

**NUCLEAR REGULATORY COMMISSION**

[Docket No. 50-271; License No. DPR-28]

**Entergy Nuclear Operations, Inc.; Vermont Yankee Nuclear Power Station; Receipt of Request for Action Under 10 CFR 2.206**

Notice is hereby given that by petition received on April 22, 2004, the New England Coalition (petitioner) has requested that the Nuclear Regulatory Commission (NRC or the Commission) take action with regard to Vermont Yankee Nuclear Power Station (Vermont Yankee). The petitioner requests that until such time as Entergy Nuclear Operations, Inc. (Entergy or the licensee) has rendered an accurate and NRC-verified account of the location, disposition, and condition of all irradiated fuel, including fuel currently loaded in the reactor core, that the NRC order a halt to all fuel movement at Vermont Yankee.

As the basis for this request, the petitioner states that because Entergy has lost control of the spent fuel inventory at Vermont Yankee, the petitioner has no confidence that Entergy did not put leaking fuel or suspected leaking fuel assemblies back into the reactor core during this refueling outage.

The request is being treated pursuant to title 10 of the Code of Federal Regulations (10 CFR) 2.206 of the Commission's regulations. The request has been referred to the Director of the Office of Nuclear Reactor Regulation. As provided by 10 CFR 2.206, appropriate action will be taken on this petition within a reasonable time. Mr. Raymond Shadis, in his capacity as the petitioner's Staff Technical Advisor, participated in a conference call with the NRC Petition Review Board (PRB) on May 5, 2004, to discuss the petition. The results of that discussion were considered in the PRB's determination regarding the petitioner's request for immediate action, and in establishing the schedule for the review of the petition. The PRB stated that the petitioner's request to stop all fuel movement at Vermont Yankee is now moot as all fuel movement had been completed by time of receipt of the petitioner's request. During the conference call, the petitioner reaffirmed to the PRB the petitioner's request to stop all fuel movement but stated their understanding that at the present time the request would be limited to the spent fuel pool. The petitioner stated they wanted an order issued to the licensee to do a verification of the inventory of all the

special nuclear material in the spent fuel pool that is to be verified by the NRC. A copy of the petition is available for inspection at the Commission's Public Document Room (PDR), located at One White Flint North, Public File Area O1 F21, 11555 Rockville Pike (first floor), Rockville, Maryland. In addition to other publicly available records, this petition will be accessible from the Agencywide Documents Access and Management System (ADAMS) Public Electronic Reading Room on the Internet at the NRC Web site, using accession number ML041180245, at <http://www.nrc.gov/reading-rm/adams.html>. Persons who do not have access to ADAMS or who encounter problems in accessing the documents located in ADAMS, should contact the NRC PDR reference staff by telephone at 1-800-397-4209 or 301-415-4737, or by e-mail to [pdr@nrc.gov](mailto:pdr@nrc.gov).

Dated at Rockville, Maryland, this 28th day of May, 2004.

For the Nuclear Regulatory Commission.

**Ledyard B. Marsh,**

*Director, Division of Licensing Project Management, Office of Nuclear Reactor Regulation.*

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**NUCLEAR REGULATORY COMMISSION**

[Docket No. 50-305; License No. DPR-43]

**In the Matter of Wisconsin Public Service Corporation, Wisconsin Power and Light Company, and Nuclear Management Company, LLC (Kewaunee Nuclear Power Plant, Unit No. 1); Order Approving Transfer of Operating Authority and Conforming Amendment**

**I**

Wisconsin Public Service Corporation (WPSC), Wisconsin Power and Light Company (WPL), and Nuclear Management Company, LLC (NMC) (the licensees), are the holders of Facility Operating License No. DPR-43, which authorizes operation of Kewaunee Nuclear Power Plant, Unit No. 1 (Kewaunee or the facility). The facility is located at the licensees' site in Kewaunee County, Wisconsin. The license authorizes WPSC and WPL to possess, and NMC to use and operate, Kewaunee.

