



March 20, 2015

United States Nuclear Regulatory Commission
Office of Administration
Attn: Cindy Bladey
Mail Stop 3WFN-06-A44M
Washington, DC 20555-0001

SUBJECT: Docket No. NRC-2015-0004 Entergy Nuclear Operations, Inc., Vermont Yankee Nuclear Power Station Post-Shutdown Decommissioning Activities Report

Comments of the Windham Regional Commission

History & Background: The Windham Regional Commission (WRC) is writing to comment on the Site Assessment Study (SAS) and Post-Shutdown Decommissioning Activities Report (PSDAR). WRC is the regional planning commission that serves 27 towns in southeastern Vermont, including the 23 towns of Windham County, Readsboro, Searsburg and Winhall in Bennington County, and Weston in Windsor County. The Windham Region is the host region of the station.

The WRC has always maintained a neutral position as to whether or not the plant should continue operation, as well as the merits of nuclear power for that matter, in order to facilitate conversations among all sides of the issue. Therefore, we approach the closure and decommissioning phase with a history of having been neither pro- or anti-Vermont Yankee or pro- or anti-nuclear power. We have, however, over a period of several years developed positions on decommissioning, spent fuel management, site restoration standards, and responsibility for decommissioning costs that we feel are in the best interests of the host region. These positions are included in the Windham Regional Plan, the most recent update of which took effect in November, 2014 (the full text is available at <https://windhamregionalplan.wordpress.com/>).

Positions on Vermont Yankee Decommissioning: Through participation as a party in dockets related to Vermont Yankee before the Vermont Public Service Board, the WRC has for several

years explored the issues surrounding the eventual cessation of operations at the station, whenever and for whatever reason that might occur. The following excerpt from the Windham Regional Plan describes the positions of the WRC concerning the decommissioning of the station, as well as spent fuel management, site restoration, and responsibility for the costs associated with each. While this language describes actions the WRC feels the Vermont Public Service Board should have taken in their order related to Docket 7862, our policy positions have not changed.

The Windham Regional Commission has always maintained a neutral position on the question of the continued operation of the Entergy Nuclear Vermont Yankee power station located in Vernon. The WRC has taken this position so it could facilitate discussion among those on all sides of the issue. The Commission has, however, been very involved in Vermont Public Service Board dockets since 2007, arguing not for whether or not the plant should continue operation, but rather for what is in the best interest of the region when the plant does eventually cease operation, whenever and for whatever reason that occurs. The WRC interests are to mitigate to the greatest extent possible the economic, employment, cultural and social impacts of the plant's closure on the region; to advocate for the fiscal well-being of towns; and to advocate for the restoration of the Vermont Yankee site to greenfield status as soon as possible so that it may be reused. These positions were most recently stated in the WRC's Initial Brief filed on August 16, 2013 in Public Service Board docket 7862...The following summarizes those positions excerpted from the brief:

- Recognize the value of the Station to the region and state while it is operating, and that the general good would be best served if, upon cessation of operations, the Station is promptly decommissioned with complete site restoration so that the site can be reused and serve the orderly development of the region and state.
- Require that ENVY (Entergy Nuclear Vermont Yankee), ENO (Entergy Nuclear Operations), and Entergy Corporation be held jointly and severally responsible for all costs associated with operations, decommissioning, spent fuel management, and site restoration.
- Require the prompt and complete decommissioning and site restoration of the VY Station after shutdown (whenever that occurs) and prohibit the use of SAFSTOR. The best way to accomplish this is to ensure the decommissioning trust is adequate.
- Recognize the Decommissioning Cost Analysis prepared by TLG is inadequate. The Board should specifically recognize the Decommissioning Cost Analysis and Decommissioning Trust Fund do not adequately account for the costs of removing all structures, reasonable property taxes, and additional elements identified by other parties. The Board should require that Entergy VY fully fund the decommissioning trust to cover all potential

costs associated with radiological decommissioning, spent fuel management, and complete site restoration without the use of SAFSTOR.

