



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

JUN 1. 1988

Mr. William J. Catacosinos
Chairman and Chief Executive Officer
Long Island Lighting Company
175 East Old Country Road
Hicksville, NY 11801

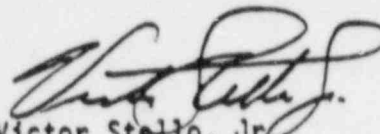
Dear Mr. Catacosinos:

It is our understanding from the media reports that Long Island Lighting Company and the State of New York have reached an agreement, at least in principle, which, if finalized would effect the transfer of the Shoreham plant to a state agency for shutdown and perhaps decommissioning.

As the penultimate paragraph in the enclosed FEMA letter of May 31, 1988 to me indicates, it is important that LILCO inform the NRC promptly of any change to its plans to proceed with its pending application for a license to operate the Shoreham plant. It is important that you provide this information to the NRC at the earliest possible time.

You understand, of course, that any transfer of the Shoreham plant is subject to the prior review and approval of the NRC in accordance with the provisions of 10 CFR Part 50.

Sincerely,


Victor Stello, Jr.
Executive Director
for Operations

Enclosure:
FEMA 5/31/88 Letter

8806080091 XA

ip



Federal Emergency Management Agency

Washington, D.C. 20472

MAY 31 1988

Mr. Victor Stello, Jr.
Executive Director for Operations
Nuclear Regulatory Commission
Washington, D.C. 20555

Dear Mr. Stello:

On January 27, 1988, the Nuclear Regulatory Commission (NRC) requested the Federal Emergency Management Agency (FEMA) to review Revision 9 of Long Island Lighting Company's (LILCO) offsite emergency plan for the Shoreham Nuclear Power Station, under the provisions of the April 1985 NRC/FEMA Memorandum of Understanding and certain criteria and assumptions, as indicated below. FEMA was also requested to provide a finding, i.e., indicate whether in the framework of those criteria and assumptions, FEMA has reasonable assurance that the plans can protect the health and safety of the public living in the vicinity of the plant.

We were requested to review the plan under the criteria of the interim-use document entitled Criteria for Preparation and Evaluation of Radiological Emergency Response Plans and Preparedness in Support of Nuclear Power Plants (Criteria for Utility Offsite Planning and Preparedness). That document has been published as Supplement 1 to NUREG-0654/FEMA-REP-1, Rev.1. As requested by NRC, FEMA also used 3 assumptions in reviewing and evaluating the LILCO plan. Those assumptions are that in an actual radiological emergency, State and local officials that have declined to participate in emergency planning will:

- 1) Exercise their best efforts to protect the health and safety of the public,
- 2) Cooperate with the utility and follow the utility plan, and
- 3) Have the resources sufficient to implement those portions of the utility offsite plan where State and local response is necessary.

It is further understood that in any subsequent hearings or litigation related to the plan review or exercise, NRC will defend the above assumptions.

Enclosed is a report on the results of a full review of Revision 9 of the LILCO plan, conducted by FEMA Region II and the Regional Assistance Committee (RAC), using the criteria and assumptions specified by NRC. Based on

~~2806080096~~ 24 6pp

SEARCHED
INDEXED
SERIALIZED
FILED
MAY 2 1988
FBI - WASHINGTON

that evaluation, Revision 9 contains 17 inadequacies. More detail on the review process and the inadequacies is contained in the enclosed report from FEMA Region II to FEMA Headquarters. Based on these inadequacies, and the recommendation of FEMA Region II, FEMA does not have reasonable assurance under Revision 9 that the public health and safety can be protected in the vicinity of the Shoreham Nuclear Power Station.

