated during maintenance" and that a "focused inspection will be performed within the first 10 years of the period of extended operation, unless an opportunistic inspection (or an inspection via a method that allows assessment of pipe condition without excavation [such as 'phased array' ultrasonic, or 'UT,' technology]) occurs within this ten-year period."¹⁹⁴

PW argues that the preceding "are insufficient if there is a potential leak of radioactive water from corroded components that could be migrating off-site,"¹⁹⁵ that the plan to use "opportunistic inspections" gives the "appearance [of] the matter of discovering leaks [] being left to chance," that the UT technology in question is untested by plant operating experience, and that instead there should be "regular and frequent inspections of all components that contain radioactive water."¹⁹⁶

Emphasizing that small leaks, "if undetected, can eventually result in much larger releases of radioactive liquid into the ground, PW notes that smaller leaks are also more difficult to detect with measures such as noting drops in water levels in tanks.¹⁹⁷ Thus, according to PW, also relying on the fact that some of the recent cases of leaked radioactive water were detected through the use of monitoring wells, the "only effective way to monitor for [radioactive water being drained into the ground and then the ocean] would be to have on-site monitoring wells located between Pilgrim and the ocean," which would be suitably arrayed and sampled regularly, and used to supplement the Applicant's planned visual and ultrasonic tests.¹⁹⁸ Citing 10 C.F.R. § 20.1302 and Part 50, Appendix A,¹⁹⁹ for the proposition that licensees such as the Applicant are required to "demonstrate that effluents, including those from 'anticipated operational occurrences,' do not expose members of the public to excessive radiation doses,"²⁰⁰ PW argues:

While leaks of radioactively contaminated water into the ground for extended periods of time may not have been operational occurrences anticipated when the facilities were initially designed and licensed, they can scarcely be 'unanticipated' following the series of occurrences summarized in Exhibit A. As those events demonstrated, unless nuclear facilities aggressively monitor for leaks both off-site and on-site, a

¹⁹⁴ *Id.*, Appendix B, § B.1.2 at B-17.

¹⁹⁵ PW Petition at 12.

¹⁹⁶ *Id.*

¹⁹⁷ *Id.* at 13.

¹⁹⁸ *Id.*

¹⁹⁹ *Id.* at 14 nn.6 & 7.

²⁰⁰ *Id.* at 14. PW quotes 10 C.F.R. § 20.1302, which requires licensees to survey radiation levels so as to "demonstrate compliance with the dose limits for individual members of the public," and 10 C.F.R. Part 50, Appendix A, which refers, *inter alia*, to the requirement to "control suitably the release of radioactive materials . . . produced during normal reactor operation, including anticipated operational occurrences."

leak can go undetected for years, and potentially life threatening releases of radiation can migrate off-site before any problem is detected.²⁰¹

PW concludes by asserting that “[m]anagement to detect possible leaks is a site specific safety issue which has not been properly addressed in the [Application] and has not been adequately dealt with by the [NRC] in a generic way at this time,” and that, because of the potential for harm to public health and safety, the Applicant should be required to address this issue “more thoroughly . . . before a license extension for Pilgrim is granted.”²⁰²

1. Entergy Answer to Pilgrim Watch Contention 1

Applicant Entergy argues that Pilgrim Watch’s first contention “is inadmissible because (1) the Contention is overbroad and unduly vague and impermissibly challenges Commission regulation; (2) the Contention provides no basis to dispute the adequacy of aging management program for underground pipes and tanks; and (3) the Contention is beyond the scope of this proceeding.”²⁰³

The Applicant insists that PW’s claim, that the “Aging Management Plan does not adequately inspect and monitor for leaks in all systems and components that may contain radioactively contaminated water,” is impermissibly overbroad because the scope of license renewal proceedings, as confined by 10 C.F.R. § 54.4, “does not encompass ‘all systems and components that may contain radioactive water,’”²⁰⁴ and “[m]any plant systems and components that may contain radioactively contaminated water do not fall within this defined scope of 10 C.F.R. Part 54.”²⁰⁵ Furthermore, the Applicant asserts, because the Commission has explicitly rejected a petition for rulemaking of the Union of Concerned Scientists, seeking to expand the scope of the license renewal rule to include “liquid and gaseous radioactive management systems,” the contention “directly challeng[es] the Commission’s contrary determination.”²⁰⁶ Thus, “[a]s such, the Contention impermissibly challenges Commission regulation, and to the extent the Contention encompasses systems and components that are not subject to the license renewal requirements of 10 C.F.R. Part 54, the Contention must be rejected as beyond the scope of this proceeding.”²⁰⁷

²⁰¹ PW Petition at 15.

²⁰² *Id.* at 15-16.

²⁰³ Entergy Answer to PW Petition at 11.

²⁰⁴ *Id.*

²⁰⁵ *Id.* at 12.

²⁰⁶ *Id.* (citing Union of Concerned Scientists; Denial of Petition for Rulemaking, 66 Fed. Reg. 65,141 (Dec. 18, 2001)).

²⁰⁷ *Id.*

Attacking PW’s asserted failure to identify “specific PNPS systems or components within the scope of the rule that will not be adequately managed for aging, or that contain radioactive water that might be released,”²⁰⁸ Applicant argues that the contention “fails to provide a factual basis to support any claim challenging the adequacy of the Application.”²⁰⁹ Citing PW’s reference to reports of radioactive water leaks at other nuclear power plants, the Applicant avers that PW fails to provide a basis to link those leaks “to any in-scope license renewal systems and components or to any claimed inadequacy of the Pilgrim aging management plan for buried piping and tanks.”²¹⁰ Applicant distinguishes the Pilgrim plant, among other things as being a boiling water reactor with an elevated, above-grade spent fuel pool, unlike examples cited by PW,²¹¹ and charges that PW has failed to provide support either for its allegations of “site specific attributes due to [the Pilgrim plant’s] history and location which makes leaks from components and systems . . . more likely and more difficult to detect,”²¹² or for its claims regarding inadequate “current methods for monitoring systems and components such as buried piping and underground tanks.”²¹³ Additionally, the Applicant argues that PW’s references to expected failures over the life of a component or structure, and to the past use of “counterfeit or substandard pipe fittings and flanges,” provide no support for the contention because the former is not site-specific to Pilgrim and the latter would be covered by a current design and licensing basis and is not an aging issue.²¹⁴

Addressing claims regarding inspection and potential leaks of radioactive water from corroded components, Applicant argues that PW has provided nothing more than unsupported allegations regarding the adequacy of the inspection and aging management programs for underground pipes and tanks.²¹⁵ According to the Applicant, “[n]o facts or expert opinion are provided to support the claimed inadequacy of the aging management program,” and “[n]o basis is offered to suggest that components are corroding nor is any information offered indicating the appropriateness of any other inspection period.”²¹⁶

²⁰⁸ *Id.* at 13.

²⁰⁹ *Id.* (emphasis in original).

²¹⁰ *Id.* at 13-14.

²¹¹ See *id.* at 14.

²¹² *Id.* at 15-16 (quoting Pilgrim Watch Petition at 8).

²¹³ *Id.* at 16 (quoting Pilgrim Watch Petition at 9).

²¹⁴ *Id.* at 16-17 (quoting Pilgrim Watch Petition at 11).

²¹⁵ See *id.* at 17.

²¹⁶ *Id.* Applicant cites *Georgia Tech*, LBP-95-6, 41 NRC at 305, and *Turkey Point*, LBP-90-16, 31 NRC at 521 & n.12, for the propositions that a petition must provide “[t]echnical analyses and expert opinion” or other factual information “showing why its bases support its contention,” and that “as

(Continued,

The Applicant suggests that the contention's "real focus is not on aging management, but on the adequacy of the PNPS radiological monitoring program, which is beyond the scope of this proceeding."²¹⁷ Asserting that what PW is really requesting is an expanded radiological monitoring program at the site,²¹⁸ the Applicant contends that this concerns a current operational program that is "not properly part of this license renewal proceeding."²¹⁹

2. NRC Staff Response to PW Contention 1

The NRC Staff agrees with Petitioner PW that Contention 1 is within the scope of license renewal proceedings, but argues that it is inadmissible, first, because it fails to meet the requirements of 10 C.F.R. § 2.309(f)(1)(vi) that it demonstrate that a genuine dispute exists with the Applicant regarding a material issue of law or fact, and that it challenge either specific portions of or alleged omissions from the Application, and instead relies on "vague or generalized studies and unsubstantiated assertions without reference to the LRA [and thus] fails to demonstrate that there are material issues of fact in dispute."²²⁰ In addition, the Staff argues, the asserted bases for the contention "lack sufficient facts and contain no supporting expert opinion" as required under 10 C.F.R. § 2.309(f)(1)(v), and instead "impermissibly rel[y] on generalized suspicions and vague references to alleged events at other plants and equally unparticularized portions of general studies for providing a factual basis."²²¹

Following the outline headings used by PW in its petition and treating the various outline points of PW's Contention 1 and its basis essentially as separate bases, the Staff challenges each separately.²²² According to the Staff, PW's references to leaks at other facilities do not support the contention's admissibility, because

allegation that some aspect of a license application is 'inadequate' or 'unacceptable' does not give rise to a genuine dispute unless it is supported by facts and a reasoned statement of why the application is unacceptable in some material respect." *Id.* at 18.

²¹⁷ *Id.* at 18.

²¹⁸ *Id.* at 18-19.

²¹⁹ *Id.* at 20.

²²⁰ NRC Staff Response to PW Petition at 10.

²²¹ *Id.*

²²² We note that the Staff approaches this and other contentions by addressing the information under different headings in the bases separately, without appearing to draw any connections between the various sections. We find it more appropriate to consider, and have considered, the basis for each contention as a whole, taking into account any logical connections between sections as well as any supporting material in one section for the point(s) made in any other section or sections.

no site-specific facts relevant to the Pilgrim plant have been provided.²²³ Nor, according to the Staff, does that part of the basis for the contention in which PW asserts that "[e]xposure to this radiation can be a threat to human health[] and is a violation of NRC regulations" pass muster "because Petitioner has failed to demonstrate that there is a genuine dispute as a matter of law or fact . . . and fails to provide an adequate basis in fact or expert opinion to support its assertion."²²⁴ No deficiency or dispute with the Application is cited, according to the Staff, "that would lead to like releases," and the reference to the BEIR VII Report for the proposition that "there is no safe dose of radiation" is an "impermissible challenge to the Commission's regulations."²²⁵

Regarding the studies cited by PW related to aging and corrosion, the Staff argues that these are too general to support an admissible contention,²²⁶ and with respect to the studies cited on low-energy radiation and corrosion, asserts that any suggestion that the Pilgrim plant suffers from the same effects constitutes "mere speculation" and "bare assertions" insufficient to support a contention.²²⁷ The Staff also notes that PW mentions neither the NRC's response to the GAO study on counterfeit or substandard pipe fittings, nor subsequent actions taken in response to it, and suggests that this should be taken as a failure "to provide a reason why the GAO study is significant to this proceeding" and as "impermissibly seek[ing] the Licensing Board to make erroneous assumptions of fact."²²⁸ The Staff considers PW's references to ultrasonic testing to be asking the Board to "make an impermissible assumption of fact," and its call for "regular and frequent inspections of all components that contain radioactive water" to be unsupported by any "factual or expert support."²²⁹

Finally, the Staff suggests PW has provided no expert or factual support for its challenge to the adequacy of the monitoring provided in the Application, or for its assertion that the monitoring program at Pilgrim must be improved.²³⁰ According to the Staff, PW bases its arguments relating the purported need for monitoring

²²³ See *id.* at 11. The Staff notes PW's statement that the Pilgrim plant has "site-specific attributes due to its history and location which make leaks from components and systems such as underground piping more likely and difficult to detect," but argues that "Petitioner does not provide site-specific facts to support this assertion nor identify with any specificity how purported leaks at other plants are relevant to Pilgrim." *Id.* (quoting PW Petition at 7-8).

²²⁴ Staff Response to PW Petition at 12 (citations omitted).

²²⁵ *Id.* at 12-13.

²²⁶ See *id.* at 13-14.

²²⁷ *Id.* at 14.

²²⁸ *Id.* at 15.

²²⁹ *Id.* at 15-16.

²³⁰ *Id.* at 16.

to the discoveries of leaks at other facilities on speculation and "generalized suspicion," and cites no part of the Application with which it has a dispute.²³¹

3. Pilgrim Watch Replies to Entergy and NRC Staff

In its replies to Entergy and the Staff, Pilgrim Watch charges both with attempting to hold it to an incorrect standard of having to prove its contention at this stage of this proceeding, relying on the Commission's 1989 rulemaking statement to the effect that this is not part of the contention admissibility requirements.²³² Citing in addition the Commission's advice that the factual support necessary to show that a genuine dispute exists in relation to a contention "need not be of the quality necessary to withstand a summary disposition motion," PW states that, while it has not yet formally engaged the services of an expert, it "has provided the board with extensive sources as the basis for its contentions, gleaned from scientific, technical, public policy and government reports."²³³ PW avers that the Staff also purports to make the rule stricter than it already is when it argues that expert opinion is always required, whereas the actual requirement is for "facts or expert opinion."²³⁴

In response to Entergy and Staff challenges to that part of the basis for Contention 1 that concerns leaks at other facilities, PW points out that, in reading the Application, it looked for assurances "that such an event at Pilgrim would be quickly detected and remedied and discovered that the Aging Management Plan does not give this assurance."²³⁵ PW asserts that "[t]his is exactly the sort of 'deficiency or error' in an Application that has 'independent health and safety significance' that is material to these proceedings, and Petitioners referred directly to the Application sections as was required."²³⁶ PW notes that the significance of the leaks at other facilities has been shown by the fact that the NRC has appointed a special tritium task force to address the problem.²³⁷

In response to Entergy's argument that the contention is overbroad in referring generally to pipes and other components, PW points out that its discussion is focused on those systems, including pipes and tanks, that are addressed in the

Application, § B.1.2, at B-17, and that it is these pipes and tanks that are at issue in the contention.²³⁸

PW further notes that it included a discussion of the "site-specific" fact of the coastal topography of the Pilgrim plant in the basis for the contention, and cites its references to the various reports discussed in its Petition, provided to support the various "pieces" of its basis — noting that each piece is but a part of its overall basis.²³⁹ With regard to the reports in question, PW points out that the issues they address — health, aging and corrosion of components, and low-energy radionuclides and corrosion — would be applicable to Pilgrim, even though they might not be specifically about the Pilgrim plant.²⁴⁰

PW emphasizes that the deficiency with regard to inspection that it alleges is the schedule of an inspection within the first 10 years, or "opportunistically."²⁴¹ PW notes that it highlighted the novelty of ultrasonic testing to support its "claim that additional monitoring is necessary to complement it,"²⁴² a proposal that is intended as an "adjunct to inspections, and as an integral part of the Aging Management Program at Pilgrim, not as part of its operational radiological monitoring program."²⁴³ PW notes that "it was through monitoring wells that leaks at other facilities were discovered, and yet Pilgrim does not currently have monitoring wells that would detect leaks of radioactive water before that water was washed into Cape Cod Bay," and asserts that "[o]n-site wells in strategic locations could alert Licensee about possible problems in a more timely way."²⁴⁴ Maintaining that it has shown "why it is unrealistic to expect to happen upon a leaking pipe during routine maintenance activities, particularly if those activities only take place every ten years," PW continues to argue that the "only effective way to monitor for such an occurrence would be to have on-site monitoring wells located between Pilgrim and the ocean."²⁴⁵ According to PW, "[t]he genuine and material issue in dispute is whether or not the Licensee's application sufficiently deals with th[e] safety issue" presented in its contention.²⁴⁶

²³⁸ See PW Reply to Entergy at 5.

²³⁹ PW Reply to NRC Staff at 6-7.

²⁴⁰ See *id.* at 6-8; PW Reply to Entergy at 7-8. PW observes that "[f]or the Staff to imply that Petitioners cannot even rely on pertinent scientific studies conducted in other parts of the country to support our basis in Massachusetts raises the bar very high indeed." PW Reply to NRC Staff at 8.

²⁴¹ *Id.*

²⁴² *Id.*

²⁴³ PW Reply to Entergy at 8.

²⁴⁴ PW Reply to NRC Staff at 8.

²⁴⁵ PW Reply to Entergy at 8.

²⁴⁶ *Id.*; see PW Reply to NRC Staff at 9.

²³¹ *Id.* at 17-18.

²³² PW Reply to Entergy at 3; PW Reply to NRC Staff at 3 (citing, in each, 54 Fed. Reg. 33,170 (Aug. 11, 1989)).

²³³ PW Reply to NRC Staff at 4-5; PW Reply to Entergy at 4.

²³⁴ PW Reply to NRC Staff at 4.

²³⁵ *Id.* at 5; see also PW Reply to Entergy at 6.

²³⁶ PW Reply to NRC Staff at 5.

²³⁷ See *id.*; PW Reply to Entergy at 6.

4. Licensing Board Ruling on Pilgrim Watch Contention 1

We find this contention, as limited below, admissible, based upon the following analysis.

We turn first to the question of whether this contention falls within the scope of a license renewal proceeding. We agree with the Staff in its concession that Pilgrim Watch's first contention is within this scope, as defined at 10 C.F.R. Part 54.²⁴⁷ Indeed, the fact that the Application itself contains sections concerning "Buried Piping and Tanks Inspection," both cited by Petitioner, indicates that Entergy implicitly agrees that this subject, insofar as it concerns those buried pipes and tanks in its aging management program, is within the scope of license renewal.²⁴⁸ Obviously, if there are some pipes or tanks that do not for one reason or another individually fall within the scope of license renewal, issues concerning such pipes and/or tanks may not be litigated in this proceeding. But this is a different matter than whether any buried pipes and tanks are within scope, as some undisputedly are. While it is true that the contention's mention of "all systems and components" may, on its face, implicate systems and components that are not within the scope of a license renewal as defined in 10 C.F.R. Part 54, such language does not remove the entire contention from the scope of this proceeding.

We find that Pilgrim Watch, among other things by referencing the Application's aging management plan regarding buried pipes and tanks, has supported its contention "sufficient to establish that it falls directly within the scope" of this proceeding,²⁴⁹ and therefore satisfies the requirements of 10 C.F.R. § 2.309(f)(1)(iii), to the extent that the contention concerns underground pipes and tanks that fall within the Pilgrim aging management plan. We further find that the contention — again, insofar as it concerns underground pipes and tanks that are part of Pilgrim's aging management program — does not improperly challenge any Commission rule or regulation.

We find that PW has fulfilled the requirements of 10 C.F.R. § 2.309(f)(1)(i) and (ii) by providing a sufficiently specific statement of the issue raised in the contention and the requisite brief explanation of the basis for the contention. Briefly summarized, PW in Contention 1 challenges Pilgrim's aging management program relating to the inspection of buried pipes and tanks for corrosion, and to detection of leakage of radioactive water that might result from undetected corrosion and aging. The essence of the contention is that the aging management

plan incorporates no mechanism for early detection of leaks, and should do so, through the use of appropriately placed monitoring wells.²⁵⁰ The basis for the contention includes two factors: First, the infrequency of inspections for corrosion of relevant pipes and tanks that are underground, viewed in light of recent discoveries of leaks at various nuclear facilities, supported by various factual arguments and sources; and second, the fact that the plan contains no mechanism for monitoring for leaks.

With regard to whether, as required at 10 C.F.R. § 2.309(f)(1)(iv), the issue raised in the contention is material to the findings that must be made to support the sought license renewal, we find that this requirement has been met. Obviously, the adequacy of the aging management program as it relates to underground pipes and tanks has health and safety significance²⁵¹ and is material to whether the license renewal may be granted.

