



Northern Indiana Public Service Company

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EUGENE M. SHORB
EXECUTIVE VICE PRESIDENT
AND CHIEF OPERATING OFFICER

June 1, 1982

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

Re: Northern Indiana Public Service Company
Bailly Generating Station, Nuclear-1
Docket No. 50-367
Site Restoration Plan

Dear Mr. Denton:

Pursuant to the May 6, 1982 Order of the Atomic Safety and Licensing Board which terminated the proceeding on the application of Northern Indiana Public Service Company (NIPSCO) for the extension of Construction Permit No. CPPR-104 and required quarterly reports on the progress of NIPSCO's site restoration plan beginning June 1, 1982, attached herewith is NIPSCO's Report on Progress of Bailly N-1 Site Restoration Plan, June 1, 1982.

Copies of this report are being sent to each of the individuals and organizations appearing on the service list as of May 6, 1982, in the above-referenced proceeding.

Further reports will be forwarded to you and others on the service list as required by the May 6, 1982 Order.

Yours very truly,

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Attachment
cc: Per Attached List

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Mr. Harold R. Denton

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cc: Herbert Grossman, Esquire, Chairman
Dr. Robert L. Holton
Dr. J. Venn Leeds
Docketing and Service Section
Howard K. Shapar, Esquire
Stephen H. Lewis, Esquire
Susan Sekuler, Esquire
Robert J. Vollen, Esquire
Edward W. Osann, Jr., Esquire
Robert L. Graham, Esquire
Mr. Mike Olszanski
Mr. Clifford Mezo
Mr. George Grabowski
Ms. Anna Grabowski

NORTHERN INDIANA PUBLIC SERVICE COMPANY'S
REPORT ON PROGRESS OF BAILLY N-1
SITE RESTORATION PLAN
JUNE 1, 1982

On May 6, 1982, the Atomic Safety and Licensing Board entered an order in Docket No. 50-367 terminating the proceeding on the application of Northern Indiana Public Service Company (NIPSCO) for extension for Construction Permit No. CPPR-104 for the Bailly Generating Station, Nuclear-1 project (Bailly). One of the conditions of that order required NIPSCO to send reports on the progress of the site restoration plan to each individual and organization on the service list as of May 6, 1982. The reports are to be sent on June 1, 1982, and the first day of each third month thereafter. The required reports are to include "a detailed description of all site work done; a detailed description of all site work remaining to be done; an estimate of the percentage of completion of site restoration, together with the basis for the estimate; and, an estimated completion date for site restoration."

The following is the progress report for June 1, 1982.

I.

DESCRIPTION OF ALL WORK DONE.

Little actual physical site restoration work has yet been completed. However, much of the preliminary administrative and regulatory work required prior to commencement of actual

construction work has been completed or is underway. The following is a description of the work completed as of June 1, 1982.

- (A) The sump pumps have been removed from the excavation.
- (B) The recording equipment has been removed from the 49 groundwater observation wells outside of the excavation and on May 24, 1982, NIPSCO's Plant Engineering and Construction Department was requested to cap the wells. This work will be completed during summer months of 1982 by NIPSCO's own work force.
- (C) Removal of the meteorological tower and instrumentation building was requested on May 18, 1982, and will be completed by NIPSCO's own work force during the summer months of 1982.
- (D) One of the options available to NIPSCO for back-filling the excavation is using dredged material from Lake Michigan as part or all of the fill material. In order to exercise this option, NIPSCO must obtain the necessary dredging permits. Applications for dredging permits have been filed with the U.S. Army Corps of Engineers (Corps) and the Indiana Department of Natural Resources (DNR), both of which have jurisdiction over dredging operations in Lake Michigan. Additionally, the Indiana Stream Pollution Control Board (SPCB) has been requested to make a

determination that the return to Lake Michigan of excess water from the dredging operation is within the parameters of NIPSCO's NPDES permit. NIPSCO has also requested from the SPCB a certification under Section 401 of the Federal Water Pollution Control Act that the proposed dredging operations will not affect the water quality of Lake Michigan.

The DNR issued its permit authorizing dredging on May 26, 1982. The Corps issued public notice of NIPSCO's requested permit and the comment period will expire on June 8, 1982. The Corps has in the past issued dredging permits to NIPSCO similar to the one presently requested and no undue regulatory delays are expected. It is estimated that this permit will be issued by July 1, 1982. The SPCB's Section 401 certification and determination on NIPSCO's NPDES permit are expected by mid-June, 1982.

- (E) Specifications have been issued for bids to fill the excavation by means of dredging two-thirds of the fill material from Lake Michigan and obtaining the remaining one-third from fill material presently on site; and alternatively, obtaining two-thirds of the fill material from off site sources and one-third from

on site fill material. Bids on the two (2) alternatives have been received but a contract has not yet been awarded.

