WILLIAM H. SORRELL ATTORNEY GENERAL

SUSANNE R. YOUNG DEPUTY ATTORNEY GENERAL

WILLIAM E. GRIFFIN CHIEF ASST. ATTORNEY GENERAL



TEL: (802) 828-3171 FAX: (802) 828-3187 TTY: (802) 828-3665

http://www.atg.state.vt.us

## STATE OF VERMONT OFFICE OF THE ATTORNEY GENERAL 109 STATE STREET MONTPELIER, VT 05609-1001

June 5, 2015

William Dean, Director Office of Nuclear Reactor Regulation Nuclear Regulatory Commission Washington D.C. 20555-0001

Re:

Docket No. 50-271; Request for Public Participation on Entergy's January 6, 2015

Exemption Request (ADAMS Accession No. ML15013A171)

Dear Director Dean,

Through this letter, the Vermont Attorney General's Office, the Vermont Department of Public Service, the Vermont Yankee Nuclear Power Corporation, and Green Mountain Power formally request the opportunity for public participation on Entergy's January 6, 2015 exemption request. Through that exemption request, Entergy seeks permission from the Nuclear Regulatory Commission to access the Vermont Yankee Nuclear Decommissioning Trust Fund for hundreds of millions of dollars in spent fuel management expenses. The exemption request also seeks to eliminate the 30-day notification requirement for such withdrawals. The undersigned oppose this exemption request and seek to participate in this matter, including the environmental review required by federal law, before the Commission issues its decision.

The Commission is aware of the State of Vermont's opposition to Entergy's January 6, 2015 exemption request. The State has documented some of the reasons for that opposition in various filings in various proceedings. The State has not, however, had an opportunity to participate directly in this proceeding, as the Commission has neither granted the State a hearing on this matter, nor provided any opportunity for notice and public comment. It is the position of the undersigned that the Atomic Energy Act, the Administrative Procedures Act, and the National Environmental Policy Act require public participation before deciding whether to grant Entergy's requested exemption.

In addition to soliciting public participation from the State of Vermont, the Commission should hear from other interested parties before it decides this matter. In particular, as the State has previously noted, the Vermont Yankee Nuclear Power Corporation and its current owner Green Mountain Power have a direct interest in this matter. These entities funded the principal amounts of the Vermont Yankee Nuclear Decommissioning Trust Fund. Further, these entities have a 55% interest in all unspent monies from that fund, including the alleged "excess" amount that Entergy's exemption request seeks to spend.

Given their direct interest in this matter, the Vermont Yankee Nuclear Power Corporation and Green Mountain Power deserve an opportunity to participate. This is especially important in light of the Commission Staff's decision last week to not allow counsel for these entities to participate in a conference call concerning Entergy's planned use of the Nuclear Decommissioning Trust Fund. The State of Vermont currently has a pending request for a follow-up call with Commission Staff—a call that would include counsel for Vermont Yankee Nuclear Power Corporation and Green Mountain Power—and has specifically asked that such a call, and additional participation, occur before any decision is made on this matter.

The Commission has ample time to solicit public participation here. In fact, Entergy's exemption request is premature. As the State has previously noted, Entergy's exemption request fails to address the 2002 Master Trust Agreement and Vermont Public Service Board Order, which do not allow use of the Nuclear Decommissioning Trust Fund for spent fuel expenses until the site has been decommissioned, and which have specific provisions regarding the return of 55% of excess amounts in that fund to Vermont ratepayers. Entergy has not yet sought approval from the Commission or the Vermont Public Service Board to amend those requirements. Nor has Entergy recognized in its exemption request that because the Federal Energy Regulatory Commission (FERC) approved the collection of money from rate-regulated entities for this trust fund, federal law forbids spending that money on anything other than decommissioning:

Absent express authorization of [FERC], no part of the assets of the [Nuclear Decommissioning Trust] Fund may be used for, or diverted to, any purpose other than to fund the costs of decommissioning the nuclear power plant to which the Fund relates, and to pay administrative costs and other incidental expenses, including taxes, of the Fund.

18 C.F.R. § 35.32(6) (emphasis added). It is undisputed that spent fuel management expenses are not "costs of decommissioning"—indeed, that is the very reason Entergy needs an exemption in the first place. There is no indication to date that Entergy has obtained the required "express authorization" from FERC here.

Thank you for your attention to this matter, and we look forward to your response.

William E. Griffin

Chief Assistant Attorney General Vermont Attorney General's Office

Peter H. Zamore /Wh Peter H. Zamore

CC:

Sheehey Furlong & Behm P.C

30 Main Street, Gateway Sq, 6th Fl, PO Box 66

Burlington, VT 05402

Counsel for Vermont Yankee Nuclear Power Corporation and Green Mountain Power

Christopher Recchia

Commissioner

Vermont Department of Public Service

Charlotte B. Ancel
Charlotte B. Ancel
W6 Charlotte B. Ancel

Vice President, General Counsel

Power Resources, and Corporate Secretary Green Mountain Power Corporation

163 Acorn Ln, Colchester, VT 05446

Annette L. Vietti-Cook, Secretary of the Nuclear Regulatory Commission Kimberly D. Bose, Secretary of the Federal Energy Regulatory Commission