We also find that PW has satisfied the requirements of 10 C.F.R. § 2.309(f)(1)(v) for a concise statement of the alleged facts or expert opinion supporting the contention, including references to sources and documents to be relied upon. PW has raised significant factual allegations about the matters at issue and provided various support for its contention. Petitioner alleges as fact that the aging management plan for buried pipes and tanks that is in the Application is deficient in limiting inspections to focused inspections within 10 years of the license renewal, "opportunistic inspections," and inspections during excavations for maintenance (along with additional inspections if "trending . . . identifies susceptible locations," and the possibility of some ultrasonic testing).²⁵² It points out that the plan does not include any monitoring wells, and urges that in addition to "regular and frequent inspections," the aging management program should include "monitoring wells in suitable locations . . . to supplement visual and ultrasonic tests."²⁵³ Moreover, PW has referred to a number of scientific articles and reports in support of this contention, and we note that, according to some of these reports, discovery of some of the recently found leaks in various facilities was achieved through use of monitoring wells.²⁵⁴

In litigation of this contention, various scientific articles and reports referenced by PW, as well as the existence of leaks at other facilities and the response to those leaks, may, along with whatever other evidence and expert testimony is provided, be relevant evidence on the factual issue of whether Pilgrim's aging

²⁵⁰ PW Reply to NRC Staff at 8-9; PW Reply to Entergy at 8.

²⁵¹ See *Dominion Nuclear Connecticut, Inc.* (Millstone Nuclear Power Station, Units 2 and 3), LBP-04-15, 60 NRC 81, 89 (2004); *Private Fuel Storage, L.L.C.* (Independent Spent Fuel Storage Installation), LBP-98-7, 47 NRC 142, 179-80 (1998), *aff'd in part*, CLI-98-13, 48 NRC 26 (1998).

²⁵² PW Petition at 12-13.

²⁵³ *Id.* at 11-14.

²⁵⁴ See *id.* at 13-14; PW Petition, Exh. A.

²⁴⁷ See our discussion above in section IV.B of this Memorandum and Order.

²⁴⁸ Application §§ A.2.1.2, B.1.2.

²⁴⁹ *Arizona Public Service Co.* (Palo Verde Nuclear Generating Station, Units 1, 2, and 3), LBP-91-19, 33 NRC 397, 412 (1991), *appeal denied on other grounds*, CLI-91-12, 34 NRC 149 (1991). See PW Petition at 5.

management program for underground pipes and tanks is satisfactory or deficient, and whether as a result — again, as a factual matter — the sort of monitoring wells that PW seeks should be included in this program.²⁵⁵ No doubt there will be

²⁵⁵ As with many scientific reports and studies, and as with many factual circumstances that are discovered at a number of locations, each of these may be quite relevant to conditions at an individual facility. The NRC's "lessons learned" approach to analyzing a problem at one or more facilities in a manner so as to prevent future occurrences at other facilities illustrates this. Indeed, we note the recent issuance of the Liquid Radioactive Release Lessons Learned Task Force Final Report (Sept. 1, 2006; issued publicly Oct. 4, 2006), available at <http://www.nrc.gov/reactors/operating/ops-experience/tritium/lr-release-lessons-learned.pdf> [hereinafter Tritium Report]. In this report, although the task force "did not identify any instances where the health of the public was impacted," *id.* at Executive Summary I, it did conclude that "under the existing regulatory requirements the potential exists for unplanned and unmonitored releases of radioactive liquids to migrate offsite into the public domain undetected," based on several elements, including the fact that some components such as buried pipes are not physically visible, the general absence of NRC requirements for monitoring groundwater onsite, and the possibility of migration of groundwater contamination offsite undetected. *Id.* at ii; *see id.* at 50. The report mentions the relevance of the 10 C.F.R. Part 54 license renewal requirements to the matters at issue, *id.* at 22; notes that buried systems and structures such as pipes are "particularly susceptible to undetected leakage," *id.* at 26; and recommends that the Staff verify that the license renewal process "reviews degradation of systems containing radioactive material" as discussed in the report, *id.* at 27. (We would further note that, as the report does not appear to be accompanied by any planned rulemaking at this time, it does not raise any questions about litigation of the matters at issue in this contention in this proceeding, which, in any event, as with the instances discussed in the report, involve various site-specific elements in addition to more generally relevant considerations that may be informed by the report, as well as by other relevant documents and sources. *See Oconee*, CLI-99-11, 49 NRC at 345 (quoting *Potomac Electric Power Co.* (Douglas Point Nuclear Generating Station, Units 1 and 2), ALAB-218, 8 AEC 79, 85 (1974) ("It has long been agency policy that Licensing Boards 'should not accept in individual license proceedings contentions which are (or are about to become) the subject of general rulemaking by the Commission'")); *see also Duke Power Co.* (Catawba Nuclear Station, Units 1 and 2), ALAB-813, 22 NRC 59, 86 (1985); *Private Fuel Storage*, LBP-98-7, 47 NRC at 179; PW Petition at 7).

We would note that any NRC guidance documents on subjects related to Contention 1, while not controlling, may be relevant evidence on subjects relating to Contention 1. In this regard we observe as well that Entergy has, in support of its assertions that its aging management program for buried pipes and tanks is sufficient, directed us to the "GALL Report," which provides the NRC Staff's regulatory guidance on aging management of buried piping and tanks. NUREG-1801, "Generic Aging Lessons Learned (GALL) Report," Vol. 2, Rev. 1 at XI-M-95; *see Entergy Answer to PW* at 18 n.9; Tr. at 325-26. Without making any determination on the merits of this contention, it does appear that the Applicant's proposed program likely complies with the minimum standards of the guidance therein set out.

However, several factors with regard to the GALL Report are particularly noteworthy in the context of Contention 1 and the arguments regarding it. First, of course, the GALL Report represents general guidance for the Staff's review, and does not specify the only acceptable way to satisfy the requirements of 10 C.F.R. § 54.21. *Curators of the University of Missouri* (TRUMP-S Project), CLI-95-8, 41 NRC 386, 397 (1995) ("NUREGs and Regulatory Guides are advisory by nature and

(Continued)

argument about the extent to which various items of evidence are relevant and do or do not establish various facts. But Petitioners are not required to prove alleged facts at the contention admissibility stage. In addition, although PW has indicated

do not themselves impose legal requirements on either the Commission or its licensees"). Second, the guidance of the report focuses primarily upon ensuring the continuing effectiveness of external coatings and wrappings to manage the effects of corrosion, rather than on any methods to detect failure other than by physical inspection. Third, while the report states that "inspections performed to confirm that coating and wrapping are intact are an effective method to ensure that corrosion of external surfaces has not occurred and the intended function is maintained," NUREG-1801, GALL Report, Vol. 2, Rev. 1 at XI-M-III, it goes on to indicate that, "because the inspection frequency is plant-specific and depends on the plant operating experience, the applicant's plant specific operating experience is further evaluated for the extended period of operation." *Id.* at point 10. Thus, the report implicitly contemplates that an acceptable plan will be plant-specific and depend on operating experience.

In this instance, Applicant has proposed to comply with the suggested general guideline for frequency of inspection — "an opportunistic inspection" within a 10-year period — that is the *minimum* suggested in the guidance (wherein it is stated that "it is anticipated that one or more opportunistic inspections may occur within a ten year period" and that "prior to entering the period of extended operation, the applicant is to verify that there is at least one opportunistic or focused inspection . . . performed within the past ten years"). *Id.* at XI-M-111-112 No party here argues that the applicant has failed to follow this guidance; rather, insofar as the report is viewed as providing guidance on an acceptable plan, at issue here is *sufficiency* of a plan that complies *only* with the *minimum* requirements thereof — which may or may not be sufficient based on circumstances including site-specific factors.

Pilgrim Watch questions whether visual inspection at the proposed intervals, together with possible use of ultrasonic testing (at only a selected sample of locations) is sufficient to manage the effects of aging by detecting *incipient* failure of the buried pipes and tanks (whether by incipient failure of coatings and wrappings or otherwise), and suggests that the plan should include leak detection mechanisms (such as monitoring wells) to discover any actual failure, rather than rely only on the proposed periodic visual inspections and potential use of ultrasonic testing. *See PW Petition* at 11-14.

We find that this challenge raises factual issues from two perspectives; First, it can be viewed, in its most direct form, as a challenge to the adequacy of the proposed interval of inspection. Second, it can be viewed, in its pointing out of the lack of monitoring for leaks that would be indicative of pipe or tank failure, as a challenge to the adequacy of a plan which merely satisfies the minimum requirements of regulatory guidance which, in and of itself, appears to contemplate some plant-specific elements. With regard to the first perspective, it is unclear at this point whether or not this proposed periodicity is sufficient for *this* plant, and with regard to the second, it is likewise premature to say whether or not monitoring for leaks is properly part of an aging management plan designed to prevent leaks. Thus, insofar as the Applicant may be viewed as arguing that it has complied with the requirements of NUREG-1801, we find such argument to be insufficient, for the purposes of contention admissibility considerations, to overcome such factual challenges. These are matters that are properly addressed on the merits at the appropriate stage of the proceeding for such consideration.

that it will have an expert to support its admitted contention(s),²⁵⁶ it is not required to have such an expert at this time.²⁵⁷

We would also note that the subject of "monitoring" is not irrelevant merely because some monitoring may be part of operational activities on a continuing basis. The fact that some "monitoring" may occur as part of ordinary plant operations does not exclude it from license renewal, as illustrated, for example, by section A.2.1.10 of the Application, concerning the "Diesel Fuel Monitoring Program." PW alleges that the aging management program of inspection for corrosion and leakage from underground pipes and tanks at Pilgrim is insufficient, supported by various facts, documents, sources, and a reasoned fact-based argument, and asserts that the best way to address this deficiency (based on topographical facts set forth in the original FEIS for the Pilgrim plant) is to add leak detection through monitoring wells between the plant and Cape Cod Bay. Whether the addition of such wells may be appropriate and necessary, as part of Pilgrim's aging management plan for underground pipes and tanks, is, as indicated above, a factual matter, the answer to which depends upon whether the plan, absent such monitoring, is adequate to detect and remedy any corrosion or other potential for leakage, and any leakage that may actually occur, in a timely and effective manner. If a plan is found as a factual matter to be inadequate in this regard, and that additional inspection and other measures are unduly difficult or expensive such that monitoring wells or other leak detection devices may be the most efficient and cost-effective way of addressing the inadequacy, then they might well be called for, as a factual matter, to augment existing parts of the aging management plan.

Finally, with respect to the requirement at 10 C.F.R. § 2.309(f)(1)(vi) that PW provide sufficient information to show a genuine dispute on a material issue of law or fact, including specific references to portions of the Application it disputes and the reasons for the dispute, there is no doubt that Petitioners must provide something more than bare allegations or "unsubstantiated assertions." We find that PW has done more, and has satisfied the requirements of section 2.309(f)(1)(vi), insofar as the contention asserts that the aging management plan is inadequate in not including leak detection methods (such as monitoring wells) as a part of it, to supplement existing provisions. In support of this, PW has made a reasoned argument supported, as we note above, by facts, exhibits, scientific reports, and by reference to Appendices A and B of the Application, more

²⁵⁶ Tr. at 300.

²⁵⁷ If the remainder of the basis and support for a contention were so sparse as to preclude admission of the contention based solely on such other support, then the presence or absence of an expert might come into play in ruling on the admissibility of the contention. But this is not the situation with PW's Contention 1, which we find to be sufficiently supported, without indication of a retained expert at this point.

specifically to section A.2.1.2, at A-14, and section B.1.2, at B-17. It challenges the absence of monitoring wells to serve as leak detection devices, strategically placed between the plant and the coast toward which all water that may be released through any leaks from such pipes and tanks would flow. It asserts that such wells are a necessary part of a system to manage the aging of buried pipes and tanks, particularly where the plan is to inspect only once within the first 10 years of the new license unless an opportunistic occasion arises. It is clear that the participants are genuinely in dispute on this material issue of fact, which we find Petitioner PW has raised and supported sufficiently to admit Contention 1.

In admitting this contention, however, we limit it in two respects. First, the contention is limited to those underground pipes and tanks that do fall within those described in 10 C.F.R. Part 54,²⁵⁸ which is an issue that may require further clarification as this proceeding progresses. Second, although PW in its basis for Contention 1 has specifically referenced "violation[s] of 10 C.F.R. § 20.1302 and § 50 Appendix A";²⁵⁹ the basis also contains certain suggestions that doses *not in violation* of NRC regulations might be harmful to health.²⁶⁰ The former may be litigated with respect to this contention; the latter may not. With such limitations, the contention we admit states as follows:

The Aging Management program proposed in the Pilgrim Application for license renewal is inadequate with regard to aging management of buried pipes and tanks that contain radioactively contaminated water, because it does not provide for monitoring wells that would detect leakage.²⁶¹

C. Pilgrim Watch Contention 2: The Aging Management Plan at Pilgrim Fails To Adequately Monitor for Corrosion in the Drywell Liner

Pilgrim Watch in their second contention states:

The Aging Management program proposed in the Pilgrim application for license renewal fails to adequately assure the continued integrity of the drywell liner, or shell, for the requested license extension. The drywell liner is a safety-related containment component, and its actual wall thickness should be confirmed by periodic ultrasonic testing (UT) measurements at all critical areas, including those

²⁵⁸ See 10 C.F.R. § 54.21(a)(1)(i) ("These structures and components include, but are not limited to, . . . piping" (emphasis added)); see also PW Petition at 4.

²⁵⁹ PW Petition at 8.

²⁶⁰ See *id.* at 8-9.

²⁶¹ With respect to exactly which pipes and tanks do fall within Pilgrim's aging management program, this is addressed to an extent in the Application, although further definition may be required as the adjudication of this case proceeds forward.

which are inaccessible for visual inspection. The current plan does not adequately monitor for corrosion in these inaccessible areas, nor does it include a requirement for a root cause analysis when corrosion is found.²⁶²

As basis for this contention, Pilgrim Watch states that:

A contention about a matter not covered by a specific rule need only allege that the matter poses a significant safety problem. *Duke Power Co. (Catawba Nuclear Station, Units 1 and 2)*, LBP-82-116, 16 NRC 1937, 1946 (1982). The drywell liner has been identified by the NRC and the Applicant as a safety-related structure to be maintained both as a pressure-related boundary and for structural support. It is required to contain and control the release of fission products to the Reactor Building in the event of a Design Basis Accident, including a Loss-Of-Coolant-Accident (LOCA) so that the off-site radiation dose to the surrounding communities remains within NRC designated limits. This structure is therefore vital to the protection of the health, safety and welfare of the public and Petitioners' members. Recent events cited herein have demonstrated that the corrosion of Mark I Drywells is a major safety issue that is not addressed by current NRC Guidance Documents. Pilgrim has a history of corrosion in different areas of the drywell and there has been a reduction in drywell wall thickness. Despite this fact, the Aging Management Program does not adequately monitor for corrosion in the drywell and drywell wall thickness. The Aging Management Program should address this issue, and perform root cause analysis where any corrosion is found, before a license renewal is granted.²⁶³

To support its allegation that corrosion of Mark I drywells is a major safety-related issue, Pilgrim Watch has referenced a 1986 NRC Information Notice (IN 86-99) acknowledging the potential for corrosion, as well as a 1992 NRC Safety Evaluation of drywell integrity at the Oyster Creek Nuclear Generating Station — also a Mark I reactor — discussing corrosion detected by UT measurements.²⁶⁴ In conjunction with its discussion of known corrosion problems at Mark I steel containment shells, PW also notes a January 31, 2006, meeting held by NRC “to discuss the proposed interim staff guidance [ISG] for license renewal associated with Mark I steel containment drywell shell[s].”²⁶⁵ Citing sentiments expressed by the NRC Staff in the meeting, PW argues that the NRC has recognized that a relevant “Generic Aging Lesson Learned” (GALL) report “does not provide

²⁶² PW Petition at 17.

²⁶³ *Id.* at 18-19.

²⁶⁴ *Id.* at 19-20.

²⁶⁵ *Id.* at 20 n.9 (citing “NRC Conference Call January 31, 2006 to discuss the proposed interim staff guidance for license renewal associated with Mark I steel containment drywell shell. Power point Presentation and discussion by Ms. Linh Tran” (see NIRS Oyster Creek Motion for Leave To Add Contentions or Supplement (Feb. 7, 2006), ADAMS Accession No. ML0604703540).

sufficient guidance for detecting and monitoring potential corrosion in the drywell shell, particularly in inaccessible areas,” and that “all Mark I reactors have potential problem and require evaluation.”²⁶⁶ Pilgrim Watch cites, and includes as an attachment to its Petition, a 2006 *Federal Register* notice entitled “Propose License Renewal Interim Staff Guidance LR-ISG-2006-01: Plant-Specific Aging Management Program for Inaccessible Areas of Boiling Water Reactor Mark Steel Containment Drywell Shell”²⁶⁷; PW explains that it seeks to intervene on the drywell corrosion issue “because the license renewal process for Pilgrim has already begun and will likely be completed before a final Staff Guidance on the problem is issued.”²⁶⁸

Petitioners argue that unless they are allowed to intervene on this issue — in effect, if this contention is not admitted — “these concerns will not be adequately addressed as part of the Pilgrim license renewal.”²⁶⁹ Conceding that the issue clearly now has the attention of the NRC, PW argues that the possibility of future Staff Guidance being issued “should not preclude Petitioners’ intervention on this issue,” citing case law for the principle that “[p]articipation of the NRC Staff in a licensing proceeding is not equivalent to participation by a private intervenor.”²⁷⁰

According to Pilgrim Watch, in addition to the evidence regarding all Mark I Steel Containment Drywell Shells, the Pilgrim Nuclear Power Station “has a history of corrosion in different areas of the drywell, and there has been a reduction in drywell wall thickness.”²⁷¹

Pointing to Appendix B of the Application, PW asserts that the Applicant has identified specific instances of corrosion that were discovered and remedied and that the Applicant incorrectly suggests that such discovery and remedy evidence of a successful aging management program.²⁷² Instead, PW argues, the evidence demonstrates that corrosion is occurring and does not prove that all corrosion or degradation is being detected and remedied.²⁷³ To further support its assertion that corrosion and degradation are occurring or will occur at Pilgrim, Petitioners references the same “bathtub curve” risk profile it cited in support of its first contention as applying to aging nuclear power plants, again claiming that in it

²⁶⁶ PW Petition at 20.

²⁶⁷ 71 Fed. Reg. 27,010 (May 9, 2006).

²⁶⁸ PW Petition at 21.

²⁶⁹ *Id.*

²⁷⁰ *Id.* (citing *Washington Public Power Supply System (WPPSS Nuclear Project No. 3)*, ALAB-7-18 NRC 1167, 1175-76 (1983)).

²⁷¹ *Id.* at 22.

²⁷² *Id.*

²⁷³ *Id.*

renewal period Pilgrim will be in the "wear-out" phase, making degradation more likely.²⁷⁴

Turning to the specifics of the Aging Management Program at Pilgrim, Pilgrim Watch argues that an inspection of the drywell liner every 10 years is not adequate, nor is the primary reliance on visual examinations of the drywell because such inspections cannot monitor inaccessible areas.²⁷⁵ Assessing the procedures set forth in Appendix A.2.1.17 of the Application, and the Aging Management Program's reference to the use of ultrasonic testing of drywell thickness, Pilgrim Watch states that it is "not clear from the Application where and how often" the drywell thickness would be measured using such tests.²⁷⁶ Pilgrim Watch cites the work of Dr. Rudolf H. Hausler for the proposition that reliance on visual inspections would be of "limited usefulness."²⁷⁷ Thus, PW asserts, noting the overall difficulty of inspecting inaccessible areas, visually or by UT, "the Aging Management Plan should require a root cause analysis any time water leakage into the drywell region has been found."²⁷⁸

Concluding, Pilgrim Watch contends that the Pilgrim aging management plan "should include regular UT measurements of all critical areas of the drywell liner and a root cause analysis of any drywell areas where water has been found before license renewal is granted."²⁷⁹ PW advocates frequent enough UT measurements "to confirm that the actual corrosion measurement results are as projected"; that the measurements should be expanded into areas not previously inspected, including multiple measurements to determine "crevice corrosion" in the liner that is submerged in the concrete floor as well as those areas identified by a root cause analysis that may have caused leakage; submission of results to the NRC as publicly available documents in this license renewal proceeding; concurrence with relevant ASME standards; and immediate incorporation of the NRC Staff Interim Staff Guidance into the Aging Management Program.²⁸⁰

1. Entergy Answer to Pilgrim Watch Contention 2

The Applicant argues that Contention 2 is inadmissible because "it does not address and therefore fails to identify any deficiency in the discussion of this issue in the Application[.] . . . provides no basis to dispute the adequacy of aging management program for the drywell liner[, and t]herefore, fails to establish

²⁷⁴ *Id.* at 22-23.

