

Official Transcript of Proceedings
NUCLEAR REGULATORY COMMISSION

Title: Victoria County Station Early Site Permit
Public Meeting: Evening Session

Docket Number: (n/a)

Location: Victoria, Texas

Date: Thursday, December 2, 2010

Work Order No.: NRC-581

Pages 1-81

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UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION
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ENVIRONMENTAL SCOPING MEETING
FOR THE VICTORIA COUNTY STATION
EARLY SITE PERMIT

+ + + + +
Thursday, December 2, 2010

+ + + + +
Auditorium
Victoria Community Center
2905 E. North Street
Victoria, Texas
7:00 p.m.

FRANCIS X. "CHIP" CAMERON, Facilitator

P R O C E E D I N G S

1
2 MR. CAMERON: Good evening, everyone. We
3 just have a short announcement before we're going to
4 get started, and the announcement relates to the
5 availability of interpretation services for anybody
6 who would like to hear things in Spanish tonight. And
7 our two interpreters are Steve Mines, who is over
8 there, and this is Sarita Gomez-Mola and she's going
9 to tell people how to take advantage of interpretation
10 services.

11 (Ms. Gomez-Mola addressed the audience in
12 Spanish.)

13 MR. CAMERON: Thank you very much, Sarita.
14 Well, welcome, everybody, to tonight's
15 meeting and our topic tonight is going to be the
16 Nuclear Regulatory Commission, the NRC, and the United
17 States Army Corps of Engineers review process,
18 particularly the environmental review that they are
19 going to perform on an application that we got from
20 the Exelon Nuclear Texas Holdings Company, who we're
21 going to refer to as Exelon for the rest of the
22 evening, an application that we received from Exelon
23 for something called an early site permit, and the NRC
24 staff will be telling you more about that in just a
25 few minutes, but basically an early site permit would

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1 be the first step in the possible construction and
2 operation of nuclear power plants at a site here in
3 Victoria.

4 My name is Chip Cameron and it's my
5 pleasure to serve as your facilitator for the meeting
6 tonight, and I'm going to be assisted by my colleague,
7 Sara Mroz, who is right here, and Sara is in the NRC's
8 facilitation training program, and we'll both try to
9 assist you in having a productive meeting tonight.

10 I just wanted to tell you a little bit
11 about the meeting process so that you'll know what to
12 expect tonight, and the first thing I'd like to tell
13 you about is the format for the meeting and then a
14 little bit about some simple ground rules to help us
15 to have a productive meeting tonight, and then I'd
16 like to introduce the NRC speakers who are going to
17 talk to you tonight.

18 In terms of the format for the meeting, it
19 really is a two-part meeting and the first part is to
20 give you some information about the NRC's evaluation
21 process for this early site permit application, and we
22 do have two brief presentations on that to give you
23 some background.

24 We will have time after that to take a few questions
25 to make sure that we were clear about the process, and

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1 if we don't have time to get to everyone's questions
2 before we have to move to the second part of the
3 meeting, the NRC staff will be here after the meeting
4 to talk with you.

5 The second part of the meeting is the
6 primary objective of the meeting, and that's to listen
7 to your advice, your comments, your recommendations on
8 what the NRC should evaluate in its environmental
9 review for this early site permit application. And if
10 you do want to speak tonight if you could fill out a
11 yellow card, these cards that were out at the desk,
12 and then we'll know who wants to speak and how many
13 people want to speak tonight. We'll ask you at that
14 time to come up to the podium and talk to us.

15 Now, the NRC staff is also going to tell
16 you that they're asking for written comments on these
17 issues, and they'll tell you how to submit them and
18 when to submit them, and I just want to assure you
19 that anything you say tonight is going to carry the
20 same weight as a written comment, but you're also free
21 to submit a written comment even if you speak tonight.

22 And ground rules, very simple. The first
23 one is just please wait to ask your questions until
24 both of the NRC presentations are over, and that way
25 we can give you a complete picture of the review

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1 process. And if you do have a question, just signal
2 me and I'll bring you this cordless microphone and
3 please introduce yourself to us.

4 The second ground rule is I would just ask
5 that one person at a time speak so that we can give
6 our full attention to whomever has the floor at the
7 moment, and also so that we can get what I call a
8 clean transcript. We are taking a transcript. Nancy
9 King is with us tonight and she's our court reporter.

10 She'll be taking the transcript and that's going to
11 be your record and it's going to be the NRC's record
12 of what was said tonight.

13 The third ground rule is I just would ask
14 you to try to be brief and concise in your comments so
15 that we can make sure that we hear from everyone
16 tonight. I usually ask people to follow a three- to
17 five-minute ground rule in their presentation so that
18 we can hear from everybody. We don't have a whole lot
19 of speakers tonight so we're not going to be real
20 strict at all about that ground rule, but I would ask
21 you to try to keep it within the three- to five-minute
22 range tonight because we do want to hear what you have
23 to say.

24 And I would just thank you all for coming
25 out to help the NRC and the Army Corps of Engineers

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1 with their decision on this early site permit
2 application, and let me introduce the speakers from
3 the NRC to you.

4 First of all, we have Ryan Whited right
5 here, and Ryan is the chief of the Environmental
6 Review Branch within the Division of Site and
7 Environmental Review in the Office of New Reactors at
8 the NRC, and his branch is responsible for conducting
9 this review. And in a couple of minutes I'm going to
10 introduce the project manager for the review, but just
11 to give you an idea of Ryan's background, he's been
12 with the NRC for seven years and he's been involved in
13 the Low Level Waste Program, he was a member of the
14 staff of the Executive Director for Operations working
15 on budget issues before he assumed his position as the
16 chief of the Environmental Branch.

17 Before he came to the NRC he worked for an
18 environmental consulting firm. And his educational
19 background is a bachelor's in industrial engineering
20 from the University of West Virginia, he has a
21 master's degree in environmental engineering from
22 Clemson University, and he also has a master's in
23 business administration, University of Pennsylvania.
24 And Ryan is going to tell you a little bit about the
25 NRC responsibilities generally and give you a formal

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1 welcome tonight to the meeting.

2 After that we're going to go to Tomeka
3 Terry, and Tomeka is the project manager for the
4 environmental review on this application, and she's
5 going to go through the details of what the NRC looks
6 at in that review. And Tomeka has been with the
7 agency for approximately eight years doing
8 environmental review work on new reactors, and her
9 educational background is a bachelor's degree and a
10 master's degree, concentration in the environment,
11 from North Carolina A&T State University.

12 We have other people from the NRC with us
13 so I'll just introduce a couple of them. Our senior
14 NRC official is Scott Flanders right here, and Scott
15 is the division director of the Division of Site and
16 Environmental Reviews at the Office of New Reactors.
17 And to give you the hierarchy: Scott, division
18 director; Ryan, branch chief within Scott's division;
19 Tomeka, project manager on environmental reviews
20 within Ryan's branch.

21 Tomeka is going to mention, I think, that
22 we also do a safety review on these early site permit
23 applications, and we have the safety review project
24 manager with us tonight, Janelle Jessie. We also have
25 Alicia Williamson here and Alicia is also working as a

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1 project manager on the environmental review. And we
2 have some other NRC staff here. From our regional
3 office in Arlington, Texas, we have our public affairs
4 officer, and we have various experts and NRC staff on
5 areas such as radiation protection, ecology, emergency
6 preparedness and other items to make sure that we can
7 answer all of your questions, and they're here after
8 the meeting and would love to talk to you about
9 whatever concerns or questions that you might have.

10 And with that, let me ask Ryan to start us
11 off. Ryan.

12 MR. WHITED: Thank you, Chip.

13 Good evening. I'm Ryan Whited. I'm the
14 NRC branch chief for the Victoria early site permit
15 environmental review. First I'd like to thank all of
16 you for coming this evening. We look forward to
17 hearing your comments and hope that we can provide
18 some useful information about the Nuclear Regulatory
19 Commission and our environmental review process for
20 the Victoria early site permit application.

21 The purposes of the meeting this evening
22 are to provide an overview of our review process and
23 the schedule for the environmental review, to describe
24 how you can provide comments on the scope of the
25 environmental impact statement, or the EIS, that we'll

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1 be preparing, and to listen to any comments that you'd
2 like to offer today.

3 Some of you may have attended one of the
4 public outreach meetings that we've held here in the
5 past to provide general information on the NRC's new
6 reactor licensing process. If you attended one or
7 more of these meetings, welcome back.

8 The meeting this evening is a little bit
9 different as we've initiated our environmental review
10 and are seeking your input into the scope of the
11 environmental impact statement that we are preparing.

12 You have local knowledge of the area, you know this
13 area best, and you may be aware of issues that are
14 important for us to consider during our review.

15 Following my remarks, Tomeka Terry, the
16 NRC's environmental project manager for this review,
17 is going to provide a brief overview of our process
18 for preparing the EIS, and at the end of Tomeka's
19 presentation she'll discuss further how you can
20 participate in our environmental review process, and
21 there are several different ways you can do that,
22 including providing your comments to us this evening.

23 I'd like to take a minute to introduce you
24 to the Nuclear Regulatory Commission. The NRC's
25 mission is to protect public health and safety,

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1 promote common defense and security, and to protect
2 the environment, and this evening we'll be focusing on
3 that third aspect of the NRC's mission.

4 We're an independent regulatory agency.
5 We license and inspect civilian uses of nuclear
6 materials, for example, at nuclear power facilities,
7 hospitals and universities. We're here this evening
8 because Exelon has applied for an early site permit,
9 or an ESP, to potentially construct and operate one or
10 more new nuclear units at the Victoria County Station
11 site.

12 It is important to note that Exelon has
13 not filed an application to build a reactor at this
14 stage. We're evaluating the proposed Victoria site to
15 determine whether it would be suitable should Exelon
16 decide to construct. Exelon would need to file a
17 separate license application should they decide to
18 move forward in building one or more nuclear units.

19 Part of our licensing review includes an
20 environmental review under the National Environmental
21 Policy Act, or NEPA. An early site permit from the
22 NRC qualifies as a major federal action that could
23 significantly affect the environment, and because it's
24 a major federal action, the NRC staff will prepare an
25 environmental impact statement that analyzes in depth

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1 the environmental impacts associated with the proposed
2 Victoria site.

