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February 11, 1985

Mr. Harold Denton
Director
Division of Nuclear Reactor Regulation
U.S. Nuclear Regulatory Commission
Washington, DC 20555

Re: In the Matter of the Philadelphia Electric Co.
(Limerick), Docket Nos. 50-352, 50-353
Request Under 10CFR §2.206, 50 Fed. Reg. 1650

Dear Mr. Denton:

Since receiving your notice of publication in the Federal Register as of January 15, 1985, I have received additional information documenting that PECO's plans to obtain supplemental cooling water sources have advanced beyond the speculative stage, and are in fact, quite concrete.

Specifically, before Pennsylvania Public Utility Commission, in docket no. 1840381, on January 16, 1985, John Kemper, Vice President of Philadelphia Electric Co., and a frequent authoritative provider of information from PECO to the NRC, testified as a witness on behalf of the Company, and stated that of the supply sources, "the major one is Blue Marsh".

At page 1874, Mr. Kemper testified that Philadelphia Electric "is going to go to the Delaware River Basin Commission later this year and seek approval for an interim supply of supplemental cooling water other than what would be provided by Point Pleasant."

A copy of the relevant portion of the transcript referred to is attached.

For your further information, in Bucks County Common Pleas Court, PECO witnesses testified that the Company planned to approach the DRBC for supplemental cooling water for 1985.

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PDR ADOCK 05000352
T PDR

YEOB
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February 11, 1985

By not presently instituting whatever review is required, your Commission is running the risk that up to \$1 million per day may be lost due to the lack of supplemental cooling water in the summer of 1985. The fact that PECO does not wish to have this matter litigated, because of its overriding desire to keep the pressure on for Point Pleasant, should not deter this Commission from avoiding regulatory delay, consistent with the requirements of 10 CFR part 50, appendix A.

Sincerely,



Robert J. Sugarman
Counsel for Del-AWARE
Unlimited, Inc.

r11.rjsII/sp
Enclosure

BEFORE

RECEIVED

THE PENNSYLVANIA PUBLIC UTILITY COMMISSION JAN 22 1985

S. D. & H.

In re: I-840381 - Limerick Unit No. 2 Nuclear
Generating Station Investigation. Further
Hearing.

Philadelphia, Pennsylvania
January 16, 1985

Pages 1720 to 1954, inclusive

HOLBERT ASSOCIATES
EUGENE W. HOLBERT
Suite 401, Kunkel Building
301 Market Street
Harrisburg, Pennsylvania 17101

1 BEFORE
2 THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

3 - - -

1/1 In re: I-840381 - Limerick Unit No. 2 Nuclear
4 Generating Station Investigation. Further
5 hearing.

6 - - -

7 Verbatim report of hearing held in the
8 Penthouse Conference Room, State Office
9 Building, Philadelphia, Pennsylvania

10 Wednesday,
11 January 16, 1985
12 at 10:00 a.m.

13 BEFORE

14 ALLISON K. TURNER, ADMINISTRATIVE LAW JUDGE

15 - - -

16 APPEARANCES:

17 VERONICA A. SMITH, ESQ., and
18 DANIEL P. DELANEY, ESQ.
19 Post Office Box 3265
20 North Office Building
21 Harrisburg, Pennsylvania 17120
22 Appearing on behalf of PUC Prosecutory Staff

23 MORGAN, LEWIS & BOCKIUS
24 ROBERT YOUNG, ESQ.,
25 JAY H. CALVERT, ESQ.,
 WILLIAM ZEITER, ESQ.,
 BRUCE MARKS, ESQ., and
 PAUL H. ZOUBEK, ESQ.
 2000 One Logan Square
 Philadelphia, Pennsylvania 19103
 Appearing on behalf of Philadelphia
 Electric Company

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APPEARANCES (Continued):

DAVID WERSAN, ESQ.,
IRWIN POPOWSKI, ESQ., and
SCOTT RUBIN, ESQ.