²⁷⁵ *Id.* at 23.

²⁷⁶ *Id.*

²⁷⁷ *Id.* at 24.

²⁷⁸ *Id.*

²⁷⁹ *Id.*

²⁸⁰ *Id.* at 24-25.

any genuine dispute concerning a material issue."²⁸¹ Turning first to Pilgrim Watch's references to the "Proposed License Renewal Interim Staff Guidance LR-ISG-2006-01: Plant-Specific Aging Management Program for Inaccessible Areas of Boiling Water Reactor Mark I Steel Containment Drywell Shell,"²⁸² the Applicant states that Pilgrim Watch has failed to acknowledge or "address the amendment to the license renewal application that Entergy submitted on May 11 2006, to provide additional information responsive to this proposed guidance."²⁸³ The Applicant argues that the contention "does not directly controvert [the position taken by the applicant," in its application amendment, and thus, the "contention is subject to dismissal."²⁸⁴

The Applicant claims that "the proposed interim staff guidance does not support Pilgrim Watch's allegation that Entergy's aging management program does not adequately monitor for corrosion in inaccessible areas."²⁸⁵ Insisting that the proposed guidance does not require monitoring in the inaccessible areas Applicant argues that it instead "recommends development of a corrosion rate that can be inferred from past UT examinations." Pointing to Amendment No. 1 of its license renewal application, Applicant states that it "has addressed this issue in the manner recommended in the NRC proposed guidance."²⁸⁶ The Applicant challenges other of PW's allegations as well, including those asserting inadequacies in the aging management program for the drywell liner. Applicant notes that PW has failed to contradict or assess the programs outlined in the Amendment to the Application, which include "[a] host of actions . . . not limited to 'inspection of the drywell liner every 10 years' as alleged in the Contention."²⁸⁷ Applicant states that no basis has been shown for PW's allegation of a history of corrosion, and, finally, argues that PW has failed to address the root cause discussion in section B.0.3 of Appendix B to the Application when it asserts that the aging management program for the drywell shell impermissibly omits a requirement for root cause analysis when corrosion is found.²⁸⁸

²⁸¹ Entergy Answer to PW Petition at 20.

²⁸² 71 Fed. Reg. 27,010.

²⁸³ Entergy Answer to PW Petition at 21 (citing Letter from S. Bethay to U.S. Nuclear Regulatory Commission, License Renewal Application, Amendment No. 1 (May 11, 2006), ADAMS Accession No. ML061380549).

²⁸⁴ *Id.* at 21.

²⁸⁵ *Id.*

²⁸⁶ *Id.* at 22.

²⁸⁷ *Id.* at 22-23.

²⁸⁸ *Id.* at 24.

2. NRC Staff Response to Pilgrim Watch Contention 2

The NRC Staff does not dispute that the contention falls within the scope of the license renewal proceeding, but, like the Applicant, argues that it is inadmissible because it fails to present a genuine issue of law or fact as required by 10 C.F.R. § 2.309(f)(1)(vi), and also asserts that "it lacks a basis in fact or expert opinion" as required by section 2.309(f)(1)(v).²⁸⁹ Instead, the Staff asserts, the "Petitioner impermissibly attempts to piggyback on to the Staff's dialogue with industry and the public relative to forthcoming Interim Support Guidance (ISG) . . . as a substitute for Petitioner's obligation to provide facts or technical expertise in support of its assertions."²⁹⁰ PW has failed, Staff argues, to provide "independent facts or expert opinion beyond Staff dialogue with industry."²⁹¹ Further, the Staff faults Pilgrim Watch for making only vague references to the Application, and thus failing to include any challenge to specific deficiencies in the application.²⁹² With regard to the allegations of a "history of corrosion in different areas of the drywell" at Pilgrim, the Staff argues that the contention's reference to the "torus bays and drywell spray header" is misdirected, stating that these "are entirely distinct features from the drywell shell."²⁹³ Similarly, the Staff contends that the Union of Concerned Scientists Report cited by Pilgrim Watch fails to provide a factual basis for the contention because it "makes no mention of Pilgrim, the LRA or drywell shell region."²⁹⁴ Finally, regarding PW's argument that the Pilgrim Aging Management Plan is deficient for failing to provide for sufficient inspection of the drywell, the Staff also faults PW for failing to address the May amendment to the Application and urges that as a result PW's argument does not support admission of the contention because it fails to present a genuine dispute of law or fact.²⁹⁵

3. Pilgrim Watch Replies to Entergy and NRC Staff

In its reply to the Applicant, Pilgrim Watch concedes that it did not mention the Applicant's License Amendment regarding drywell monitoring in its Petition, but insists that the Applicant did not notify the Petitioner as to its existence, nor was the Amendment made part of the Application "on the Pilgrim I License Renewal

²⁸⁹ Staff Response to PW Petition at 19.

²⁹⁰ *Id.* (citations omitted).

²⁹¹ *Id.*

²⁹² See *id.* at 21.

²⁹³ *Id.*

²⁹⁴ *Id.* at 22.

²⁹⁵ *Id.*

Site."²⁹⁶ However, having now assessed the Amendment, Pilgrim Watch argues that the Applicant fails to satisfy the standards in the recently released proposed guidance regarding this issue.²⁹⁷ The guidance, according to Pilgrim Watch, requires the development of a plant-specific aging management plan to address corrosion in the inaccessible areas of the drywell shell, and a development of "corrosion rates" for these areas.²⁹⁸ Pilgrim Watch faults the Applicant because "it appears that measurements have only been taken twice in the inaccessible embedded areas, and these measurements have been discontinued"; according to PW, "[t]his does not appear to conform with the proposed ISG."²⁹⁹

Responding to the Staff, PW disputes the argument that it "impermissibly attempts to piggyback" on the Staff's dialogue with industry as the basis for its contention.³⁰⁰ According to PW, unlike instances where a Petitioner relies wholly on the "existence of RAls to establish deficiencies in the application," as cited by the Staff, here Pilgrim Watch is simply arguing that Pilgrim should "at least meet the new standards outlined in [the] ISG."³⁰¹ Petitioner further contends that its contention and basis "directly refer to sections of the Licensee's Aging Management Program for the drywell liner,"³⁰² and, based on the inadequacies that it has shown in this program, again requests incorporation of the proposed NRC requirements into the Pilgrim aging management program before any license renewal is granted.³⁰³

4. Licensing Board Ruling on Contention 2

We find this contention, though within the scope of license renewal and meeting other relevant requirements of 10 C.F.R. § 2.309(f), to be inadmissible because it fails to meet the requirement of 10 C.F.R. § 2.309(f)(vi) that sufficient information be shown to demonstrate that a genuine dispute exists with the applicant on a material issue of law or fact. In this contention, as argued by Staff, PW essentially relies on the interim Staff guidance, seeking to require Applicant to comply with the guidance. Moreover, particularly with regard to the May 11, 2006, amendment to the Application, PW does not state with any specificity or provide information showing *how* the actions and proposed actions

²⁹⁶ Pilgrim Watch Reply to Entergy at 10-11.

²⁹⁷ *Id.* at 12; see LR-ISG-2006-01, Plant-Specific Aging Management Program for Inaccessible Areas of Boiling Water Reactor Mark I Steel Containment Drywell Shell.

²⁹⁸ PW Reply to Entergy at 12.

²⁹⁹ *Id.*

³⁰⁰ PW Reply to NRC Staff at 10.

³⁰¹ *Id.*

³⁰² *Id.*

³⁰³ See *id.* at 11.

of the Applicant do not comply with the Staff guidance, stating only, in its reply, that "[t]his does not appear to conform with the proposed ISG."³⁰⁴ The Board is not permitted to draw any inferences on behalf of a petitioner, and in the absence of any more specific statement than has been provided, showing how the specific actions of Applicant fall short, or some nexus with problems at other plants, we find the contention fails to show any genuine dispute on a material issue of fact relating to the matters at issue.

Applicant Entergy has detailed in its amendment how it has in fact done UT testing of the drywell shell, both at points adjacent to the inaccessible sand cushion region and also, on two occasions, of the shell immediately above the sand cushion area, by chipping away the concrete above the points of testing.³⁰⁵ It has stated that the result of this testing has been that the thickness of the shell at the areas tested is "essentially as-built."³⁰⁶ It has explained that it ceased doing UT measurements in the inaccessible sand cushion region, based on satisfactory results from monitoring for leakage from the annulus air gap drains (which provide for drainage from the sand cushion area); satisfactory thickness at the 9-foot elevation sand cushion region (and upper drywell); the existence of high radiation in the areas where the sand cushion UT exams were performed; and the potential for damage to the drywell shell from the tools used to chip away concrete when UT testing of the sand cushion area was performed.³⁰⁷ With no more specific information being provided to show that these are not acceptable reasons for ceasing the UT testing or that other measures taken by Applicant are unsatisfactory than that it "does not appear" that these satisfy the ISG, we see no genuine dispute being raised about the actions taken by the Applicant and whether they satisfy the ISG. Whether the Applicant's actions and procedures do or do not satisfy the ISG will be determined by the Staff in the course of their license renewal review, and Staff has indicated that it will assure compliance with the ISG.³⁰⁸ In order for a petitioner to have a contention admitted on

³⁰⁴ PW Reply to Entergy at 12.

³⁰⁵ See Pilgrim License Renewal Application, Amendment 1 (May 11, 2006) at 3, ADAMS Accession No. MLO61380549 [hereinafter Amendment].

³⁰⁶ *Id.*

³⁰⁷ See *id.* at 2-3.

³⁰⁸ At oral argument, the Staff stated that they "intend to apply the elements of the draft ISG to the renewal application. The extent to which those amendments address the ISG is just going to be a matter of review." Tr. at 353. The Staff responded affirmatively to questioning from the Licensing Board Chair as to whether they would "make sure the ISG is complied with completely." *Id.* Entergy counsel stated that, although Entergy would "like to see the finalized ISG before I commit to say[,] I would assume that if it's along the lines of the proposed ISG that we would [commit to complying with the ISG]." Tr. at 356.

this subject, however, more information must be shown than has been shown here.³⁰⁹

D. Pilgrim Watch Contention 3: The Environmental Report Is Inadequate Because It Ignores the True Offsite Radiological and Economic Consequences of a Severe Accident at Pilgrim in Its Severe Accident Mitigation Alternatives (SAMA) Analysis

Pilgrim Watch here contends:

The Environmental Report inadequately accounts for off-site health exposure and economic costs in its SAMA analysis of severe accidents. By using probabilistic modeling and incorrectly inputting certain parameters into the modeling software, Entergy has downplayed the consequences of a severe accident at Pilgrim and this has caused it to draw incorrect conclusions about the costs versus benefits of possible mitigation alternatives.³¹⁰

Pilgrim Watch's argument that this contention is within the scope of license renewal³¹¹ is not disputed;³¹² severe accidents, and alternatives to mitigate severe accidents, are listed as a "Category 2" issue in 10 C.F.R. Part 51, Subpart A, Appendix B. Petitioner also cites Council on Environmental Quality (CEQ) regulatory authority for the proposition that environmental impacts that are "reasonably foreseeable" and have "catastrophic consequences, even if their probability of occurrence is low," must still be considered in an EIS;³¹³ and

³⁰⁹ Reference may be made to the information provided by a petitioner in the *Oyster Creek* proceeding for comparison purposes. In that case, for example, among other facts shown by petitioners in their first contention relating to drywell corrosion, it was demonstrated that 60 out of 143 UT measurements at the 11-foot level of the sand cushion region indicated a reduction of more than 1/4 inch from the original design thickness of 1.154 inches at that point. *AmerGen Energy Co., LLC (Oyster Creek Nuclear Generating Station)*, LBP-06-7, 63 NRC 188, 213 (2006). By contrast, no reason has been provided to doubt Entergy's statement that UT measurements in the sand cushion region indicated essentially no reduction in thickness.

In a second contention on drywell corrosion, admitted in part after the first contention on the subject was ruled moot based on actions taken by that Applicant to address a deficiency alleged in that contention, see *AmerGen Energy Co., LLC (Oyster Creek Nuclear Generating Station)*, LBP-06-22, 64 NRC 229, 230-31 (2006), the Petitioners provided a relatively detailed argument in contrast to the contention before us. For example, that portion of the contention that was admitted concerned a very specific assertion that the drywell shell at Oyster Creek was "0.026 inches or less from violating AmerGen's acceptance criteria" in the sand bed region "due to prior corrosion." *Id.* at 240, 242.

³¹⁰ PW Petition at 26.

³¹¹ See *id.*

³¹² See Staff Response to PW Petition at 25; Entergy Answer to PW Petition at 25-46.

³¹³ PW Petition at 26 (quoting 40 C.F.R. § 1502.22(b)(1)).

NRC regulatory authority for the proposition that difficulty in quantification does not excuse inclusion in the EIS, because, "to the extent that there are important qualitative considerations that cannot be quantified, these considerations or factors will be discussed in qualitative terms."³¹⁴

Petitioner argues that this contention is material because it alleges a deficiency in the Application that "could significantly impact health and safety"³¹⁵ — it is asserted that the use of "probabilistic modeling and incorrect parameters in its SAMA analysis" results in a downplaying of the likely consequences of a severe accident at Pilgrim, which "thus incorrectly discounts possible mitigation alternatives" that might prevent or reduce the impact of an accident.³¹⁶

As basis for Contention 3, PW notes that the Appendix B requirement on SAMAs provides that, even though "[t]he probability weighted consequences of atmospheric releases, fallout onto open bodies of water, releases to ground water, and societal and economic impacts from severe accidents are small for all plants," alternatives to mitigate severe accidents must still be considered.³¹⁷ Petitioner suggests that by virtue of Entergy's use of probabilistic modeling, the deaths, injuries, and economic consequences of an accident can be underestimated, citing various legal and technical authority.³¹⁸

Further, PW asserts, Applicant used outdated versions of the MACCS2³¹⁹ Code and MACCS2 User Guide, ignoring warnings about the code's limitations and using incorrect input parameters.³²⁰ Citing criticisms of the code, PW points to, among other things, limitations on the code's failure to "model dispersion close to the source . . . or long range dispersion," and to a user's "ability to affect the output from the code by manipulating the inputs and choosing parameters."³²¹ Stating that it is impossible for PW to fully evaluate the SAMA conclusions of the Applicant, "[w]ithout knowing what parameters were chosen by the Applicant," PW posits several "reasons that Entergy's described consequences of a severe accident at Pilgrim look so small," based on the ER, and discusses several specific categories of what it contends are incorrect input data to the SAMA analysis.³²² These alleged errors relate to meteorological data (including wind

speed, wind direction, and dispersion), demographic and emergency response data relating to evacuation delay time and speed, and economic data.³²³ PW alleges that the Applicant's undercounting of the costs of a severe accident could have led to erroneous rejection of mitigation alternatives, and that further analysis is necessary.³²⁴

Pilgrim Watch challenges the modeling of the Application's atmospheric dispersion of a point release of radionuclides because it allegedly does not take into account meteorological conditions such as wind speed and direction changes, the sea breeze phenomenon, and coastal topography.³²⁵ Citing various authority in support of its arguments, including a Massachusetts Department of Public Health report on the "Feasibility of Exposure Assessment for the Pilgrim Nuclear Power Plant," and NRC Regulatory Guide 1.194,³²⁶ PW contends that the data used in the Application — taken from the reactor site and the Plymouth airport — should be replaced with more specific data that take into account the specific characteristics of the Plymouth area.³²⁷

Pilgrim Watch challenges the demographic and other data used in the Application, arguing that, because of the unpredictability and complexity of the winds at the Pilgrim site, a larger, more inclusive population, located "within rings around the plant," should be used when calculating offsite dose costs.³²⁸ Noting that the sensitivity analysis used in the Application does not include the most current information on emergency evacuation needs,³²⁹ and suggesting that it does include a faulty assumption "that the longest likely delay before residents begin to evacuate is 2 hours," PW proposes that the analysis should take into account phenomena such as the need for some who cannot evacuate to shelter in place, special events that bring large numbers of the public onto the roads at times, and "shadow evacuation," or voluntary evacuation by persons not within the formal evacuation area.³³⁰ Petitioner suggests the need for greater realism and accuracy

³¹⁴ *Id.* at 27 (citing 10 C.F.R. § 51.71).

³¹⁵ *Id.* at 28 (citing *Millstone*, LBP-04-15, 60 NRC at 89).

³¹⁶ *Id.* at 28.

³¹⁷ *Id.* at 29-30 (citing 10 C.F.R. Part 51, Subpart A, Appendix B).

³¹⁸ *Id.* at 30-31.

³¹⁹ MACCS stands for "MELCOR Accident Consequence Code System"; see PW Petition at 31.

³²⁰ See PW Petition at 31.

³²¹ *Id.* at 33; see *id.* at 31-34 & nn.13, 14 (citing D.E. Chanin and M.L. Young, *Code Manual for MACCS2: Vol. 1, User's Guide* (Sandia Nat. Lab., 1997); MACCS2 *Computer Code Application Guidance for Documented Safety Analysis* (DOE, 2004).

³²² PW Petition at 34.

³²³ See *id.* at 34-45.

³²⁴ See *id.* at 48-49.

³²⁵ See *id.* at 34-38.

³²⁶ See *id.* (citing J.D. Spengler and G.J. Keeler, *Feasibility of Exposure Assessment for the Pilgrim Nuclear Power Plant* (1988); NRC Regulatory Guide 1.194 (June 2003); Edwin S. Lyman, *Union of Concerned Scientists*, "Chernobyl on the Hudson? The Health and Economic Impact of a Terrorist Attack at the Indian Point Nuclear Plant," at 16 (2004)).

³²⁷ See *id.* at 37-38.

³²⁸ *Id.* at 38.

³²⁹ PW indicates that a later report prepared for Entergy than that used in the Pilgrim SAMA analysis "relies on newer census data and newer roadway geometric data." PW Petition at 39-40 (citing "Pilgrim Nuclear Power Station Development of Evacuation Time Estimates," KLD TR-382, Rev. 6 (Oct. 2004)); cf. KLD, "Pilgrim Station Evacuation Time Estimates and Traffic Management. Plan Update," Rev. 5 (Nov. 1998).

³³⁰ PW Petition at 41-43.

in the evacuation analysis, as well as assumption of "the worst case scenario."³³¹ PW supports these arguments with a factual discussion, along with references to specific sections of the Application and various other documents and studies.³³²

Noting "[o]ne of the cited criticisms of the MACCS2 Code — 'i.e., 'that the economic model included in the code models only the economic cost of mitigative actions'" — PW points out that, although costs of decontamination, condemnation of property that cannot be sufficiently decontaminated, and compensation to persons forced to relocate as a result of an accident are included, not accounted for is any resulting loss of economic activity in Plymouth County or other neighboring counties with significant tourism (including the Cape Cod area), travel to which is through Plymouth County.³³³ One example provided is that of Plimoth Plantation, which is "less than five miles from the plant [and] brings in almost \$10 million per year."³³⁴ PW also attaches as an exhibit to this contention a study on the economic impact of travel on Massachusetts counties, prepared for the Massachusetts Office of Travel and Tourism.³³⁵

Finally, PW provides an example of an alternative that it contends the Applicant wrongly dismissed as a result of its SAMA analysis — namely, adding a filter to the Direct Torus Vent.³³⁶

1. Entergy Answer to Pilgrim Watch Contention 3

The Applicant argues that Contention 3 is inadmissible "because (1) the Contention impermissibly challenges Commission regulation, and (2) the Contention provides no basis to establish a material dispute of fact regarding the adequacy of the SAMA analysis in the ER."³³⁷ In its first argument, Applicant asserts that Pilgrim Watch has "misread," thus misapplied, and in effect challenged Commission regulations regarding SAMA analysis.³³⁸ The root of this problem, according to the Applicant, is Pilgrim Watch's assertion that SAMA analysis should be focused on severe accident mitigation alternatives and not severe acci-

³³¹ *Id.* at 40.