3 In conducting our review, we assemble a
4 team of technical experts, about 30 experts in a
5 variety of areas such as hydrology, ecology,
6 socioeconomics to analyze issues like impacts to fish
7 and wildlife, the effect of developing the proposed
8 site on traffic patterns, impacts on water quality and
9 water availability, and as Chip mentioned, several
10 individuals on the Victoria team are here this evening
11 and they would be happy to talk to you and answer any
12 questions you may have in a specific area.

13 I did want to mention that the U.S. Army
14 Corps of Engineers, Galveston District, is our federal
15 partner in this review. They will be what's called a
16 cooperating agency in preparing the environmental
17 impact statement. The goal of our partnership with the
18 Army Corps is for our EIS to support both the NRC's
19 licensing process and the Corps' permitting process
20 for the proposed Victoria site if and when a permit
21 application is submitted to the Corps. We've been
22 working with the Army Corps on several of our
23 environmental reviews for proposed nuclear reactor
24 sites and we've found this relationship very
25 beneficial, given the Corps' expertise in assessing

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1 impacts to water and wetlands.

2 The project manager for the Army Corps,
3 Mr. Jayson Hudson, was not able to be here this
4 evening, so I'm going to take just a few minutes to
5 discuss the Corps' authority and their role in the
6 Victoria early site permit review.

7 The U.S. Army Corps is the federal agency
8 responsible for administering Section 404 of the Clean
9 Water Act and Section 10 of the Rivers and Harbors Act
10 of 1899. The Corps regulates the discharge of dredged
11 or fill material into all jurisdictional waters of the
12 United States and construction, excavation or
13 deposition of materials in or near such waters. The
14 Corps also regulates any work which would affect the
15 course, location, condition or capacity of navigable
16 waters of the U.S. Like the NRC's early site permit
17 process, U.S. Army Corps permit decisions are major
18 federal actions, and because of that they must also
19 comply with NEPA.

20 As a cooperating agency, the Army Corps
21 will be a member of the team that prepares the
22 environmental impact statement for the early site
23 permit review. The final EIS will serve as the
24 primary environmental document on which the Army
25 Corps' off-site alternatives analysis will be based if

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1 and when an application is submitted for a Department
2 of the Army permit. And again, at this time Exelon
3 has not applied for a permit from the Corps.

4 As I mentioned, the project manager for
5 the Corps is Jayson Hudson and I believe that Jayson's
6 contact information will be listed on the last slide
7 of this presentation.

8 That concludes my remarks this evening.
9 Again, thanks very much for coming to the meeting this
10 evening, and I'll now turn it over to Ms. Tomeka
11 Terry, our environmental project manager. Tomeka.

12 MS. TERRY: Thank you, Ryan.

13 I also want to thank you all for taking
14 the time to be with us today. My name is Tomeka Terry
15 and I am the environmental project manager at NRC. I
16 am leading of team of NRC experts and consultants and
17 I am in partnership with the Corps of Engineers. We
18 will conduct an environmental review on the Victoria
19 County Station site permit application considering
20 developing any large industry project and its
21 environmental effects involving any input. So this is
22 an important opportunity for you to share your
23 insights with us early in the review process.

24 I will repeat the request because your
25 involvement is that important to us. We appreciate

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1 that so many of you have come to listen to us and we
2 look forward to your assistance by sharing your
3 concerns and identifying those issues you think we
4 should consider in the scope of our environmental
5 review.

6 As you have heard from Ryan, Exelon
7 Nuclear Texas Holdings, known as Exelon, submitted an
8 early site permit application to NRC on March 25,
9 2010. An early site permit, or ESP, is an NRC
10 approval of a site that is suitable to host one or
11 more nuclear reactors. In making such decisions we
12 must consider the site safety characteristics, for
13 example, the effect of hurricanes on the power plant.

14 We need to consider the ability to develop an
15 emergency plan and we need to consider the potential
16 environmental impacts of building and operating a
17 plant.

18 Today we want to hear from you, your
19 concerns. We've identified some of the resource
20 areas that will be considered in the review to help
21 you focus your attention on environmental issues.

22 An early site permit is not authorization
23 to build or operate a plant, it is just a siting
24 decision that a particular location is suitable for
25 hosting a plant. An early site permit is an important

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1 tool to assist energy planners because they allow the
2 permit-holders to bank a site for up to 20 years and
3 allowing them to decide when the time is right to
4 proceed on a decision of developing a site.

5 Building and operating any reactor at this
6 site will still require the ESP permit-holder to apply
7 for another approval from NRC. That license is called
8 a combined license. As part of NRC's licensing
9 framework, there is a separate process as approval to
10 reactor design, independent of the site. That is
11 called a design certification.

12 So now you see how an early site permit
13 obtained in advance and a reactor design approval in
14 advance can work together with a combined license
15 application actually requesting approval from NRC to
16 build and operate a nuclear power plant.

17 This slide provides a high level overview
18 of our environmental process. This step-wise is how
19 we meet our responsibility under the National
20 Environmental Policy Act, known as NEPA. We started
21 our environmental review of an applicant's request
22 with our notice of intent to prepare an EIS and
23 conduct scoping. This is where we're at right now at
24 this stage. A notice was published in the Federal
25 Register on November 2, 2010. This notice started the

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1 60-day comment period. The scoping period provided an
2 opportunity for you, the public, to share your
3 comments on environmental issues relating to the early
4 site permit request.

5 We have come here today to give you
6 additional tools to share your comments with us. We
7 know that some of you are here just to gather
8 information before you provide us your comments. We
9 will give you information at the end of this
10 presentation on how to submit those comments to us
11 before the end of the comment period. Whether you
12 provide them to us today or later, they will carry the
13 same weight.

14 After we consider your comments, we will
15 continue to gather and analyze information regarding
16 our review, and then we will prepare the draft report
17 of our assessment of the impacts in the form of a
18 draft environmental impact statement, or DEIS. When
19 we do complete the draft, we're required to file it
20 with the Environmental Protection Agency in
21 Washington, D.C. and with the Dallas regional office.

22 At that time both EPA and NRC will issue a notice of
23 availability of the Draft EIS. We expect to issue the
24 draft in August 2012. If you have signed in and gave
25 us your contact information then you will be on the

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1 list to receive an electronic or a hard version of the
2 draft and the final EIS.

3 When we issue the draft we will invite you
4 to offer your comments on the EIS. While it is a
5 draft, it is not incomplete. It is a draft because
6 the public did not get to comment on it. As part of
7 our process of obtaining your comments, we will come
8 back here and we will have another public meeting to
9 share the results of our environmental review and
10 accepting comments on the draft EIS.

11 While we're required to provide a 45-day
12 period, we have extended it to 75 days to give you
13 ample opportunity to develop your comments on the
14 draft EIS. That public meeting will be at the midway
15 point of the comment period of the draft. Once the
16 comment period is over, we will consider all comments
17 that were received and decide on the changes that need
18 to be made on our work before we issue the final EIS.

19 The last step in the environmental review
20 process will be issuing the final EIS filing with EPA
21 and publishing the notice of availability for the
22 final. The target date is August 2013.

23 Next slide. As Ryan described earlier,
24 the EIS is a systematic approach and integrated
25 review. The slide illustrates some of the resource

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1 areas that we will address in our EIS, highlighting
2 the environmental aspects of our review. As an
3 example, the EIS will include an evaluation of the
4 socioeconomic impacts that the proposed may have on
5 the community surrounding the plant. This will
6 include how the project workforce could affect
7 enrollment at schools, the use of hospitals, the
8 effect on other community services and
9 characteristics. We need to consider these issues
10 such as taxes, traffic, and noise.

11 Each of these resource areas has similar
12 detailed assessments and some of them overlap. For
13 example, water resource affects the aquatic ecosystem.
14 Aquatic ecology and terrestrial ecology are related.
15 Terrestrial issues affect land use which in turn
16 affect the cultural resources, and so on. The
17 interrelationship among the issues are considered by
18 the review team and we will include them in our
19 review. Information that you share with us in these
20 resource areas can help us as we perform our review.

21 Next slide. Our first step in the
22 environmental review is to gather information
23 regarding the issues that we consider within the scope
24 of our review. In addition to those of you who are
25 prepared to provide your comments to us today, you

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1 still have an opportunity to comment and provide
2 additional information to us through the end of the
3 comment period which is January 3, 2011.

4 When the comment period will be closed, we
5 will compile all the comments that were received and
6 decide whether the comments are within the scope of
7 the environmental review and publish them in a scoping
8 summary report. We expect to issue this report in the
9 summer next year after we take the time to assess the
10 comments that provided. Those comments applicable to
11 the environmental review will be considered in
12 preparation of the draft EIS.

13 Next slide, please. This is a semi
14 diagram of the parallel safety and environmental
15 review that was conducted in the EIS request. The
16 safety review followed the top path shown on the
17 slide. The review considered site safety and
18 emergency planning. The environmental review followed
19 the bottom path. Both of these reviews feed into the
20 NRC hearing process which we show in the middle path
21 of the slide.

22 The hearing process factors the results of
23 both safety and environmental review which we must
24 conduct before a final decision can be made on the ESP
25 request. The hearing is an important part of this

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1 review process and it is a different opportunity for
2 the public involvement. Because of that, I'm going to
3 spend a few moments on that.

4 On November 23, NRC published in the
5 Federal Register a notice of hearing opportunity to
6 intervene in a legal proceeding. Anyone who seeks to
7 intervene in a legal proceeding should carefully read
8 the hearing notice and follow the instructions because
9 of its prescriptive requirements.

10 In order to file a petition with NRC you
11 must obtain a digital certificate of approval from NRC
12 in advance or you must seek a waiver for the digital
13 certificate requirement. It's important for you not
14 to wait until the last week to file, period, to
15 request for a digital certificate because it may take
16 up to five to ten business days to receive from NRC.

17 Specific instructions pertaining to the
18 digital certificate are in the hearing notice and on
19 this website that's listed here. We brought extra
20 copies of the notice of November 23. If you would
21 like one, they're available at the NRC registration
22 table. Just ask any one of the NRC staff members.

23 Next slide, please. Documents related to
24 the environmental review can be reviewed on the
25 internet. We have created a specific website for this

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1 project and it is listed on the slide here. In
2 addition, you can review the information in the local
3 Victoria Public Library which Liz Thompson and the
4 other librarians have been kind enough to host a copy
5 of the environmental report that was included in
6 Exelon's application. We will also send the library
7 important environmental documents that we create
8 during our environmental review.

