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

FEB 15 1980

Mr. Stanley Ragone, President
Virginia Electric and Power Company
Richmond, Virginia 23261

Dear Mr. Ragone:

In your letter of January 17, 1980, you stated that based on discussions between your licensing representatives and the NRC staff that a concerted effort is under way to prepare the Safety Evaluation Report for Sequoyah, Unit 1. You also indicated that you are encouraged that work is proceeding on Sequoyah, but that you are disappointed that the staff is not pursuing a review of the North Anna Power Station, Unit 2 licensing on the same schedule.

It should be pointed out that we have recently met with your staff regarding the review of the North Anna application. As discussed with your staff, we are actively pursuing the preparation of a Safety Evaluation Report for the North Anna Power Station, Unit 2, concurrently with that for Sequoyah, and we anticipate publication of that document in the near future. The decision, however, to issue an operating license as indicated in the Policy Statement on the TMI-2 accident issued by the Commission on October 4, 1979, will require action by the Commission itself.

I trust that the above information is responsive to your concern. Let me assure you that the review of the North Anna Power Station, Unit 2 application is being actively pursued.

Sincerely,

A handwritten signature in cursive script, appearing to read "Harold R. Denton".

Harold R. Denton, Director
Office of Nuclear Reactor Regulation

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ACCESSION NBR: 8001230192 DOC. DATE: 80/01/17 NOTARIZED: NO DUCKET #
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 AUTH. NAME: AUTHOR AFFILIATION: Virginia Electric & Power Co.
 ROGGE, S. RECIPIENT AFFILIATION: Office of Nuclear Reactor Regulation
 DENUN, M.R.

SUBJECT: Requests that NRC proceed w/ license review of facility. Unit is ready for fuel loading. Implementation of Lessons Learned Task Force requirements was diligently pursued. Util has committed to training program re natural circulation.

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VIRGINIA ELECTRIC AND POWER COMPANY
RICHMOND, VIRGINIA 23261

STANLEY RAGONE
PRESIDENT

January 17, 1980

Mr. Harold R. Denton, Director
Office Of Nuclear Reactor Regulation
U. S. Nuclear Regulatory Commission
Washington, D. C. 20555

Dear Mr. Denton:

It is my understanding based on discussions our licensing representatives have had with NRC project personnel recently that a concerted effort is under way to prepare the Safety Evaluation Report for issuance of a low power license for Sequoyah Unit 1. We are encouraged to learn that work is proceeding for issuance of that license, but I am disappointed that the staff is not actively pursuing a review of North Anna Unit 2 license on the same schedule. We believe they should be pursued simultaneously, especially since our unit has been essentially completed and ready for fuel loading since July 1979. Vepco has diligently pursued the implementation of the short-term lessons learned recommendations following TMI. Also, the Company has committed to a special training test program similar to TVA to enable our operators to actually observe the effects of natural circulation in the primary coolant system.

One overriding situation that should encourage the NRC to concentrate on getting North Anna Unit 2 in service as soon as possible by taking the steps necessary to attain fuel loading and power ascension is the major reduction in oil consumption that the placing of this unit has on our system and the nation as a whole. TVA is primarily a coal-burning utility and the Sequoyah unit will displace coal, not oil. North Anna Unit 2 will primarily displace oil, most of it imported. At a 60% capacity factor, each month's improvement in placing our unit in full service reduces the Company's and nation's dependence on this oil by approximately three-quarters to one million barrels per month. The President has taken a strong position with regard to reducing oil imports, and he has endorsed the need for nuclear power to meet this nation's basic energy needs. The Company is striving, through our nuclear program and coal conversion program (1224 MW already converted from oil back to coal, with 239 MW additional capacity scheduled for 1980 and 394 MW for 1982 conversions back to coal), to comply with his plea to reduce oil consumption. The NRC therefore should be making every possible effort to get those nuclear units in service that displace oil as quickly as possible.

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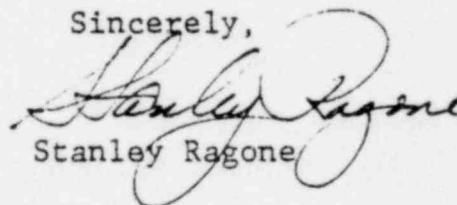
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In past correspondence, I have conveyed to you the grave consequences of the nuclear licensing pause. In the latter half of 1979, major power purchases from neighboring utilities were necessary to maintain reliability and to try to reduce the consumption of high quantities of oil required to replace North Anna Unit 2. This detrimentally impacted on Vepco's ratepayers through higher electric bills and capital requirements. Carrying the unused investment in North Anna Unit 2 continues to mount, and this will further impact on Vepco's customers and the economic well-being of the area we serve.

We understand the Special Inquiry Study (Rogovin Report) will be submitted to the NRC by January 25. Following that it would appear that the Commission could proceed promptly with the issuance of operating licenses well before mid-February for North Anna Unit 2, Sequoyah Unit 1 and possibly others.

I sincerely hope that you will pursue the North Anna Unit 2 license as fast and diligently as is humanly possible to get this unit in service promptly. I respectfully request that licensing of North Anna Unit 2 proceed in parallel with the Sequoyah unit for the reasons stated above. If you have any questions or would like to meet to discuss this, please let me know.

Sincerely,



Stanley Ragone

SR/eeh

cc: The Honorable Charles W. Duncan, Jr.,
Department of Energy

Virginia Congressional Delegation