³³² See *id.* at 39-42 (citing KLD-TR-382, Rev. 6, Rev. 5; Calculation of Reactor Accident Consequences (CRAC-2) (Sandia Nat. Lab., 1982); NAS, *The Safety & Security of Commercial Spent Nuclear Fuel Storage Public Report* (2005); Donald Ziegler and James Johnson, Jr., *Evacuation Behavior in Response to Nuclear Power Plant Accidents, The Professional Geographer* (May 1984)).

³³³ *Id.* at 43-44 (Internal quotations omitted).

³³⁴ *Id.* at 44.

³³⁵ See PW Petition, Exhibit D, *The Economic Impact of Travel on Massachusetts Counties, 2003*, prepared for the Massachusetts Office of Travel and Tourism by the Research Department of the Travel Industry Association of America, Washington, D.C. (January 2005).

³³⁶ PW Petition at 45-48.

³³⁷ Entergy Answer to PW Petition at 25.

³³⁸ See *id.*

dent risks.³³⁹ Pointing to the Third Circuit decision in *Limerick Ecology Action, Inc. v. NRC*,³⁴⁰ and the Commission decision in *Duke Energy Corp. (McGuire Nuclear Station, Units 1 and 2; Catawba Nuclear Station, Units 1 and 2)*, CLI-02-17,³⁴¹ the Applicant argues that the Commission and reviewing courts have endorsed the position that "the evaluation of risk is at the heart of a SAMA analysis," that "only by considering risk can one determine those alternatives that provide the greatest benefit for the dollars expended," and that PW is in error in suggesting that a SAMA analysis is "to focus solely on mitigation of consequences without regard to the likelihood of their occurrence."³⁴² Applicant emphasizes the centrality of the risk calculation by describing the Third Circuit's discussion of how the probability of a risk may change with population density,³⁴³ and the Commission's statement that reductions in risk are "assessed in terms of the total *averted risk*: averted public exposure (health risk converted into dollars to estimate the cost of the public health consequence), averted onsite cleanup cost, averted offsite property damage costs, averted exposure costs, and averted power replacement costs."³⁴⁴ Applicant also quotes from a Commission decision in the *McGuire/Catawba* license renewal proceeding:

Whether a SAMA may be worthwhile to implement is based upon a cost-benefit analysis — a weighing of the cost to implement the SAMA with the *reduction in risks* to public health, occupational health, and offsite and onsite property.³⁴⁵

Applicant characterizes PW's argument as being that "risk is to be ignored [in a SAMA analysis] and that only consequences are to be considered," and argues that this approach is contrary to the SAMA rule.³⁴⁶ Applicant concludes its argument that Contention 3 "impermissibly challenges Commission Regulation" with the following statement:

In short, Pilgrim Watch's claim that the Pilgrim SAMA analysis erroneously focuses

³³⁹ *Id.* at 25-26.

³⁴⁰ 869 F.2d 719 (3d Cir. 1989).

³⁴¹ CLI-02-17, 56 NRC 1 (2002).

³⁴² Entergy Answer to PW Petition at 26.

³⁴³ *Id.* at 27; see *Limerick*, 869 F.2d at 738-39.

³⁴⁴ Entergy Answer to PW Petition at 27 n.15 (citing *McGuire/Catawba*, CLI-02-17, 56 NRC at 8 n.14). Applicant notes as well the Commission's prediction that it would be "unlikely that any site-specific consideration of severe accident mitigation alternatives for license renewal will identify major plant design changes or modifications that will prove to be cost-beneficial for reducing severe accident frequency or consequences." *Id.* at 28 (citing 61 Fed. Reg. 28,467, 28,481 (June 5, 1996) (emphasis added by Applicant)).

³⁴⁵ Entergy Answer to PW Petition at 26 (quoting *McGuire/Catawba*, CLI-02-17, 56 NRC at 7-8).

³⁴⁶ *Id.* at 27.

on risk so as to improperly minimize the consequences of a SAMA is not supported. The reduction of risk (likelihood of occurrence times severity of consequences) is the fundamental tenet of SAMA analysis. Moreover, because the impacts from severe accidents as determined by the Commission are "SMALL" the Commission does not expect a properly conducted SAMA analysis "to identify significant [plant] modifications that are cost-beneficial" . . . , which is exactly counter to the underlying premise of Contention 3.³⁴⁷

In its second argument, Applicant urges that Contention 3 fails to raise any material dispute of fact, insisting that it lacks any "factual basis to show that the different modeling assumptions and estimates that it claims should have been used in the SAMA analysis would have any material impact on the results of the analysis."³⁴⁸ Asserting that the "contention rests on several faulty premises," Applicant reiterates its argument described above and claims that the "mischaracterization of the SAMA analysis" has tainted its contention and "provides no basis for an admissible contention."³⁴⁹ Applicant notes that, "[a]s would be expected by the Commission," its SAMA analysis "does not identify any significant modification to mitigate severe accidents to be cost-beneficial," but does find five alternatives to be "potentially cost beneficial" and recommends further evaluation and consideration of these.³⁵⁰ In addition, it points out that it identified benefits for more than fifty of the fifty-nine SAMAs it did evaluate, contrary to Petitioner's assertion of "zero" benefits identified.³⁵¹

Applicant argues that "Contention 3 impermissibly presumes the materiality of its asserted deficiencies and pleads no facts to establish their materiality."³⁵² According to the Applicant, "the Contention sets forth nothing to establish that the asserted deficiencies would, if corrected as claimed by the Contention, alter the result of the SAMA evaluations."³⁵³ Applicant suggests that:

In light of the large conservatisms inherent in the [SAMA] analyses, the significant differences between the cost and benefit of implementing the various SAMAs, and the sensitivity analyses showing that the results are not sensitive to changes in assumptions, it is behoven for Pilgrim Watch to have pled facts to establish the materiality of its asserted deficiencies, [which is] necessary to avoid a meaningless "EIS editing session[]" of the type that the Commission has warned against.³⁵⁴

³⁴⁷ *Id.* at 29.

³⁴⁸ *Id.* at 29-30.

³⁴⁹ *Id.* at 30.

³⁵⁰ *Id.* (citing Application, ER at B.4-49).

³⁵¹ *Id.* at 30-31.

³⁵² *Id.* at 31.

³⁵³ *Id.* (emphasis in original).

³⁵⁴ *Id.* at 32-33 (citations omitted).

The Applicant also takes issue with the Contention's assertion that the "severe accident analysis should assume the worst case scenario."³⁵⁵ Arguing that "NEPA's 'Rule of Reason' provides no exception for SAMA analysis," the Applicant claims that Pilgrim Watch has no legal basis for its proposition.³⁵⁶ Therefore, according to the Applicant, only "reasonable scenarios" need be considered, "limited to effects which are shown to have some likelihood of occurring."³⁵⁷ Applicant cites both Commission and Supreme Court case law suggesting that the SAMA analysis "requires no different level of consideration or evaluation than that employed for analyzing mitigation generally under NEPA,"³⁵⁸ and quotes the Commission's statement in *McGuire/Catawba* that "[u]nder NEPA, mitigation (and the SAMA issue is one of mitigation) need only be discussed in 'sufficient detail to ensure that environmental consequences [of the proposed project] have been fairly evaluated.'"³⁵⁹

In the Applicant's view, PW has also failed to establish a factual basis for its challenges regarding (1) the Applicant's use of an "outdated" version of MACCS2 Code and User Guide and analysis performed with such tools; (2) the Applicant's meteorological data analysis; (3) the Applicant's demographic and emergency response data and analysis; or (4) its economic data and analysis.³⁶⁰ With regard to the MACCS2, the Applicant asserts that the code is "state-of-the-art," and that "Pilgrim Watch [does not] provide any basis whatsoever for its allegations that Entergy 'ignored warnings about the limitations of the model,'"³⁶¹ or "any basis to show that any of the inherent limitations of the MACCS2 Code are of any significance and would in any way alter the outcome of the SAMA analysis with respect to determining potentially cost beneficial SAMAs."³⁶²

While Applicant agrees that "additional data may always be desirable," it again argues that Petitioner has not made any showing that the alleged deficiencies in any way materially affect the SAMA analysis.³⁶³ In addition, Applicant suggests that Regulatory Guide 1.194 does not support the need for more than the year's

³⁵⁵ *Id.* at 33.

³⁵⁶ *Id.*

³⁵⁷ *Id.* (quoting *Hydro Resources, Inc.* (P.O. Box 777, Crownpoint, New Mexico 87313), LBP-04-23, 60 NRC 441, 447 (2004)).

³⁵⁸ See *id.* at 35 (citing *Robertson*, 490 U.S. at 344-47).

³⁵⁹ *Id.* (citing *McGuire/Catawba*, CLI-03-17, 58 NRC at 431).

³⁶⁰ *Id.* at 36-46.

³⁶¹ *Id.* at 36.

³⁶² *Id.* at 37.

³⁶³ *Id.* at 38.

worth of meteorological data it utilized in its analysis,³⁶⁴ and states that “[PW] makes no claim that the 12 month period of meteorological data used for the Pilgrim SAMA analysis is unrepresentative of the Pilgrim site’s meteorology in any respect.”³⁶⁵ Noting PW’s suggestion that “‘measurements from multiple sites in the field’ are needed to ‘better characterize meteorological conditions,’” Applicant suggests that the “real thrust” of PW’s claim is “an asserted need for an expanded radiological monitoring program for the Pilgrim plant, which is an operational issue beyond the scope of this license renewal proceeding,” just as with Contention 1.³⁶⁶

The Applicant suggests a similar lack of basis to show that different data would materially affect the outcome of the SAMA analysis with respect to population demographics and emergency response data, noting that the latter were derived from the Pilgrim Emergency Plan, and suggesting that Petitioner has not shown that use of more recent data “would have exceeded the bounds of . . . sensitivity analyses [performed by Applicant] or altered the outcome of the analysis in any material way.”³⁶⁷ In addition, Applicant notes that it evaluated “a wide range of scenarios for which evacuation time estimates were developed,” including varying weather conditions, times of day and year, and amounts of traffic.³⁶⁸

Finally, with regard to emergency response data, Applicant argues that these should not be subject to challenge in this proceeding, citing Commission precedent for the principle that “[e]mergency planning . . . is one of the safety issues that need not be re-examined within the context of license renewal.”³⁶⁹ Applicant suggests that it follows from this precedent that “assumptions that are consistent with the established emergency plan should be accepted as reasonable in this proceeding,” and that PW’s suggestion that the evacuation zone should be greater than the 10 miles provided for in “applicable NRC requirements” is “a direct, impermissible

³⁶⁴ *Id.* Applicant notes that by its terms Regulatory Guide 1.194 does not apply for modeling offsite accident radiological consequences. Instead, according to Applicant, the applicable NRC guidance is found in Regulatory Guide 1.145, which points to Regulatory Guide 1.23, “which provides for the use of ‘data gathered on a continuous basis for a representative 12 month period’ (although ‘[t]wo full cycles of data are desirable’).” *Id.* (citing Reg. Guide 1.194 at 1.194-1-1.194-3; Reg. Guide 1.145 at 1.145-2; Reg. Guide 1.23 at 23.2). Applicant also notes that Edwin Lyman, one of Petitioner’s sources, has recognized that the MACCS2 Code cannot process more than a year’s worth of data. *Id.* (citing Lyman, *supra*, at 26, 33).

³⁶⁵ Entergy Answer to PW Petition at 38.

³⁶⁶ *Id.* at 39.

³⁶⁷ *Id.* at 41; *see id.* at 40-41.

³⁶⁸ *Id.* at 42. Again, however, Applicant in its pleadings offers no quantification of either the range of scenarios investigated or the effects of the variation in assumptions.

³⁶⁹ Entergy Answer to PW Petition at 43 (quoting *Turkey Point*, CLI-01-17, 54 NRC at 9); *see id.* at 42-43.

challenge to the Commission’s emergency planning requirements. In any event, according to Applicant, its analysis takes into account dose to the public within a 50-mile radius “and thus fully accounts for the risk beyond 10 miles.”³⁷¹ With respect to “shadow evacuation,” Applicant views this as a call by PW for an impermissible “worst case scenario,” and asserted in oral argument that local law enforcement will assure absence of shadow evacuation³⁷²; and, with respect to the need of some to “shelter in place,” Applicant points out that the existing emergency plan provides for state and local governments to provide assistance to immobile and handicapped persons in the evacuation zone.³⁷³

Applicant defends its sensitivity analysis as incorporating “large conservatisms” such as using the 2-hour time prior to beginning of evacuation rather than the 40-minute time in the base case, which it says “show a maximum change in the population dose estimates of ‘less than 2%.’”³⁷⁴ Applicant argues to the effect that using larger changes in the evacuation times would still produce only negligible changes in the result, and that the Contention provides no basis to show that its challenges would alter the outcome of the analysis.³⁷⁵ Finally, Applicant asserts (without quantification of its sensitivity analysis results) that the same conclusion must be drawn regarding the economic data suggested by Petitioner, and that “even with its asserted limitations, the MACCS2 code is state-of-the-art and can be properly applied to yield valid results.”³⁷⁶

2. NRC Staff Response to Contention 3

The Staff’s position is that, while the subject of SAMAs is clearly within the scope of a license renewal proceeding, this contention is inadmissible.³⁷⁷ The Staff challenges the contention as raising issues that are “not material to the findings that must be made in this matter” and “not supported by expert opinion

³⁷⁰ *Id.* at 43.

³⁷¹ *Id.*

³⁷² *See* Tr. at 426-27.

³⁷³ Entergy Answer to PW Petition at 44.

³⁷⁴ *Id.* at 45 (internal quotation omitted).

³⁷⁵ *See id.* at 45-46.

³⁷⁶ *Id.* at 46. We also note Entergy’s concession at oral argument that “the one insightful aspect of the petition was that we made a mistake in one of our SAMAs.” Tr. at 399. With respect to the direct filtered vent, which was cited by PW as evidence of faulty SAMA analyses, the applicant stated that it made an “error in inputting the appropriate source term,” but that the error was not indicative of code errors or incorrect economic inputs, evacuation time estimates, or meteorological data. Tr. at 400. Furthermore, according to the Applicant the error was corrected in a response to a Staff Request for Additional Information. *See id.*

³⁷⁷ *See* Staff Response to PW Petition at 25.

or sufficient facts, as required by 10 CFR § 2.309(f)(1)(v).³⁷⁸ The Staff insists that SAMA analysis is a "technical area" and that a Petitioner "cannot rely on its own assertions."³⁷⁹ The Staff also defends the use of "probability risk analysis" (PRA) as utilized in the SAMAs, arguing that "[u]se of the PRA in this manner is an essential and widely accepted part of the cost-benefit methodology as described in Section 5.6 of NUREG/BR-0184."³⁸⁰

Regarding Pilgrim Watch's assertion that probabilistic modeling can underestimate the true consequences of a severe accident, the Staff notes that the Applicant followed accepted NRC and industry practice by comparing the costs and benefits of each identified SAMA, used the correct definition of risk ("the product of consequence and frequency of accidental release"), and properly discarded SAMA candidates not found to be viable.³⁸¹ Staff suggests that the fact that the Applicant evaluated 281 SAMAs negates any implication that Applicant "did not consider a full range of SAMAs."³⁸²

The Staff dismisses PW's concerns regarding the alleged use of "an outdated version of the MACCS2 Code" as "mere speculation," citing PW's statement that "Entergy may have 'minimized consequences by using incorrect input parameters.'³⁸³ In addition, the Staff counters PW's suggestion that the Code and/or its user guide are out of date or contain known flaws, asserting that Pilgrim Watch has "insufficient basis" for its claims.³⁸⁴ The Staff also argues that Pilgrim Watch's related claim that the applicant used incorrect input data in the models (including meteorological, demographic, emergency response, and regional economic data) is not supported and is not material in that it has not been "established that any of these alleged shortcomings of MACCS2 are, in fact,

³⁷⁸ *Id.*

³⁷⁹ *Id.*

³⁸⁰ *Id.* at 26. The Staff explains that, in determining whether any of the 281 possible SAMAs Entergy identified for Pilgrim (from a number of sources, including the Pilgrim PRA analysis) should be implemented,

the licensee performed a cost-benefit analysis using a methodology that is consistent with the NRC Regulatory Analysis Technical Evaluation Handbook (NUREG/BR-0184). This analysis is designed to identify and estimate the relevant values and impacts of a each proposed change, and provides a structured approach for balancing benefits and costs in determining whether implementation is justified. The PRA is used within this analysis to evaluate the reduction in probabilities (core damage frequency) and consequences (population dose) that would be associated with implementation of each alternative. Use of the PRA in this manner is an essential and widely accepted part of the cost-benefit methodology, as described in Section 5.6 of NUREG/BR-0184.

Id.

³⁸¹ See Staff Response to PW Petition at 27-28.

³⁸² *Id.* at 28.

³⁸³ *Id.* at 28-29 (emphasis supplied by Staff).

³⁸⁴ *Id.* at 29.

deficiencies, or that they impact the results of the SAMA analysis."³⁸⁵ Noting that the MACCS2 code "has been previously evaluated and found to be sufficient to support regulatory analyses and cost-benefit analyses" in NUREG/BR-0184 and NUREG/CR-6853, Staff contends that PW's challenge of the use of the code is unsupported.³⁸⁶

The Staff also argues that there is "no legal support for the position that the Applicant should be required to provide the complete inputs," and that the failure to do so "is not a sufficient basis for asserting or concluding that the input is flawed, or that the applicant has inappropriately manipulated the input."³⁸⁷ Noting that "a summary description of the site-specific input parameters in each of the major modeling areas is provided in Section E.1.5.2 of the ER," the Staff faults PW for "not [having] taken issue with any of these specific inputs, other than raising more general concerns"³⁸⁸ The Staff states that the "request for a complete input listing appears to be designed to obtain discovery to be used as a basis for additional contentions, and as such, is specifically prohibited by the Commission."³⁸⁹

The Staff challenges PW's claims about the sea breeze phenomenon, asserting that PW has not sufficiently shown that:

- (1) the phenomenon is unique to the Pilgrim site and not present at many other coastal sites where MACCS2 has been utilized, (2) the Applicant did not, in fact, model this phenomenon, or (3) the claimed failure to fully characterize or model the phenomenon would result in any meaningful difference in results of the SAMA evaluation or render the site-specific MACCS2 data inadequate.³⁹⁰

Arguing in a vein similar to that of Entergy, the Staff maintains that Pilgrim Watch has not shown that Regulatory Guide 1.194, cited by PW as authority for the argument that more data may be required, is applicable to SAMA analysis, nor has it shown "that additional data is necessary or that the one year of data is insufficient."³⁹¹ Further, Staff insists:

³⁸⁵ *Id.* at 31.

³⁸⁶ *Id.* (citing NUREG/BR-0184, "NRC Regulatory Analysis Technical Evaluation Handbook," at 5.38; NUREG/CR-6853, "Comparison of Average Transport and Dispersion Among a Gaussian, a Two-dimensional, and a Three-dimensional Model, Lawrence Livermore National Laboratory," at 5 (October 2004)).

³⁸⁷ *Id.* at 30.

³⁸⁸ *Id.*

³⁸⁹ *Id.*

³⁹⁰ *Id.* at 32.

³⁹¹ *Id.* (citing Regulatory Guide 1.194, § C.1 at 1.194-3, 1.194-5, and 6; NUREG/CR-6613, Vol. 1, App. A, § A.1 at a-1).

