



City of Galena

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September 26, 2007

Proj 760

Document Control Desk
U.S. Nuclear Regulatory Commission
Washington, DC 20555

Re: Pre-Application Review of Toshiba 4S Reactor Design

This letter is in reference to the August 24, 2007 letter from Toshiba Corporation (Toshiba) to Dr. Brian Sheron, Director of the Office of Nuclear Regulatory Research of the U.S. Nuclear Regulatory Commission (NRC), requesting a meeting on the pre-application review of Toshiba's 4S Nuclear Reactor (4S) design towards its eventual certification by the NRC. The City of Galena, Alaska (City) is interested in the successful outcome of the design certification process for the 4S since it is considering deploying such a reactor in its community.

In February 2005 Galena had the privilege of making a presentation to the NRC regarding the need for base load power from alternate energy sources in remote Alaska and the potential use of the 4S reactor to satisfy that need in Galena. Galena's electricity is generated with diesel generators. Oil is continuously escalating in price, leaving uncertainty as to future cost of electricity. There is also a reliability of supply question, since diesel fuel can only be delivered to Galena by barge in the summer months.

Additionally, due to implementation of the Base Realignment and Closure program, Galena will be assuming the heat load at a former US Air Force base located near the city, which brings total fuel demand to over 1 million gallons per year.

In 2004 Galena evaluated several alternative energy supply possibilities. The 4S reactor was determined to hold several advantages over other alternatives:

- A stable price for electricity and district heating for many years
- Lower generation cost
- No carbon emissions
- The availability of excess heat to be used for other purposes.

Based on these perceived advantages, the Galena City Council passed a resolution which expressed the City's intent to further investigate the potential of acquiring a 4S for Galena.

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The City is, therefore, pleased that Toshiba is beginning the 4S design certification process with the NRC. Indeed, several other Alaskan communities are hoping to follow in Galena's footsteps when the technology's review and the siting evaluation are successfully completed. We look forward to the NRC providing timely reviews and responses to the design and site suitability questions, so as to allow Galena and other communities to make final decisions on whether utilization of this technology is feasible.

The City retained Burns & Roe Engineering and Pillsbury Winthrop Shaw Pittman as consultants to prepare a series of White Papers on the suitability of the 4S reactor for deployment in the Galena area. Concurrent with the Toshiba pre-application review process, the City hereby requests the opportunity to present these papers to the NRC and start discussions with the agency on the potential deployment of a 4S reactor at a Galena site.

Sincerely,

A handwritten signature in cursive script, appearing to read "Russ Sweetsir".

Russ Sweetsir
Mayor, City of Galena