9 Next slide, please. As we have indicated,
10 our primary purpose for this meeting is to listen and
11 gather your comments and insight on the site as well
12 as we begin our environmental review. Many of you
13 have already signed up to speak during this meeting,
14 however, if you're not comfortable with speaking or
15 need to leave early, there's a table in the back room
16 with comment forms. You can write your comments and
17 mail them to us, or you can choose to hand them to an
18 NRC staff member, and we will attach it to today's
19 transcript.

20 If you would like to provide your comments
21 later, then there are several other ways to submit
22 your comments. You may e-mail them at
23 Victoria.ESPEIS@nrc.gov, or you may mail them to the
24 address that's listed on this slide, or you may fax
25 them to 301-492-3446. Please note the 60-day comment

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1 period is open till January 3, 2011.

2 Next slide, please. Finally, I want to
3 leave you information we have to contact us if you
4 need to reach us. In addition to our comment
5 information I've provided phone numbers and e-mail
6 addresses for Ms. Janelle Jessie, who is our lead
7 safety project manager, as well as Mr. Jayson Hudson
8 of the Corps of Engineers.

9 Now I will turn it back over to Chip in
10 case you have questions about this procedure that we
11 have described about the environmental review. That
12 completes my presentation, and I do want to thank you
13 all for your attention and looking forward to your
14 scoping comments. Thank you.

15 MR. CAMERON: Very good, Tomeka. Thank
16 you very much. And thank you, Ryan.

17 And Tomeka has just given you an overview
18 of the review process for this early site permit
19 application, and I wonder if there are any questions
20 about the process that we can clarify for you.

21 Yes, and just please introduce yourself.

22 MS. GUTTMAN: My name is Vicky Guttman.
23 I'm a landowner in Victoria County.

24 I'm curious if there's ever been an early
25 site permit that has been denied.

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1 MR. CAMERON: Okay. Let's get an answer
2 to Vicky's question, and perhaps along with the answer
3 we can also give a little bit of a review of the NRC
4 review process on these applications. This is Barry
5 Zalzman.

6 MR. ZALCMAN: Thank you. That's an
7 insightful question. People ask something similar to
8 that.

9 Let me just point out that the early site
10 permit process is part of a new regulatory framework
11 that we've established since 1989. What we've
12 described is a process dealing with an early site
13 permit which is a site approval, a design
14 certification which is a design approval, and then the
15 third step which is the combined license. That brings
16 together several pieces before a plant can actually be
17 built and operated.

18 We have issued four early site permits
19 since the 1989 time frame -- actually the applications
20 came in, in 2003 we processed three applications and
21 we just completed another one this last year. Siting
22 has been going on for a long time in the nuclear
23 industry. I've only been involved in it for the last
24 35 years. We have 104 operating plants out there
25 today,

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1 Have sites not been approved by the
2 agency? Yes, we have had applications where utilities
3 have sought approval for a particular design at a
4 particular location and the agency could not agree
5 with the request. As a consequence, those applicants
6 relocated the facility to a site that was more in line
7 with meeting the agency requirements. So the
8 objective is to get an alignment between a design and
9 a site and if they meet the statutory and the
10 regulatory requirements, then we are obliged to
11 provide approval.

12 If they cannot meet our requirements, then
13 the agency, while we may not say yes, we don't have to
14 reject it, we just can't get to yes, and the applicant
15 through their application process can modify their
16 application to provide additional information to meet
17 our requirement or they can elect to withdraw an
18 application -- which has been done in the past, or
19 they can elect to relocate the proposed project to a
20 different location. So when you're looking for a
21 rejection, it doesn't always wind up as a rejection of
22 an application, it may be one that cannot be processed
23 to a favorable outcome.

24 MR. CAMERON: Thank you, Barry.

25 Other questions?

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1 (No further questions.)

2 MR. CAMERON: Okay. Well, let's go to
3 opportunity to hear from all of you in terms of public
4 comment, and we do have State Representative Geanie
5 Morrison with us tonight, and Representative Morrison,
6 I'm going to ask you to take the long walk up to the
7 podium if you don't mind. Thank you.

8 MS. MORRISON: Thank you. Good evening.
9 I'm Geanie Morrison, State Representative for District
10 30. And first I want to thank the Commission for
11 coming to Victoria this evening to listen to the input
12 from the people of our area.

13 I know that I don't need to preach to you
14 about the benefits of nuclear energy but I do want to
15 let you know how important the Exelon project is to
16 this area and the state as a whole. The census is
17 finished and I can tell you that Texas is among the
18 states that has the greatest increase in population
19 since the last census ten years ago. It is estimated
20 that we are gaining a thousand new Texans every day
21 and I don't see this trend changing in the near
22 future. Because of this growth, we will have three to
23 four new congressional seats which is more than any
24 other state will have.

25 Needless to say, increases in population

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1 means increases in the need for more energy. I
2 believe that we have a tremendous opportunity to
3 provide that energy in an environmentally friendly
4 manner and would hope that the Commission would look
5 favorably on an application by Exelon.

6 Again, I thank you for this opportunity to
7 speak and for the Commission being here in Victoria
8 today to take the public comment to listen to the
9 citizens of this area. Thank you.

10 MR. CAMERON: Thank you very much,
11 Representative Morrison.

12 I just also wanted to note for the
13 audience that we do have a staff person from U.S.
14 Congressman Ron Paul here with us. This is Dallas
15 Chambless. Thank you, Dallas.

16 Next we're going to go to Marilyn Kray who
17 is a vice president with Exelon. Marilyn.

18 And then we'll go to Adrian Cannady and
19 Jim Blackburn.

20 MS. KRAY: Thank you. I also appreciate
21 your coming out.

22 I wanted to preface my remarks by first
23 sharing with you what the Exelon strategy is
24 associated with the Victoria project because I know
25 that a number of you have been following it, whether

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1 you've been supporting it or opposing it, and we
2 certainly owe you what the vision is for this.

3 If you recall, a few years ago our plan
4 was to seek a combined construction and operating
5 license, as explained by Tomeka, and that had a sense
6 of urgency around it, it had a deployment and a
7 construction schedule associated with it. Subsequent
8 to that there was, as you well know, an economic
9 downturn which had significant impact on our decision-
10 making, in part with the financing of the plant, but
11 also coupled with that was a drastic drop in the price
12 of natural gas.

13 Now, as I had said at the earlier session,
14 a drop in natural gas prices is for the country a very
15 good thing. How it impacts this particular project is
16 that natural gas prices essentially set the price for
17 electricity, the price for electricity sets the
18 revenue associated with this particular project, so
19 based on the culmination of those factors, we found it
20 no longer prudent for us to pursue our original
21 strategy and that was to pursue the construction and
22 operating license.

23 However -- and this is very significant --
24 we do see the long-term need for additional baseload
25 nuclear power, whether it is to ensure the diversity

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1 of the fuel portfolio as well as ensuring that we have
2 reliable and clean electricity. So because of that we
3 revised our strategy to essentially keep open the
4 option of building a plant here in Victoria.
5 Specifically, we withdrew the application for a
6 construction and operating license and we replaced it
7 with the early site permit which is why we are here
8 this evening.

9 The benefit that the early site permit
10 provides to us is that it allows us to analyze and
11 convince first ourselves that this is, in fact, a
12 suitable site, and then provide that information to
13 the NRC so that they can reach a similar conclusion.
14 By doing that, should we later decide to pursue and
15 resubmit a construction and operating license
16 application, we will have addressed a significant
17 amount of that information and essentially saved a lot
18 of time and money should we pursue the license in the
19 future.

20 There are just a couple of things for
21 those of you unfamiliar with Exelon that I wanted to
22 share with you, and the first and the foremost is the
23 safety commitment that we have to operating our
24 plants. We operate 17 units at 10 different sites.
25 We are the largest nuclear reactor in the United

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1 States, and we take the safe operation of those plants
2 as the number one priority.

3 Secondly, we are committed to the
4 environment. One specific example, for those of you
5 who are interested, I would encourage you to Google,
6 if you search under Exelon 2020 you will see the laid-
7 out plan that we have to reduce our greenhouse gas
8 emissions by 15 million metric tons per year by the
9 year 2020, and that commitment to the environment
10 essentially established the philosophy and the context
11 under which we embarked to do this environmental
12 review. It is with all of that in mind that we did
13 all of those analyses, the results of which are
14 contained in the environmental report that is now
15 before the NRC.

16 Also, we're committed to the community.
17 As I said, we operate plants at 10 different sites and
18 we live in the communities where we work. I
19 personally live close to, I live within six miles of
20 one of our two-unit facilities. My kids went to
21 school at schools that are in the emergency planning
22 zone, some of my neighbors work at the plant, and we
23 have that commitment when we talk about to the
24 community. You're probably going to hear a lot of the
25 economic benefits and those are very measurable and I

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1 certainly don't want to discount those, and they
2 materialize in the form of tax revenues, of jobs that
3 are going to come in, families who are going to have
4 good incomes and are therefore able to support local
5 businesses. There are studies and analyses I can
6 certainly refer to where the economic benefits are
7 examined for various plants.

8 But I also wanted to stress the social
9 commitment that we have to the community. As I said
10 our employees, we certainly live where we work and we
11 join your churches, we go to your schools, we
12 volunteer for your sporting teams, and what we found
13 in Victoria in our numerous visits over the past three
14 or four years is a wonderful community to live and to
15 raise a family, and certainly would make good
16 neighbors and that's certainly what we would want to
17 be for you.

18 Thank you.

19 MR. CAMERON: Thank you, Marilyn.

20 And now we have Adrian Cannady, and then
21 we're going to go to Jim Blackburn.

22 MR. CANNADY: Good evening. I want to
23 take a moment to thank those members of the Nuclear
24 Regulatory Commission as well as Exelon team members
25 and any others that may have traveled to our beautiful

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1 community. We hope that you've enjoyed your brief
2 stay while here.

3 My name is Adrian Cannady. I'm the vice
4 president of marketing for the Victoria Economic
5 Development Corporation, and it is with careful
6 consideration and careful study, and only after those
7 two things, that I can say with all confidence that I
8 support Exelon's proposed nuclear plant.

9 The Office of the Governor's Economic
10 Development and Tourism Office reports the population
11 of Texas has reached 24.8 million in July of 2009
12 according to the latest estimates from the U.S. Census
13 Bureau. And Texas has gained more people, at 478,000
14 new residents, than any other state between July 2008
15 and July 2009. In addition, Texas has been among the
16 leaders of business growth and business activity for
17 the past couple of years because of their economic
18 development activity.