[T]he Petition fails to establish why the applicant's approach is inadequate, and that the petitioner's "more realistic approach" would have any impact on SAMA results. . . . Nowhere does the petition establish why Entergy's approach is inadequate or that an alternative approach would have any impact on the SAMA results. Thus, Petitioner has failed to show that the issue is material to the findings or that a genuine dispute exists on a material issue of law or fact.³⁹²

Finally, regarding PW's suggestion that Entergy wrongly dismissed the SAMA of adding a filter to the Direct Torus Vent, the Staff argues that Petitioner "fails to establish that a more appropriate treatment of the benefits of the filtered vent would result in the filtered vent becoming cost-beneficial."³⁹³

3. Pilgrim Watch Replies to Entergy and NRC Staff

Pilgrim Watch states that Entergy has "misconstrued the substance of the Petitioner's contention completely."³⁹⁴ PW denies that it challenges NRC regulations, noting that, to the contrary, it quoted and relied on the SAMA regulation.³⁹⁵ PW notes that it does not argue that mitigation alternatives must be adopted, only that they must be "considered," as required in the regulation.³⁹⁶ Regarding its argument that "multiplying the probability of an accident by the consequences of an accident . . . can distort the analysis by making even reasonable mitigation appear more costly than the costs of an accident," PW points out that this argument is "not central to [its] Contention, which focuses mainly on the input parameters used in the accident modeling software."³⁹⁷

Petitioner suggests further that some of Entergy's arguments actually support the contention, including its reliance on the *Limerick* decision.³⁹⁸ It is asserted that the Third Circuit's recognition in *Limerick* of different risk profiles for plants in densely populated areas as compared to areas of low population actually supports PW's argument "that the consequences of a severe accident are the important consideration in evaluating the costs and benefits of implementing SAMAs," and posits that, because Pilgrim is in a densely populated area, the emergency response inputs used for Pilgrim "underestimate evacuation delay times."³⁹⁹

³⁹² *Id.* at 33 (footnote omitted).

³⁹³ *Id.*

³⁹⁴ Pilgrim Watch Reply to Entergy at 12.

³⁹⁵ *Id.* at 13.

³⁹⁶ *Id.*

³⁹⁷ *Id.* at 14.

³⁹⁸ *Id.* at 14-15.

³⁹⁹ *Id.*

Petitioner questions Entergy's argument that significant plant modifications are not expected as a result of a SAMA analysis, suggesting that "this is not the 'hard look' required by NEPA," and reiterates that what it is calling for is "further analysis," not, as Entergy suggests, that NEPA requires implementation of particular SAMAs.⁴⁰⁰ The bulk of the contention, PW emphasizes, highlights "input data that were incorrect, incomplete or inadequate."⁴⁰¹ Since it does not have access to the input parameters used by Entergy, it cannot show what impact any one defect might have on the results of the SAMA analysis, as Entergy argues it must do, but this is not, PW contends, the same as showing an impact on the outcome of a proceeding, which, along with showing that an alleged deficiency has "some independent health and safety significance," is the correct standard for materiality.⁴⁰² PW argues that it has met the requirement of materiality by demonstrating "that there are deficiencies in Applicant's SAMA analysis that, by minimizing the true consequences of severe accidents, could have independent health and safety significance."⁴⁰³ It cites authority for the principle that "further analysis" is a "valid and meaningful remedy" to call for under NEPA, given that, "[w]hile NEPA does not require agencies to select particular options, it is intended to 'foster both informed decision-making and informed public participation, and thus to ensure the agency does not act on incomplete information, only to regret its decision after it is too late to correct.'"⁴⁰⁴

Petitioner further supports its arguments on the allegedly faulty assumptions in the Pilgrim SAMA analysis, including the sensitivity analysis, by referring to the significant underestimations of evacuation times with regard to Hurricane Katrina (also alluded to in its Petition⁴⁰⁵), suggesting that the Pilgrim assumptions "could be wrong by orders of magnitude."⁴⁰⁶ "If the bounding assumption used by the Applicant in its sensitivity analysis underestimates the upper limits of the emergency response data," PW argues, "it is no wonder negligible differences were seen," and it is with regard to the sensitivity analyses that its argument regarding "worst case scenario" is made — not, PW argues, to flout NEPA's rule of reason or to "[distort] the decision making process by overemphasizing highly speculative harms," but "in order to get meaningful results [from] the modeling software and SAMA analysis."⁴⁰⁷

⁴⁰⁰ *Id.* at 15-16.

⁴⁰¹ *Id.* at 16.

⁴⁰² *Id.* at 17.

⁴⁰³ *Id.*

⁴⁰⁴ *Id.* at 18 (citing *McGuire/Catawba*, CLI-02-17, 56 NRC at 10).

⁴⁰⁵ See PW Petition at 39 n.16.

⁴⁰⁶ PW Reply to Entergy at 19; see also PW Petition at 39 n.16.

⁴⁰⁷ PW Reply to Entergy at 20 (internal quotations omitted).

With regard to the MACCS2 Code and its limitations, PW argues to the effect that this does not excuse ignoring real issues:

Even though *the software* cannot include the impact of terrain effects, long range dispersion or economic costs beyond mitigative actions, this does not mean that the NRC Regulations allow a proper SAMA analysis to ignore these. If adding in the true economic costs of a severe accident, for example (as discussed in [PW Petition at 43-45] . . .), would result in a consequence cost several orders of magnitude greater than that from simply the costs of mitigative actions, these costs should be estimated and taken into account.⁴⁰⁸

Pilgrim Watch argues that it has supported its contention with a demonstration that significant input data (meteorological, economic, evacuation-related) that were used for the code may be materially in error, and with reports and other documents that back up the contention.⁴⁰⁹

With respect to Applicant's argument that data from the Pilgrim emergency plan should not be subject to challenge in this proceeding, PW argues that, without challenging the plan itself, "Petitioners can and do challenge the evacuation data used by Applicant in its SAMA analysis," noting a report cited in its original Petition, on the TMI accident, that found that the average distance traveled in evacuation was 85 miles, significantly more than the 10 miles utilized by Entergy in the Pilgrim SAMA analysis.⁴¹⁰ "While the emergency plan may not extend beyond 10 miles," PW suggests, "a realistic input for a SAMA analysis should."⁴¹¹

In response to Entergy's argument that PW has not provided any basis to show that the lack of certain economic data in the SAMA analysis would alter the outcome of the analysis, Petitioner notes that it provided a study showing "that tourism accounts for \$11.2 billion in revenues for Massachusetts and the region within 50 miles of Pilgrim is highly dependent on tourism," which is asserted to demonstrate "that just the tourist sector alone would account for costs that

dwarf those cited in Applicant's SAMA analysis and would very likely alter the determination of potentially cost beneficial SAMAs."⁴¹²

Pilgrim Watch replies to the Staff's assertion that the contention is not material to these proceedings by insisting, again, that they "have highlighted a deficiency in the application that could have independent health and safety significance" in that "an insufficient SAMA analysis 'could have enormous implications for public health and safety because a potentially cost effective mitigation alternative might not be considered that could prevent or reduce the impacts of that accident.'⁴¹³ Arguing that the Staff has inappropriately focused its attention on PW's lack of an expert to support the admission of its contention, PW notes that it has supported the contention with "facts, sources, and documents," including "experts and reports in the fields of accident modeling, accident modeling software, meteorology, evacuations, and economics."⁴¹⁴ Emphasizing that "whether or not the contention is true is left to be decided at the hearing," PW argues that it has met the requirements of the contention admissibility rule.⁴¹⁵

On the code, PW quotes the following language from NUREG/BR-0184, the NRC Regulatory Analysis Technical Evaluation Handbook:

Formal methods cannot completely remove subjectivity, guarantee that all factors affecting an issue are considered, produce unambiguous results in the face of closely valued alternatives and/or large uncertainties, or be used without critical appraisal or results. *To use a decision analysis method as a black box decision-maker is both wrong and dangerous.*⁴¹⁶

Noting that the handbook goes on to observe that the TMI core-damage scenario had not been specifically identified in the PRAs until it had actually occurred, and describes seven categories and levels of uncertainty, PW argues that it has raised areas of uncertainty in data input and modeling, and supported its arguments with expert reports and papers.⁴¹⁷

PW further argues that Staff has misinterpreted Contention 3 in several respects, including characterizing PW's reference to not having all the Pilgrim SAMA input data as seeking discovery improperly, when PW was merely explaining "why a thorough evaluation by Petitioners of the MACCS2 conclusions is not possible"

⁴⁰⁸ *Id.* at 21.

⁴⁰⁹ *See id.* at 21-23. Noting that both a report offered by PW in the original contention and recent information on the Katrina evacuation suggest high rates of voluntary ("shadow") evacuation and greater distance evacuation than predicted, and noting further that "evacuation from a nuclear plant accident would likely be even more chaotic than evacuation from the path of a hurricane," PW again suggests that "[i]t is therefore very likely that the upper bounds of Applicant's evacuation data are optimistic," and "[t]he fact that a negligible effect was seen in the sensitivity analyses would seem to bear this out rather than confirm Applicant's assumptions." *Id.* at 23.

⁴¹⁰ *See id.* at 23-24.

⁴¹¹ *Id.* at 24.

⁴¹² *Id.*

⁴¹³ PW Reply to NRC Staff at 11-12 (quoting PW Petition at 28).

⁴¹⁴ *Id.* at 12-13. We note Petitioner's statement at oral argument that it intends to have an expert at a hearing on this contention, if admitted. *See Tr.* at 424.

⁴¹⁵ PW Reply to NRC Staff at 13; *see id.* at 12-13.

⁴¹⁶ *Id.* at 13 (citing NUREG/BR-0184 at 5.1) (emphasis added by PW).

⁴¹⁷ *See id.* at 13-14.

at this point.⁴¹⁸ Pointing out that it cannot be more specific in alleging "an error in the SAMA analysis without having all of the parameters that were used,"⁴¹⁹ and noting with regard to both Entergy's and the Staff's responses to Contention 3 that it is not required to prove its contention at this point in the proceeding, PW argues that it has shown "that the Applicant used incorrect meteorological, evacuation, and economic input data to analyze severe accident consequences in a way that caused it to ignore the true radiological and economic consequences of severe accidents and may have caused it to dismiss cost effective mitigation alternatives."⁴²⁰

4. Licensing Board Ruling on Pilgrim Watch Contention 3

We find this contention, as limited below, to be admissible, based upon the following analysis:

First, SAMAs are clearly within the scope of a license renewal proceeding. Next, to the extent we describe below regarding those portions of the contention we find admissible, PW has provided the required specific statement of the issue raised, along with a sufficient explanation of the basis for the contention, statement of alleged facts that support it, references to specific and relevant sources and documents, and information to show a genuine dispute with the Applicant on a material issue of combined law and fact. While it has not had the benefit of a detailed accounting of the input data used by Applicant in its SAMA analysis, PW has raised questions about certain specific input data to the analysis that are material in three areas, in that they raise significant health and safety issues that affect the outcome of this proceeding. PW seeks further analysis on these points, and if it is determined on the merits that such additional analysis is needed on these points, the renewed license would not be granted until and unless this were provided.

PW has supported its call for further analysis by raising relevant and significant questions about the input data that appears (from the Application) to have been used in the Pilgrim SAMA analysis regarding (1) the evacuation time estimates, (2) the meteorological data that govern the movement of the plume, and (3) the economic impact data; and it has supported arguments to the effect that including

⁴¹⁸ *Id.* at 14. PW quotes from its Petition as follows:

Without knowing what parameters were chosen by the Applicant, it is not possible to fully evaluate the correctness of the conclusion about [SAMAs]. However, from what is included in the ER, Petitioners have been able to piece together some possible reasons that Entergy's described consequences of a severe accident at Pilgrim look so small.

PW Petition at 34.

⁴¹⁹ *Id.* at 16.

⁴²⁰ PW Reply to Entergy at 25; PW Reply to NRC Staff at 17.

more realistic input data might change the SAMA analysis, with information indicating, to the level necessary for contention admissibility, that these particular data may be materially incorrect. Given the limited amount of detail presented in the Application regarding the actual input and assumptions for this analysis, PW cannot reasonably be expected to present specific error margins in computational results.⁴²¹ Instead, we find their contention, that use of more accurate input data in these three areas could materially impact the computed outcome, to be reasonable and the possibility intuitively obvious in the absence of actual computations definitively demonstrating otherwise.⁴²² That is not to say that we find PW has raised admissible challenges as to *all* input data. We do, however, find that the contention, insofar as it challenges the data on these three points and proposes the use of more accurate data relating to evacuation times, economic impacts, and meteorologic plume behavior has been sufficiently raised and supported for the purposes of contention admissibility. Whether or not Pilgrim Watch could ultimately prevail on the issues it raises, we find it has sufficiently supported them to admit this contention.

In particular, the evacuation and economic information provided by Pilgrim Watch would seem reasonably to indicate that different results might have been reached in the SAMA analysis, and the same applies, to an extent, to the

⁴²¹ See Application, ER, Attachment E, § E.1.5.2. We disagree with the Staff that PW in noting the absence of all the input data is improperly seeking discovery, and do not permit, by this ruling, anything of the sort at this point. See Staff Response to PW Petition at 30. In noting this absence, PW is merely pointing out a relevant circumstance that explains its inability to describe to any significant extent the impacts of utilizing different input data.

⁴²² We note the Applicant's references to the "large conservatisms" in the SAMA analyses and to the results of sensitivity analyses. See *supra* text accompanying note 354. With regard to the former, we note further that the magnitude and effects of these conservatisms are not set out in other than summary fashion. See, e.g., Pilgrim Application, ER at 4-33-4-49. The Applicant has described certain conservative assumptions with regard to the amount of core damage and concomitant release levels; however, the actual impacts of an accident would also be influenced by evacuation information, weather conditions, and the actual localized economic impacts, each of which we find has been appropriately challenged by Pilgrim Watch to a level and with support sufficient to admit this contention with regard to these three areas.

With regard to the sensitivity analyses, Entergy would have us believe that these demonstrate that variation in the input data would have no significant impact on the outcome of the alternatives evaluation. See, e.g., Application, ER, Appendix B at E.1-66-1-68, E.2-11-2.12; Tr. at 378-79, 383-84, 428-29. Those sensitivity analyses, however, were performed only with respect to a few parameters, and the results thereof are only summarized in the Application, so as to make challenge or confirmation impossible in the absence of more detailed information. Moreover, these provide insufficient information or grounds to warrant a finding of no genuine dispute on a material fact, as Applicant urges. Finally, Applicant's assertion brings into play questions of how and to what extent the input used in various computations drive the results, in the context of a fairly complex analysis. These are factual matters inappropriate for determination in the contention admissibility stage of the proceeding.

meteorological data. The merits of these arguments will be tested at future points in the adjudication process; but the merits cannot be considered at this point. The support offered by PW, however, appears to raise reasonable factual questions.

That some of the information provided by PW with regard to evacuation times and related issues of new population numbers and traffic patterns, and the phenomena of "shadow evacuation" and "sheltering in place," is apparently in conflict with some of the data taken by Applicant from the Pilgrim emergency plan does not, we find, mean that it cannot be considered in the NEPA context in which it is raised in this proceeding. While "emergency planning . . . is one of the *safety issues* that need not be re-examined within the context of license renewal,"⁴²³ what is challenged here is whether particular bits of information taken from such a plan are sufficiently accurate for use in computing the health and safety consequences of an accident, as an *environmental issue*. Such a challenge is not a challenge to existing emergency planning for this plant or to the plan itself, but is instead focused upon the accuracy of certain assumptions and input data used in the SAMA computations and how they affect the validity of the SAMA analysis under NEPA — and as such, we find PW's challenge to the accuracy of the input data to be appropriate, in the three areas we have noted.

With respect to Entergy's characterization of PW's contention as being that "risk is to be ignored [in a SAMA analysis]," to the extent that any part of the contention or basis may be construed as challenging on a generic basis the use of probabilistic techniques that evaluate risk, we find any such portion(s) to be inadmissible. The use of probabilistic risk assessment and modeling is obviously accepted and standard practice in SAMA analyses.⁴²⁴ In any event, as PW points out in its Reply to Entergy,⁴²⁵ the focus of the contention, and that part that we admit, is on what input data should be utilized in the SAMA analysis with regard to evacuation times, economic realities, and meteorological patterns, and whether the input data used by the Applicant accurately reflect the respective conditions at issue.

We find that Pilgrim Watch has provided sufficient alleged facts, supported by several expert studies and reports, to demonstrate a genuine dispute with the Applicant on the material factual issues of whether in its SAMA analysis the Applicant has adequately taken into account relevant and realistic data with respect to evacuation times in the area surrounding the Pilgrim plant, economic consequences of a severe accident in the area, and meteorological patterns that would carry the plume in the event of such an accident; and whether as a result the Applicant has drawn "incorrect conclusions about the costs versus benefits of

⁴²³ *Turkey Point*, CLI-01-17, 54 NRC at 9.

⁴²⁴ See Entergy Answer to PW Petition at 25-26 (citing *Limerick*, 869 F.2d at 738; *McGuire/Catawba*, CLI-02-17, 56 NRC at 7-8).

⁴²⁵ See PW Reply to Entergy at 14.

possible mitigation alternatives,"⁴²⁶ such that further analysis is called for. These are factual questions appropriate for resolution in litigation of this contention.

Based upon the preceding, we admit that part of Contention 3 having to do with the input data for evacuation, economic, and meteorological information. As so limited, the admitted contention reads as follows:

Applicant's SAMA analysis for the Pilgrim plant is deficient in that the input data concerning (1) evacuation times, (2) economic consequences, and (3) meteorological patterns are incorrect, resulting in incorrect conclusions about the costs versus benefits of possible mitigation alternatives, such that further analysis is called for.

E. Contention 5: New Information Shows That Another 20 Years of Operations at Pilgrim May Result in Greater Offsite Radiological Impacts on Human Health Than Were Previously Known

Pilgrim Watch in their final contention states as follows:

New and significant information about cancer rates in the communities around Pilgrim and the demographics of these communities has become available. In addition, new studies show that even low doses of ionizing radiation can be harmful to human health. *Epidemiological studies of cancer rates in the communities around Pilgrim show an increase of radiation-linked disease that can be attributed to past operations of the plant. The demographics of the population immediately surrounding the plant, including its age and geographical distribution, make this population more susceptible to radiation linked damage than was contemplated when the plant was licensed. Pilgrim does not currently have off-site monitoring capabilities that can properly track releases of radiation into the community.*⁴²⁷

As with its Contention 4, Pilgrim Watch asserts that the Commission's regulations implementing NEPA, at 10 C.F.R. Part 51, require Entergy "to provide an analysis of the impacts on the environment that will result if it is allowed to continue beyond the initial license,"⁴²⁸ thus bringing a contention challenging the Applicant's Environmental Report within the scope of a license renewal proceeding.⁴²⁹ PW argues that "[t]he deficiency highlighted in this contention has enormous independent health and safety significance," thus establishing the materiality of the contention.⁴³⁰

⁴²⁶ See PW Petition at 26.

⁴²⁷ *Id.* at 79.

⁴²⁸ *Id.*

⁴²⁹ *Id.* at 79-80.

⁴³⁰ *Id.* at 80.

