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PLEASE REPLY TO SEATTLE OFFICE

October 10, 1979

POOR ORIGINAL

Valentine B. Deale, Chairman
Atomic Safety and Licensing Board
1001 Connecticut Avenue, N.W.
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Gustave A. Linenberger
Atomic Safety and Licensing Board
U.S. Nuclear Regulatory Commission
Washington, D. C. 20555

Dr. Frank F. Hooper
Atomic Safety and Licensing Board
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In the Matter of Puget Sound Power & Light Company,
(Skagit Nuclear Power Project, Units 1 and 2
Docket Nos. 50-522 and 50-523

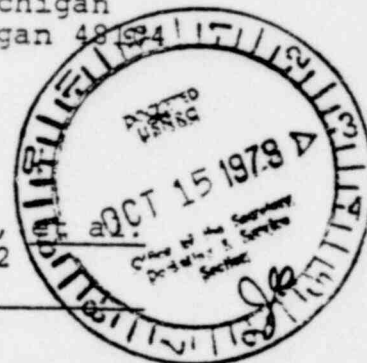
Gentlemen:

We have Mr. Leed's letters of October 5 and October 8 to Chairman Deale regarding SCANP's long pending motion to reopen the record on need for power. These letters could be misleading.

Judge Bergen's Proposed Order

We agree with Mr. Leed's October 5 statement that Judge Bergen's proposed findings and order are not admissable in this proceeding, unless the Board decides to reopen the need for power issue, which we urge it not to do. Mr. Leed's further statement that "presumably, the applicant now supports our motion" is preposterous! We have consistently argued that SCANP's need for power motion should be denied.

Further, and contrary to Mr. Leed's October 8 statement, we have never even suggested that there is "important new evidence which requires the Board to reopen the need for power issue". Quite the opposite, we know of no such evidence, and this includes Judge Bergen's proposed order. In fact, that order plainly cuts the other way. It supports our argument that no good cause has been shown for reopening the need for power issue in this proceeding.



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Gustave A. Lizenberger
Frank F. Hooper
October 10, 1979
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We transmitted Judge Bergen's proposed order to the Board solely for its information for what it might be worth in ruling on SCANP's motion. This was done merely as a convenience to the Board, following up on the suggestion originally made by Mr. Black that it would make sense to await issuance of the proposed order in the Oregon State Pebble Springs proceeding. [The history of this aspect of this matter was summarized, with citations, in Applicants' January 9, 1979 List of Principal Issues at pp. 26-27; copy attached for convenience.] We had expected Mr. Sandvik, attorney for the State of Oregon, to distribute Judge Bergen's proposed order, but when he did not do so, we did.

Colstrip Units 3 and 4

The recent EPA approval and commencement of construction of these two units is immaterial here. Applicants' respective shares of the anticipated output of these two units have long been included as resources in the tabulations presented by Applicants' in this proceeding. For example, see Tables A and B attached to Knight's testimony of February 15, 1977, follows Tr. NFP 3527; the same is true of Applicants' most recent forecast, Tables A, B, C and D submitted by our letter of January 25, 1979. Thus, the fact that these two units are finally under construction does not change Applicants' estimated resources already of record in this proceeding.

In sum, the evidence already of record assumes that these two units will come on line prior to the Skagit units, and it now appears that this assumption may prove valid. Thus, this is not new information. Rather, it is old information, once speculative, now less so.

We again urge the Board to deny SCANP's pending motion. SCANP has made no showing that would justify reopening the need for power issue in this proceeding. To the contrary, all updated information, including Judge Bergen's proposed order, continues to indicate that the need for the Skagit units has increased, not decreased, since the record on need for power was closed.

Very truly yours,

PERKINS, COIE, STONE,
OLSEN & WILLIAMS

By 

F. Theodore Thomsen

Attorneys for Applicants

FTT:kd
cc: Skagit Service List

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UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

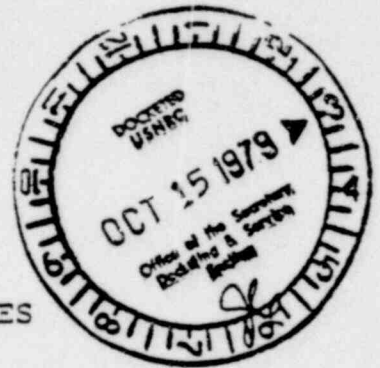
BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

In the Matter of
PUGET SOUND POWER & LIGHT
COMPANY, et al.