However, planning for the exercise may go forward for the reasons noted below. First, the utility has already provided FEMA Region II and the RAC with proposed plan changes to address these inadequacies. We understand that these changes were incorporated into Revision 10 of the plan. Eleven of the inadequacies in Revision 9 required relatively minor changes and the utility's proposed changes were responsive to the RAC/FEMA concerns. For the six inadequate elements requiring more substantive revision, five of these [(i.e., provisions for communication with New York State (F.1.b), the public information program for residents, transients, and the agricultural community (G.1.a-e, G.2, and J.11), and written agreements for "first-call" commitments with companies supplying supplementary buses for a "one-wave" evacuation of school (J.10.g)], will not affect the conduct of the exercise. With regard to the remaining inadequacy that must be evaluated at the exercise [(i.e., planning for the monitoring and decontamination of school children evacuated after a release (J.12)], FEMA Region II provided technical assistance to the utility to expedite the resolution of this issue for its inclusion in Revision 10.

On May 23, 1988, NRC requested FEMA to conduct a full RAC review of Revision 10 of the plan and provide a finding by July 29, 1988. NRC has also requested that the Revision 10 changes be incorporated into the exercise play of the upcoming Shoreham exercise, now scheduled for the week of June 6, 1988. Since FEMA would not be able to complete a full RAC review in that short time frame, FEMA Region II has agreed to review the changes, coordinate with the RAC where necessary, and incorporate them into the evaluation of the exercise. A cursory review has been performed by FEMA Region II of the sections of Revision 10 relating to the inadequacy concerning the monitoring and decontamination of school children mentioned above in connection with element J.12. Based on that review, we have concluded that the inadequacy has been addressed in a manner sufficient to permit an adequate demonstration of the monitoring and decontamination function in the exercise.

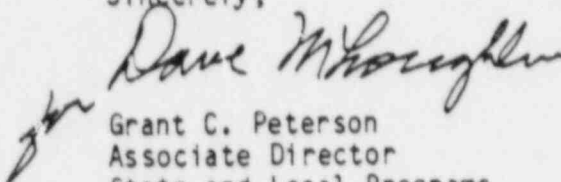
We note also that on April 27, 1988, the Director of the Connecticut Office of Civil Preparedness notified LILCO that his office "would participate in an interstate exercise only in full coordination with the participating states and local governments. We have received no such coordination." He further indicated that his office will not "conduct any exercise evaluation activities or any simulation activities during the proposed exercise conducted by LILCO." This was fully discussed by members of our staffs on May 3, 1988. As discussed at the meeting, although the State of Connecticut has not withdrawn from participation in offsite emergency planning for the Shoreham plant, it will be considered by NRC as a non-participating government for purposes of the exercise. As a consequence, as stated in NRC's memorandum of May 26, 1988, NRC staff finds appropriate that the role of the State will be simulated through the use of a control cell, since the participation of the State is not reasonably achievable.

We have also received the May 26, 1988 confirmation from NRC staff that the May 25, 1988 advisory opinion from the Atomic Safety Licensing and Appeal Board does not change NRC staff's view that the current objectives for the exercise would constitute a qualifying exercise under NRC regulations. It is also our understanding that this confirmation is the concurrence of the NRC Office of General Counsel.

The above pre-exercise arrangements notwithstanding, we think it only prudent to raise the question of whether the planned FEMA-evaluated exercise should proceed at this time. It is our understanding that only recently, LILCO and the State of New York reached agreement in principle which will allow for the closing of the Shoreham plant. While it is possible that final agreement may not be reached, there is also the probability that Shoreham will not continue to operate. In light of the additional expenditure of funds about to be spent related to the Shoreham exercise, it would be more judicious, in FEMA's view, to postpone a FEMA-evaluated exercise at least until further results from the negotiations between LILCO and New York are made public. Of course, postponement of the exercise would not prohibit continued planning and plan review litigation. Since there are only 4 working days left before the scheduled start of the exercise activities, please let us know in writing by COB June 1, 1988, of your position on this matter. If you agree with FEMA's position, we would also ask you to advise LILCO. If you disagree, please include your full rationale.