As bases for its contention PW insists that the contention presents new and significant information that additional years of operations will be harmful to public health.⁴³¹ PW refers to various alleged facts and sources, including an NAS report on low-dose radiation risk, *Health Risks from Exposure to Low Levels of Ionizing Radiation: BEIR VII Phase 2* (June 2005) [BEIR VII]; information regarding radiation-linked diseases in communities around Pilgrim; projected demographic data suggesting that the population is at a greater risk; information suggesting that "the documented radionuclide releases from Pilgrim in the past have long half-lives and bioaccumulate in the environment"; and that "the current systems in place to monitor releases are inadequate and should be improved."⁴³²

Addressing changing demographics surrounding the Pilgrim Plant, PW argues that the population "abutting Pilgrim is increasing substantially and the population is older and thus more susceptible to radiation damage," and contends that it will demonstrate "that the dose effect on the population will be far greater than originally anticipated when the plant was licensed."⁴³³ To support its allegation regarding a projected increase in total population and the population of the aging, PW cites "The Boston Metropolitan Area Planning Council Report on Population and Employment Projections 2010-2030."⁴³⁴ An increase in the proportion of the population that is over 55 is relevant, according to PW, because "studies have shown an increased sensitivity to low levels of ionizing radiation in older populations," and PW has included citations to multiple scholarly works on the topic including a publication titled "Leukemia near nuclear power plant in Massachusetts."⁴³⁵ Listed as a coauthor on that publication is Richard Clapp, who PW states could provide expert testimony to support its contention.⁴³⁶

PW points to the 1972 FEIS and the current application's environmental report (stating that radiological releases from PNPS are monitored and comply with NRC regulations), and challenges the proposition that releases do not pose a threat to the public health by insisting that it has "[brought] forward new and significant information that demonstrates that there has *already* been documented radiation linked disease in communities near PNPS."⁴³⁷ PW argues that "new information since Pilgrim began operations in 1972 [] shows increases in radiation-linked diseases in the communities around Pilgrim," and states that the increases "were in part attributed to operating with defective fuel; operating without off-gas

treatment system in the first years; poor management and practices . . . — 10 support its assertion, PW cites studies performed by the Massachusetts Department of Health, an epidemiological study published in the scholarly journal *Lancet* in 1987, and additional analyses performed by Dr. Clapp, founder and former director of the Massachusetts Cancer Registry.⁴³⁹ These studies, according to PW, demonstrate elevated rates of myelogenous leukemia, thyroid cancer, prostate cancer, and multiple myeloma.⁴⁴⁰ Again, PW references the NAS BEIR VII study to insist that no amount of radiation is safe and thus "it is not surprising that radiation-linked disease rates are higher than expected in communities exposed to Pilgrim's past [radiation] releases."⁴⁴¹ Building on its claims that the BEIR VII study represents new information regarding the dangers of ionizing radiation at any exposure level, PW claims that the previous standards set by the NRC for offsite radiation do not protect the community surrounding Pilgrim.⁴⁴²

Petitioner insists that because the effects of radiation exposure are cumulative, because some radionuclides have extremely long half-lives, and because releases can enter biological food chains and accumulate in the environment, radioactive substances can "remain active in the local environment for the foreseeable future and should be taken into account when actual ongoing doses to the public are evaluated."⁴⁴³ PW also argues that the use of allegedly "defective fuel" further exacerbates radiation exposure rates.⁴⁴⁴ To support its position PW cites a 1990 report by the Massachusetts Department of Health, concerning the period 1978-1986, as well as statements made in 2005 by NRC Commissioner Merrifield and an NRC Information Notice regarding "Control of Hot Particle Contamination at Nuclear Plants."⁴⁴⁵

Concluding, PW states that "if Applicant disputes a causal link between the radiation released by Pilgrim and the cancers seen in its neighboring towns, the current systems in place to monitor release are inadequate and should be improved."⁴⁴⁶ In an attached exhibit PW documents some of the perceived deficiencies in the monitoring system currently used by Pilgrim, and states that increased monitoring would allow "state and federal authorities to confidently measure radiation releases."⁴⁴⁷

⁴³⁸ *Id.* at 85.

⁴³⁹ *See id.* at 85-86.

⁴⁴⁰ *See id.*

⁴⁴¹ *Id.* at 87.

⁴⁴² *See id.* at 88.

⁴⁴³ *Id.* at 89.

⁴⁴⁴ *Id.*

⁴⁴⁵ *See id.* at 89-90.

⁴⁴⁶ *Id.* at 90.

⁴⁴⁷ *Id.* at 91.

⁴³¹ *Id.* at 81.

⁴³² *Id.*

⁴³³ *Id.* at 82.

⁴³⁴ *Id.* at 83.

⁴³⁵ *Id.*

⁴³⁶ *See id.* at 81.

⁴³⁷ *Id.* at 84 (emphasis in original).

1. Entergy Answer to Pilgrim Watch Contention 5

Entergy challenges the admission of Pilgrim Watch's Contention #5 by asserting that it is beyond the scope of the license renewal proceeding and challenges the license renewal rules. Further, Entergy insists that the contention fails to provide any "basis demonstrating the existence of a genuine dispute."⁴⁴⁸

At the outset, Entergy insists that the contention "represents a challenge to the scope of the environmental review in 10 C.F.R. § 51.53(c), and to the NRC's generic environmental findings in the GEIS and Appendix B to 10 C.F.R. Part 51," because it is attempting to litigate Category 1 issues for which the Commission has generically addressed in the GEIS.⁴⁴⁹ Entergy points to the Commission's generic findings regarding "offsite radiological impacts" incorporated in the regulations in 10 C.F.R. Part 51, App. B, Table B-1, and argues that, absent a waiver, the Petitioner may not challenge these generic findings, regardless of the allegation of "new and significant information." As with PW's Contention 4 and the contention proffered by the Massachusetts Attorney General, Entergy directs the board to the Commission's decision in *Turkey Point*, CLI-01-17, 54 NRC at 17, to support its position that the contention is "excluded from consideration in this proceeding."⁴⁵⁰

Notwithstanding its argument that the contention is an impermissible challenge of Commission regulations, Entergy proceeds to dispute Pilgrim Watch's claims that new and significant information exists regarding the issue of offsite radiological impacts "that would alter the Commission's generic, Category 1 finding."⁴⁵¹ Addressing the BIER VII report, cited by Pilgrim Watch, Entergy claims that because the report "concludes that radiation protection decisions should be based on linear-no threshold hypothesis of dose relationship" and the NRC regulations addressing the issue are also based on the same linear-no threshold hypothesis, the report "provides no basis to alter the generic findings."⁴⁵² Turning to Pilgrim Watch's claims regarding a change in the demographics surrounding the plant since the original licensing, Entergy asserts that the argument is irrelevant because the radiological impacts for the period of extended operation are assessed in the GEIS, and thus, the EIS prepared when the plant was originally licensed is not at issue.⁴⁵³ Next, Entergy asserts that because the 1990 Southeastern Massachusetts Health Study and the Meteorological Analysis of Radiation Releases for the Coastal Areas of the State of Massachusetts for June 3d to June 20th, 1982,

⁴⁴⁸ See Entergy Answer to PW Petition at 56.

⁴⁴⁹ *Id.*

⁴⁵⁰ *Id.*

⁴⁵¹ *Id.* at 57.

⁴⁵² *Id.*

⁴⁵³ *Id.*

both "predate the GEIS, they are obviously not new information."⁴⁵⁴ Further, Entergy argues, "Pilgrim Watch provides no information suggesting that the studies support a [sic] risk estimates that are greater than those used by the NRC in the GEIS."⁴⁵⁵ Continuing, Entergy insists that Pilgrim Watch has provided nothing more than speculation regarding its concerns about the bioaccumulation of radiation at Pilgrim or alleged failures in the Pilgrim radiation monitoring program.⁴⁵⁶

2. NRC Staff Response to Contention 5

The Staff contests the admission of Pilgrim Watch's Contention 5 on the same basic grounds as Entergy; specifically, the Staff argues that the contention is outside the scope of a license renewal proceeding and that the contention represents an impermissible challenge of the Commission's generic Category 1 findings with respect to public radiation exposure during the license renewal term.⁴⁵⁷ As was the case in Entergy's Response, the Staff also argues that each alleged example of "new and significant information" listed as bases by Pilgrim Watch fails to satisfy the contention admissibility requirements of 10 C.F.R. § 2.309(f)(1).⁴⁵⁸

Although the Staff argues that the "overarching difficulty" with Contention 5 is that it presents a challenge that is outside the scope of the license renewal proceeding, the bulk of its response is focused on refuting each individually listed basis on other grounds.⁴⁵⁹ The Staff argues that the PW's bases and their reliance on the NAS BEIR VII study to argue that "no amount of radiation is safe" represent challenges to the NRC regulations establishing radiation limits in violation of 10 C.F.R. § 2.335.⁴⁶⁰ With respect to PW's arguments that the environmental report is inadequate in that it does not account for changing demographics in the surrounding population, the Staff claims that PW has failed to demonstrate that a genuine dispute exists, as required by 10 C.F.R. § 2.309(f)(1)(vi).⁴⁶¹ This is so, according to the Staff, because Pilgrim Watch's only direct reference to the environmental report is a statement that the ER fails to "highlight" the population and demographic data.⁴⁶² What is lacking, according to the Staff, is any direc

⁴⁵⁴ *Id.* at 58.

⁴⁵⁵ *Id.*

⁴⁵⁶ See *id.*

⁴⁵⁷ See NRC Staff Response to Pilgrim Watch at 40.

⁴⁵⁸ See *id.* at 40-41.

⁴⁵⁹ *Id.* at 40-49.

⁴⁶⁰ *Id.* at 42, 44-45.

⁴⁶¹ See *id.* at 41.

⁴⁶² *Id.*

reference or challenge to a specific aspect of the ER.⁴⁶³ A similar argument is made in regard to PW's discussion of radiation-linked diseases in communities near Pilgrim and allegations regarding defective fuel.⁴⁶⁴

3. *Pilgrim Watch Replies to Entergy and NRC Staff*

Pilgrim Watch reiterates its position that although the contention challenges findings that were part of a generic Category 1 issue, its challenge is not outside the scope of the license renewal proceeding or a challenge to Commission regulations because it has "submitted new information that casts doubt on the generic conclusions regarding off-site radiological exposure as they apply to Pilgrim."⁴⁶⁵ Thus, according to Pilgrim Watch, the new information submitted — including the National Academies *Health Risks from Exposure to Low Levels of Ionizing Radiation: BEIR VII Phase II, 2005* study, demographic changes in the Pilgrim area, and case-controlled and statistical studies of radiation-linked disease in communities around Pilgrim — obviates its obligation to petition for a waiver under 10 C.F.R. § 2.335(b) before it may challenge generic findings in the GEIS under NEPA.⁴⁶⁶

Next, Pilgrim Watch defends its asserted new and significant information bases.⁴⁶⁷ Pilgrim Watch argues that its arguments are supported by "numerous scientific sources" including the NAS, Massachusetts Department of Public Health Commission, epidemiologists from multiple universities, and even the NRC, and thus, the Staff's claims that it lacks a basis in fact or expert opinion are "groundless."⁴⁶⁸ Pilgrim Watch argues that the BEIR VII report presents new information about cancer incidence risk figures and that the studies related to changing demographics and radiation risks demonstrate that the changing population around Pilgrim will have an increased sensitivity to low levels of ionizing radiation.⁴⁶⁹ Further, Pilgrim Watch insists that the SMHS presents new information because it was published after the FEIS for Pilgrim, and that the methodology for the study — which Pilgrim Watch argues demonstrates an increased leukemia risk for those individuals with the highest potential for exposure to Pilgrim emissions — has been peer reviewed and approved.⁴⁷⁰ Continuing, Pilgrim Watch argues that Entergy has failed to address all the data it has proffered regarding increased can-

⁴⁶³ *Id.*

⁴⁶⁴ *See id.* 43-44, 47.

⁴⁶⁵ PW Reply to Entergy at 30.

⁴⁶⁶ *See id.* at 30-31; *see also* PW Reply to NRC Staff at 23.

⁴⁶⁷ *See* PW Reply to NRC Staff at 22-26; PW Reply to Entergy at 31-34.

⁴⁶⁸ PW Reply to NRC Staff at 22.

⁴⁶⁹ *See* PW Reply to Entergy at 32.

⁴⁷⁰ *See id.* at 32-33.

cer incidences near Pilgrim, nor has Entergy satisfactorily disputed its assertions regarding bioaccumulation of radionuclides.⁴⁷¹ Addressing its claims regarding deficiencies in Pilgrim's radiation monitoring program, Pilgrim Watch states that it has provided "sufficient detail about deficiencies in Pilgrim's monitoring program and reports to demonstrate that Pilgrim cannot provide the necessary data to assure that public health and safety have been, or will be, protected."⁴⁷²

Turning to the BEIR VII report, and the Staff's assertion that PW's argument that the report demonstrates there is no safe level of radiation exposure is tantamount to a challenge of Commission regulations, Pilgrim Watch argues that the report was cited as a means to demonstrate "that the radiation that is released on a regular basis from Pilgrim Nuclear Power Plant cannot be assumed to be safe," not as a challenge of Commission regulations.⁴⁷³ According to Pilgrim Watch, each of its asserted bases is relevant to whether there are greater offsite radiological impacts than previously assumed and whether the Applicant has adequately addressed the issues raised.⁴⁷⁴ Thus, it argues, it has demonstrated that a genuine dispute exists and presented new and significant information that warrant NEPA review.

4. *Licensing Board Ruling on Pilgrim Watch Contention 5*

We find that this contention incorporates two related but distinct arguments, neither of which we find to be admissible.

First, Contention 5 reflects the same legal logic as its Contention 4 and the Massachusetts Attorney General's contention, in that it attempts to challenge generic findings made in the GEIS without a waiver by asserting that it has provided "new and significant information" on the issue. As we rule on Contention 4, such a contention is inadmissible without a waiver of the relevant rule. Here, PW admits that the contention's challenge regarding the offsite radiological consequences "presents a Category 1 issue,"⁴⁷⁵ and we see no need to repeat our analysis regarding the scope of license renewal proceedings and challenges to generic findings for Category 1 issues here. Nor is there any need to reach the question whether PW has proffered "new and significant information" on the issue. For the same reasons as stated with regard to Contention 4 with regard to Category 1 issues, we find Pilgrim Watch Contention 5 to be inadmissible.

In addition to the NEPA-related issues, Contention 5 appears to challenge the

⁴⁷¹ *See id.*

⁴⁷² *Id.*

⁴⁷³ PW Reply to NRC Staff at 23.

⁴⁷⁴ PW Reply to Entergy at 34.

⁴⁷⁵ *See id.* at 21.

NRC's dose limit rules found in 10 C.F.R. Part 20 as they apply to Pilgrim. PW's reliance on the BEIR VII conclusion that the all levels of ionizing radiation are harmful, along with its references to the increased vulnerability of the population surrounding Pilgrim, implicates an entirely different regulatory challenge than that found in Contention 4. This argument suggests that, as a matter of safety, the levels of radiation released by PNPS are inappropriate when considered in light of the findings in the BEIR VII report, the studies regarding cancer rates surrounding PNPS, and the increased susceptibility of a growing aged population surrounding PNPS. When pressed at the oral argument, PW conceded that it was not suggesting that radiological releases from Pilgrim are greater than are currently allowed by the NRC regulations.⁴⁷⁶ In such circumstances, its contention regarding the radiological releases must necessarily be construed as a challenge to the current NRC dose limit regulations found in 10 C.F.R. Part 20. Again, without a waiver under 10 C.F.R. § 2.335, no request for which has been submitted, such a challenge is impermissible in an adjudication such as this one.

VI. CONCLUSION

In conclusion, although both Petitioners have established standing to participate in this proceeding, the Licensing Board finds that under current controlling law and regulation the Massachusetts Attorney General has not filed an admissible contention and therefore is not admitted as a party in this proceeding. The Licensing Board does, however, find that Pilgrim Watch has filed two admissible contentions and therefore admits it as a party to this proceeding. Should any further developments occur with respect to the pending rulemaking or any other matters that might lead to any different conclusion in this proceeding on the Attorney General's Petition, such that another petition may be timely filed regarding any such matters, any such petition will be considered as may be appropriate at such time.

VII. ORDER

Based, therefore, upon the preceding rulings, findings, and conclusion, it is, this 16th day of October 2006, ORDERED as follows:

A. Pilgrim Watch is admitted as a party and its Request for Hearing and Petition To Intervene is granted in part and denied in part. A hearing is granted with respect to Pilgrim Watch Contentions 1 and 3, as limited and modified in the following form:

⁴⁷⁶Tr. at 452.

1. The Aging Management program proposed in the Pilgrim Application for license renewal is inadequate with regard to aging management of buried pipes and tanks that contain radioactively contaminated water, because it does not provide for monitoring wells that would detect leakage.
2. Applicant's SAMA analysis for the Pilgrim plant is deficient in that the input data concerning (1) evacuation times, (2) economic consequences, and (3) meteorological patterns are incorrect, resulting in incorrect conclusions about the costs versus benefits of possible mitigation alternatives, such that further analysis is called for.

B. The hearing will be conducted in accordance with the informal adjudicatory procedures prescribed in Subpart L of 10 C.F.R. Part 2. Our ruling in this regard is based on the absence of any request or demonstration, pursuant to 10 C.F.R. § 2.309(g) and in reliance on the provisions of 10 C.F.R. § 2.310(d), that resolution of any admitted contention necessitates the utilization of the procedures set forth in Subpart G of 10 C.F.R. Part 2. Upon an appropriate request, pursuant to 10 C.F.R. § 2.1204(b) and in accordance with the schedule to be set as indicated below, the Licensing Board will allow cross-examination as necessary to ensure the development of an adequate record for decision.⁴⁷⁷

C. The Massachusetts Attorney General's Request for Hearing and Petition To Intervene is denied.

D. The Town of Plymouth may participate in the hearing pursuant to 10 C.F.R. § 2.315(c), through its designated representative, Sheila S. Hollis. The Town shall identify the contention or contentions on which it will participate within twenty (20) days of this Memorandum and Order, or by *November 6, 2006*.

E. Any other interested State, local governmental body, and affected, federally recognized Indian Tribe that wishes to participate in the hearing pursuant to 10 C.F.R. § 2.315(c) shall file a Request and Notice of such intent within twenty (20) days, or by *November 6, 2006*. Any such notice shall, as required by section 2.315(c), contain a designation of a single representative for the hearing, and a identification of the contention or contentions on which it will participate.

F. In the near future the Licensing Board will issue a Memorandum setting forth a schedule of deadlines and events for this proceeding.

G. This Order is subject to appeal to the Commission in accordance with the provisions of 10 C.F.R. § 2.311. Any petitions for review meeting applicabl

⁴⁷⁷ See *CAN v. NRC*, 391 F.3d at 351, wherein the First Circuit upheld the validity of the Subpart L regulations on the basis of NRC's representation that the opportunity for cross-examination under 10 C.F.R. § 2.1204(b)(3) of Subpart L is equivalent to the opportunity for cross-examination under the Administrative Procedure Act (APA), 5 U.S.C. § 556(d), i.e., that cross-examination is available whenever it is "required for a full and fair adjudication of the facts."

requirements set forth in that section must be filed within ten (10) days of service of this Memorandum and Order.

**THE ATOMIC SAFETY AND
LICENSING BOARD**

**Ann Marshall Young, Chair
ADMINISTRATIVE JUDGE**

**Dr. Paul B. Abramson
ADMINISTRATIVE JUDGE**

**Dr. Richard F. Cole
ADMINISTRATIVE JUDGE**

Rockville, Maryland
October 16, 2006⁴⁷⁸

⁴⁷⁸ Copies of this Order were sent this date by Internet e-mail transmission to all participants or counsel for participants.

APPENDIX

**SUMMARY OF GOVERNING CASE LAW ON CONTENTION
ADMISSIBILITY STANDARDS**

We address herein how the contention admissibility standards now found in 10 C.F.R. § 2.309(f)(1)¹ have been interpreted by a number of licensing boards and by the Commission, in various NRC adjudicatory proceedings. As indicated in the body of our Memorandum and Order, because a petitioner-intervenor must submit at least one contention meeting these requirements in order to be admitted as a party in an NRC proceeding, how the standards have been interpreted in various NRC case law can be of central, and often determinative, importance in deciding whether petitioners are granted evidentiary hearings in NRC adjudicatory proceedings. Failure of a contention to meet any of the requirements of section 2.309(f)(1) is grounds for its dismissal, and failure of a petitioner — even one found to have standing to proceed under the criteria discussed above — to submit an admissible contention will result in dismissal of its petition and request for hearing.² Thus a full understanding of the standards and how they have been applied in prior cases can be critical in any NRC proceeding.

Although we do not represent the following to be an exhaustive consideration of all relevant case law addressing the contention admissibility standards, it does

¹ Section 2.309(f)(1) states that:

- (i) A request for hearing or petition for leave to intervene must set forth with particularity the contentions sought to be raised. For each contention, the request or petition must:
 - (i) Provide a specific statement of the issue of law or fact to be raised or controverted;
 - (ii) Provide a brief explanation of the basis for the contention;
 - (iii) Demonstrate that the issue raised in the contention is within the scope of the proceeding;
 - (iv) Demonstrate that the issue raised in the contention is material to the findings the NRC must make to support the action that is involved in the proceeding;
 - (v) Provide a concise statement of the alleged facts or expert opinions which support the requestor's/petitioner's position on the issue and on which the petitioner intends to rely at hearing, together with references to the specific sources and documents on which the requestor/petitioner intends to rely to support its position on the issue; and
 - (vi) Provide sufficient information to show that a genuine dispute exists with the applicant/licensee on a material issue of law or fact. This information must include references to the specific portions of the application (including the applicant's environmental report and safety report) that the petitioner disputes and the supporting reasons for each dispute, or, if the petitioner believes that the application fails to contain information on a relevant matter as required by law, the identification of each failure and the supporting reasons for the petitioner's belief.