1425 Strawberry Square
Harrisburg, Pennsylvania 17120
Appearing on behalf of Office of Consumer
Advocate

ZORI FERKIN, ESQ., and
ROGER CLARK, ESQ.

Post Office Box 8010
Harrisburg, Pennsylvania 17070
Appearing on behalf of Governor's Energy
Counsel Staff

MARTHA BUSH, ESQ., and
KATHRYN LEWIS, ESQ.

1500 Municipal Services Building
15th and J.F.K. Boulevard
Philadelphia, Pennsylvania 19107
Appearing on behalf of City of Philadelphia

DAVID KLEPPINGER, ESQ., and
EDWARD J. RIEHL, ESQ.

100 Pine Street
Harrisburg, Pennsylvania 17108
Appearing on behalf of Philadelphia Area
Industrial Energy Users Group

STEVEN P. HERSHEY, ESQ.
Community Legal Services

5219 Chestnut Street
Philadelphia, Pennsylvania 19131
Appearing on behalf of CEPA and ACORN

ANDRE DASENT, ESQ.

900 Bourse Building
Philadelphia, Pennsylvania 19106
Appearing on behalf of Utility Users
Committee

- - -

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I N D E X

PHILADELPHIA ELECTRIC
 COMPANY'S TESTIMONY, CONTINUED

	<u>Direct</u>	<u>Cross</u>	<u>ReDr</u>	<u>ReCr</u>
Professor Anita A. Summers ---	1723	1726	----	----
John S. Kemper -----	1779	1783		

PECO STATEMENTSMkd. Rec'd.

3 -----	1725	1725
10 -----	1783	1783

AAS EXHIBITS

1 thru 5, inclusive -----	1725	1725
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JSK EXHIBITS

1 thru 4, inclusive -----	1783	1783
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OCA EXHIBITS

59 -----	1813	----
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CITY EXHIBITS

3 -----	1825	----
4 -----	1831	----
5 -----	1833	----
6 -----	1834	----

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1 Q. In light of Judge Garb's order, do you
2 believe that there are any other obstacles to the
3 completion of the Point Pleasant project at this time?

4 MR. CALVERT: I object to that question only
5 to the extent that it asks this witness for some
6 sort of a legal interpretation.

7 JUDGE TURNER: Finish your objection.

8 MR. CALVERT: I only object to the question
9 to the extent that it seeks this witness to give a
10 legal opinion or to express an opinion on legal
11 aspects. But to the extent that it doesn't, then I
12 don't object.

13 MR. POPOWSKY: I was really asking more in
14 terms of the company policy or the company position
15 without getting into the legal ramifications of
16 whether, for example, there would be an appeal of
17 Judge Garb's order. My question was does the company
18 believe there are any other obstacles to the completion
19 of the Point Pleasant project as planned now, that in
20 light of Judge Garb's order.

21 JUDGE TURNER: I believe he can speak for the
22 company. He is certainly in a responsible management
23 position, so he would know the company's policy.

24 MR. CALVERT: I agree. My only point is that
25 company policy might have to do with the legal aspects

1 of that policy. As long as that's understood, I am
2 willing to have the witness answer the question.

3 JUDGE TURNER: I would assume the objection is
4 withdrawn. You can answer the question.

5 THE WITNESS: The question, as I understand it,
6 is Judge Garb has come down with his decision which
7 says that the Bucks County and the Neshaminy Water
8 Resources Associates should get on with the construc-
9 tion of Point Pleasant and move forward. The only one
10 that I know of that we are still waiting to hear from --
11 and with respect to going ahead with the project, there
12 was a PUC hearing on a certificate of necessity for
13 the pumphouse at Bradshaw, and Judge Kranzel, as I
14 remember, handed down a decision. And trying to stay
15 on top of this, I believe we have appealed it, put in
16 our position on it; the other parties have. And we
17 are still waiting to have that answer to that appeal.

18 So right now, my understanding, they should
19 start to do the construction. If we would get relieved
20 of Judge Kranzel's decision on the pumphouse, then we
21 would be ready to go.