If you have any questions, please feel free to contact me or Dave McLoughlin at 646-3692.

Sincerely,



Grant C. Peterson
Associate Director
State and Local Programs
and Support

Enclosure
As Stated



Federal Emergency Management Agency

Region II

26 Federal Plaza

New York, New York 10278

May 6, 1988

MEMORANDUM FOR: Grant Peterson
Associate Director.
State and Local Programs and Support

FROM: Jack Sable
Regional Director

SUBJECT: RAC Review Comments for the LILCO Local
Offsite Radiological Emergency Response Plan
for Shoreham, Revision 9

Per your request of February 16, 1988 attached is the review of the referenced plan which has been conducted by the Region II Regional Assistance Committee (RAC). As referenced on each page of the document, this review has been conducted in accordance with the interim-use and comment document jointly developed by FEMA and NRC entitled: Criteria for Preparation and Evaluation of Radiological Emergency Response Plans and Preparedness in Support of Nuclear Power Plants (Criteria for Utility Offsite Planning and Preparedness); NUREG-0654/FEMA-REP-1, Rev. 1, Supp. 1. In reviewing this plan, FEMA and the RAC have assumed that in an actual radiological emergency, State and local officials that have declined to participate in emergency planning for the Shoreham plant will:

- (1) Exercise their best efforts to protect the health and safety of the public;
- (2) Cooperate with the utility and follow the utility offsite plan; and
- (3) Have the resources sufficient to implement those portions of the utility offsite plan where State and local response is necessary.

Although Revision 9 constitutes a major revision, affecting more than 1000 pages of LILCO's plan, the Local Emergency Response Organization's (LEO's) concept of operations remains essentially unchanged from previous versions of the plan that have been reviewed. Therefore, this review builds upon RAC comments developed for previous revisions (Revs. 1, 3, 5, 6, 7, and 8) of the plan and this updated review reflects current operations, resources and status of the utility's offsite emergency planning effort. The following steps were taken in completing this review:

- (1) RAC comments for Revisions 5, 6, and 7 heretofore detailed in separate documents, and comments on Revision 8, were consolidated into one document dated 2/11/88 and was distributed to the RAC members.
- (2) A preliminary review dated 3/17/88 of Revision 9 was conducted by FEMA Region II and contractors to the REP program. This preliminary review was distributed to the RAC, FEMA Headquarters and LILCO on March 18, 1988.
- (3) Region II met with LILCO representatives on April 8, 1988 and received the utility's proposed actions to resolve items rated Inadequate (I) in the 3/17/88 preliminary review comments.
- (4) Detailed review comments on Revision 9 of the plan were received from RAC member agencies and were consolidated into an updated review document dated 4/21/88.
- (5) A RAC meeting, chaired by FEMA Region II was held in our offices to finalize the attached comments on Revision 9 of the plan. A record of this meeting was transcribed.

In the course of developing the attached updated review, the following nomenclature has been adapted from previous reviews:

A (Adequate) The element is adequately addressed in the plan. Recommendations for improvement shown in *italics* are not mandatory, but their consideration would further improve the utility's offsite emergency response plan.

I (Inadequate) The element is inadequately addressed in the plan for the reason(s) stated in bold type. The plan and/or procedures must be revised before the element can be considered adequate. For ease of understanding, the reason(s) an element has been rated inadequate is, where possible, stated first.

As a means of summarizing this rather lengthy review and for ease in understanding abbreviations used, an Element Rating Summary and List of Acronyms are provided at the end of the document.

Seventeen (17) elements are currently rated inadequate (I) and, in accordance with your request, Region II recommends a negative finding that the plan does not presently provide reasonable

G. Peterson
May 6, 1988
Page 3 of 3

assurance that adequate protective measures can be taken in the event of a radiological emergency at Shoreham.