**II**

By application dated December 19, 2003, as supplemented February 18 and March 17, 2004, NMC, acting on behalf of itself and WPSC and WPL, requested

approval of the transfer of Facility Operating License No. DPR-43 for Kewaunee from NMC, WPSC, and WPL to Dominion Energy Kewaunee, Inc. (Dominion Energy Kewaunee). NMC also requested approval of a conforming license amendment to reflect the transfer. The initial application and the supplements are hereinafter referred to as "the application" unless otherwise indicated. The application is in connection with the sale of the respective ownership interests in Kewaunee currently held by WPSC (59 percent) and WPL (41 percent) to Dominion Energy Kewaunee and the related transfer of operating authority for the facility from NMC to Dominion Energy Kewaunee. The application also requested a conforming amendment to reflect the transfer. The proposed amendment would reflect the proposed transfer of ownership and operating authority for Kewaunee to Dominion Energy Kewaunee; delete references to NMC, WPSC, and WPL in the license; change the name of Kewaunee Nuclear Power Plant to Kewaunee Power Station to reflect the name under which Dominion Energy Kewaunee plans to operate the facility, consistent with other nuclear plants owned by Dominion companies; and authorize Dominion Energy Kewaunee to possess, use, and operate Kewaunee, and to possess and use related licensed materials, under the same conditions and authorizations as in the current license.

Approval of the transfer of operating authority under the facility operating license and conforming license amendment was requested by NMC pursuant to 10 CFR 50.80 and 50.90. Notice of the application for approval and an opportunity for a hearing was published in the **Federal Register** on January 20, 2004 (69 FR 2734). No hearing requests or written comments were received.

Pursuant to 10 CFR 50.80, no license, or any right thereunder, shall be transferred, directly or indirectly, through transfer of control of the license, unless the Commission shall give its consent in writing. After reviewing the information in NMC's application and other information before the Commission, and relying upon the representations and agreements contained in the application, the NRC staff has determined that Dominion Energy Kewaunee is qualified to hold the license and that the transfer of the license to Dominion Energy Kewaunee is otherwise consistent with applicable provisions of law, regulations, and orders issued by the Commission,

subject to the conditions set forth below. The NRC staff has further found that the application for the proposed license amendment complies with the standards and requirements of the Atomic Energy Act of 1954, as amended, and the Commission's rules and regulations set forth in 10 CFR chapter 1; the facility will operate in conformity with the application, the provisions of the Act, and the rules and regulations of the Commission; there is reasonable assurance that the activities authorized by the proposed license amendment can be conducted without endangering the health and safety of the public and that such activities will be conducted in compliance with the Commission's regulations; the issuance of the proposed license amendment will not be inimical to the common defense and security or the health and safety of the public; and the issuance of the proposed amendment will be in accordance with 10 CFR part 51 of the Commission's regulations and all applicable requirements have been satisfied. The foregoing findings are supported by a safety evaluation dated June 10, 2004.

### III

Accordingly, pursuant to sections 161b, 161i, and 184 of the Atomic Energy Act of 1954, as amended, 42 U.S.C. 2201(b), 2201(i), and 2234, and 10 CFR 50.80, *it is hereby ordered* that the transfer of the license as described herein to Dominion Energy Kewaunee, Inc., is approved, subject to the following conditions:

(1) After receipt of all required regulatory approvals of the license transfer to Dominion Energy Kewaunee, NMC and Dominion Energy Kewaunee shall inform the Director, Office of Nuclear Reactor Regulation, in writing of such receipt within 5 business days and of the date of the closing of the transfer no later than 7 business days before the date of closing. If the transfer is not completed by June 30, 2005, this Order shall become null and void, with the provision that, upon written application and for good cause shown, such date may in writing be extended.

(2) Dominion Energy Kewaunee shall take no action to cause Dominion Resources, Inc., or its successors and assigns, to void, cancel, or diminish their \$60 million contingency commitment to Dominion Energy Kewaunee, the existence of which is represented in a Support Agreement in a letter to the NRC dated February 18, 2004, or cause them to fail to perform or impair their performance under the commitment, or remove or interfere with Dominion Energy Kewaunee's ability to draw upon the commitment.