- Require Entergy VY to meet its MOU (memorandum of understanding) commitment to remove “all structures” as part of site restoration, rather than just removing structures to three feet below grade.
- Require Entergy VY to establish separate and adequate funds to cover radiological decommissioning, spent fuel management, and site restoration, and require substantial additional payments into those funds.
- Require Entergy VY to identify a suitable location for a second ISFSI (independent spent fuel storage installation).
- Require Entergy VY to consider shifting spent fuel from wet to dry storage, or alternatively require a payment-in-kind into the decommissioning trust as if fuel had been moved.
- Additionally, the Board should require that Entergy VY provide funding to the decommissioning trust to cover all the costs of managing spent fuel derived from any period of extended operations after March 21, 2012.
- Require specific actions from Entergy VY to comply with its commitment to use its “commercial best efforts” to have the spent fuel removed from Vermont.

The WRC feels that these positions are in the best interest of the region and the state. What Entergy Nuclear Vermont Yankee intends to do upon closure is on the record, under oath, before the Public Service Board. The Commission’s position was developed in response to what has been entered into the record. The Public Service Board docket remains open, and the WRC believes that these positions should serve as the primary point of negotiation between the State and Entergy going forward. This filing, and other information related to the Commission’s work on Vermont Yankee, can be found on the WRC website at <http://windhamregional.org/vermont-yankee>.

Additionally, at the request of the Town of Vernon and using a Municipal Planning Grant, the WRC prepared a study titled, *Resiliency Action Plan for the Town of Vernon in Preparation for the Eventual Closure of the Vermont Yankee Nuclear Power Station*. This plan, completed in June 2012, explains the closure and decommissioning process and what actions the town can take to prepare. It is available here: <http://windhamregional.org/images/docs/vy/exhibits/wrc-cross-35.pdf>. As noted in the plan, federal law and regulations do not require Entergy Nuclear Vermont Yankee to work with the town or the region as they prepare for closure and decommissioning, but the WRC hopes they will voluntarily do so. The WRC is prepared to assist in this effort and has reached out to its counterparts in New Hampshire and Massachusetts to engage them in preparing for the closure of the plant as well.

The WRC recognizes the significant and diverse impacts the closure of the plant will have on the region, including its towns, families, friends, neighbors, businesses, and economy. The WRC has invested considerable staff and volunteer resources over the last six years in preparation for the plant's eventual closure in order to understand its impacts and develop mitigation strategies. The WRC stands by to assist its towns with planning for a post-Vermont Yankee future, to lead a regional resiliency planning effort, and to provide support in statewide response and recovery efforts. Mitigating the impacts on the region's economy will require region-wide solutions, and the WRC will continue to participate in and support the Southeast Vermont Economic Development Strategy and the development of a Comprehensive Economic Development Strategy, led by our regional partner, the Brattleboro Development Credit Corporation. The Commission will also encourage Entergy to voluntarily work with the region and our towns to establish a working group through which there will be clear communication about what the plant intends to do and what those actions mean for our communities. We all must work together to plan for resiliency as the region loses not only a major employer and economic engine, but also many plant workers and their families (Windham Regional Plan, 2014, pp. 112-113).

The PSDAR proposes the use of SAFSTOR rather than DECON, or prompt decommissioning. This is contrary to what the WRC maintains is in the best interests of the region, its towns, and its residents. We also have serious concerns that the site assessment and PSDAR insufficiently characterize the site conditions and true costs of decommissioning and site restoration, and concur with the questions and issues raised about these issues and what this means for the sufficiency and stewardship of the decommissioning trust fund.

Emergency Planning Support: A matter that was not addressed as specifically in our regional plan is the continued support by Entergy Nuclear Vermont Yankee of external emergency planning support. Our position can be summarized by our comments to the Vermont Public Service Board in Docket 8300, which was opened to review the request for a certificate of public good for a second ISFSI (Independent Spent Fuel Storage Facility). This document is available on the WRC Vermont Yankee web page <http://windhamregional.org/vermont-yankee>.

While we understand the potential for a catastrophic event will lessen once the Station ceases operations, there remains the potential for a significant event as long as spent nuclear fuel is stored on site, and regional emergency service providers must always be prepared to respond, and must be adequately funded to do so.