19 In short, we need more power and we need
20 new nuclear. At a time in which power demands are
21 undoubtedly growing in the State of Texas, I couldn't
22 ask for a better partner than Exelon Nuclear, a
23 company in which safety and responsibility are the
24 cornerstones of their business model.

25 Victoria, I believe, is planning for the

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1 same kind of growth that Texas has experienced. We
2 have made tremendous strides in economic development,
3 in infrastructure and also human capital. Over the
4 course of the past few years, this community was able
5 to pass \$160 million school bond election and also
6 finish the construction this year of two new high
7 schools, one new middle school, and two new elementary
8 schools.

9 Of course, we feel strongly at the
10 Economic Development Corporation, as well as alongside
11 our other community partners, that Exelon is part of
12 our long-term growth strategy and we welcome them, and
13 it's for that reason that I hope the NRC will strongly
14 consider approval of Exelon's early site permit.

15 Thank you.

16 MR. CAMERON: Thank you, Adrian.

17 And we're going to go to Jim Blackburn
18 right now who is coming up to join us.

19 MR. BLACKBURN: Well, good evening. My
20 name is Jim Blackburn and I'm here representing Texans
21 for a Sound Energy Policy. I'm here to present
22 comments on the scope of the environmental impact
23 statement that's being prepared on the Exelon early
24 site permit.

25 First I'd like to state that we believe

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1 critical discrepancies exist between Exelon's ESP
2 application and the environmental documentation
3 submitted by Exelon to the NRC. The ESP application
4 seems to disavow the use of GBRA Guadalupe River water
5 for cooling water, yet a reservation agreement exists
6 between Exelon and GBRA to obtain Guadalupe River
7 water to cool this power plant. As long as that
8 reservation agreement exists, the effects of
9 withdrawing 75,000 acre-feet of water must be
10 evaluated, must be owned by the proposed Exelon plant.

11 Exelon cannot escape the impacts of this water and
12 the use of this water on the impacts on the aquatic
13 ecosystem.

14 Exelon's selective use of data in its
15 application fails to adequately and to accurately
16 represent current diversions of water from the
17 Guadalupe River, and Exelon fails to identify where it
18 will secure the long-term water supply required for
19 the proposed plant. That's just simply not
20 acceptable.

21 And make no mistake about it, the impacts
22 of this water use will be substantial. When
23 evaluating the impacts of its water plan on San
24 Antonio Bay, Region L -- which is the water planning
25 entity for this region -- Region L stated that

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1 cumulative effects on San Antonio Bay were noted but
2 that those effects are, quote, associated with the
3 increasing use of existing water rights than with the
4 regional water plan implementation. It is those
5 existing water rights that Exelon proposes to use.
6 Region L's analysis, in talking about those impacts,
7 is referring to the water that is under option from
8 GBRA, those impacts are important and they are real.

9 And make not mistake about the
10 relationship between the inflow of water from the
11 Guadalupe River to San Antonio Bay and negative
12 impacts on the quality of San Antonio Bay and negative
13 impacts on the Aransas Buffalo Wood whooping crane
14 flock. There is a direct and statistically
15 significant relationship between the decline of the
16 Guadalupe River freshwater inflows and an increase in
17 deaths of whooping crane. According to Dr. Ron Sass
18 of Rice University, using the Fisher exact probability
19 test, there is only a 1 percent chance that the
20 whooping crane deaths observed over the last couple of
21 decades are unrelated to river flows. Stated
22 otherwise, there is an overwhelming probability of a
23 relationship between reductions and inflows and
24 whooping crane mortality.

25 We urge the NRC the statistics and

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1 analytical techniques will play a major role in the
2 scope of the environmental impact analysis and in a
3 procedurally correct impact statement. The NRC should
4 take a substantial amount of time to get the
5 statistical analytical processes correct, particularly
6 for evaluating bay and estuarine impact.

7 We also urge that consultation on whooping
8 crane impacts be undertaken with the U.S. Fish and
9 Wildlife Service pursuant to Section 7 of the
10 Endangered Species Act and that a detailed biological
11 assessment be completed.

12 We further urge that a substantial amount
13 of time and effort be spent on the analysis of
14 alternative and non-alternative sites. We believe the
15 Matagorda County site to be superior in several
16 respects and we believe that there are levels of
17 alternatives within alternatives. We will be
18 providing written comments wherein we will develop
19 those in much greater detail.

20 Additionally, the scope of the NEPA
21 analysis must include the environmental impacts from
22 potential tritium releases to groundwater and to
23 surface water. This is particularly important given
24 Exelon's appalling history of hidden releases and
25 contamination of groundwater at their Braidwood plant

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1 in Illinois.

2 In conclusion, I want to thank you for
3 letting us have the opportunity to come and speak.
4 This scoping is an important part of the NEPA process.

5 We need to get the environmental impacts of this
6 plant right. TSEP does intend to file contentions and
7 to fully participate in the process. We look forward
8 to working with you over the next few years.

9 Thank you very much.

10 (Applause.)

11 MR. CAMERON: Thank you for those
12 comments, Jim, thank you very much.

13 And I'm going to turn this over to my
14 associate and my colleague, Sara Mroz, to lead us
15 through the rest of the speakers.

16 MS. MROZ: Thanks, Chip.

17 Next up we have Jeb Lacey, followed by
18 David Brown.

19 MR. LACEY: Good evening. I'm very
20 excited to be here speaking with all of you. My name
21 is Jeb Lacey and I'm the Emergency Management
22 coordinator for Victoria County and the City of
23 Victoria, and I also would like to thank the NRC staff
24 for being here and presenting us with this opportunity
25 to express how important this Exelon project is to

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1 Victoria County.

2 I'm going to tell you a little bit about
3 myself real briefly. I spent quite a few years in the
4 United States Air Force as a counter-CBRNE advisor for
5 the Department of Defense -- that is chemical,
6 biological, radiological, nuclear explosive
7 weaponry -- so I feel like I have a little bit of a
8 background to talk about what we're discussing this
9 evening.

10 And I got here to Victoria about three
11 years ago and it's been a great time. I've enjoyed
12 working with Exelon. I've been working with them the
13 entire time that I've been here in Victoria, starting
14 with, obviously, the combined operating license
15 process and moving into this early site permit
16 process. But the most important thing is I am a
17 Victorian and so I want to be able to talk to you from
18 that perspective first.

19 There's two things I want to talk briefly
20 about this evening. The first one is I want to talk
21 about the environment of a nuclear plant, a
22 responsible nuclear power plant. The second thing is
23 I want to talk about the safety of that environment.

24 So the first thing first. You know, my
25 experience with Exelon, the company that they are

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1 today, in my dealings with them has been nothing but
2 honesty and forward-thinking and wanting to do the
3 right thing. My staff and myself have all had great
4 experiences working toward initially the combined
5 operating license which we had to do some planning for
6 and things like that for submission to FEMA, and all
7 we experienced that entire time was the desire to do
8 things right.

9 Regardless of people's opinions of any
10 entity, what they're doing in your community is really
11 what matters, and I think that that's a substantial
12 point. A responsible partner in this community,
13 whether it's a nuclear power plant or any other type
14 of industry, is a good partner, a responsible partner.

15 And when I think about myself as a citizen
16 of Victoria, I think of two things that I know about
17 nuclear power plants, and I came from Florida and some
18 of you may be familiar with some of the nuclear
19 development that's gone on in Florida over the last 20
20 or so years. When I was in Florida I remember reading
21 a study -- and I grew up in California and I'm not
22 exactly accustomed to alligators and crocodiles --
23 when I got to Florida I read a really interesting
24 article about a plant there.

25 The Turkey Point Nuclear Power Plant has

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1 saved the American crocodile. Twenty-five percent of
2 the American crocodiles, an animal that was near
3 extinction 30 years ago, live in the Turkey Point
4 Nuclear reservation. That's a pretty substantial
5 impact and that's a responsible partner who takes care
6 of the animals, makes sure that these types of
7 impacts, construction impacts and any movement of
8 people and materials do not disturb this environment
9 in which an endangered species has now been able to
10 flourish. That's a responsible partner.

11 Now, those of you who might know me might
12 know an interesting fact about me is I really enjoy
13 watching birds, afraid of them when I'm really close
14 to them but when I see them from afar, I actually
15 really do enjoy it. I saw a lattice-backed woodpecker
16 in my yard two days ago and it made my whole day.

17 If you drive just a couple of miles down
18 the road you can go stand in a bird sanctuary or enjoy
19 a bird sanctuary that the National Audubon Society has
20 two years, at least, in a row named the top bird-
21 watching site in the nation for their annual Christmas
22 bird-watching count. Annually they go out and they
23 count birds all over the country, and in this
24 particular site they spotted -- now get this -- 231
25 different species of birds in one site in December.

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1 Now, that's a responsible party. What is that party
2 that has that sanctuary? That would be the South
3 Texas Project.

4 So a responsible partner in your community
5 is going to bring value if you partner with them and
6 you demand that value.

7 The other thing that I'd like to mention
8 about that is when we're looking at our community we
9 know we have a need, we know we have a need for more
10 energy in Texas, we know that we are a growing state,
11 we know that the Victoria region and the regions to
12 our south are also growing. I believe the mayor
13 mentioned earlier that we just had an article in the
14 newspaper just this week about how as we convert to
15 more and more electric devices, electric cars, our
16 power demands are going to multiply exponentially. We
17 have to be able to address that.

18 Now, the second topic I want to talk to
19 you about is actually something that is more relevant
20 to what I do. Victoria is prepared to support this
21 project. Now, we've demonstrated that we're prepared
22 to support this project. The community has embraced
23 this project, as a whole, from the beginning, and as
24 we talk about the environment in which this proposed
25 Exelon plant is going to be, or could be built, part

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1 of this scoping is to say is this community the right
2 community versus its alternates, and I truly believe
3 it is.

4 Now, when we started what's called the
5 FEMA RAI process -- or that's the reasonable assurance
6 inspection -- it's basically FEMA has to say that this
7 community can plan for, respond to and support this
8 project and we have a reasonable assurance that that
9 is true, that their plans are adequate and that
10 they'll actually be able to do them. We have to do
11 this both for the COLA process and we have to do it
12 for the early site permit.

13 So when we started that process there were
14 15 key points and a number of areas in each of those
15 15 key points that we had to satisfy in order to say
16 yes, we have a finding of reasonable assurance that
17 this is the right community and that the community can
18 support it. Now, in February of 2010 the Federal
19 Emergency Management Agency sent a letter to the NRC
20 stating that they found reasonable assurance, both
21 that our plans were sufficient or that we could
22 implement them in the event we needed to.

