

VIRGINIA ELECTRIC AND POWER COMPANY  
RICHMOND, VIRGINIA 23261

STANLEY RAGONE  
PRESIDENT

May 22, 1979

Mr. Joseph M. Hendrie, Chairman  
United States Nuclear Regulatory Commission  
Washington, DC 20555

Dear Chairman Hendrie:

According to the news media, the Nuclear Regulatory Commission has placed a moratorium for three months on the issuance of new operating licenses. As you know, Virginia Electric and Power Company's North Anna Unit 2 will be affected by this action.

Vepco and its ratepayers, as well as the nation's efforts to conserve oil, have now been adversely affected twice in recent months by the Commission's actions. Your moratorium will mean that Surry Unit 1 and North Anna Unit 2 will both be denied the opportunity to operate during the summer months ahead.

We believe that Surry Unit 1 was shut down unnecessarily. We contended at the time, and we believe our reanalysis shows that we should have been permitted to continue to operate while the reanalysis went forward. We note that other nuclear units designed with piping stress codes that also used algebraic summation have been permitted to operate while reanalysis is underway. Nevertheless, this Company has been patient. We have made every effort to provide all the information the Staff has required. We are reanalyzing the Surry pipe stresses under earthquake conditions in accordance with approved code processes and using a soil-structure interaction approach. What have our results shown? After two months of intense effort, we have not found a single pipe stress or hanger loading that exceeds acceptable levels. We are convinced that the health and safety of the public will not be jeopardized by returning Surry Unit 1 to service immediately.

Insofar as North Anna Unit 2 is concerned, we simply cannot understand the decision to deny licensing for another three months. It is a decision that adversely affects the financial well-being of this Company and places a tremendous burden on our ratepayers. Yet, North Anna Unit 2 is one of the most advanced nuclear units in the world. Along with North Anna Unit 1, it has probably been reviewed and scrutinized more carefully than any other unit in the country. We have incorporated, or are in the midst of making, every change required by the NRC Inspection Bulletins for these units that was issued in connection with the Three Mile Island incident. Every licensed operator at our Surry station has been trained on our control room simulator to cope with the Three Mile Island accident as prescribed by the NRC Operator's Training Division. Twenty of our North Anna operators have received the same training, and all of them will have received it by June 6, 1979. To be sure, there are outstanding items that must be completed before North Anna Unit 2 will have met all of its FSAR and NRC requirements, but these will have been completed by June 26, 1979, at which time we believe the Unit will be ready for operation.

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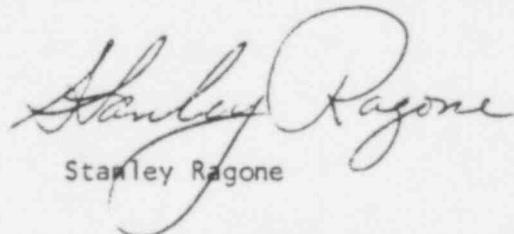
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Your decision to postpone licensing will give us no choice but to seek permission to load fuel. This, of course, will require a separate review by the Staff and it appears to us, further complicates the licensing process. I trust you will agree, however, that the Commission should be expected to do everything it can in connection with a fuel load application to ensure that the ultimate in-service date is not delayed for one moment more than absolutely necessary. You will recognize, of course, that each day the issuance of the operating license is delayed will result in enormous replacement power costs for us and our customers. But the implications of the moratorium, coupled with the insistence that all of the Surry reanalysis be completed before operation of those units is authorized, go well beyond additional costs of replacement power. I testified before a subcommittee of the Congress on April 19 about the power availability picture for the coming summer in our service area. I estimated then, and it remains a sound estimate, that with Surry 2 out for steam generator and other repairs and if two of the remaining three nuclear units are unavailable to this Company during June, July and August, we will have reserves of from 1.9% to (-7.3%). In short, if these nuclear units cannot operate during that period, and if we are unsuccessful in supplying our needs from our neighbors, we must resort to our emergency load shedding plan, and the decrease or termination of supply to many of our customers will become inevitable.

Based on the above, we urgently request that the Commission reconsider its position to enable the staff to issue an operating license for North Anna 2 as soon as construction is completed and to permit Surry 1 to be returned to service while the remaining pipe stress calculations are completed.

I would appreciate a prompt response.

Very truly yours,

  
Stanley Ragone

cc: Mr. Harold R. Denton  
Governor John Dalton  
Attorney General J. Marshall Coleman  
Virginia State Corporation Commission  
North Carolina Public Utilities Commission  
North Carolina Public Utilities Staff

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