

BOSTON EDISON COMPANY
800 BOYLSTON STREET
BOSTON, MASSACHUSETTS 02199

JAMES M. LYDON
VICE PRESIDENT

October 24, 1978

EDWARD P. BOLAND, M.C.

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RECEIVED BY

The Honorable Edward P. Boland
2111 Rayburn House Office Building
Washington, D. C. 20515

Dear Congressman Boland:

I would like to take this opportunity to respond to a letter addressed to your office from Mr. Harold R. Denton, Director, Office of Nuclear Regulation dated October 17, 1978, which Boston Edison also received as a party to the proceeding with respect to the necessity of recirculation of a supplementary Environmental Statement in regard to the alternative sites issue for Boston Edison's proposed Pilgrim Unit 2.

In his letter Mr. Denton indicated a willingness to consider any information Boston Edison wished to provide to his office and this information would be taken into consideration before a decision is made on whether recirculation of the Environmental Statement on the alternative sites is necessary or whether the issue could be brought directly to a resumed Atomic Safety and Licensing Board (ASLB) hearing when the NRC staff analysis on the alternative sites issue is completed.

Attached is our legal memorandum which was transmitted to Mr. Denton on October 20, 1978 which we believe sets forth the points and authorities which support our position that recirculation of a supplemental Environmental Statement is not legally required under NEPA or the Commission's NEPA regulation.

We believe our legal arguments point out that it is unnecessary to invoke the procedures for preparation and recirculation of a supplementary Environmental Statement. Our memorandum shows there is nothing in the decisions of the Atomic Safety and Licensing Board or Appeal Board that requires the use of the supplementary Environmental Statement process.

Recent decisions of the Appeal Boards, the Nuclear Regulatory Commission, and the Federal Courts also support the argument that NRC need not use the supplementary Environmental Statement process unless there is some major change in project scope or major change in NRC staff findings.

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Congressman Edward P. Boland -2-

October 24, 1978

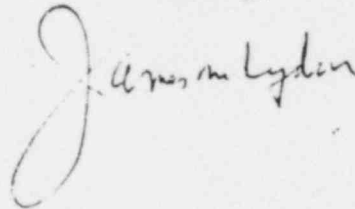
You should be aware that the ASLB has the power and the opportunity to collect environmental information such as that on alternative sites, and subsequently modify the Environmental Statement if necessary.

Since the ASLB has the power to do this, their doing so would mean eliminating a three month delay in the issuance by the ASLB of a Limited Work Authorization (LWA) and a potential savings of \$45 million for consumers.

According to an article in the Wall Street Journal of October 18, 1978 the White House is stepping up efforts with agencies to cut the cost that businesses incur in complying with their regulations that cause undue hardship for particular industries. White House meetings have been marked by sharp debate and "massive overreaction by everybody", according to one government official.

We believe that there is no need for recirculation of the supplementary Environmental Statement by the NRC as the public benefit of recirculation must be weighed against the costs of recirculation. The cost of three months of delay, \$45 million, will be borne by the public. Stated simply, we believe it has a negative Benefit Cost ratio for our consuming public.

Sincerely,

A handwritten signature in dark ink, appearing to read "James M. Lyden". The signature is written in a cursive style with a large, looping initial "J".