



Public Service*

October 5, 1990
Fort St. Vrain
Unit No. 1
P-90304

Public Service
Company of Colorado
P.O. Box 840
Denver, CO 80201-0840

D.D. HOCK
Chairman, President
and Chief Executive
Officer

Chairman Kenneth M. Carr
U. S. Nuclear Regulatory Commission
Washington, D. C. 20555

Docket No. 50-267

SUBJECT: Fort St. Vrain Possession Only License (POL)

Dear Chairman Carr:

I was in attendance at INPO's CEO Conference on November 1-3, 1989, and I listened to your challenge to the U. S. nuclear industry to bring specific examples to your attention if a utility has "a problem with the way we are doing business".

There have been prolonged delays in the NRC's approval of a Possession Only License (POL) for the Fort St. Vrain Nuclear Generating Station. The Public Service Company of Colorado (PSC) now finds that this matter is in need of your immediate attention if our shareholders are to avoid unnecessary delay costs in decommissioning Fort St. Vrain exceeding \$2.5 million per month. During the prolonged NRC review of the Fort St. Vrain POL application, PSC has basically exhausted the possibilities for "working around" the need for a POL to proceed with decommissioning preparations. It should be emphasized that PSC's plant closure and decommissioning preparation activities under a POL will not preclude any of the three decommissioning options, i.e., DECON, SAFSTOR, or ENTOMB.

The specifics of this matter are as follows. PSC submitted a Possession Only License application for Fort St. Vrain on November 21, 1989. The specific wording and content of the POL application was discussed with Mr. Peter Erickson, the NRC Fort St. Vrain Project Manager, and the NRC legal staff prior to submittal. To date, there have been no disputed issues surrounding the wording or content of the POL application.

The first delay involved the noticing of the POL application in the Federal Register. A two month delay in issuing the Federal Register notice occurred early in 1990. PSC was finally informed by Mr. Erickson on March 13, 1990, that we would have to submit an "environmental analysis" and address "replacement power" before the Federal Register notice could be published. PSC submitted the environmental analysis on April 25, 1990, and the POL application was noticed in the Federal Register on May 16, 1990. (Please note that in Public Service Company's opinion Mr. Peter Erickson has done an exemplary job of processing the POL application.)

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The Federal Register notice comment period expired on June 14, 1990. There were no public comments on the Fort St. Vrain POL application, or any other expressions of public interest in this matter. The NRC technical and legal staffs have concluded their reviews of the Fort St. Vrain POL application and are apparently satisfied. The POL application concluded that maintaining the plant permanently shutdown would increase margins of safety. The environmental analysis concluded that the environmental impacts associated with the permanent shutdown of Fort St. Vrain, including replacement power considerations, are minimal and generally beneficial.

PSC has submitted, and the NRC has had under review since June 1989, a preliminary decommissioning plan for Fort St. Vrain. I met with you and each of the other Commissioners in March and April of 1990 and explained that Fort St. Vrain is not being shutdown for political reasons. Fort St. Vrain cannot be restarted due to technical considerations, and it would be financially imprudent to make any further attempts to operate the plant. Furthermore, the Department of Energy has submitted to PSC the attached letter dated April 16, 1990, requesting various Fort St. Vrain components for research to enhance the safety of future reactor designs.

In summary, since the end of June 1990, everything has been in place for the NRC's approval of the Fort St. Vrain POL application. However, three additional months have now passed and no action on the Fort St. Vrain POL application has been forthcoming. Repeated inquiries to the NRC staff indicate that the POL matter is before the NRC Commissioners. Mr. Clegg Crawford, my Vice President, Nuclear Operations, was given very little information when he attempted to discuss the POL matter with the individual Commissioners in person on August 3, 1990. You personally stated, Chairman Carr, that you would not discuss POLs.

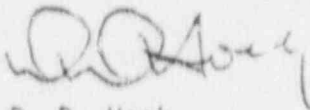
Mr. James Taylor, EDO, indicated to Mr. Crawford that the Commissioners would most likely resolve the POL matter in a meeting concerning Shoreham on September 21, 1990. The September 21, 1990 meeting was subsequently postponed until October 2, 1990 by the NRC. On October 2, 1990, the Commission meeting to discuss Shoreham (and presumably POLs) was cancelled by your office without explanation.

To the best of our knowledge there are no issues or concerns regarding the Fort St. Vrain POL application that have not been addressed and resolved to everyone's satisfaction. Linking of the Fort St. Vrain POL application to any situation or concerns regarding the Shoreham plant is inappropriate, and does nothing to enhance safety or resolve environmental concerns.

As explained in the attached NRC letter from Mr. Partlow to Mr. Tipton of NUMARC dated September 10, 1990, the NRC views decommissioning as a three phase process. Fort St. Vrain has been in the first phase for over a year now, and we need NRC approval of the PDL application to move into phase two. Since Fort St. Vrain is not in the rate base, any further delays will result in escalating costs to PSC shareholders for decommissioning the Fort St. Vrain plant at a rate exceeding \$2.5 million per month. For a regulatory agency to unnecessarily impose such a burden on our shareholders, without any associated enhancements to safety or the environment, is arbitrary, uncalled for and unfair.

I request that you respond to this concern at the earliest possible date, and that you and the other Commissioners give this matter your immediate and personal attention. Please do not hesitate to contact me at (303) 571-7211 if there is anything we can do to bring this matter to an immediate conclusion.

Respectfully yours,



D. D. Hock
Chairman, President and
Chief Executive Officer

DDH/MHH:tmk

Attachments

cc: Commissioner Kenneth C. Rogers, USNRC
Commissioner James R. Curtiss, USNRC
Commissioner Forrest J. Remick, USNRC
James M. Taylor, EDO, USNRC
James G. Partlow, NRR, USNRC
Seymour H. Weiss, NRR, USNRC
Peter B. Erickson, NRR, USNRC
Document Control Desk, USNRC
Thomas E. Tipton, Director, NUMARC



Department of Energy

Idaho Operations Office
785 DOE Place
Idaho Falls, Idaho 83402

April 16, 1990

Mr. H. L. Brey
Technology Transfer Manager
Public Service Company of Colorado
Suite 100D
2420 West 26th Avenue
Denver, CO 80211

Dear Mr. Brey:

The Department of Energy (DOE) has identified the components at Fort St. Vrain (FSV) Nuclear Generating Station that may provide beneficial knowledge for the design, construction, operation and decommissioning of the New Production Reactor (NPR) Modular High Temperature Gas-Cooled Reactor (MHTGR). The DOE-sponsored FSV Technology Transfer program Technical Working Group (TWG), has identified the following components which are proposed for removal from FSV and follow up post irradiation examination (PIE).

1. Primary System Plateout Probe
2. Steam Generator Main Steam Ring Header
3. Steam Generator Bimetallic Weld Samples
4. Control Rod Absorber String
5. Control Rod Drive Mechanism
6. Fuel Test Elements
7. High Temperature Helium Purification System Components

This is neither an all inclusive list of FSV components that may be of interest to NPR, nor does it represent a commitment that all of these components will be examined. Some items may be deleted from this list and additional items may be added as the design of the NPR-MHTGR progresses.

Sincerely,

A handwritten signature in black ink, appearing to read "P. J. Dirkmaat".

P. J. Dirkmaat, Acting
INEL NPR Project Manager

cc: J. K. Eggebroten, FSV
J. D. Nulton, NP-43
H. Zeile, EG&G
S. Franks, NP-43