WRC recognizes that on-site nuclear safety is regulated by the NRC, but off-site responders must be prepared to deal with any emergency that might occur on-

site whether or not it extends to the off-site environment. And the Board traditionally deals with emergency management issues and funding for off-site emergency support in other dockets dealing with different fuels such as natural gas. Likewise, it is not uncommon in non-nuclear Section 248 and Act 250 cases for petitioners to agree to cover specialized equipment and training costs necessitated by the unique elements of proposed development.

The Board should seek additional information from Entergy VY about all potential scenarios that might require an on-site or off-site emergency response, the type of response needed, and the cost for providing these services (including the costs of ongoing training necessary to respond).

State agencies are holding discussions with Entergy VY about emergency response issues and are seeking input from the WRC and towns within the Emergency Planning Zone, and we hope a resolution of our concerns can be accomplished outside of the CPG process. The Board should be mindful of where funding for emergency services will come from, and should consider prohibiting the use of the Decommissioning Trust Fund for this purpose because, as described elsewhere in these comments, Entergy VY has previously done so little to identify, secure, and fund alternative spent fuel storage options (Windham Regional Commission Comments RE: Entergy VY Petition for a Certificate of Public Good for a Second Spent Fuel Storage Facility, August 13, 2014, p. 17 available at http://windhamregional.org/images/docs/vy/docket-8300_WRC-VY-2nd-ISFSI-Comments-re-Petition.pdf).

Avoiding Use of Decommissioning Trust Funds for Spent Fuel Management: We are encouraged that Entergy Nuclear Vermont Yankee plans to offload fuel from the spent fuel pool to dry cask storage within a reasonable time frame, and we support the company's exploration of financing at these costs so as to reduce funds that would be taken out of the decommissioning trust fund.

Vermont Nuclear Decommissioning Citizens Advisory Panel: We appreciate the willingness of Entergy Nuclear Vermont Yankee and Entergy Nuclear Operations to participate in the Nuclear Decommissioning Citizens Advisory Panel. While we may disagree with the decommissioning plans of the plant, it is important to have a forum where issues can be discussed and where common ground may be found. We do recognize that the Panel was formed to advise the state, and not the plant. It is our understanding that other advisory panels formed in response to decommissionings were intended to advise the plant as well. We hope that over time, Entergy Nuclear Vermont Yankee will be amenable to the panel assuming such a role.

Comments of the State of Vermont on Docket NRC-2015-0004 and Docket 50-271: We have reviewed the state's comments and find them to be consistent with the aforementioned

positions the WRC has taken on the decommissioning of Vermont Yankee. We share the concerns the state has raised and appreciate its engagement with the NRC in these matters. The health, safety and welfare of the host region and its citizens are dependent upon the monitoring, oversight, regulation and enforcement of the decommissioning process by the State of Vermont and the U.S. Nuclear Regulatory Commission. It is incumbent that the decommissioning be held to the highest standards.

Insufficiency of the Generic Environmental Impact Statement: Entergy states that it “has concluded that the environmental impacts associated with planned VYNPS site-specific decommissioning activities” are bounded by previous environmental impact statements (PSDAR at 22). We strongly concur with the state that the NRC must analyze the environmental impacts of Entergy’s proposed PSDAR and related findings and that reliance on the generic EIS does not satisfy the requirements of the National Environmental Policy Act. We also concur with the comments submitted by the Town of Brattleboro in this matter.

We will focus here on the insufficiency of the socioeconomic and environmental justice impact assessments and conclusions reached in NUREG-1437, Supplement 30 Vol. 1. Section 5.1.12 Socioeconomics of the PSDAR states:

Decommissioning of VYNPS is expected to result in negative socioeconomic impacts. As VYNPS transitions from an operating plant to a shutdown plant and into the different phases of decommissioning, an overall decrease in plant staff will occur. The lost wages of these plant staff will result in decreases in revenues available to support the local economy and local tax authorities. Some laid-off workers may relocate, thus potentially impacting the local cost of housing and availability of public services.

Section 4.3.12 of the GEIS evaluated changes in workforce and population, changes in local tax revenues, and changes in public services. The evaluation also examined large plants located in rural areas that permanently shut down early and selected the SAFSTOR option. The GEIS determined that this situation is the likeliest to have negative impacts. The GEIS concluded that socioeconomic impacts are neither detectable nor destabilizing and that mitigation measures are not warranted. Therefore, ENVY concludes that the impacts of VYNPS decommissioning on socioeconomic impacts are bounded by the GEIS (p. 29).

