

November 12, 2004

Janet and Walter Schwarz
850 Meadowbrook Road
Brattleboro, VT 05303

Dear Mr. and Mrs. Schwarz:

I am responding on behalf of the U.S. Nuclear Regulatory Commission (NRC or the Commission) to your letter to the NRC Chairman, dated October 3, 2004, regarding the request by Entergy Nuclear Vermont Yankee, LLC, and Entergy Nuclear Operations, Inc. (Entergy or the licensee) to amend the Vermont Yankee Nuclear Power Station (Vermont Yankee) operating license to increase the power level of the facility by 20%. In that letter, you requested that members of the public be given ample opportunity to review the report of the engineering inspection before the exit meeting, that a formal hearing be held to allow the public to ask questions, and that interested parties be allowed to file new briefs on issues that may arise from the inspection report.

We greatly appreciate your interest in the results of the engineering inspection and understand your desire to provide meaningful comment at the exit meeting. The NRC strives to conduct our work in an environment where we balance the openness of our regulatory processes, through the flow of information to interested stakeholders, with the orderly conduct of government business. Due to feedback from our external stakeholders regarding their interest in obtaining the results of the inspection, the NRC staff has publicly released a summary of the preliminary findings of the engineering inspection. The summary is available on the NRC's Vermont Yankee webpage at <http://www.nrc.gov/reactors/plant-specific-items/vermont-yankee-issues/engineering-inspection.html>.

The NRC staff is working with State and local officials to reschedule the public meeting originally set for November 9 in Vernon, Vermont. Local officials advised the NRC that a larger-than-anticipated audience made them unable to support the meeting between the NRC and Entergy to discuss the preliminary findings. Because another location could not be located in time to adequately notify the public, the public meeting was postponed. Information on the date and location for the rescheduled meeting will be posted on the NRC's Vermont Yankee webpage. The public will have the opportunity to ask questions or make statements to the NRC staff regarding the inspections during the meeting.

The State of Vermont (through its Department of Public Service) and a public interest group, the New England Coalition, have requested a hearing and have sought leave to intervene in connection with the power uprate application. Those requests are currently pending before an Atomic Safety and Licensing Board (Board). Members of the public may submit written "limited appearance" statements for consideration by the Board. A written statement may be submitted at any time and should be sent either by (1) mail to the Office of the Secretary, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, Attention: Rulemakings and Adjudications Staff, with a copy to the Chairman of the Licensing Board at Mail Stop T-3F23, Atomic Safety and Licensing Board Panel, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001; (2) e-mail to the Office of the Secretary at hearingdocket@nrc.gov, with a

copy to the Board Chairman (ask2@nrc.gov); or (3) fax to the Office of the Secretary at (301) 415-1966, with a copy via fax to the Board Chairman at (301) 415-5599.

With respect to your request that interested parties be allowed to file new briefs on issues that may arise from the inspection, I would note that, in accordance with the agency's Rules of Practice which govern the hearing process, persons may seek leave to present new or amended contentions subject to meeting certain standards. Information on our hearing process can also be found on our web site at <http://www.nrc.gov/what-we-do/regulatory/adjudicatory/hearing.html>.

You indicated specific concerns with regard to the safety of Vermont Yankee; in particular, that cracks have been found in the steam dryer, that poor record keeping led to misplaced spent fuel rod segments, and that a fire occurred in the transformer. The NRC has closely monitored Entergy's actions and investigations in each of these cases. The NRC considers Vermont Yankee to be operating safely. We continue to actively monitor Vermont Yankee and are prepared to take measures to ensure the continued safety of the facility. With regard to the impact of these events on the proposed power uprate, the NRC staff is still reviewing the licensee's power uprate request. As such, we have not reached any conclusions concerning the acceptability of the proposed uprate. We believe that the extensive technical review performed by the NRC staff along with the ongoing NRC inspection program, provide assurance that any issues that could affect safe operation of the plant, related to the proposed power uprate, will be identified. The NRC will not approve the Vermont Yankee uprate, or any proposed change to a plant license, unless the NRC staff can conclude that the proposed change will be executed in a manner that assures the public's health and safety.

Thank you for your interest in NRC activities. For current information on the NRC's review of the proposed power uprate, please see the Vermont Yankee webpage on the NRC's website.

Sincerely,

/RA/

Cornelius F. Holden, Jr., Director
Project Directorate I
Division of Licensing and Project Management
Office of Nuclear Reactor Regulation

Adjudications Staff, with a copy to the Chairman of the Licensing Board at Mail Stop T-3F23, Atomic Safety and Licensing Board Panel, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001; (2) e-mail to the Office of the Secretary at hearingdocket@nrc.gov, with a copy to the Board Chairman (ask2@nrc.gov); or (3) fax to the Office of the Secretary at (301) 415-1966, with a copy via fax to the Board Chairman at (301) 415-5599.

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Sincerely,

/RA/

Cornelius F. Holden, Jr., Director
Project Directorate I
Division of Licensing and Project Management
Office of Nuclear Reactor Regulation

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