22 MR. POPOWSKY: Okay.

23 JUDGE TURNER: So Judge Kranzel's determination
24 was negative on the certificate; he recommended denying
25 the certificate?

1 THE WITNESS: To my understanding, your Honor,
2 there was a confusion. He said okay, but there was a
3 confusion about the number of pumps. And we have an
4 order from the DRBC to keep the flow in the Perkiomen
5 River. We have to maintain a flow. And to do that,
6 we need two pumps, but he only said we can use one
7 pump. So it's very confusing to us as to what we can
8 do and not do.

9 Please, I am in the engineering and construc-
10 tion.

11 JUDGE TURNER: I understand. I think you have
12 answered my question. Thank you.

13 BY MR. POPOWSKY:

14 Q. In fact, Mr. Kemper, the company asked for
15 permission for four pumps; isn't that correct?

16 A. I don't recall. There will be four pumps
17 at the Bradshaw pumping station. There's four at the
18 Perk and four at Bradshaw.

19 Q. Would all four pumps be needed for Unit 1
20 or only two for Unit 1 and two for Unit 2?

21 A. I believe, looking at the way the system
22 is designed, two could handle it. But because of
23 maintenance and spares and whatnot, you need three
24 pumps for one unit.

25 Q. And as of now, the company has approval

1 and then you're into appeals. And that's the legal
2 world. I don't know about that.

3 Q. What will the company do for supplemental
4 cooling water for Limerick 1 this summer? Or you
5 indicated that the Bradshaw at least wouldn't be
6 completed until the end of the year under your
7 schedule. And by the way, the reason I asked -- well,
8 let me scratch that.

9 When will the company -- what will the company
10 do for supplemental cooling water for Limerick 1 prior
11 to the time the Bradshaw and Point Pleasant projects
12 are completed?

13 A. We hope to go to the DRBC and request an
14 alternate supply. ✓

15 (Transcript continues on Page 1799.)
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1 Q Have you done that yet?

2 A No, we have not.

3 Q And you don't know what the response of the
4 DRBC will be to that?

5 A No, we do not.

6 Q Can Limerick 1 achieve commercial operation,
7 that is complete all the required testing without a
8 supply of supplemental cooling water?

9 A Yes. But let me amplify on that.

10 Right now Limerick is just finishing up its
11 five-percent power run and will be finished by the
12 end of the month. If we were not in the evacuation
13 plan proceedings, we would then be able to start on
14 up and go to full power and get to commercial within
15 about five months.

16 Now, what gets to be the problem is the NRC has
17 given us a full power license, but limited to five
18 percent, and until we get the evacuation hearings over
19 and the decision down, my general understanding is that
20 we're left at this five-percent power level.

21 So the plant will be sitting there while these
22 weeks and months go by, we're waiting for the decision.
23 Once we get that decision, then we can go.

24 But, you see, the box you're getting into come
25 May, the Schuylkill River will be going up in

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1 temperature and down in flow, and we will not be able
2 to have power operation at the plant. And that's why
3 we plan this spring or in the near future to ask for sup-
4 plemental water supply from the DRBC so that if we are
5 in this trip we can then get this supplemental water on
6 an interim basis just for this one summer, and then be
7 able to go on from then on.

8 Q But given the schedule of current NRC hear-
9 ings and assuming that you don't get an interim supple-
10 mental water source, you would, in effect, have to put
11 a halt to your full power testing or to the testing
12 required to bring the plant into commercial operation
13 in May, and this halt would extend until about October,
14 is that correct, at which time you would have to resume
15 testing at that point?

16 A There are periods and there are times where
17 we may be able to get some power operation, because
18 we can take flow from the Perkiomen at certain river
19 flows. There is several days out of the year where the
20 flow on the Schuylkill is not satisfactory, but the
21 Perkiomen is.

22 But it would be an interim; it wouldn't be a con-
23 tinuing operation. It would be very disruptive.

24 Q Do you have an estimate, if you had just
25 assumed hypothetically that the company does not receive

1 A. Yes.

2 Q Could you tell us what possibilities you have
3 considered or studied as interim supply sources, if
4 any, that would be available to you?