² See *Private Fuel Storage, L.L.C.* (Independent Spent Fuel Storage Installation), CLI-99-10, 49 NRC 318, 325 (1999); *Arizona Public Service Co.* (Palo Verde Nuclear Generating Station, Units 1, 2, and 3), CLI-91-12, 34 NRC 149, 153-56 (1991).

provide a summary of some of the more significant principles that licensing boards are to apply in making determinations on the admission of contentions.

As indicated above, the origin of the current contention admissibility standards was the Commission's determination in 1989 that licensing boards prior to that time had "admitted and litigated numerous contentions that appeared to be based on little more than speculation."³ On this basis the Commission amended its rules to "raise the threshold for the admission of contentions."⁴ More recently the Commission again revised the rules, with a version that became effective in February 2004. These rules contain essentially the same substantive admissibility standards for contentions, but no longer incorporate provisions, formerly found in 10 C.F.R. § 2.714(a)(3), (b)(1), that permitted the amendment and supplementation of petitions and the filing of contentions after the original filing of petitions.⁵ The new 10 C.F.R. Part 2 NRC Rules of Practice also contain various changes to provisions relating to the hearing process.⁶

The underlying purposes of the contention admissibility requirements include, as we note above, focusing the adjudication process on disputes "susceptible of resolution" in such context, providing notice of the "specific grievances" of petitioners, and "ensur[ing] that full adjudicatory hearings are triggered only by those able to proffer at least some minimal factual and legal foundation in support of their contentions."⁷ In its Statement of Considerations adopting the latest revision of the rules, the Commission reiterated that the standards are "necessary to ensure that hearings cover only genuine and pertinent issues of concern and that the issues are framed and supported concisely enough at the outset to ensure that the proceedings are effective and focused on real, concrete issues."⁸

Considering the various standards individually, along with a section at the end relating to limitations on the content of petitioners' replies to applicant and NRC Staff responses to their contentions, we provide the following summary of some of the case law interpreting subsections (i) through (vi) of 10 C.F.R. § 2.309(f)(1).

³ *Dominion Nuclear Connecticut, Inc.* (Millstone Nuclear Power Station, Units 2 and 3), CLI-01-24, 54 NRC 349, 358 (2001) (citing *Duke Energy Corp.* (Oconee Nuclear Station, Units 1, 2, and 3), CLI-99-11, 49 NRC 328, 334 (1999)).

⁴ Rules of Practice for Domestic Licensing Proceedings — Procedural Changes in the Hearing Process, 54 Fed. Reg. 33,168, 33,168 (Aug. 11, 1989); see also *Oconee*, CLI-99-11, 49 NRC at 334.

⁵ Under the current rules, contentions must be filed with the original petition, within 60 days of notice of the proceeding in the *Federal Register* (unless another period is specified). See 10 C.F.R. § 2.309(b)(3)(iii).

⁶ As noted above, the First Circuit denied a challenge to the new rules by several public interest groups (supported by several states including Massachusetts) in *CAN v. NRC*, 391 F.3d 338 (1st Cir. 2004), finding that the new procedures "comply with the relevant provisions of the APA and that the Commission has furnished an adequate explanation for the changes." *Id.* at 343.

⁷ *Oconee*, CLI-99-11, 49 NRC at 334.

⁸ 69 Fed. Reg. 2182, 2189-90 (Jan. 14, 2004).

10 C.F.R. § 2.309(f)(1)(i), (ii)

Sections 2.309(f)(1)(i) and (ii) require that a petitioner must, for each contention, "[p]rovide a specific statement of the issue of law or fact to be raised or controverted," and "[p]rovide a brief explanation of the basis for the contention." The Commission has stated that an "admissible contention must explain, with specificity, particular safety or legal reasons requiring rejection of the contested [application]."⁹ It has also been observed that a contention must demonstrate "that there has been sufficient foundation assigned for it to warrant further exploration."¹⁰ The contention rules "bar contentions where petitioners have only 'what amounts to generalized suspicions, hoping to substantiate them later.'"¹¹

In other words, a petitioner must "provide some sort of minimal basis indicating the potential validity of the contention."¹² This "brief explanation" of the logical underpinnings of a contention does not, however, require a petitioner "to provide an exhaustive list of possible bases, but simply to provide sufficient alleged factual or legal bases to support the contention."¹³ The brief explanation helps define the scope of a contention — "[t]he reach of a contention necessarily hinges upon its terms coupled with its stated bases."¹⁴ However, it is the contention, not "bases," whose admissibility must be determined.¹⁵

10 C.F.R. § 2.309(f)(1)(iii)

Petitioners must also, as required by section 2.309(f)(1)(iii), "[d]emonstrate that the issue raised in the contention is within the scope of the proceeding." A contention must allege facts "sufficient to establish that it falls directly within the scope" of a proceeding.¹⁶ Contentions are necessarily limited to issues that are germane to the application pending before the Board,¹⁷ and are not cognizable unless they are material to matters that fall within the scope of the proceeding.

⁹ *Millstone*, CLI-01-24, 54 NRC at 359-60.

¹⁰ See *Public Service Co. of New Hampshire* (Seabrook Station, Units 1 and 2), ALAB-942, 32 NRC 395, 428 (1990) (footnote omitted).

¹¹ *Duke Energy Corp.* (McGuire Nuclear Station, Units 1 and 2; Catawba Nuclear Station, Units 1 and 2), CLI-03-17, 58 NRC 419, 424 (2003) (citing *Oconee*, CLI-99-11, 49 NRC at 337-39).

¹² 54 Fed. Reg. at 33,170.

¹³ *Louisiana Energy Services, L.P.* (National Enrichment Facility), CLI-04-35, 60 NRC 619, 62 (2004).

¹⁴ *Public Service Co. of New Hampshire* (Seabrook Station, Units 1 and 2), ALAB-899, 28 NRC 97 (1988), *aff'd sub nom. Massachusetts v. NRC*, 924 F.2d 311 (D.C. Cir. 1991).

¹⁵ See 10 C.F.R. § 2.309(a).

¹⁶ *Arizona Public Service Co.* (Palo Verde Nuclear Generating Station, Units 1, 2, and 3), LBP-91-1 33 NRC 397, 412 (1991), *appeal denied on other grounds*, CLI-91-12, 34 NRC 149 (1991).

¹⁷ See *Yankee*, CLI-98-21, 48 NRC at 204 & n.7.

for which the licensing board has been delegated jurisdiction as set forth in the Commission's notice of opportunity for hearing and order referring the proceeding to the Board.¹⁸ A discussion of relevant regulatory and case law on the scope of license renewal proceedings is found in section IV.B, *supra*.

A contention that challenges a Commission rule or regulation is outside of the scope of the proceeding because, absent a waiver, "no rule or regulation of the Commission . . . is subject to attack . . . in any adjudicatory proceeding."¹⁹ Also, any contention that amounts to an attack on applicable statutory requirements must be rejected by a licensing board as outside the scope of the proceeding.²⁰ A petitioner may, however, within the adjudicatory context submit a request for waiver of a rule under 10 C.F.R. § 2.335. Outside the adjudicatory context, one may also file a petition for rulemaking under 10 C.F.R. § 2.802, or a request that the NRC Staff take enforcement action under 10 C.F.R. § 2.206.

10 C.F.R. § 2.309(f)(1)(iv)

With regard to the requirement now stated in section 2.309(f)(1)(iv), that a petitioner must "[d]emonstrate that the issue raised in the contention is material to the findings the NRC must make to support the action that is involved in the proceeding," the Commission has defined a "material" issue as meaning one in which "resolution of the dispute would make a difference in the outcome of the licensing proceeding."²¹ This means that there must be some link between the claimed error or omission regarding the proposed licensing action and the NRC's role in protecting public health and safety or the environment.²² The standards defining the "findings the NRC must make to support" a license renewal in this proceeding are set forth at 10 C.F.R. § 54.29.²³

¹⁸ See *Duke Power Co.* (Catawba Nuclear Station, Units 1 and 2), ALAB-825, 22 NRC 785, 790-91 (1985); *Public Service Co. of Indiana* (Marble Hill Nuclear Generating Station, Units 1 and 2), ALAB-316, 3 NRC 167, 170-71 (1976); see also *Commonwealth Edison Co.* (Zion Station, Units 1 and 2), ALAB-616, 12 NRC 419, 426-27 (1980); *Commonwealth Edison Co.* (Carroll County Site), ALAB-601, 12 NRC 18, 24 (1980).

¹⁹ 10 C.F.R. § 2.335(a).

²⁰ *Philadelphia Electric Co.* (Peach Bottom Atomic Power Station, Units 2 and 3), ALAB-216, 8 ABC 13, 20 (1974).

²¹ 54 Fed. Reg. at 33,172.

²² *Domintion Nuclear Connecticut, Inc.* (Millstone Nuclear Power Station, Units 2 and 3), LBP-04-15, 60 NRC 81, 89 (2004), *aff'd*, CLI-04-36, 60 NRC 631 (2004).

²³ Section 54.29 provides:

§ 54.29 Standards for issuance of a renewed license.

A renewed license may be issued by the Commission up to the full term authorized by § 54.31 if the Commission finds that:

(Continued)

10 C.F.R. § 2.309(f)(1)(v)

Contentions must also, as now stated in section 2.309(f)(1)(v):

[p]rovide a concise statement of the alleged facts or expert opinions which support the requestor's/petitioner's position on the issue and on which the petitioner intends to rely at hearing, together with references to the specific sources and documents on which the requestor/petitioner intends to rely to support its position on the issue[.]

The requirements of section 2.309(f)(1)(v) have been interpreted to require a petitioner "to provide the analyses and expert opinion showing why its bases support its contention,"²⁴ and to "provide documents or other factual information or expert opinion that set forth the necessary technical analysis to show why the proffered bases support its contention."²⁵ Mere "notice pleading" is insufficient under these standards. A petitioner's issue will be ruled inadmissible if the petitioner "has offered no tangible information, no experts, no substantive affidavits," but instead only "bare assertions and speculation."²⁶ Further, a licensing board "may not make factual inferences on [a] petitioner's behalf," or supply information that is lacking,²⁷ but must examine the information, alleged facts, and expert opinion proffered by the petitioner to confirm that it does indeed supply adequate support for the contention.²⁸ Any supporting material provided by a

(a) Actions have been identified and have been or will be taken with respect to the matters identified in paragraphs (a)(1) and (a)(2) of this section, such that there is reasonable assurance that the activities authorized by the renewed license will continue to be conducted in accordance with the CLB, and that any changes made to the plant's CLB in order to comply with this paragraph are in accord with the Act and the Commission's regulations. These matters are:

(1) managing the effects of aging during the period of extended operation on the functionality of structures and components that have been identified to require review under § 54.21(a)(1); and

(2) time-limited aging analyses that have been identified to require review under § 54.21(c).

(b) Any applicable requirements of subpart A of 10 CFR part 51 have been satisfied.

(c) Any matters raised under § 2.335 have been addressed.

²⁴ *Georgia Institute of Technology* (Georgia Tech Research Reactor, Atlanta, Georgia), LBP-95-6, 41 NRC 281, 305, *vacated in part and remanded on other grounds*, CLI-95-10, 42 NRC 1, and *aff'd in part*, CLI-95-12, 42 NRC 111 (1995).

²⁵ *Private Fuel Storage, L.L.C.* (Independent Spent Fuel Storage Installation), LBP-98-7, 47 NRC 142, 180, *aff'd*, CLI-98-13, 48 NRC 26 (1998).

²⁶ *Fansteel, Inc.* (Muskogee, Oklahoma Site), CLI-03-13, 58 NRC 195, 203 (2003) (quoting *GPU Nuclear, Inc.* (Oyster Creek Nuclear Generating Station), CLI-00-6, 51 NRC 193, 208 (2000)).

²⁷ *Georgia Tech*, LBP-95-6, 41 NRC at 305 (citing *Palo Verde*, CLI-91-12, 34 NRC 149); *Duke Cogema Stone & Webster* (Savannah River Mixed Oxide Fuel Fabrication Facility), LBP-01-35, 54 NRC 403, 422 (2001).

²⁸ *Vermont Yankee Nuclear Power Corp.* (Vermont Yankee Nuclear Power Station), ALAB-919, 30 NRC 29, 48 (1989), *vacated in part on other grounds and remanded*, CLI-90-4, 31 NRC 333 (1990).

petitioner, including portions of the material that are not relied upon, is subject to Board scrutiny.²⁹

It is the obligation of the petitioner to present the factual information or expert opinions necessary to support its contention adequately, and failure to do so requires that the contention be rejected.³⁰ A contention is not to be admitted "where an intervenor has no facts to support its position and where the intervenor contemplates using discovery or cross-examination as a fishing expedition which might produce relevant supporting facts."³¹ As the Commission has explained:

It is surely legitimate for the Commission to screen out contentions of doubtful worth and to avoid starting down the path toward a hearing at the behest of Petitioners who themselves have no particular expertise — or expert assistance — and no particularized grievance, but are hoping something will turn up later as a result of NRC Staff work.³²

The Commission has also, however, explained that the requirement of section 2.309(f)(1)(v) "does not call upon the intervenor to make its case at [the contention] stage of the proceeding, but rather to indicate what facts or expert opinions, be it one fact or opinion or many, of which it is aware at that point in time which provide the basis for its contention."³³ A petitioner does not have to provide a complete or final list of its experts or evidence or prove the merits of its contention at the admissibility stage.³⁴ And, as with a summary disposition motion, the support for a contention may be viewed in a light that is favorable to the petitioner — so long as the admissibility requirements are found to have been met.³⁵ The requirement "generally is fulfilled when the sponsor of an otherwise acceptable contention provides a brief recitation of the factors underlying the contention or references to documents and texts that provide such reasons."³⁶

²⁹ *Yankee Atomic Electric Co. (Yankee Nuclear Power Station)*, LBP-96-2, 43 NRC 61, 90 (1996), *rev'd in part on other grounds*, CLI-96-7, 43 NRC 235 (1996).

³⁰ *Yankee Atomic Electric Co. (Yankee Nuclear Power Station)*, CLI-96-7, 43 NRC 235, 262 (1996); *Arizona Public Service Co. (Palo Verde Nuclear Generating Station, Units 1, 2, and 3)*, CLI-91-12, 34 NRC 149, 155 (1991).

³¹ 54 Fed. Reg. at 33,171.

³² *Oconee*, CLI-99-11, 49 NRC at 342.

³³ 54 Fed. Reg. at 33,170.

³⁴ *Louisiana Energy Services, L.P. (National Enrichment Facility)*, CLI-04-35, 60 NRC 619, 623 (2004); *Private Fuel Storage, L.L.C. (Independent Spent Fuel Storage Installation)*, CLI-04-22, 60 NRC 125, 139 (2004).

³⁵ See *Palo Verde*, CLI-91-12, 34 NRC at 155; 10 C.F.R. § 2.710(c).

³⁶ 54 Fed. Reg. at 33,170 (citing *Texas Utilities Electric Co. (Comanche Peak Steam Electric Station, Unit 1)*, ALAB-868, 25 NRC 912, 930 (1987)).

10 C.F.R. § 2.309(f)(1)(vi)

Finally, Petitioners must, as stated at 10 C.F.R. § 2.309(f)(1)(vi), with each contention:

[p]rovide sufficient information to show that a genuine dispute exists with the applicant/licensee on a material issue of law or fact. This information must include references to specific portions of the application (including the applicant's environmental report and safety report) that the petitioner disputes and the supporting reasons for each dispute, or, if the petitioner believes that the application fails to contain information on a relevant matter as required by law, the identification of each failure and the supporting reasons for the petitioner's belief.

A petitioner must "read the pertinent portions of the license application, including the Safety Analysis Report and the Environmental Report, state the applicant's position and the petitioner's opposing view," and explain why it disagrees with the applicant.³⁷ If a petitioner does not believe these materials ad-

³⁷ 54 Fed. Reg. at 33,170; *Millstone*, CLI-01-24, 54 NRC at 358. Also, under 10 C.F.R. § 2.309(f)(2):

Contentions must be based on documents or other information available at the time the petition is to be filed, such as the application, supporting safety analysis report, environmental report or other supporting document filed by an applicant or licensee, or otherwise available to a petitioner. On issues arising under the National Environmental Policy Act, the petitioner shall file contentions based on the applicant's environmental report. The petitioner may amend those contentions or file new contentions if there are data or conclusions in the NRC draft or final environmental impact statement, environmental assessment, or any supplements relating thereto, that differ significantly from the data or conclusions in the applicant's documents. Otherwise, contentions may be amended or new contentions filed after the initial filing only with leave of the presiding officer upon a showing that —

(i) The information upon which the amended or new contention is based was not previously available;

(ii) The information upon which the amended or new contention is based is materially different than information previously available; and

(iii) The amended or new contention has been submitted in a timely fashion based on the availability of the subsequent information.

Other portions of 10 C.F.R. § 2.309 address late-filing and other criteria for contentions and petitions to intervene. Section 2.309(e) provides as follows:

(e) Nontimely filings. (1) Nontimely requests and/or petitions and contentions will not be entertained absent a determination by the Commission, the presiding officer or the Atomic Safety and Licensing Board designated to rule on the request and/or petition and contentions that the request and/or petition should be granted and/or the contentions should be admitted based upon a balancing of the following factors to the extent that they apply to the particular nontimely filing:

(i) Good cause, if any, for the failure to file on time;

(Continued)

Attachment 3

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

COMMISSIONERS:

Dale E. Klein, Chairman
Edward McGaffigan, Jr.
Jeffrey S. Merrifield
Gregory B. Jaczko
Peter B. Lyons

DOCKETED 01/22/07
SERVED 01/22/07

In the Matter of)
)
ENTERGY NUCLEAR VERMONT YANKEE LLC)
and ENTERGY NUCLEAR OPERATIONS, INC.)
(Vermont Yankee Nuclear Power Station))
_____)

Docket No. 50-271-LR

In the Matter of)
)
ENTERGY NUCLEAR GENERATION COMPANY)
and ENTERGY NUCLEAR OPERATIONS, INC.)
(Pilgrim Nuclear Power Station))
_____)

Docket No. 50-293-LR

CLI-07-03

MEMORANDUM AND ORDER

Today we deny appeals by the Massachusetts Attorney General (Mass AG) and affirm two Atomic Safety and Licensing Board decisions rejecting his sole contention in two separate license renewal proceedings. The Mass AG proposed essentially identical contentions in the proceedings to renew the operating license at the Vermont Yankee Power Station in Windam County, Vermont¹ and the Pilgrim Nuclear Power Station in Plymouth, Massachusetts.² The Mass AG's contention says that new information calls into question previous NRC findings on the environmental impacts of fires in spent fuel pools. The Mass AG contention challenges one

¹ LBP-06-20, 64 NRC 131 (2006).

² LBP-06-23, 64 NRC ___(2006).

Docket No. 50-271-LR
COMMISSION MEMORANDUM AND ORDER (CLI-07-03)

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[Original signed by Adria T. Byrdsong]
Office of the Secretary of the Commission

Dated at Rockville, Maryland,
this 22nd day of January 2007

regulations divide the license renewal environmental review into generic and plant-specific issues. The generic impacts of operating a plant for an additional 20 years that are common to all plants, or to a specific subgroup of plants, were addressed in a 1996 GEIS.¹⁰ Those generic impacts analyzed in the GEIS are designated "category one" issues. A license renewal applicant is generally excused from discussing category one issues in its environmental report.¹¹ Generic analysis is "clearly an appropriate method" of meeting the agency's statutory obligations under NEPA.¹²

The license renewal GEIS determined that the environmental effects of storing spent fuel for an additional 20 years at the site of nuclear reactors would be "not significant."¹³ Accordingly, this finding was expressly incorporated into Part 51 of our regulations.¹⁴ Because the generic environmental analysis was incorporated into a regulation, the conclusions of that analysis may not be challenged in litigation unless the rule is waived by the Commission for a particular proceeding or the rule itself is suspended or altered in a rulemaking proceeding.¹⁵

¹⁰ See NUREG-1437, "Generic Environmental Impact Statement for License Renewal of Nuclear Plants," Final Report, Vol 1 ("GEIS")(May 1996).

