

RAS #AA-20

Hearing Docket

From: Brian Paddock [bpaddock@twlakes.net]
Sent: Tuesday, August 12, 2008 7:03 PM
To: Paul Bollwerk; Hearing Docket
Subject: Limited Appearance; Bellefonte Nuclear Plants Units 3 and 4, Docket No. 52-014--COL and 52-15-COL

DOCKETED
USNRC

Limited Appearance
Bellefonte Nuclear Plants Units 3 and 4
Docket No. 52-014--COL and 52-15-COL

August 12, 2008 7:03 pm

OFFICE OF SECRETARY
RULEMAKINGS AND
ADJUDICATIONS STAFF

Honorable Paul Bollwerk,

Docket No. 52-014-COL and 52-015-COL

I am an attorney licensed in Tennessee and several other jurisdictions. I am a member of the Upper Cumberland Electric Membership Corporation, a distributor in the upper Cumberland of electricity produced (or purchased) by TVA.

My wife and I participate in TVA's "Generation Partners" and return to the grid some of the electricity produced by the 4 kW solar PV array which I have installed on the roof of my home in Jackson County.

We have studied TVA since the time the new Board first proposed a Strategic Plan which completely omitted any reference to electrical efficiency, conservation and the generation of power from renewable sources.

We respectfully direct the presiding officer's attention to the July 16, 2008 testimony of Dr. Joseph Romm, Senior Fellow, Center for American Progress Action Fund Before the Committee on Environment and Public Works Subcommittee on Clean Air and Nuclear Safety. We ask that a copy of this statement be included in the record of these proceedings. An electronic copy can be found at http://www.americanprogressaction.org/issues/2008/pdf/romm_testimony.pdf.

I have attempted a preliminary review of the NRC's draft Environmental Impact Statement. Unfortunately large portions of that document as posted on the internet are not available for public review. This certainly violates the instruction to allow informed public input found in the National Environmental Policy Act and the Council on Environmental Quality regulations.

A critical omission is any documentation by TVA of a reliable forward projection on energy demand that would justify the proposed Bellefonte nuclear plants. TVA's rates are steadily rising and are to be increased again by 10 to 20 percent on October 1, 2008. These rate increases have led to reduced demand. TVA is to lose 4 to 5 % of the base demand when the USEC gaseous diffusion nuclear fuel processing facility in Paducah is scheduled to cease operations in 2012 as an industrial customer of TVA.

In any event, TVA should not be allowed to make a new and financially very risky multi-million dollar re-entry into nuclear plant construction in order to provide subsidized power to a few industrial direct customers while putting the repayment costs and risks on all of the other users of TVA power.

TVA faces prohibitively high costs for construction and does not have the financial strength to complete this project. The federal financing bank will not loan federal funds to TVA for nuclear construction. The proposals for Bellefonte on their face violate the "no new major generation" promise TVA made to the taxpayers, Congress and the GAO following the collapse of TVA's last foray into nuclear power. ("TVA Plans to Reduce Debt While Meeting Demand for Power" GAO-06-810 Report, August 2006.)

Private financing for nuclear plants, even with federal loan guarantees, has not appeared. Private financing of such a risky venture appears even less likely as our bank credit system continues to shrink and becomes more risk averse. Government loan guarantees, the renewal of the Price-Anderson Act and subsidies only make the risk more self-evident. See: <http://www.rmi.org/sitepages/pid467.php>

At the same time TVA faces steadily and rapidly increasing construction costs. The skyrocketing costs of steel, concrete and other construction materials and the limited availability of skilled craftsman and knowledgeable supervisors and managers make any projection costs and all timetables extremely speculative. Undertaking a

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project with no prospect that costs and implementation schedule can be controlled is foolish.

In any case the excessive cost per unit of electricity generated makes further nuclear investment by TVA unwise and as well as unnecessary.

The return on investment for conservation, efficiency and co-generation to achieve demand reductions has been demonstrated many times in many places. There appears to be no reason that demand for TVA power could not be reduced from the current high per capita use figures by 30% or more with a much smaller investment than is proposed for the Bellefont plants.

The (declining) costs of renewable generation from wind and solar are known. Private investors have already offered to capitalize additional wind generation at Buffalo Mountain in TN but TVA has declined to contract for the power that would be produced despite the fact that it would cost less than the cost of much of the other purchased power, particularly peaking power.

It looks like the "standard design" paradigm for the AP 1000 has already been sacrificed to applicant plans for customization and continued discovery of design defects as more detailed engineering documents are presented to the NRC. It does not appear the NRC will succeed in finding suppliers for all key components which it can certify in advance.

I suspect that Westinghouse, like General Electric soon will start to discard business lines. As the financing of reactor design and construction is recognized as extremely risky in risk averse capital markets, the AP 1000 may disappear from the U.S. market.

We have not solved the problem of spent fuel storage. It looks more and more like Yucca Mountain will never be available, which at the same time the U.S. taxpayers are being bled in actions for damages by operators of existing (and even decommissioned) reactors.

Of course, TVA's Bellefonte plants will have no right to the use of Yucca Mountain and in this respect the spent fuel disposition aspect of its plans are incomplete and cannot be approved.

Respectfully submitted,

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