5 A I didn't understand the question.

6 Q Do you have any options of interim supply
7 sources that you have considered?

8 A Yes.

9 Q And what are those supply sources?

10 A The major one is Blue Marsh.

11 Q I would like to show you a document, and I
12 do have copies for counsel.

13 JUDGE TURNER: Are you going to mark this?

14 MS. BUSH: Yes, your Honor. I would like to
15 mark that as City Exhibit 3, please.

16 JUDGE TURNER: It may be so marked.

17 (City Exhibit No. 3 was marked
18 for identification.)

19 BY MS. BUSH:

20 Q Are you familiar with this correspondence
21 from Mr. Dinton, Director, Office of Nuclear Reactor
22 Regulation, to Mr. Sugarman, counsel on behalf of
23 Del-Aware, D-e-l-dash-A-w-a-r-e?

24 A To my knowledge, I have never seen this
25 before.

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1 Q Then let me ask you this question.

2 Would I be correct that any supplemental interim
3 water supply source that would be hoped to be put in
4 operation by Philadelphia Electric Company would re-
5 quire NRC approval under NEPA?

6 JUDGE TURNER: What is NEPA?

7 MS. BUSH: National Environmental Employees Act,
8 if you know.

9 THE WITNESS: I can't answer that.

10 BY MS. BUSH:

11 Q Would you agree that one of the major sub-
12 jects of litigation in the licensing proceeding has
13 been whether the NRC is required to review the environ-
14 mental impacts of the current supplemental cooling water
15 system, if you know?

16 A That's right.

17 Q It has been?

18 A Yes.

19 Q I had one clarifying question that I wanted
20 to ask you, Mr. Kemper, about the Merrill Creek. Is
21 that a reservoir?

22 A Yes.

23 Q Could you explain for the record what role that
24 plays in the supplemental cooling system?

25 A The Delaware River Basin Commission has

1 Q. Would you accept, subject to check?

2 A. Yes, subject -- I am sure -- I believe it
3 must be in there, but I can't say specifically.

4 Q. Let's move on.

5 Is it your understanding, again subject to
6 check, that the source of supplemental cooling water
7 that is evaluated in the FES is the Point Pleasant?

8 A. That is correct.

9 Q. Now, you have testified that Philadelphia
10 Electric is going to go to the Delaware River Basin
11 Commission later this year and seek approval for an
12 interim supply of supplemental cooling water other
13 than what would be provided by Point Pleasant. Is
14 that correct?

15 A. That's correct.

16 Q. Now, should the Limerick station in fact
17 operate utilizing a source of supplemental cooling
18 water other than Point Pleasant, the environmental
19 impacts of that alternative source would not have been
20 reviewed by the NRC; is that correct?

21 A. That's correct.

22 Q. So therefore, is it your understanding that
23 an amended or revised environmental statement would be
24 necessary with regard to that?

25 A. I believe it would.

1 Q. And that's a process that takes some time,
2 doesn't it?

3 A. It could.

4 Q. Now, on some earlier questions by Mr.
5 Popowsky, you indicated that with regard to Gilbert
6 Commonwealth's estimates of the costs of a coal plant
7 Philadelphia Electric added a 15 percent contingency
8 above and beyond the contingency proposed by Gilbert.
9 Is that correct?

10 A. That is correct.

11 Q. And just hypothesize for a moment that
12 Philadelphia Electric was considering building a
13 brand new nuclear plant rather than finishing a 30
14 percent completed nuclear plant. In your opinion,
15 would Philadelphia Electric add a 15 percent contingency?

16 A. At least.

17 Q. It could add more in the case of a new
18 nuclear plant, might it not?

19 A. Depending where you are in the licensing
20 process --

21 Q. I am talking, sir, about a brand new nuclear
22 plant, starting from ground zero.

23 MR. CALVERT: For which you just have a con-
24 ceptual design?

25 MS. FERKIN: Very well stated, Mr. Calvert.