Planning for the exercise can go forward for two reasons. First, the utility has provided Region II and the RAC with proposed plan changes to address these inadequacies that would be incorporated, prior to the exercise, into Revision 10 of the plan. Eleven (11) of these inadequacies require relatively minor changes, and the utility's proposed changes are responsive to the RAC/FEMA concerns. Second, for the six (6) inadequate elements requiring more substantive revision, five (5) of these (i.e., provisions for communications with New York State, element F.1.b; the public information program for residents, transients and the agricultural community, elements G.1 a-e, G.2 and J.11; and written agreements for "first-call" commitments with companies supplying supplementary buses for a "one-wave" evacuation of schools, element J.10.g) will not be exercised. With regard to the remaining inadequacy that must be evaluated at the exercise (i.e., planning for the monitoring and decontamination of school children evacuated after a release, element J.12), FEMA is providing technical assistance to the utility to expedite the resolution of this issue for its inclusion in Revision 10.

With respect to LILCO's submission of Revision 10, FEMA will review the plan changes, coordinate with the RAC, and incorporate them in the evaluation of the exercise. Should any additional changes be forthcoming, every effort will be made to incorporate them in the exercise as well.

Based on all of the above, I recommend that the exercise proceed as planned. If you have any questions, please contact Mr. Ihor W. Husar, Chairman, Regional Assistance Committee, at FTS 649-8203.

Attachment

MAY 6 1988

TELEFAX

MEMORANDUM FOR: Distribution List

FROM: Vernon Adler, Work Group ^{Chairman}

SUBJECT: Federal Radiological Emergency Response Plan (FRERP)
Revision Work Group Meeting - May 12, 1988

The people named on the distribution list either attended or were invited to attend meetings of the Work Group drafting changes to the Federal (FRERP) Plan. At the last meeting (April 18), the Work Group agreed to meet again on May 12, 1988, to discuss the results of their respective agency's full review of the December 21, 1987. That meeting will be convened at 9:00 am in the FEMA EICC, Task Force Area "A".

The objective of the discussion on changes to the FRERP is to arrive at definitive Government guidance for drafting the next iteration. I encourage you to prepare your comments in writing, to the extent practicable, to facilitate mutual understanding of each agency's concerns.

I look forward to a productive meeting with the Work Group next Thursday.

Distribution

- Earl Ashworth DNA
- Bill Belford WGBANCS
- George Bickerton USDA
- Bruce Blanchard DOI
- Sam Boazman HUD
- Gerald Boyd FEMA
- Larry Burt CDC
- Harry Calley EPA
- Wendell Carriker DOT
- Frank Congel NRC
- Robert Conley USDA
- Grant Dillon VA
- Dick Gardner DOC(NOAA)
- Kathy Gant DOE-ORNL
- Kent Gray CDC
- Leven Gray NASA
- Dave Johnson NCS
- Ed Jordan NRC
- Walter Kordek BDM
- Ray Kulbitskas NSSC
- Lt. Col. Larson DOD
- Alex Martin HHS
- Allen Nash FBI
- Pat Payne DOS
- Tom Reutershan HHS
- Al Seddon FBI
- Pete Sill DOT
- John Steiner DNA
- Lillian Stone DOI
- Gordon Tassi GSA
- Don Thompson HHS
- Ed Tisdale HHS
- Bernie Weiss NRC

8806080119 44757 300

~~8806080119 XMP~~

May 26, 1988

MEMORANDUM FOR: Richard W. Krimm
Assistant Associate Director
Office of Natural and Technological
Hazards Programs
Federal Emergency Management Agency

FROM: Frank J. Congel, Director
Division of Radiation Protection
and Emergency Preparedness
Office of Nuclear Reactor Regulation

SUBJECT: OBJECTIVES FOR THE SHOREHAM EXERCISE

This documents a telephone conversation with your staff on May 25, 1988:

1. We have reviewed the May 25, 1988 memorandum from the Appeal Board regarding the scope of the February 1986 emergency preparedness exercise at Shoreham.
2. The view expressed in my May 20, 1988 memorandum to you regarding the completeness of the present objectives for the June 1988 Shoreham exercise has not changed; i.e., we believe that these objectives constitute a "qualifying" exercise under 10 CFR Part 50, Appendix E, Section IV.F.1.
3. The view expressed by NRC in the May 3, 1988 meeting in your office regarding the handling of the State of Connecticut's non-participation has not changed; i.e., their participation is not reasonably achievable and the use of a control cell is appropriate.