¹¹ 10 C.F.R. §51.53(c)(3)(i).

¹² See *Baltimore Gas and Electric Co. v. NRDC*, 462 U.S. 87, 101 (1984).

¹³ See NUREG-1427, at 6-72 to -75 ("even under the worst probable cause of a loss of spent-fuel pool coolant (a severe seismic-generated accident causing a catastrophic failure of the pool), the likelihood of a fuel-cladding fire is highly remote"), at 6-85 (in an high-density pool, "risks due to accidents and their environmental effects are found to be not significant").

¹⁴ See 10 C.F.R. Subpt. A, App. B, Table B-1 "Summary of Findings on NEPA Issues for License Renewal of Nuclear Power Plants" ("The expected increase in the volume of spent fuel from an additional 20 years of operation can be safely accommodated on site with small environmental effects").

¹⁵ NRC regulations do not allow a contention to attack a regulation, unless the proponent requests a waiver from the Commission. 10 C.F.R. § 2.335(a), (b); see also *Dominion Nuclear Connecticut, Inc.* (Millstone Nuclear Power Station, Units 2 and 3), CLI-01-24, 54 NRC 349, 364 (2001).

B. The Mass AG's Contention

In both license renewal proceedings before us today, the Mass AG submitted a petition for intervention and request for hearing on a single contention challenging Entergy's¹⁶ environmental report for failing to include an analysis of the long-term environmental effects of storing spent fuel in high-density pools at the site. Specifically, the Mass AG cited studies issued subsequent to the GEIS claiming that even a partial loss of water in the spent fuel pool could lead to a severe fire.¹⁷ The Mass AG argues that Entergy's failure to include the new information violated 10 C.F.R. § 51.53(c)(3)(iv)¹⁸ and raises a litigable contention:

Significant new information now firmly establishes that (a) if the water level in a fuel storage pool drops to the point where the tops of the fuel assemblies are uncovered, the fuel will burn, (b) the fuel will burn regardless of its age, (c) the fire will propagate to other assemblies in the pool, and (d) the fire may be catastrophic.¹⁹

¹⁶ Entergy Nuclear Operations, Inc., together with Entergy Nuclear Generation Company, holds the operating license for the Pilgrim Nuclear Power Station. Entergy Nuclear Operations, Inc. and Entergy Vermont Yankee, LLC, hold the license for the Vermont Yankee Nuclear Power Station. In today's decision we refer to the license applicants collectively as "Entergy."

¹⁷ See NAS Committee on the Safety and Security of Commercial Spent Nuclear Fuel Storage, *Safety and Security of Commercial Spent Nuclear Fuel Storage* (The National Academies Press, 2006); Dr. Gordon Thompson, *Risks and Risk-Reducing Options Associated with Pool Storage of Spent Nuclear Fuel at the Pilgrim and Vermont Yankee Nuclear Power Plants* (May 25, 2006); Dr. Jan Beyea, *Report to the Massachusetts Attorney General on the Potential Consequences of a Spent-Fuel Pool Fire at the Pilgrim or Vermont Yankee Nuclear Plant* (May 25, 2006).

¹⁸ In response to concerns raised by the Council on Environmental Quality and others that the NRC's generic approach in the license renewal GEIS would not take into consideration new pertinent information on environmental impacts, the NRC adopted a rule, 10 C.F.R. § 51.53(c)(3)(iv), requiring a license renewal applicant to include "new and significant information" concerning environmental effects. This information would be included in the site specific supplemental EIS (SEIS) for each power plant which is issued as part of the license renewal application review.

¹⁹ See Massachusetts Attorney General's Request for a Hearing and Petition for Leave to Intervene with Respect to Entergy Nuclear Operations Inc.'s Application for Renewal of the Vermont Yankee Nuclear Power Plant Operating License and Petition for Backfit Order Requiring New Design Features to Protect Against Spent Fuel Pool Accidents (May 26, 2006) ("VY Hearing Request") at 22; see also, Massachusetts Attorney General's Request for a

The Mass AG argued, therefore, that Entergy should have discussed consequences and mitigation of severe accidents in spent fuel pools (including those initiated by terrorist acts). In support of its claim that possible terrorist attacks increase the probability of an accident, the Mass AG pointed to the recent Ninth Circuit decision in *San Louis Obispo Mothers for Peace v. NRC*.²⁰ The Mass AG also claimed that NRC license renewal regulations require that the ER discuss severe accident mitigation alternatives for reducing the impact of a spent fuel accident, such as moving a portion of the fuel to dry storage to reduce density.²¹

The Mass AG also filed a petition for rulemaking to amend the applicable regulations. The Mass AG's petition covers somewhat broader grounds than his contention.²² It asks NRC to consider the new information on pool fire risks, "revoke the regulations that codify the incorrect conclusion" that the environmental impacts of spent fuel storage are insignificant, issue a generic determination that the impacts of high-density pool storage are significant, and "order that any NRC licensing decision that approves high-density pool storage of spent fuel" (presumably in either a license renewal proceeding or any other license amendment proceeding) be accompanied by an environmental impact statement that discusses alternatives to avoid or mitigate the impacts. It also asks that no final decision issue on the *Vermont Yankee* and *Pilgrim* license renewal proceedings until the rulemaking petition is resolved.²³

Hearing and Petition for Leave to Intervene with Respect to Entergy Nuclear Operations Inc.'s Application for Renewal of the Pilgrim Nuclear Power Plant Operating License and Petition for Backfit Order Requiring New Design Features to Protect Against Spent Fuel Pool Accidents (May 26, 2006) ("Pilgrim Hearing Request").

²⁰ 449 F.3d 1016 (9th Cir. 2006), *cert. denied*, No. 06-466 (Jan. 16, 2007).

²¹ See VY Hearing Request at 23, *citing* 10 C.F.R. § 51.53(c)(3)(iii).

²² See Massachusetts Attorney General's Petition for Rulemaking to Amend 10 C.F.R. Part 51 (August 25, 2006).

²³ See Massachusetts Attorney General's rulemaking petition at 3.

II. DISCUSSION

A. The Licensing Boards Correctly Found the Mass AG's Contention Not Admissible

1. Category One Findings Based on the GEIS Analysis Not Subject to Attack in an Individual Licensing Proceeding

Both Licensing Boards determined that this case is controlled by our ruling in the *Turkey Point* license renewal proceeding. In *Turkey Point*, a petitioner proposed to litigate the issue of the possible environmental effects of an accident involving stored fuel, including an accident resulting from an attack by the Cuban Air Force.²⁴ The Commission agreed with the Board that this contention fell outside the scope of a license renewal proceeding, which focuses on those detrimental effects of aging that are not addressed as a matter of ongoing agency oversight and enforcement.²⁵ Our *Turkey Point* decision outlined the opportunity and procedures for presenting new and significant information that could undermine the findings in the GEIS, including asking for a rule waiver or filing a petition for rulemaking to change the GEIS finding.²⁶

The Mass AG argues that *Turkey Point* is inapposite because, there, the petitioners did not argue that the license renewal applicant had violated the regulation requiring it to disclose "new and significant" information, whereas here the Mass AG does make that argument.²⁷ The Mass AG's argument that its "new and significant information" distinguishes this case from *Turkey Point* is not convincing in light of the regulatory history of the license renewal rulemaking, as explained by the *Vermont Yankee* Board.²⁸

²⁴ 54 NRC at 5-6.

²⁵ See *id.* at 7-8, 21-23.

²⁶ See *id.* at 11-13.

²⁷ Massachusetts Attorney General's Brief on Appeal of LBP-06-20, at 12, *citing* 10 C.F.R. § 51.53(c)(3)(iv); see note 17, *supra*.

²⁸ See LBP-06-20, 64 NRC at 157-59.

Fundamentally, any contention on a "category one" issue amounts to a challenge to our regulation that bars challenges to generic environmental findings. There are, however, procedural steps available to make such a challenge. A rule can be waived in a particular license proceeding only where "special circumstances ... are such that the application of the rule or regulation ... would not serve the purposes for which the rule or regulation was adopted."²⁹ In theory, Commission approval of a waiver could allow a contention on a category one issue to proceed where special circumstances exist.

Here, the Mass AG does not argue that unique or unusual characteristics of the Pilgrim and Vermont Yankee facilities undermine the GEIS's generic determinations, but instead argues that new information contradicts assumptions underlying the entire generic analysis for *all* spent fuel pools at all reactors, whether in a license renewal proceeding or not. It therefore appears that the Mass AG chose the appropriate way to challenge the GEIS when he filed his rulemaking petition. The Mass AG's appeal, as well as his petition for rulemaking, appears to recognize as much.³⁰ It makes more sense for the NRC to study whether, as a technical matter, the agency should modify its requirements relating to spent fuel storage for all plants across the board than to litigate in particular adjudications whether generic findings in the GEIS are impeached by the Mass AG's claims of new information.³¹ Adjudicating category one issues site-by-site based merely on a claim of "new and significant information," would defeat

²⁹ 10 C.F.R. 2.335(b).

³⁰ See e.g., Massachusetts Attorney General's Brief on Appeal of LBP-06-20, at 8. See also Petition for Rulemaking, at 18.

³¹ The Mass AG claims that the Ninth Circuit's decision in *San Louis Obispo Mothers for Peace v. NRC* requires admitting its spent fuel contention. But that decision – which calls on NRC to consider the environmental effects of terrorist attacks when licensing nuclear facilities – is also raised in the Mass AG's rulemaking petition and can be considered in that context. The Ninth Circuit decision nowhere says or implies that the NRC cannot consider spent fuel pool or other environmental issues generically.

the purpose of resolving generic issues in a GEIS.

2. No Discussion of Severe Accident Mitigation Alternatives Necessary for Category One

The Boards were correct to disregard the Mass AG's argument that Entergy's environmental report was required to discuss severe accident mitigation alternatives such as reducing the density of fuel in the pool by moving some of it to dry storage.³² The Commission held in *Turkey Point* that no discussion of mitigation alternatives is needed in a license renewal application for a category one issue.³³ This makes obvious sense since "for all issues designated as category one the Commission has concluded that [generically] that additional site-specific mitigation alternatives are unlikely to be beneficial."³⁴ Both Boards found that license renewal applicants need only to discuss such alternatives with respect to "category two" issues (that is, environmental issues *not* generically resolved in the GEIS).

As we explained in *Turkey Point*, it is not necessary to discuss mitigation alternatives when the GEIS has already determined that, due to existing regulatory requirements, the probability of a spent fuel pool accident causing significant harm is remote.³⁵ The Mass AG's rulemaking petition, of course, has challenged the GEIS determination. If the NRC should find the Mass AG's concerns well-founded, then one result might be that the GEIS designation is changed and a discussion of mitigation alternatives required. Another result might be that mitigation measures already put in place as a result of NRC's post 9/11 security review could be generically determined to be adequate and consistent with the existing GEIS designation.

³² See LBP-06-20, 64 NRC at 161, LBP-06-23, slip op. at 31, 33-38.

³³ See *Turkey Point*, CLI-01-17, 54 NRC at 21-22.

³⁴ *Id.* at 22.

³⁵ See license renewal GEIS at 6-86 ("The need for the consideration of mitigation alternatives within the context of renewal of a power reactor license has been considered, and the Commission concludes that its regulatory requirements already in place provide adequate mitigation incentives for on-site storage of spent fuel"); see also 6-91.

B. Effect of Rulemaking Petition

The NRC posted a notice of receipt of the Mass AG's rulemaking petition on November 1, 2006, and has requested public comments by March 19, 2007.³⁶ After considering the petition and public comments, the NRC will make a decision on whether to deny the petition or proceed to make necessary revisions to the GEIS. The license renewal proceeding is not suspended during this period.³⁷ Nonetheless, depending on the timing and outcome of the NRC staff's resolution of the Mass AG's rulemaking petition, it is possible that the NRC staff could seek the Commission's permission to suspend the generic determination and include a new analysis in the Pilgrim and Vermont Yankee plant-specific environmental impact statements. This approach is described in the statement of consideration for our license renewal regulations, where the Commission noted:

b. If a commenter provides new information which is relevant to the plant and is also relevant to other plants (i.e., generic information) and that information demonstrates that the analysis of an impact codified in the final rule is incorrect, the NRC staff will seek Commission approval to either suspend the application of the rule on a generic basis with respect to the analysis or delay granting the renewal application (and possibly other renewal applications) until the analysis in the GEIS is updated and the rule amended. If the rule is suspended for the analysis, each supplemental EIS would reflect the corrected analysis until such time as the rule is amended.³⁸

³⁶ 71 Fed. Reg. 64,169; deadline for public comments extended to March 19, 2007, see 72 Fed. Reg. 24 (Jan. 19, 2007).

³⁷ The Mass AG's rulemaking petition (at p. 3) asked the NRC to withhold final decisions in the *Vermont Yankee* and *Pilgrim* license renewal proceedings until the rulemaking petition is resolved. But final decisions in those proceedings are not expected for another year or more. Those proceedings involve many issues unrelated to the Mass AG's rulemaking petition. It is therefore premature to consider suspending proceedings or delaying final decisions. NRC regulations provide that a petitioner who has filed a petition for rulemaking "may request the Commission to suspend all or any part of any licensing proceeding to which the petitioner is a party pending disposition of the petition for rulemaking." 10 C.F.R. § 2.802. An interested governmental entity participating under 10 C.F.R. § 2.315 could also make this request.

³⁸ Statement of Consideration, Final Rule, Environmental Review for Renewal of Nuclear Power Plant Operating Licenses, 61 Fed. Reg. 28,467; 28,472 (June 5, 1996).

The Commission, in short, has in place various procedures for considering new and significant environmental information. Thus, whatever the ultimate fate of the Mass AG's "new information" claim, admitting the Mass AG's contention for an adjudicatory hearing is not necessary to ensure that the claim receives a full and fair airing.

III. CONCLUSION

We find that the Licensing Boards were correct to reject the Mass AG's sole contention in the two cases, and therefore *affirm* the Boards' decisions.

IT IS SO ORDERED.

For the Commission

/RA/

ANNETTE L. VIETTI-COOK
Secretary of the Commission

Dated at Rockville, MD
This 22nd day of January, 2007

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

In the Matter of)

ENTERGY NUCLEAR VERMONT YANKEE LLC)

and)

ENTERGY NUCLEAR OPERATIONS, INC.)

(Vermont Yankee Nuclear Power Station))

Docket No. 50-271-LR

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing COMMISSION MEMORANDUM AND ORDER (CLI-07-03) have been served upon the following persons by electronic mail this date, followed by deposit of paper copies in the U.S. mail, first class, and NRC internal mail.

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of the findings in the Generic Environmental Impact Statement (GEIS) for license renewal – namely that storing spent fuel in pools for an additional 20 years would have insignificant environmental impacts. In each of the challenged decisions, the Licensing Board found the contention inadmissible. Both Boards found the GEIS finding controlling absent a waiver³ of the NRC's generic finding⁴ or a successful petition for rulemaking.⁵ We conclude that the Boards' interpretation of the law and regulations concerning generic, or "category one," environmental findings is consistent with *Turkey Point*⁶ and we affirm both rulings.

The Mass AG has in fact filed a petition for rulemaking raising the same issues as his contention.⁷ As he in essence acknowledges,⁸ the petition for rulemaking is a more appropriate avenue for resolving his generic concerns about spent fuel fires than a site-specific contention in an adjudication.

I. BACKGROUND

A. Environmental Analysis for License Renewal

In 1996, the Commission amended the environmental review requirements in 10 C.F.R. Part 51 to address the scope of environmental review for license renewal applications.⁹ The

³ 10 C.F.R. § 2.335.

⁴ See 10 C.F.R. § 51.53(c)(3)(i).

⁵ 10 C.F.R. § 2.802.

⁶ *Florida Power & Light Co. (Turkey Point Nuclear Generating Plant, Units 3 and 4)*, CLI-01-17, 54 NRC 3 (2001).

⁷ See Massachusetts Attorney General's Petition for Rulemaking to Amend 10 C.F.R. Part 51 (August 25, 2006), see 71 Fed. Reg. 64,169 (public notice).

⁸ See, e.g., Massachusetts Attorney General's Brief on Appeal of LBP-06-20 (Oct. 3, 2006), at 8 n.7, agreeing that the Mass AG's contention does not fit the criteria for a rule waiver. See also Massachusetts' Petition for Rulemaking, at 18.

⁹ Final Rule, "Environmental Review for Renewal of Nuclear Power Plant Operating Licenses," 61 Fed. Reg. 28,467 (1996).

**United States Court of Appeals
For the First Circuit**

No. 07-1482

COMMONWEALTH OF MASSACHUSETTS

Petitioner

v.

UNITED STATES; UNITED STATES NUCLEAR REGULATORY COMMISSION

Respondents

No. 07-1483

COMMONWEALTH OF MASSACHUSETTS

Petitioner

v.

UNITED STATES; UNITED STATES NUCLEAR REGULATORY COMMISSION

Respondents

**CORPORATE DISCLOSURE STATEMENT FOR
ENERGY NUCLEAR OPERATIONS, INC., ENERGY NUCLEAR VERMONT
YANKEE LLC, AND ENERGY NUCLEAR GENERATION COMPANY**

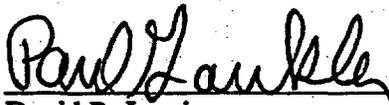
Pursuant to Rule 26.1 of the Federal Rules of Appellate Procedure, Entergy Nuclear Operations, Inc., Entergy Nuclear Vermont Yankee LLC, and Entergy Nuclear Generation Company (collectively "Entergy") submit this Corporate Disclosure Statement.

Entergy Nuclear Operations, Inc., a Delaware Corporation, is a direct wholly owned subsidiary of Entergy Nuclear Holding Company #2 and an indirect wholly owned subsidiary of Entergy Corporation. No other publicly held company has 10 percent or more equity interest in Entergy Nuclear Operations, Inc.

Entergy Nuclear Vermont Yankee LLC, a Delaware Limited Liability Company, is a direct wholly owned subsidiary of Entergy Nuclear Vermont Investment Company, LLC, and an indirect wholly owned subsidiary of Entergy Nuclear Holding Company #3, Entergy Nuclear Holding Company, and Entergy Corporation. No other publicly held company has 10 percent or more equity interest in Entergy Nuclear Vermont Yankee LLC.

Entergy Nuclear Generation Company, a Massachusetts Corporation, is a direct wholly owned subsidiary of Entergy Nuclear Holding Co. #1 and an indirect wholly owned subsidiary of Entergy Corporation. No other publicly held company has 10 percent or more equity interest in Entergy Nuclear Generation Company

Respectfully submitted,



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Dated: April 20, 2007

**United States Court of Appeals
For the First Circuit**

No. 07-1482

COMMONWEALTH OF MASSACHUSETTS

Petitioner

v.

UNITED STATES; UNITED STATES NUCLEAR REGULATORY COMMISSION

Respondents

No. 07-1483

COMMONWEALTH OF MASSACHUSETTS

Petitioner

v.

UNITED STATES; UNITED STATES NUCLEAR REGULATORY COMMISSION

Respondents

CERTIFICATE OF SERVICE

Pursuant to Rule 15(d) of the Federal Rules of Appellate Procedure and First Circuit Local Rule 15(d), I hereby certify that true copies of the foregoing (1) Motion of Entergy Nuclear Operations, Inc., Entergy Nuclear Vermont Yankee LLC, and Entergy Nuclear Generation Company for Intervention as of Right; (2) the Corporate Disclosure Statement of Entergy Nuclear Operations, Inc., Entergy Nuclear Vermont Yankee LLC, and Entergy Nuclear Generation Company; and (3) the completed Appearance Forms for Messrs. Lewis and Gaukler were served upon the following by United States mail, first class, postage prepaid, on this 20th day of April, 2007:

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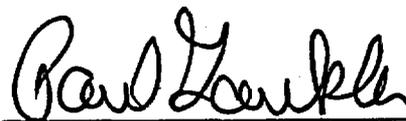
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