(Skagit Nuclear Power Project,
Units 1 and 2)

)
) Docket Nos. 50-522
) 50-523
)

) January 9, 1979
)
)



APPLICANTS' LIST OF PRINCIPAL ISSUES

POOR ORIGINAL

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DUPLICATE

Accession

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d. Intervenor SCANP's proposed findings on need for power dated May 13, 1977. See also Applicant's June 13, 1977 reply to these findings.

4. Pending SCANP Motion to Reopen Record

On May 25, 1978, SCANP filed a "Motion to Reopen the Record on Need for Power". This motion was answered by the Staff on June 7, 1978, by Applicants on June 9, 1978, and by the State of Oregon on June 12, 1978. The Staff and Applicants urged that the motion be denied. Oregon neither supported nor opposed the motion.

Subsequently, at the evidentiary hearing on June 20, 1978, SCANP served a supplement to its motion, and the motion itself was discussed at some length by the Board and counsel. Tr. 10,333-10,378, 10,409-10,438. In support of its motion, SCANP argued that certain testimony which had been prefiled by the Oregon Department of Energy in the still pending⁴ Oregon state certification proceeding on the Pebble Springs project warranted reopening the record in the instant Skagit proceeding. Tr. 10,337-10,356. The State of Oregon, however, remained neutral on this motion. Tr. 10,359-10,362.

The Staff suggested that the Board adopt a "wait and see" attitude, i.e., that it defer ruling on the motion pending further developments in the Pebble Springs state proceeding. Tr. 10,378. Applicants suggested that the motion be denied without prejudice to its renewal should any information of significance to this proceeding be developed in the Pebble Springs state proceeding. Tr. 10,431-10,433.

The Board took the matter under advisement and subsequently fixed a schedule for the filing of responses to SCANP's supplement to its motion. Tr. 10,433, 11,478. The State of Oregon responded on July 11, 1978, remaining neutral but pointing out that SCANP had "unjustifiably touted" the Oregon Department of Energy's testimony. Oregon Response p. 2. Applicants responded on July 11, 1978, again urging that the motion be denied.

The Board has not yet ruled on SCANP's motion. It remains Applicants' position that it should be denied

⁴The Oregon Siting Council's decision in this proceeding is currently expected by about June 1979.

for the reasons set forth in our answer of June 9 and our supplemental answer of July 11, 1978, i.e., the motion was untimely filed, and none of the additional evidence proposed by SCANP would add anything of significance to the record in this proceeding.

In connection with the need for power issue, it should also be noted that the State of Washington has found that the Skagit Project will be needed. State of Washington site certification proceeding findings of fact 69-90, pp. 50-62, Exh. 84; see also letter dated December 12, 1978 from State of Washington Energy Facility Site Evaluation Council to Chairman Deale. See Rochester Gas & Electric Corp. (Sterling Power Project Nuclear Unit No. 1), ALAB-502, 8 NRC (October 19, 1978), slip op. 4-8.

5. Status

The need for power issue is ripe for decision by the Board with no need for further evidentiary hearing.⁵

H. Cost-Benefit Analysis

1. Contentions

a. SCANP Contention G:

The Applicant and the Staff have not prepared an adequate cost-benefit analysis for the Project.

b. SCANP Contention J 15:

The cost benefit analysis is grossly inadequate and involves assumptions designed to bias the conclusion in favor of the plant. The assumed capacity factor of 75% is far too high, in view of present experience with operating reactors. Many

⁵Notwithstanding this, pursuant to the McGuire rule (Duke Power Co., William B. McGuire Nuclear Station, Units 1 and 2, ALAB-143, 6 AEC 623, 625-26, (1973)), Applicants will furnish, as they have in prior years, their updated forecasts of loads and resources--the forecasts that will be used in preparing the 1979 West Group Forecast--to the Board and the parties as soon as the necessary revised tables can be prepared in a form comparable to those used for the 1978 forecasts transmitted to the Board and parties by our letter of December 30, 1977.