### UNITED STATES OF AMERICA NUCLEAR REGULATORY COMMISSION

ATOMIC SAFETY AND LICENSING BOARD

Before Administrative Judges:

Helen F. Hoyt, Chairman Dr. Emmeth A. Luebke Dr. Jerry Harbour

In the Matter of

Docket Nos. 50-443 OL 50-444 OL

PUBLIC SERVICE COMPANY OF NEW HAMPSHIRE, et al.

(ASLBP No. 82-471-02 OL)

(Seabrook Station, Units 1 and 2)

SEACOAST ANTI-POLLUTION LEAGUE'S OBJECTION AND MOTION FOR RECONSIDERATION OF ATOMIC SAFETY AND LICENSING BOARD'S ORDER OF SEPTEMBER 13, 1982 AND MOTION TO CERTIFY OBJECTIONS TO THE APPEAL BOARD

NOW COMES the Seacoast Anti-Pollution League ("SAPL"), pursuant to 10 C.F.R. §2.730, and requests that the Atomic Safety and Licensing Board ("ASLB") reconsider portions of its September 13, 1982 Memorandum and Order ("Order").

Introduction

On September 13, 1982, the ASLB issued an Order in which it ruled on the contentions submitted by the intervenors in the proceeding. SAPL finds the Board's rejection of SAPL contention

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Supp.  $IV^1$  to be in error and asks for reconsideration of the contention as submitted. SAPL asserts that a hearing on this contention is both appropriate and essential to this proceeding due to special circumstances. These circumstances are set forth in this motion pursuant to 10 C.F.R. §2.758(b).

# 11. Basis for the Board's Denial of SAPL Supp. IV (Memorandum and Order, pg. 98)

The sole basis for the Board's denial of SAPL Supp. IV consisted of a reference to recent amendments in the Commission's regulations. 47 Fed. Reg. 12940 (March 26, 1982).

SAPL understands that the amending rule prohibits consideration of need for power and alternative energy source issues in operating license proceedings. However, the rules expressly provides that an exception will be made upon a <u>prima</u> <u>facie</u> showing of special circumstances pursuant to 10 C.F.R. §2.758.

Special circumstances is defined as a showing that application of the rule would not serve the purposes for which the rule was adopted. It is therefore imperative that the Board carefully examine the underlying basis for the rule.

1. SAPL Supplement 4: There is no need for the electricity hoped to be produced by the proposed plant and consequently this Board should find that the costs, including the risk of station operation, outweigh the benefits.

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### Purposes of the Final Rule (47 Fed. Reg. 12940) (March 26, 1982)

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As stated in both the proposed and final rules, the purpose of the amendment is to avoid unnecessary consideration of issues which are "unlikely" to tip the cost/benefit balance. This purpose is premised upon the Commission's observation that "there has never been a finding in a Commission operating license proceeding that a viable, environmentally superior alternative to operation of (a) facility exists." 46 Fed. Reg. 29441 (August 3, 1981).

This observation is drawn from a two step analysis as set forth in the proposed rule. The Commission states that in consideration of alternatives under NEPA the first step is determine whether an environmentally superior alternative exists. If the alternative is established, then a cost/benefit analysis is performed to weigh relevant economic considerations.

In finding that application of this two step procedure is no longer necessary at the operating license proceeding, the Commission states that the economic costs of nuclear plant construction and operation have been below operating costs of other available methods of <u>fossil</u> baseload generation. 46 Fed. Reg. 39441 (August 3, 1981). Consequently it reasons that "even an alternative shown to be marginally environmentally superior is unlikely to tip the NEPA cost/benefit balance against issuance of the operating license. 47 Fed. Reg. 12940 (March 26, 1982).

The Commission further supports this observation by noting that completed plants have always been used to their maximum availability and that "real" alternatives only "exist" at the

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construction permit stage. (See proposed rule. 46 Fed. Reg. 39440, August 3, 1981.)

IV.

### Application of the Rule to Deny SAPL Contention Supp. IV Would Not Serve the Purpose for which the Rule was Adopted

In the final rule the Commission offers an example of a special circumstance which would allow consideration of SAPL co. ention Supp. IV in this proceeding. The example includes a showing that an environmentally and economically superior alternative exists. In this case, SAPL asserts that such an alternative does exist in the form of imported electrical power from Hydro-Quebec.

With respect to the first part of the analysis, it is clear that importation of Canadian power is environmentally superior. The impact of hydro generation facilities situated in Canada upon the American environment would be non-existent. Any environmental impacts would be associated solely with transmission lines. When weighed against the highly significant impacts associated with Seabrook and its contribution to the nuclear fuel cycle, the Canadian option establishes itself as a prima facia superior alternative.

Moving to the second part of the analysis, it is also clear that the economic benefits of Canadian hydro are superior as well. This is illustrated by several factors. First, both the NEPOOL and Hydro-Quebec systems possess load characteristics which are economically favorable to purchases and sales of power. Both systems have opposing peaking demands, allowing for more efficient economic

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dispatch.<sup>2</sup> Second, the intertie is no longer only a concept. Two members of NEPOOL have now applied for permits (in Vermont and New Hampshire) to construct the necessary facilities. This project is being designed to result in a potential capacity transfer of 2,000 MW. (See accompanying affidavit). A third and very important factor is that lead time to interconnection is relatively short and not economically prohibitive.

SAPL asserts that the characteristics of its proposed alternative constitute a prima facia showing of an option likely to tilt the cost/benefit analysis.

# V. <u>The Need for Power and Alternative Issues Are Ripe</u> For Re-examination in this Proceeding.

Although SAPL's proposed alternative was briefly addressed in the Applicant's 1974 Environmental Impact Statement, that analysis is no longer valid. The foremost reason is that the Applicant's need for power has reduced significantly, thereby increasing the viability of the import/purchase option. The mutual benefits of grid interconnection have also become more apparent and economically significant since 1974. Moreover, the tremendous cost increases associated with the project effectively invalidates any import cost/benefit analysis performed eight years ago.

2. In its most recent annual report, Hydro-Quebec states that "This diversity of demand between power systems, together with the availabilility of surpluses, are at the origin of the Utility's interconnections. They offer excellent financial benefits and advantages in terms of system reliability and mutual assistance." SAPL contends that a hearing on this alternative is essential given its unique and timely advantages. The Commission's observation that "completed power plants are used to their maximum availability" is not applicable in this instance. Seabrook is not complete and an overreliance upon the past history of OL proceedings begs the 'actual determination which SAPL seeks to resolve through its contention.

IV.

## Joinder with New England Coalition on Nuclear Pollution and State of New Hampshire.

The Seacoast Anti-Pollution League joins with and adopts as its own the Motions for Reconsideration filed by the New England Coalition on Nuclear Pollution and the State of New Hampshire pertaining to the Board's Memorandum and Order issued September 13, 1982.

Wherefore, the Seacoast Anti-Pollution League respectfully requests that the Licensing Board reconsider its order of September 13, 1982: and

- Admit contention Supp. VI or, in the alternative, to certify this Motion for Reconsideration to the Appeal Board for appropriate review;
- For such other and further relief as may be just and equitable.

#### (cont.)

Hydro-Quebec Annual Report, May 5, 1982, p. 25.

Respectfully submitted, Seacoast Anti-Pollution League By its attorney: LAW OFFICES OF ROBERT A. BACKUS

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