Section 5.1.13 Environmental Justice of the PSDAR “concludes that the impacts of VYNPS decommissioning on environmental justice are small and are bounded by the GEIS (p.30).” We dispute the small impact findings of the GEIS related to both socioeconomic impacts and environmental justice impact.

When fully operational, VY had over 600 workers, most living in Windham County, VT; Cheshire County, NH; and Franklin County, MA. For over 40 years, VY has been an important component of this region's economy. Four regional economic development planning organizations sought to understand the magnitude of economic impact to our tri-state region due to the discontinuing of operations and decommissioning of VY, especially the loss of local income. The four organizations are: the Brattleboro Development Credit Corporation, the Franklin Regional Council of Governments, the Southwest Regional Planning Commission, and the Windham Regional Commission. Through a state District Local Technical Assistance grant, the Franklin Regional Council of Governments retained the services of the UMass Donahue Institute to conduct a study (attached) that illustrates the anticipated direct, indirect and induced economic impacts to the local tri-county area (Cheshire, Franklin and Windham Counties), and assesses the ramifications on the long-term economic prospects of the region. Some of the findings are rather stark.

- The loss of total output (i.e. direct, indirect & induced) from when VY was operational to the year 2021 is a difference of \$487 million. This represents the loss of the total value of wages and the total loss of goods and services produced, related to VY operations. This is an important figure for understanding the broader implications of this event to the economic climate of the region.
- The two key data points that hold the greatest consequence from this event for our region are: the **total loss of employment** (approx. 1,200 jobs) and the **total amount of indirect and induced output** (\$90 million). This \$90 million in output represents the annual loss of economic activity to the tri-county business community, in comparison to when VY was operational.
- The purpose of conducting this study was to offer an understanding of the order of magnitude for how this event will impact the tri-county area economy. These findings underline the importance and urgency for why our region must take steps to improve our economy and discover opportunities for collaboration to mitigate the losses anticipated as a result of VY closure.
- As seen in Table 2, the industry sectors anticipated to have the greatest impact (aside from Utilities, of course) is the Leisure & Hospitality sector and Other Services sector (255 jobs anticipated to be lost). These sectors often provide among the lowest wages. As a result, workers with the least amount of resources may be the most negatively impacted.
- The pending economic impacts due to VY's closure in the Windham Region of VT, Cheshire County, NH, and Franklin County, MA are significant. The comprehensive economic development strategy (CEDS) developed for each of these has noted the relative stagnation

of the area's economy and workforce challenges even before the closure of VY. The closure of VY will exacerbate existing trends.

We would also like to direct your attention to an economic impact study commissioned by VY itself. "The Economic Impact of the VY Station on Windham County and Vermont" prepared by Richard W. Heaps in July, 2012 (attached) states the following:

The importance of the VY Station in the county's economy is demonstrated by the fact this one firm directly accounts for about 2% of the employment and about 5% of the compensation earned in Windham County. The VY Station's compensation per employee is higher than that of any industry in Windham County. In addition, the Vermont Department of Labor reports that the VY Station is one of the top five employers in Windham County.

It is clear that economic activity in Windham County has significantly lagged that of the rest of Vermont. In addition, even as Vermont is a slow growing state from a demographic perspective, Windham County is even a slower growing area. This suggests that any major, negative economic impacts could be felt more acutely in Windham County than elsewhere in Vermont (p. 2).

It seems profoundly incongruous that VY can argue before the VT Public Service Board that the loss of economic activity due the closure of VY will be significant in Windham County, yet claim in the PSDAR that the impacts are bounded by previous environmental impact statements which conclude employment and environmental justice impacts will be small.