23 Now, I don't think that's enough. I'm
24 sure that if we took the time and we had the fiscal
25 investment -- which many of you will agree a nuclear

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1 power provider is probably going to be capable of
2 doing that -- with that fiscal investment you could
3 probably finally get to the point where you could get
4 all 15 of those points filled. Right? I think you
5 could.

6 What I think is important about Victoria
7 that separates us from the rest of the alternatives is
8 that we've already demonstrated that we go above and
9 beyond to partner with the private sector to develop
10 resilience in a whole community sense. Within this
11 community we have developed programs with the Victoria
12 Economic Development Corporation, the University of
13 Houston Small Development Center, like our Partners in
14 Preparedness programs that actually tie our private
15 sector and our public sector together for planning,
16 for training, for exercise, for response and for
17 recovery. We have gone above and beyond in this
18 community to make sure that the public sector and the
19 private sector are tied together, that we are
20 supporting one another and that we are on the same
21 team during times of emergency.

22 Furthermore, Victoria County has taken the
23 additional steps to commit itself to protecting our
24 environment during emergency, during disaster and even
25 during times of relative peace. Victoria County has

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1 agreed with TCEQ to entered into a mutual aid
2 agreement to support them in any type of emergency
3 event within this community or within the surrounding
4 ones, a partnership that would allow us to more
5 efficiently respond to any type of environmental
6 emergency.

7 More importantly than even that is that
8 last year the Victoria County Commissioners Court
9 approved a memorandum of agreement with the EPA
10 stating that if we did have any type of emergency
11 related to the environment or ecological concerns that
12 we would support them, both in material and manpower,
13 to ensure that they could respond effectively to an
14 emergency within our community.

15 Our emergency response forces from the
16 sheriff's office, the police department, the fire
17 department, the Office of Emergency Management are
18 prepared thoroughly to support this project, and I
19 hope that it reflects.

20 Thank you.

21 MS. MROZ: Thanks, Jeb.

22 We have David Brown, and then Ronald Outen
23 will follow David.

24 MR. BROWN: Jeb, that was very
25 interesting, and I've got to say I like birds too but

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1 probably in a different way.

2 I'm certainly impressed with the economic
3 impact of a project such as this, and I think everyone
4 would agree that this is extremely good for Victoria
5 County and the adjacent counties, both in the short
6 term and in the long term. Those of you that know
7 that I'm involved in healthcare would know that I'm
8 very interested in the risk-reward that might be
9 developed from deliberations and I'm impressed to see
10 that the Nuclear Regulatory Commission is doing a
11 great job in putting the components together to
12 adequately evaluate and ensure our safety.

13 We face these measured risks every day,
14 whether it's the radioisotopes being brought into and
15 through Victoria every day, or it's the hazardous
16 waste that's being trucked out of Victoria every day,
17 or whether it's the radiation exposure that we face
18 ever day through our diagnostic radiology programs and
19 radiation therapy, et cetera. It's all a measured
20 risk, whether we're talking about chemical plants
21 south of Victoria, it doesn't matter what those risks
22 are as long as we recognize them, measure them and do
23 something about it.

24 Certainly we have adequate political,
25 technical, environmental and social bureaucracies to

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1 do that and we have a partner in Exelon Corporation
2 that will see to protecting all of our interests in
3 giving us the benefit of this major project.

4 Thank you.

5 MS. MROZ: Thank you.

6 Next we have Ronald Outen, and he will be
7 followed by James Lee Murphy.

8 MR. OUTEN: Thank you very much, and I too
9 appreciate the opportunity to be here with you. My
10 name is Ron Outen. I am executive director of the
11 Aransas Project and I'm here to speak on behalf of
12 that organization. I'm a resident of Rockport, Texas,
13 an ecologist and I hold a doctorate in environmental
14 sciences, and I am an elected official in Aransas
15 County, specifically chairman of the Aransas County
16 Navigation District.

17 The Aransas Project I represent here
18 tonight is an affiliation of individuals, businesses,
19 organizations and governmental entities in Aransas
20 County, the Coastal Bend region and elsewhere in the
21 country. Our members include every governmental
22 entity in Aransas County, that is the Aransas County
23 Commissioners Court, the City of Rockport, the Town of
24 Fulton, the Aransas County Navigation District. We
25 also represent the Aransas County Republican Party and

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1 the Aransas County Democratic Club, other
2 organizations such as the Coastal Bend Guides
3 Association, International Crane Foundation and a
4 number of other conservation groups, and a large
5 number of individuals from our part of the country and
6 actually from many other parts of the country as well.

7 The Aransas Project is organized around a
8 rather specific objective. We are interested in and
9 support the continuation, we want to ensure the
10 continuation of freshwater inflows into the San
11 Antonio Bay and adjacent bays to maintain the
12 ecological health of those bays, the wildlife that
13 depends on them, most especially the whooping crane.

14 It is well established in the scientific
15 literature that insufficient inflows to an estuary
16 like San Antonio Bay and these other bays can create
17 significant change which is often very adverse. It
18 can affect salinity gradients in estuaries, it can
19 affect the abundance, distribution and diversity of
20 key species, and it can reduce the transport of
21 essential nutrients into bays.

22 This concern is not an idle matter, not an
23 academic matter for us in Aransas County because
24 healthy bays, and the whooping cranes in particular,
25 are especially significant and, in fact, vital for our

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1 economic survival. Aransas County is the second
2 smallest county in Texas and half of it is under
3 water. We depend absolutely on nature tourism for our
4 very existence there. That means recreational
5 fishing, commercial fishing as well, birding which is
6 very much centered around the bays, and of course, the
7 whooping crane which is the big driver of tourism in
8 the winter when people come from all over the world to
9 take the tour boats out to the refuge.

10 Aransas County, of course, is synonymous
11 with the Aransas County Wildlife Refuge which is the
12 winter home to the only remaining population of
13 naturally migrating whooping cranes in the world.
14 These large bays in our area -- and it's not just San
15 Antonio Bay, we have to include Mesquite Bay and
16 Aransas Bay, and to a degree, Copano Bay as well, as
17 dependent upon Guadalupe River flows -- depend
18 absolutely on the freshwater inflows from those
19 rivers. We're concerned, therefore, about any project
20 that would increase the amount of water withdrawn from
21 the Guadalupe River, especially in drought years.

22 In terms of this particular meeting, we
23 specifically request that the environmental impact
24 statement include a thorough analysis of the
25 environmental impacts of withdrawals, reduction of

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1 freshwater inflows on the health of these bays and
2 ecosystems and specifically the well-being of the
3 whooping crane. This should focus especially on
4 drought years. This is not an issue that you can deal
5 with with average flows over decades, it's a problem
6 when we have drought conditions and reduced flows
7 coming down the river, it's especially a problem then.

8 There is a rich and mature body of
9 scientific literature on the issue of freshwater
10 inflows and their vital requirement for the health of
11 estuaries that receive those inflows. That literature
12 is readily available, it's available for use in an
13 environmental impact statement of the type I'm
14 describing, and we very sincerely and strongly urge
15 that this environmental impact statement deal
16 adequately with these kinds of environmental concerns.

17 I thank you very much for your attention.

18 (Applause.)

19 MS. MROZ: Next we'll have James Lee
20 Murphy, followed by Frank Manning.

21 MR. MURPHY: Thank you very much, and
22 again, I'm going to remind you I'm James Lee Murphy in
23 case you forgot in the length of time it took me to
24 walk up here. And thank you. I work for and
25 represent in this matter the Guadalupe Blanco River

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1 Authority, and I wanted to say a couple of things
2 about water and our contribution to this meeting
3 today.

4 First is the Guadalupe Blanco River
5 Authority is not part of the chamber of commerce, it's
6 not a private enterprise, it's not in the nuclear
7 power generation business, although we do have
8 hydroelectric facilities, we're a political
9 subdivision that is responsible for managing assets on
10 the Guadalupe and Blanco rivers. Our jurisdiction
11 extends from Comfort Texas in Kendall County all the
12 way down to Calhoun County which, coincidentally
13 enough, is on the bay which means we are very
14 concerned about the health and safety of the bay.

15 When we looked at this proposal from
16 Exelon, our evaluation criteria consisted of this:
17 first, is there water, is sufficient water quantities
18 available for the project; second, is there sufficient
19 support locally within the community for this
20 particular project. If the answer were no to either
21 one of those criteria, then GBRA would have had
22 nothing more to do with Exelon.

23 On the contrary, there was strong
24 community support for the project for the reasons that
25 have already been enunciated today and at other

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1 similar hearings in this regard. As far as GBRA was
2 concerned, that's sufficient to rely on the local
3 officials and the local community, not substituting
4 our own judgment for the judgment of the elected
5 officials here, your representatives.

6 But I want to say something about the
7 evaluation of how GBRA evaluated whether there was
8 sufficient water available. First thing to note is
9 there is water that's permitted for this exercise.
10 That is to say there is water available for this
11 project. If there weren't water available, we
12 wouldn't be in a position to be entering into a
13 reservation agreement or otherwise with Exelon.

14 Now I want to describe a little bit about
15 what that water is. GBRA -- which is our acronym --
16 possesses approximately 45 percent of the permitted
17 water in this basin. The balance is held by small
18 individuals and industries and companies. Dow
19 Chemical, power plants and so on have water rights in
20 this basin. Why does GBRA have water rights? Because
21 the State of Texas has entrusted us to manage that
22 resource, to manage the development of the water
23 supply, and we manage that for the basin as a whole.

24 Some of the water that's available for
25 Exelon was previously committed to the City of San

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1 Antonio, however, due to opposition, quite frankly,
2 from a number of perspectives in the basin, that
3 project fell through. But there is water available,
4 that's the important thing to keep in mind, and that
5 said, the water available reflects the needs for bays
6 and estuaries.

7 I want to say one other thing about water
8 rights. In Texas all water isn't the same. If you
9 have a permit for water -- and the City of Victoria
10 has several permits for surface water and is in the
11 process of acquiring and amending additional
12 permits -- these permits are based on seniority, that
13 is, first in time, first in right. What does
14 seniority have to do with water? The simplest way to
15 explain that is when there ain't a whole lot of rain,
16 when there's drought, the less senior, not as old
17 water rights are cut off, they're not available
18 because they aren't there.