NIPSCO has not yet determined which of the two (2) alternatives will be selected as the method to fill the excavation. That decision will be influenced by the timing of the issuance of the permits, certification and determination discussed in Section I.(D) above.

The dredging permit issued by the DNR prohibits dredging operations after September 30. Dredging permits previously issued by the Corps have contained similar restrictions. If the dredging option is selected, NIPSCO wants to complete the dredging portion of the work in a single season to eliminate the cost of mobilizing dredging equipment a second time. It is estimated that the actual dredging of two-thirds of the required fill material will take approximately ninety (90) days. Therefore if all of the necessary permits, certifications and determinations referred to above are not in hand in time to complete the dredging portion of the work before September 30, 1982, NIPSCO

must decide whether it will defer commencement of dredging until the spring of 1983, elect the alternative method of hauling in two-thirds of the fill material or carry out the dredging operations over two (2) dredging seasons. The decision will be made before the next progress report.

II.

DESCRIPTION OF ALL WORK REMAINING TO BE DONE.

The work remaining to be done is as follows:

- (A) As described in Sections I.(D) and (E), the excavation has not been filled and the exact date of completion of this work cannot be determined at this time.
- (B) The sheet piling inside the excavation has not been removed. NIPSCO's Site Restoration Plan provides that the sheet piling within the excavation except that used as a portion of the perimeter of the excavation will be removed, if practicable. NIPSCO has not yet made a determination as to the practicability of removing the sheet piling. Discussions are underway with contractors regarding this matter but no final determination has been made as of the date of this report.
- (C) The H-piles in the excavation have not yet been cut off to the elevation of approximately +8 feet. This portion of the site restoration work will be completed when the excavation is prepared for backfilling.

- (D) The Site Restoration Plan provides that well points within the excavation will be removed, if practicable. NIPSCO has not made a decision regarding the practicability of removing these well points but will make that decision when the excavation is prepared for backfilling.
- (E) The 49 observation wells outside of the excavation have not yet been capped. As described in Section I.(B) above, this work will be completed during the summer of 1982.
- (F) The meteorological tower and instrumentation building have not yet been removed. As described in Section I.(C) above, this work will be completed during the summer of 1982.

III.

ESTIMATE OF THE PERCENTAGE OF COMPLETION OF SITE RESTORATION AND THE BASIS THEREFOR.

NIPSCO estimates that approximately 5 percent of the total site restoration work has been completed. The basis for this estimate is that approximately 15 percent of most major construction project costs are for administrative work as opposed to material and actual physical construction work. NIPSCO believes this to be a reasonable factor to be applied to the site restoration work. NIPSCO estimates that approximately

one-third of the administrative work has been completed in the preparation of specifications for backfilling the excavation, reviewing bids received, applying for the various permits, certification and determination required for dredging as described in Section I. (D) above and scheduling various other miscellaneous work required by the Site Restoration Plan. Since very little actual physical construction work has been accomplished as of the date of this report, NIPSCO's estimate of 5 percent completion is based solely upon completion of one-third of the administrative work.

IV.

ESTIMATED COMPLETION DATE FOR SITE RESTORATION.

The major portion of site restoration is the filling of the excavation, and the completion of this project will undoubtedly be the final step in completing the entire program. Because of the decisions yet to be made with respect to filling the excavation as described in Section I. (E) above, NIPSCO cannot make a precise estimate, at this time, of the date when site restoration will be completed. NIPSCO is confident that the work will be completed by September 1, 1983, as specified in the Board's order of May 6, 1982. However, the exact date of commencement of the work of filling the excavation is dependent upon the receipt of the permits, certification and

determination discussed in Section I.(D) above and the decision to be made following the receipt of those documents. Therefore, the completion date cannot be accurately forecast at this time. It is estimated that it will take approximately four and one-half (4 1/2) months to complete the backfilling of the excavation under either option for which bids have been received.

V.

MISCELLANEOUS MATTERS.

(A) The Board's order of May 6, 1982, provided that on April 15, 1983, and at the completion of site restoration NIPSCO give notice of, and arrange for, an inspection of the site at which time the parties may be present. NIPSCO understands the intent of the order to be that the parties be given an opportunity to inspect the site while the restoration work is in progress and at the completion of the work. If the permits, certification and determination discussed in Section I.(D) above are received and the necessary decisions made in a time frame to permit completion of the restoration work before April 15, 1983, NIPSCO will make arrangements for, and notify the parties of, an interim site inspection for a date earlier than April 15, 1983. Notification of a site inspection will also be provided upon completion of the work.

(B) A copy of this report will be sent to the NRC Staff and all individuals and organizations on the service list as of May 6, 1982, in Docket No. 50-367 (Construction Permit Extension).