I believe that the Licensing Board's memorandum supports the NRC and FEMA judgement that the Shoreham exercise test as much of the emergency plans as is reasonably achievable. If you have any questions please call me at 492-1088.

Original signed by Richard J. Barrett

Frank J. Congel, Director
Division of Radiation Protection
and Emergency Preparedness
Office of Nuclear Reactor Regulation

CONTACT:
Edward M. Podolak, Jr., NRR
492-3167

DISTRIBUTION:
See attached

*SEE PREVIOUS CONCURRENCE

PEPB/NRR*
EMPodolak:lr
5/26/88

SC/PEPB/NRR*
CRVan Niel
5/26/88

C/PEPB/NRR*
WDTravers
5/26/88

OGC*
EJReis
5/26/88

D/DRE/ARR*
FJCongel
5/24/88

8806030202 XA 3pp

Mr. John D. Leonard, Jr.
Long Island Lighting Company

Shoreham Nuclear Power Station
(list 1)

cc:

Stephen B. Latham, Esq.
John F. Shea, III, Esq.
Twomey, Latham & Silea
Attorneys at Law
Post Office Box 398
33 West Second Street
Riverhead, New York 11901

Alan S. Rosenthal, Esq., Chairman
Atomic Safety & Licensing Appeal Board
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

W. Taylor Reveley, III, Esq.
Hunton & Williams
Post Office Box 1535
707 East Main Street
Richmond, Virginia 23212

Howard A. Wilber
Atomic Safety & Licensing Appeal Board
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Atomic Safety & Licensing Board Panel
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Atomic Safety & Licensing Appeal Board
Panel
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Gary J. Edles, Esq.
Atomic Safety & Licensing Appeal Board
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Richard M. Kessel
Chairman & Executive Director
New York State Consumer Protection Board
Room 1725
250 Broadway
New York, New York 10007

Jonathan D. Feinberg, Esq.
New York State Department
of Public Service
Three Empire State Plaza
Albany, New York 12223

Gerald C. Crotty, Esq.
Ben Wiles, Esq.
Counsel to the Governor
Executive Chamber
State Capitol
Albany, New York 12224

Herbert H. Brown, Esq.
Lawrence Coe Lanpher, Esq.
Karla J. Letsche, Esq.
Kirkpatrick & Lockhart
South Lobby - 9th Floor
1800 M Street, N.W.
Washington, D.C. 20036-5891

Dr. Monroe Schneider
North Shore Committee
Post Office Box 231
Wading River, New York 11792

Fabian G. Palomino, Esq.
Special Counsel to the Governor
Executive Chamber - State Capitol
Albany, New York 12224

Anthony F. Earley, Jr., Esq.
General Counsel
Long Island Lighting Company
175 East Old County Road
Hicksville, New York 11801

Mr. Lawrence Britt
Shoreham Nuclear Power Station
Post Office Box 618
Wading River, New York 11792

Martin Bradley Ashare, Esq.
Suffolk County Attorney
H. Lee Dennison Building
Veteran's Memorial Highway
Hauppauge, New York 11788

Resident Inspector
Shoreham NPS
U.S. Nuclear Regulatory Commission
Post Office Box B
Rocky Point, New York 11778

Regional Administrator, Region I
U.S. Nuclear Regulatory Commission
475 Allendale Road
King of Prussia, Pennsylvania 19406

cc:

Robert Abrams, Esq.
Attorney General of the State
of New York
ATTN: John Corwin, Esq.
New York State Department of Law
Consumer Protection Bureau
120 Broadway
3rd Floor
New York, New York 10271

Town Attorney
Town of Brookhaven
3232, Route 112
Medford, NY 11763

Mr. William Steiger
Plant Manager
Shoreham Nuclear Power Station
Post Office Box 628
Wading River, New York 11792

MHR Technical Associates
1723 Hamilton Avenue - Suite K
San Jose, California 95125

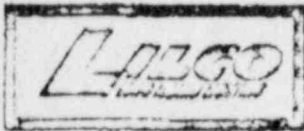
Honorable Peter Cohalan
Suffolk County Executive
County Executive/Legislative Building
Veteran's Memorial Highway
Hauppauge, New York 11788

Ms. Donna Ross
New York State Energy Office
Agency Building ?
Empire State Plaza
Albany, New York 12223

Ms. Nora Bredes
Shoreham Opponents Coalition
195 East Main Street
Smithtown, New York 11787

Chris Nolin
New York State Assembly
Energy Committee
626 Legislative Office Building
Albany, New York 12248

Peter S. Everett, Esq.
Hunton & Williams
2000 Pennsylvania Avenue, NW
Washington, D.C. 20036



LONG ISLAND LIGHTING COMPANY

EXECUTIVE OFFICES: 175 EAST OLD COUNTRY ROAD • HICKSVILLE, NEW YORK 11801

WILLIAM J. CATACOSINOS
CHAIRMAN AND CHIEF EXECUTIVE OFFICER

June 1, 1988

Mr. James M. Taylor
Deputy Executive Director
Nuclear Regulatory Commission
11555 Rockville Pike
Rockville, MD 20555

Dear Mr. Taylor:

Enclosed is a copy of the letter addressed to Mr. Stello that specifically states LILCO's desire and intention to continue the licensing of the Shoreham Nuclear Power Plant.

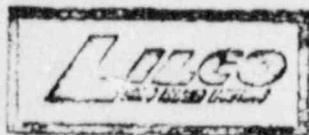
Very truly yours,

W.J. Catcosinos

WJC:kam

Enclosure

~~8806130072~~ 1p



LONG ISLAND LIGHTING COMPANY

EXECUTIVE OFFICES: 175 EAST OLD COUNTRY ROAD • HICKSVILLE, NEW YORK 11801

WILLIAM J. CATACOSINOS
CHAIRMAN AND CHIEF EXECUTIVE OFFICER

June 1, 1988

Mr. Victor Stello
Executive Director
U.S. Nuclear Regulatory
Commission
One Wasco Plant North
11555 Rockville Pike
Room 17H1
Rockville, Maryland 20852

Re: Shoreham Nuclear Power Station

Dear Mr. Stello:

This letter will confirm our oral advice to you last week that LILCO has reached an agreement in principle concerning a settlement of issues between it and various government agencies in New York State relating to the Shoreham Nuclear Power Station. We are in the process of drafting documents to reflect these agreements. Even after they have been completed and signed, the agreement will not become effective until a number of contingencies have occurred, a process that will take approximately three months. LILCO will continue the licensing of the plant until such time as all contingencies have been satisfied, at which time Commission approval of the transfer of control of the plant and its relevant licenses will be sought. During the three-month period contemplated for satisfaction of the contingencies, the company has agreed not to operate the plant at greater than 5 percent of full power should the Commission remove its present restriction on the license to low power and testing operations.

As soon as documents reflecting the agreement to enter into a settlement have been completed we will provide them to you and your staff. In the meantime, it is the intention and desire of the company to continue the Shoreham licensing process, including the full participation exercise scheduled for next week of the utility emergency plan for the Shoreham EPZ.

Sincerely,

W. J. Catacosinos

WJC/cz

8806130867 1P