19 Now, the extent to which water is
20 available for the environment is currently being
21 debated by the state through the Senate Bill 3
22 process. And I represent the Guadalupe Blanco River
23 Authority on the Bay and Basin Stakeholders Committee
24 for this region, and it's being studied. The
25 availability of water is also being challenged in

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1 court by the Aransas Project, and you've heard from
2 Jim Blackburn and Mr. Ron Outen, and I'll leave that
3 discussion for later, but I will simply mention that
4 GBRA is a party to that litigation and disputes each
5 and every of the allegations that they make regarding
6 water being available to the environment and affected
7 by this project.

8 I mentioned seniority, and it's important
9 to keep in mind when it comes to water Exelon chose to
10 acquire the least senior water rights that GBRA has in
11 this basin. Again, that means when water is not
12 available either due to drought or for the environment
13 or whatever conditions that the state chooses to
14 impose, that water won't be withdrawn. And one of our
15 concerns which we were very pleased to see that Exelon
16 planned to have off-channel storage to supplement for
17 up to three years of prolonged drought. What does
18 that mean? That means that if there's no water
19 available, they will rely on storage that they would
20 build to support this project.

21 I also wanted to mention the reservation
22 agreement. Right now the only contractual arrangement
23 that GBRA has with Exelon is a reservation agreement
24 which gives both parties the right to seek other
25 sources of water, in the case of Exelon or other

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1 communities that need water in the case of GBRA. And
2 so obviously if the City of Victoria and the County of
3 Victoria, the folks in the lower basin found other
4 needs for that water, or if Exelon were to find a way
5 to use saline water to meet their needs, then that
6 water would not be sold to Exelon.

7 And my point is that the environmental
8 concerns have been addressed by both GBRA and Exelon
9 in an exemplary manner and it's for that reason that
10 we support this project because, again, GBRA is not in
11 the economic development business, we're managing
12 water. We think the proposal that's being studied in
13 this EIS reflects very well Exelon's and GBRA's
14 efforts to manage that water.

15 Thank you very much.

16 MS. MROZ: Thank you.

17 Next we'll have Frank Manning, and he will
18 be followed by Joe Bland.

19 MR. MANNING: Just to let you know, we
20 have property just next door to where the power plant
21 is going to be.

22 MS. MROZ: Can I ask you to come a little
23 closer to the microphone so that we can hear you.

24 MR. MANNING: Is that better?

25 The property is directly next door. We,

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1 probably more than anybody, will be impacted by this
2 power plant. To my understanding, the heavy trucking
3 road is going to go right through our property. We
4 have a lot of rivers and water flowing through there
5 and a lot of wildlife. One thing I'd like to say is
6 for Exelon to keep us in the loop of what's going on.

7 That's all I have to say.

8 MS. MROZ: Thank you.

9 Joe Bland, and then Stan Fox.

10 MR. BLAND: My name is Joe Bland and I'm a
11 resident of this great city of Victoria.

12 One initial comment to make, there has
13 been a comment made already that the city as a whole
14 or the county as a whole is endorsing this project,
15 and I have to object that that's not true; otherwise,
16 people wouldn't be up here standing and objecting.

17 I would like to direct my comments toward
18 the issue of water availability. It doesn't take a
19 scientific study to prove that water availability is a
20 major concern, not only for this proposed nuclear site
21 but for our whole region and our whole state. Water
22 supplies within the State of Texas are shuffled like a
23 shell game. When you pick some of those shells up,
24 nothing exists.

25 Read the papers, Google a search and see

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1 for yourselves what a predicament we are in. We are
2 so lacking in an overall state water plan that water
3 marketers and regional water boards are duplicating
4 the proposed uses of the same water sources. Take a
5 look at the Texas Port System which has a growing
6 caseload of water litigation.

7 I ask you not to strap the commercial
8 development of our community by permitting a site
9 which may not be developed for 20 years but which
10 could tie up scarce water resources for those 20
11 years. Allow our own great state to develop and
12 implement a sustainable water plan which balances all
13 of our water needs.

14 Thank you.

15 (Applause.)

16 MS. MROZ: Next we have Stan Fox, followed
17 by Jerry James.

18 MR. FOX: Hi. I'm Stan Fox. I also have
19 an undivided interest in a tract of land that's out
20 there that's adjacent to where they're planning on
21 putting this facility, and I'm sensitive toward the
22 fact that I know that the Victoria economics would be
23 greatly enhanced by having this in the City of
24 Victoria. The State of Texas does need the energy. I
25 know the jobs, taxes, all of the business income and

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1 the business around the vendors that would be created
2 by this would be a great boon to the economy around
3 here, but at the same time I have to be a little bit
4 selfish, having this undivided interest in this tract
5 of land out there for about 20 years.

6 And we have gotten, I guess, the idea that
7 we use this as recreational activity. Some people
8 actually do live out there, there are parties that do
9 that. It's been there for a while and we were hoping
10 to be able to probably pass it down on to the
11 generations later on that would be able to not only
12 use it possibly to live there but also to recreate
13 there and be able to take care of hunting.

14 It's a slew area and we were informed or
15 we were hinted at that there would be the possibility
16 of a large I would call it kind of the Great Wall of
17 Exelon which would be kind of a large road that would
18 impact our tract of land, and they would need that in
19 order to be able to get some of the larger equipment
20 in there. I haven't heard too much from them lately.

21 I think it probably ended in an adversarial type
22 relationship, and so obviously we're not going to hear
23 that much, but we did see the Register when it was
24 published and so we were aware that this thing was
25 going on now that apparently they could again get

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1 their funding.

2 I understand that Texas needs the energy
3 and Exelon, I'll let somebody else pass on how good
4 they are or how much water we have. I know it's been
5 flooding like heck down there for about the last 20
6 years, so it floods when apparently we have downstream
7 people that pull water off. This would be another set
8 of people that are pulling water off of this river,
9 and when that happens it backs up. I can't tell you
10 what that impact that has on the San Antonio Bay or
11 even farther down, but it can't be good.

12 And with this heavy haul road coming in,
13 basically that would impact the side of this tract, a
14 large portion of it. And that in itself, my whole
15 thing is if you want to bring it in, it would have
16 been a great idea in Matagorda County where they have
17 the infrastructure already, they have the lines up,
18 but for whatever reason, it doesn't suit the people
19 that I'm associated with because of the impact that it
20 would have regarding where it is.

21 If you want to move it to another area,
22 God bless you, but where it is right now, I have a bad
23 feeling that it's going to diminish what we've had out
24 there and it will be something that I don't believe is
25 going to be palatable to the people that are out there

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1 right now. And for whatever reason it would be best
2 that that impact on that community -- and it's not
3 just one or two people, there's about 19 or 20 of them
4 out there -- be a concern when the NRC does their EIS,
5 and I'd appreciate it if they would do that.

6 Thank you.

7 (Applause.)

8 MS. MROZ: Thank you for sharing your
9 thoughts.

10 Next we have Jerry James, and then we'll
11 have Will McDonald.

12 MR. JAMES: Good evening. I'm Jerry James
13 with the City of Victoria. I'm the director of
14 Environmental Services. It's good to be home tonight
15 for a change.

16 The City of Victoria, as I'm sure my mayor
17 stated this afternoon, is in support of the Exelon
18 project, and we don't take that support lightly. The
19 city is very involved in water management of the
20 Guadalupe Basin from an environmental aspect and also
21 from a water quantity aspect.

22 In my capacity as director, I represent
23 the City and County of Victoria on various stakeholder
24 committees. I represent the County of Victoria on the
25 South Central Texas Water Advisory Committee, and in

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1 that capacity I have been appointed to the Edwards
2 Aquifer Authority Board of Directors. The Edwards
3 Aquifer Authority is a groundwater district set up by
4 the legislature of the State of Texas that governs
5 groundwater withdrawals from Uvalde County through
6 Bexar County and eastward to Hays County. And the
7 purpose of that is to control those groundwater
8 withdrawals in order to protect the endangered species
9 at the Comal Springs and at the springs in San Marcos.

10 In addition to that, I've been appointed
11 by the Texas Commission on Environmental Quality to
12 the Edwards Aquifer Recovery Implementation Program
13 which is a program that has been set up through Senate
14 Bill 3 to further look at how we as a region can
15 address those endangered species at those two springs
16 and still be able to supply water to the area in San
17 Antonio and through those spring flows supply water
18 into the Guadalupe River.

19 Also I serve on the Bay and Basin Area
20 Stakeholder which Jim talked about earlier, and what
21 that is is a committee that was set up by a committee
22 of the legislature to look at environmental flows
23 ranging from the Upper Guadalupe Basin all the way to
24 the bays and estuaries, and to look at how that water
25 could be responsibly managed in order to balance human

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1 needs and also the needs of the creatures that live
2 within the stream, including the fish but also the
3 grasses and things that grow, all the way down to
4 looking at, of course, the whooping cranes.

5 How that is set up is that we have a
6 science advisory committee that works independently of
7 the stakeholder group. The science advisory committee
8 is appointed scientists that look at purely the
9 science of how to balance those environmental flows
10 and how to provide for adequate flows to the bays and
11 estuaries. The stakeholder team that I sit on then
12 will take that science and try to look at how we can
13 manage water rights in the Guadalupe Basin in the
14 future to balance those human needs and to provide
15 adequate flows for environmental concerns in the
16 Guadalupe Basin. The point of that is that we are
17 actively involved in that.

18 I was also one of the original members of
19 the Region L, or South Central Texas Water Planning
20 Group, which is part of the state's water plan. The
21 state is divided up into 16 regions and each of those
22 regions looks at how to best plan for what we have now
23 and then every five years looking at a continuing
24 rolling 50-year cycle on how we can manage the water
25 needs of different areas of our basin.

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1 Yes, there are some projects in there that
2 have one water here and we're going to take that same
3 water and maybe use it somewhere else. There's a
4 reason for that. You do a lot of water planning.
5 Very few projects ever actually come to fruition.
6 When you plan you have a Plan A and a Plan B, and
7 that's the reason that sometimes that water seems to
8 be being used twice when it actually will only ever be
9 used once.

10 One of the things that has come up as a
11 concern at some times is that the City of Victoria has
12 a 20,000 acre-foot junior water right, and what that
13 means is when I came here in 1994, my first job with
14 the city was to work through negotiating that 20,000
15 acre-foot water right, it's the newest water right in
16 the basin. And Jim talked earlier about senior and
17 junior priority, so we're the new kid on the block.