We sincerely hope the NRC will seriously reconsider the impact assumptions and findings made in NUREG-1437, Supplement 30 Vol. 1. Under the No-Action Scenario, in which VY's operating license would not be renewed and Entergy would cease operations, staff conclude the following about the socioeconomics of the plant closure:

In Chapter 4, the NRC staff concluded that the socioeconomic impact of continued plant operation would be SMALL. There would be immediate socioeconomic impacts associated with the shutdown of the plant because of the reduction in the staff at the plant. There may also be an immediate reduction in property tax revenues for Windham County, and this is anticipated to be LARGE. The overall impact would depend on the state of the economy, the net change in workforce at the plant, and the changes in local government tax receipts. Appendix J of Supplement 1 to NUREG-0586 (NRC 2002) shows that the overall socioeconomic impact of plant closure plus decommissioning could be greater than SMALL. The NRC staff concludes that the socioeconomic impact of VYNPS shutdown on employment would be SMALL because of the relatively small employment loss compared with total employment in the economy of the

surrounding area. Therefore, the NRC staff concludes that the socioeconomic impacts of plant shutdown would range from SMALL to LARGE. Impacts could be offset if new power-generating facilities are built at or near the current site (p. 8-5).

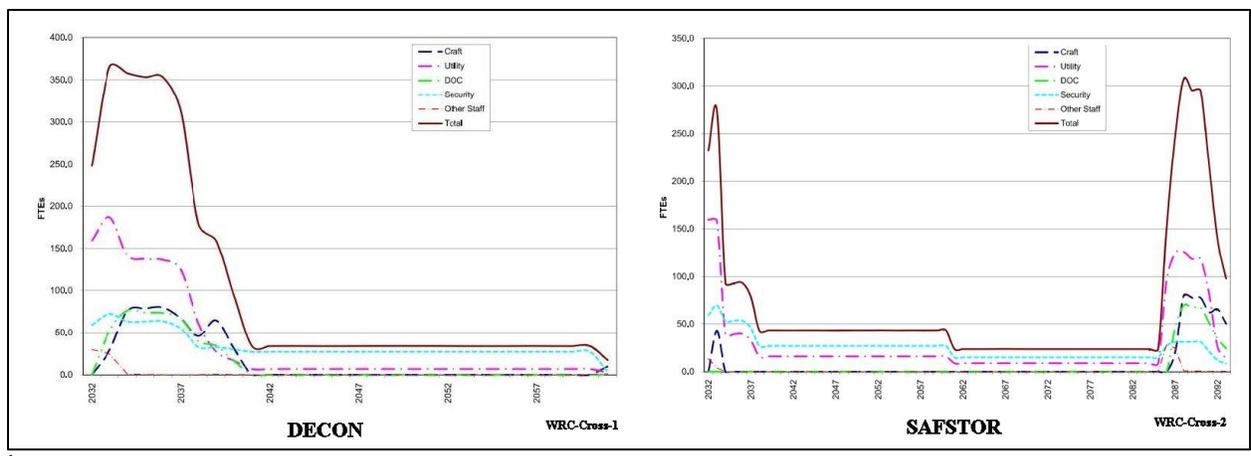
While we agree that the property tax revenue impact will in fact be large (see the aforementioned Resiliency Action Plan prepared for the Town of Vernon), we disagree that the impact on employment would be small. More to the point, the EIS fails to take into account the disproportionate contribution the plant makes to total local income and how this translates into loss of employment and indirect and induced input. The conclusions of both the UMDI and Heaps studies make clear that the loss of income associated with VY employees will have significant reverberations throughout the local economy.

We also dispute the finding that the environmental justice impact of the plant closure will be small. In the generic EIS, the NRC states:

In Chapter 4, the NRC staff concluded that the environmental justice impact of continued operation of the plant would be SMALL. Continued operation of the plant would not have a disproportionately high and adverse impact on minority and low-income populations. Shutdown of the plant also would not have disproportionately high and adverse impacts on minority and low-income populations resulting from the loss of employment opportunities at the site or from secondary socioeconomic impacts (e.g., loss of patronage at local businesses because the loss would be very minor in the context of the regional economy). The NRC staff concludes that the environmental justice impact of plant shutdown is expected to be SMALL. Any impact would be offset if new power-generating facilities are built at or near the current site. See Appendix J to NUREG-0586, Supplement 1 (NRC 2002), for additional discussion of this impact (p. 8-6).