Also, Dominion Energy Kewaunee shall inform the NRC in writing any time that it draws upon the \$60 million commitment.

(3) Dominion Energy Kewaunee is required to provide qualified decommissioning funds with a net (after tax) cash value of no less than \$391.9 million for radiological decommissioning purposes. The funds will be deposited in an external trust fund to be segregated from Dominion Energy Kewaunee's other assets and outside its administrative control, as required by NRC regulations, and Dominion Energy Kewaunee shall take all necessary steps to ensure that this external trust fund is maintained in accordance with the requirements of the Order approving the transfer of the Kewaunee operating license and with the safety evaluation supporting the Order.

(4) Prior to completion of the transfer of the Kewaunee operating license, Dominion Energy Kewaunee shall provide the Director, Office of Nuclear Reactor Regulation, satisfactory documentary evidence that it has obtained the appropriate amount of insurance required of licensees under 10 CFR part 140 of the Commission's regulations.

*It is further ordered* that consistent with 10 CFR 2.1315(b), a license amendment that makes changes, as indicated in Enclosure 2 to the cover letter forwarding this Order, to conform the license to reflect the subject license transfer is approved. The amendment shall be issued and made effective at the time the proposed transfer is completed.

This Order is effective upon issuance.

For further details with respect to this action, see the initial application dated December 19, 2003, and supplements dated February 18 and March 17, 2004, and the safety evaluation dated June 10, 2004, which are available for public inspection at the Commission's Public Document Room, located at One White Flint North, 11555 Rockville Pike (first floor), Rockville, Maryland, and are accessible electronically through the ADAMS Public Electronic Reading Room link at the NRC Web site (<http://www.nrc.gov>).

Dated at Rockville, Maryland, this 10th day of June, 2004.

For the Nuclear Regulatory Commission.

**J. Dyer,**

*Director, Office of Nuclear Reactor Regulation.*

[FR Doc. 04-13750 Filed 6-17-04; 8:45 am]

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## NUCLEAR REGULATORY COMMISSION

[Docket No. 70-143]

### **Nuclear Fuel Services, Inc., Environmental Assessment and Finding of No Significant Impact Related to Proposed License Amendment Authorizing Operations at the Oxide Conversion Building and the Effluent Processing Building at the Blended Low-Enriched Uranium Complex**

**AGENCY:** Nuclear Regulatory Commission.

**ACTION:** Finding of no significant impact and environmental assessment.

#### **FOR FURTHER INFORMATION CONTACT:**

Kevin M. Ramsey, Fuel Cycle Facilities Branch, Division of Fuel Cycle Safety and Safeguards, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Mail Stop T-8A33, Washington, DC 20555-0001, telephone (301) 415-7887 and e-mail [kmr@nrc.gov](mailto:kmr@nrc.gov).

#### **SUPPLEMENTARY INFORMATION:**

#### **I. Introduction**

The Nuclear Regulatory Commission (NRC) staff is considering the issuance of an amendment to NRC Materials License SNM-124 to authorize processing operations in the Oxide Conversion Building (OCB) and the Effluent Processing Building (EPB) at the Blended Low-Enriched Uranium Preparation (BLEU) Complex. A notice of receipt and opportunity to request a hearing for this action was published in the **Federal Register** on December 24, 2003 (68 FR 74653). The NRC has prepared an Environmental Assessment (EA) in support of this action. Based upon the EA, the NRC has concluded that a Finding of No Significant Impact (FONSI) is appropriate and, therefore, an Environmental Impact Statement (EIS) will not be prepared.

#### **II. Environmental Assessment**

##### *Background*

The Nuclear Fuel Services (NFS) facility in Erwin, TN is authorized under License SNM-124 to manufacture high-enriched nuclear reactor fuel. NFS is undertaking the BLEU Project to manufacture low-enriched nuclear reactor fuel. NFS is constructing a new complex at the Erwin site to house the operations involving low-enriched uranium. On July 27, 2003, Amendment 39 to License SNM-124 was issued to authorize storage of low-enriched uranium in the new complex. This was