18 The city went into that process and did an
19 analysis of all of the existing water rights in the
20 Guadalupe Basin being fully utilized. We knew that
21 that was what we were going to have to plan for and
22 that's what we did. At the time we acquired that
23 water right, including assuming that the water right
24 that's being proposed for the Exelon plant, that that
25 water would be fully utilized at that time. That gave

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1 us about an 86 percent reliability on that to take
2 care of that.

3 We normally use about 20,000 acre-feet in
4 Victoria per year for our water supply. We have
5 11,000 acre-feet of registered groundwater rights. In
6 other words, we can completely switch over to
7 groundwater at any time and have 100 percent
8 replacement of our water that could have come out of
9 the Guadalupe River.

10 We have also acquired about 7,000 acre-
11 feet of senior surface water rights, including some
12 water rights that are actually adjacent that we
13 purchased from landowners adjacent to the Exelon plant
14 site all the way up to some 1918 water rights which
15 are very senior, in order to be able to further
16 balance what our needs may be, not just now but as we
17 grow into the future and looking at the next 50 or 100
18 years.

19 The point of that is that we came into
20 this with our eyes open, that we're actively involved
21 in a lot of different processes in looking at the
22 Guadalupe River Basin from one end to the other,
23 looking at water management needs as far as quantity
24 but also environmental needs. And again, I state that
25 with that background and with all those

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1 considerations, the City of Victoria supports this
2 site permit.

3 Thank you.

4 (Applause.)

5 MS. MROZ: Next we have Will McDonald, and
6 he will be followed by Karen Hadden.

7 MR. McDONALD: Good evening, ladies and
8 gentlemen. My name is Will McDonald. My wife and I,
9 Pat McDonald, run Days Gone Bye in downtown historic
10 Victoria.

11 Over the last two years we've seen the
12 bottom line in our business kind of slip away, not
13 only us but many others in the county as well. My
14 wife and I do forecasting for the future of our
15 business. We may not be like a lot of people who have
16 to depend on it to make a living, we have a lot of fun
17 in our business and we have retirement from being in
18 education for 32 years as principals and teachers.

19 I'm a historian by nature, having taught
20 many hours in schools and have extensive education in
21 it. I know the history of Victoria and Victoria
22 County and the surrounding area. I know that we must
23 look toward that history and project it into the
24 future when we bring in any kind of business or other
25 outside activities that will affect the history, the

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1 future history of Victoria, Texas, not discounting the
2 past.

3 I also know the pride of ownership in
4 land. This goes way back in Victoria County and the
5 surrounding areas. Many families have had this land
6 under their deed for many, many years, and I know they
7 have a great sense of pride in that and they want to
8 continue to look into the future and hold on to that
9 pride without a lot of outside interference. I
10 appreciate all of that.

11 I've fished in many of these waters, I've
12 hunted this area. I spent the last eight years as
13 Rockport-Fulton High School principal where I had
14 access to the great fishing waters. I saw all those
15 beautiful birds that were talked about and I love them
16 all and I would want them protected. I think the
17 NRC, the Nuclear Regulatory Commission, will do a good
18 job with that. I trust it and turn that over to them.

19 One of the things I would like for you to
20 consider are your young people. Having worked with
21 many young people over the years, I know what it means
22 when they say, Mr. McDonald, I lost my job, I don't
23 have a job. And I want to tell you this, that the
24 anxiety in that person's voice is overwhelming. Not
25 only is that anxiety contained in the bosom of that

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1 person but it's reflected in their wife, their
2 children and all the other people associated with that
3 family.

4 We have a young generation of people who
5 will be looking for jobs. As I think about the
6 future, I see this power plant generating an abundance
7 of electricity but I also see it spinning off many
8 jobs for our young people who are in Victoria, Texas
9 who want to stay in the city and in the county and
10 find a place to work. This is a great future with
11 this plant coming to our area to provide this kind of
12 activity for our young people.

13 And I trust that Exelon and the Nuclear
14 Regulatory Commission will take care of all of our
15 concerns, that indeed, if this comes to pass. And why
16 not Victoria? It's going to be built somewhere. Make
17 no mistake about it, these plants will be built
18 somewhere, so why not Victoria, why not Victoria
19 County? Why not the people who have land, the people
20 who are interested in protecting and preserving the
21 animal kingdom and the fisheries and all of the
22 ecology, why can't we have all of that but at the same
23 time have this plant spinning off the electricity and
24 spinning off jobs?

25 I do hope that this is something that will

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1 come to pass for Victoria, Texas. God bless you all.

2 Thank you.

3 (Applause.)

4 MS. MROZ: Thank you, Mr. McDonald.

5 Next we have Karen Hadden, and she'll be
6 followed by Robert Singleton.

7 MS. HADDEN: Good evening. It's great to
8 be here. I work with a group that works statewide
9 across Texas and sometimes we're fortunate enough to
10 be able to come to Victoria and we always like it when
11 we can.

12 Our organization is very concerned about
13 potential new nuclear reactors in the state, and I'd
14 like to tell you some of the reasons that I think
15 Victoria should look carefully. We do support
16 economic growth, we do support jobs, and I think it's
17 important to look at how we do that so that we don't
18 make a mistake.

19 I do think that those who have been saying
20 we need more energy, well, that's debatable right now.

21 Texas has a 21 percent reserve margin and we only
22 need a 12-1/2 percent reserve margin. We have lots of
23 new gas coming on. Calvert Cliffs in Maryland is a
24 nuclear reactor that was about to get federal loan
25 guarantees and they actually withdrew their license

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1 application instead. They went all the way to that
2 point and then they said, Nope. They said that it
3 didn't make economic sense anymore, that the cost of
4 gas was low and the interest rates were high and
5 they're not planning to move forward right now.

6 What's touted across the nation as a
7 nuclear renaissance is looking more like a nuclear
8 relapse. It's not happening. It's being delayed.
9 It's turning out to be more expensive than anyone ever
10 dreamed. Vogtle in Georgia is also not so sure right
11 now. They got offered loan guarantees, they don't
12 know if they're going to take them.

13 So what are the problems here? Let's look
14 at it locally. In terms of water, a nuclear reactor
15 uses huge, vast quantities of water, and there are
16 risks of contamination of water, and it has happened
17 in other places before that we get radioactive tritium
18 going into waterways. And it has health impacts. Ask
19 the Illinois attorney general why they filed a lawsuit
20 about tritium leaks there.

21 For Texas, the Comanche Peak reactors that
22 are planned, they'd use 100,000 acre-feet of water a
23 year. Two-thirds of that would evaporate. It's water
24 lost for purposes locally. The South Texas Project,
25 two new reactors would use 23,000 gallons per minute.

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1 So picture, if you will, a backyard swimming pool
2 getting filled every single minute, 24-7, that's how
3 much water the two new reactors would require.

4 Now, I've seen a picture of the Guadalupe
5 River in drought and it wasn't much higher than the
6 gentleman's boot that was taking a picture. What
7 happens at those times? You can have senior water
8 rights. Does that mean you have water?

9 A nuclear reactor has to stay cooled, the
10 water has to come from somewhere or you have coolant
11 leaks, you can have a meltdown. You cannot be without
12 water for a nuclear reactor. So what happens to
13 everybody else if it comes crunch time? What happens
14 to the rice farmers, what happens to the ranchers,
15 what happens to recreation when the water gets scarce?

16 I live in Austin. Last year with the
17 drought the lake levels were incredibly low. You
18 might have seen pictures. Every single boat ramp on
19 the lake had to close, businesses were hurting, it was
20 an economic disaster. What happens when the water
21 levels go low again? This year we're doing well but
22 the experts say we're not out of the drought problems
23 by any means, that's it's coming again. What happens
24 then?

25 The nuclear reactors planned for Texas

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1 have had economic problems already. South Texas
2 estimates started out at \$5.9 billion. The most
3 recent ones from STPNOC, the operating company, are
4 \$18.2-. That's over three times increase and they
5 haven't turned dirt, they don't have a license.

6 This reactor planned for this community
7 would use, as of the latest I've heard, the advance
8 boiling water reactor design. I've been looking at
9 that. It's very flawed, it needs updating, it's going
10 for review. They've had to make numerous departures
11 or changes for the South Texas reactors. It is not
12 solid. Just because it was designed a lot of years
13 ago doesn't mean that it's ready to go.

14 Those are some of the main and many
15 reasons that this community should look carefully.
16 Look also at the history of Bay City. When they
17 invested in the first two reactors they thought: Oh,
18 great, we're going to have this economic boon. For
19 four years the population went up. After that it went
20 back down and eventually was right about where it
21 started. The city is not booming economically. In
22 fact, people who live there say it's quite a struggle.
23 They now have tritium showing up in the wells onsite,
24 in some of them. And what do you do after water gets
25 contaminated, how do you sort out radioactive tritium

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1 which is radioactive water, what do you do? Can this
2 community afford that?

3 Some of the legal cases that are being
4 taken up are addressing why not meet your energy needs
5 with other kinds of energy. In the '70s when these
6 nuclear reactors were getting built there weren't so
7 many options. Today wind is ripe, it's happening,
8 wind turbines in Texas have been generating up to 35
9 percent of the power turning on the grid at a high
10 point. It's not that way all the time, but we've been
11 hitting new highs. We've met our goals for the year
12 2025 this year because wind is a huge success and we
13 know how to do it and it doesn't take tons of water,
14 and it's making money, transmission is getting built,
15 it's been approved.

16 Our next big goal is to figure out energy
17 storage, to make it work to combine the different
18 sources of energy and then they can be baseload. Our
19 most pressing need is for peak power instead of
20 caseload so we don't even -- we do not need nuclear
21 reactors, we do need safe energy.

22 In 1982 the studies that were done for the
23 Nuclear Regulatory Commission by Sandia Labs found
24 that South Texas Project, if they had an accident,
25 18,000 people could die early deaths. That would be

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1 followed by thousands of cancers, genetic damage,
2 birth defects. Okay, a lot of people have talked
3 tonight about the growing population. You tell me,
4 what would those figures be today?

5 Why would we risk a type of power that can
6 lead to deaths and cancers when we don't have to
7 today? There are jobs, there are possibilities in
8 energy efficiency, in renewable solar, wind,
9 geothermal. We can combine these, we need to further
10 develop energy storage. I urge this community to look
11 at these safer ways that use less water and don't
12 threaten the economy with potential disaster.

13 We will be submitting written comments as
14 well. Thank you.

15 (Applause.)