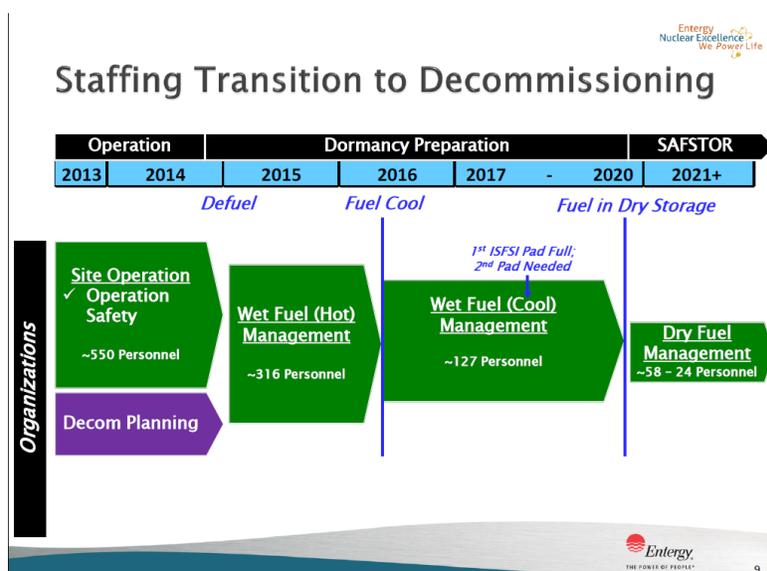
The UMDI study found the loss of employment opportunities from secondary economic impacts will be substantial, and will most significantly impact service and low-wage earners. We believe the environmental justice impacts will be significant.

We further believe the NRC is obligated to compare the socioeconomic and environmental justice impacts under both DECON and SAFSTOR scenarios. There is a fundamental difference in employment impacts under DECON versus SAFSTOR scenarios based on Entergy's own modeling. The graphs below were prepared by Entergy for use in VT Public Service Docket 7862 and demonstrate the acute drop in employment under the SAFSTOR scenario versus DECON.



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Entergy anticipated that when the station shuts down the workforce will shrink from roughly 620 to about 250 over a 9-12 month period. With SAFSTOR, after a brief ramp up to button up the plant, the workforce would quickly drop further to about 50 people.



In Section 2.2.8 Changes to Management and Staffing of the PSDAR, Entergy states staffing levels will be adjusted to reflect the ongoing transition of the site organization (p. 18). The graphic above titled “Staffing Transition to Decommissioning” was included in a presentation made by Entergy to the VT Nuclear Decommissioning Citizens Advisory Panel on September 25,

¹ Vermont Public Service Board Docket 7862 WRC-Cross-1 and WRC-Cross-2 are discovery responses provided by Entergy VY that describe employment levels. The DECON graphic is of scenario 3, and assumes the Station shuts down in 2032 with fuel removed by 2060. The SAFSTOR graphic is of scenario 5, and assumes the Station shuts down in 2032 with spent fuel removed by 2060, and the site restored by 2092 - 60 years after shutdown. (Documents available at <http://windhamregional.org/images/docs/vy/exhibits/wrc-cross-1.pdf> and <http://windhamregional.org/images/docs/vy/exhibits/wrc-cross-2.pdf>.)

2014. It shows the anticipated change in employment under transition of the plant to SAFSTOR conditions. This employment information was used in the UMDI study.

The more gradual falloff of economic activity associated with DECON offers the region social, economic and fiscal benefits that SAFSTOR does not. **We believe it is the responsibility of the NRC to assess the socioeconomic and environmental justice impacts under both DECON and SAFSTOR scenarios to fully characterize the impacts of the choice by Entergy to pursue the SAFSTOR option.**

Extension of Comment Period: It has come to our attention that some residents of the region may request an extension of the comment period on Docket NRC-2015-0004. We would support an extension.

We have long recognized the significant and diverse impacts the closure of the plant will have in our region, our towns, our families, our friends, our neighbors, our businesses, and our economy. Understanding these impacts, and what might be done to mitigate them and make our region more resilient, is the reason we have invested all that we have into planning for the plant's eventual closure. We stand by to assist our towns with planning for a post-Vermont Yankee future.

Thank you for your consideration of our comments. Please contact me should you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Campany', written in a cursive style.

Chris Campany, AICP
Executive Director