16 MS. MROZ: Thank you.

17 And next we have Robert Singleton.

18 MR. SINGLETON: Hello. My name is Robert
19 Singleton, and I'm from Austin but I'm not without
20 ties to this area. My mother and father were both
21 from Edna and my maternal grandparents lived there and
22 many of my relatives still live there. We would spend
23 summer vacations and sometimes Christmas and
24 Thanksgiving in Edna, so I'm not unfamiliar with the
25 region.

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1 Being from Austin, though, gives me a
2 perspective, that I'm going to talk about a little
3 more in a minute, because we were early buyers into
4 the South Texas Nuclear Project, and I'm going to tell
5 you what that meant to us in just a minute.

6 First I want to talk about some of my bona
7 fides to talk about nuclear power, though. I'm kind
8 of a geek about the subject. I don't know if there's
9 anyone else here who can say that the first thing they
10 do in the morning is turn on the computer and go to
11 the NRC website to check the event reports. But if
12 you want to do that, it's www.nrc.gov -- that's
13 www.nrc.gov. Click on event reports. Almost every
14 day there will be something in there that will just
15 scare the daylights out of you.

16 My favorite are called fitness for duty
17 reports. All nuclear power plants do random testing
18 of employees and the number of people who fail these
19 tests for alcohol or drugs, and sometimes heavy drugs,
20 would surprise almost anybody that's worried about
21 living near a nuclear power plant.

22 You can also find out some other things
23 that have been in the NRC news lately. The Davis
24 Besse Plant in Ohio which is now on its third
25 containment head because it had corrosion that caused

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1 the first one become unusable, so they replaced it
2 with a second one and corrosion has caused it to be
3 unusable, but the NRC has decided to let that one go
4 ahead and stay until they get a third one from a
5 decommissioned nuclear plant that was built but never
6 opened in Illinois, possibly an Exelon plant, I'm not
7 sure about that.

8 But they're now on their third containment
9 head. This is our final line of defense, and Davis
10 Besse, some of the metal was down to one-sixteenth of
11 an inch. There was only one-sixteenth of an inch of
12 steel between a release into the containment building.

13 Crystal River in Florida has had cracks in
14 the containment facility. They found them because
15 they needed a new diesel generator in the plant so
16 they cut a 16 by 20 foot hole in the wall, I believe
17 it was, and they were looking around as they cut the
18 hole and they found out the inside of the containment
19 building was just filled with cracks, it was riddled
20 with cracks.

21 There's another plant in Florida that
22 recently discovered that it had a major containment
23 corrosion problem that was about to cause leaks into
24 the containment building. Now, this is our last line
25 of defense. If you combine a leaking head with

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1 cracked containment, you have the recipe for a
2 disaster.

3 I'm not going to spend a lot of time
4 talking about the dangers of nuclear power, I'm not
5 going to mention too much Chernobyl and Three Mile
6 Island and the China Syndrome, although I would kind
7 of like for those to be in the back of your mind.
8 What I mainly want to talk about is first some things
9 I've heard tonight and then some economic stuff which
10 ought to be very exciting.

11 First I want to comment on the NRC
12 official. I'll admit I was coming in the room when I
13 heard this so I may not have heard it right, but let
14 me see if I can get the essence of what he said. We
15 can't say no but we have options; we cannot say yes.
16 I want to know how we get to no. If the answer is no,
17 how do we get there. I didn't hear anything in the
18 process that was described that allowed no to be an
19 answer. The best that we could hope for was not yes.

20 I think we ought to keep no on the table.

21 Then the Exelon speaker noted that we
22 should all go to Google Exelon 2020. I think it's
23 really significant that she's sending you to a company
24 website instead of a news website. What she said can
25 basically be boiled down to: For God's sake, whatever

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1 you do, don't just enter Exelon into Google News --
2 which is what I recommend you do because I think
3 you'll find out some interesting things about the
4 company's track record. If you combine going to the
5 NRC website, www.nrc.gov, and going to Google News and
6 typing in Exelon, I think you'll find out a lot about
7 the company, its operating history and problems with
8 the plants.

9 But what I want to talk to you about next
10 is Austin's experience with the South Texas Nuclear
11 Project. They've recently changed their name, they're
12 now the South Texas Project. I insist on putting the
13 nuclear back in because otherwise people are likely to
14 think it's the Alan Parsons Project which Homer
15 Simpson once described as some sort of hovercraft --
16 but that's just mean going on a tangent.

17 We bought into the South Texas Nuclear
18 Project, Austin, because our mayor then -- who
19 eventually became Carol Strayhorn, one tough
20 grandmother running for governor and now in total
21 obscurity in Austin where she tried to run for mayor
22 and couldn't get elected -- but Carol's strategy was
23 simply to try till she got it right. We had three
24 referendums to buy into the South Texas Nuclear
25 Project. Finally on the third time was apparently the

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1 charm because that was the only yes vote out of the
2 three.

3 What we found, though -- we were told the
4 plant was going to be, quote, too cheap to meter --
5 what we found, though, was that 42 percent of every
6 dollar we paid to Austin Energy in the '90s was going
7 for debt service on the South Texas Nuclear Project --
8 42 percent of every dollar was going for debt service.

9 That doesn't sound to me like it's too cheap to
10 meter. It's such a bad deal economically that Austin
11 has tried several times to sell our share. The
12 voters, in fact, passed a referendum directing the
13 city council to try to sell our share.

14 Guess what? We couldn't find anybody who
15 wanted it at any price. Sixteen percent of a nuclear
16 power plant that is up and running and producing
17 electricity and nobody with any sense wants our share
18 of this. That's not surprising. We don't want our
19 share of this either.

20 The plant cost nine times as much as the
21 first estimate. That's cheap compared to Comanche
22 Peak which cost 16 times what the people in North
23 Texas were told that one was going to cost. Any
24 figure you hear about how much this plant is going to
25 cost, you should multiply by at least five or six,

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1 probably more than that because they're not even
2 talking about building now.

3 I want to talk for a minute about that
4 early site permit. Basically what they're saying is
5 this plant makes no economic sense right now but we
6 want to get our toe in the water and maybe in 20 years
7 we're going to build this. And I'll tell you what
8 they're going to do. They're going to say, well, you
9 should have been there at the hearing 20 years ago, I
10 mean, this thing has been on the books forever. The
11 early site permit is an attempt to get some sort of
12 preliminary approval for a plant that just doesn't
13 make any economic sense.

14 Basically, every nuclear power plant is
15 having trouble finding money right now. I think we
16 can all agree that Warren Buffett knows a thing or
17 two about making a dollar. Warren Buffett had a
18 chance to buy into a proposed nuclear plant in Idaho
19 recently. He looked at the money involved and decided
20 that it wasn't worth -- he had no problem with nuclear
21 power, he was interested in buying into this, he ran
22 the numbers and he said this doesn't make any economic
23 sense, and he backed out.

24 The reason is everything is going
25 economically against nuclear power. The cost of raw

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1 materials, concrete, rebar is going up. The price for
2 natural gas remains low. Congress hasn't adopted a
3 carbon tax which the nuclear industry is drooling for
4 because it's one of the things that makes their plant
5 make more sense. If you can make other forms of
6 energy cost more, then nuclear begins to look like it
7 makes a little more sense. But it looks now like
8 that's not going to happen thanks to our friends in
9 Congress.

10 The cost of renewables continues to
11 decline. If you look at the charts on the cost of
12 nuclear energy and the cost of renewables, you'll see
13 that at some point renewables are going to cross the
14 path of nuclear power and be cheaper to invest in. It
15 is a really expensive way to boil water.

16 You also have to factor in the fact that
17 right now -- and this is probably one reason why
18 Exelon is looking for an early site permit -- right
19 now bad economy is causing the projections for
20 electricity demand to actually decline. The estimates
21 of how much electricity we're going to need are being
22 scaled back because the economy continues to be bad.

23 The ESP stands for early site permit, but
24 it also stands for extra sensory perception, and I
25 think I just want to leave you with this, we don't

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1 need ESP to know that this is a bad idea.

2 Thank you.

3 (Applause.)

4 MS. MROZ: Thank you for those comments.

5 Is there anyone else who would like to
6 provide comments this evening? We don't have any
7 other speakers who signed up. I don't see any hands.

8 So with that, I will ask Scott Flanders,
9 who is the senior official here this evening from the
10 NRC, to come up and provide some closing remarks for
11 the meeting.

12 MR. FLANDERS: Thank you.

13 First I want to thank everyone for coming
14 out tonight and participating in the public meeting.
15 This is a very important process for us in collecting
16 comments from the local community to help us formulate
17 the scope of the environmental impact statement. It's
18 a critical part of the process.

19 We rely on three key pieces in terms of
20 putting together an environmental impact statement.
21 There's the application that's submitted by the
22 applicant which we require them to provide detailed
23 information, environmental studies, information for us
24 to review. And then we come out and we seek through
25 the scoping process comments from all members of the

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1 public, but particularly it's valuable for us to hear
2 form the local community because there's lots of
3 information, as Ryan talked about, that you're
4 familiar with and have insights that are very
5 informative to us as we analyze the technical issues
6 associated with the environmental impacts. And then
7 the third piece is our own experts going out in the
8 field, collecting information, technical data that
9 they also use to factor in in putting together the
10 environmental impact statement. So those three pieces
11 are very important in the process.

12 These meetings are also important, as
13 Tomeka mentioned earlier, the comment period doesn't
14 close until a month from now, January 3, so for folks
15 who may have heard different comments and may want to
16 go and do some research on their own and taking the
17 information that they heard from others at the meeting
18 and share comments with us, those are also very
19 valuable to us, so take advantage of that opportunity.

20 We welcome those comments as well and I think we have
21 various forums, whether it be e-mail, written
22 correspondence, various ways to get those comments to
23 us. So we look forward to having those comments as
24 well.

25 Keep in mind that through the process of

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1 NRC making a decision on an early site permit, whether
2 to grant that, the environmental review process is one
3 of two main reviews that we do. The other one is a
4 safety review which looks at detailed siting
5 requirements that have to be satisfied as well. I
6 would encourage you to our website. It talks about
7 both processes and it talks about the types of
8 information that an applicant would need to satisfy.
9 We encourage you to look for that as well.

10 And with that, I would stop and close the
11 meeting. Again, we appreciate your time and
12 attendance, and please take advantage of the
13 opportunity to not only give comments tonight, which
14 we appreciate, but also over the next month or so.
15 Thank you.

16 (Whereupon, at 9:00 p.m., the meeting was
17 concluded.)
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