

The report characterized a variety of issues ranging from policy issues to communications improvement opportunities. The complete report may be found under ADAMS Accession No. ML101680435. The GTF determined that the NRC is accomplishing its stated mission of protecting public health, safety, and protection of the environment through its response to groundwater leaks/spills. Within the current regulatory structure, the NRC is correctly applying requirements and properly characterizing the relevant issues. However, the GTF reported that there are further observations, conclusions, and recommendations that the NRC should consider in its oversight of licensed material outside of its design confinement.

The EDO appointed a group of NRC senior executives to review the report and consider its findings. Over the past several months, the group has been reviewing the GTF final report, including the conclusions, recommendations, and their bases. They identified conclusions and recommendations that do not involve policy issues, and tasked the NRC staff to address them. They have also identified policy issues, are developing options to address them, and will send a policy paper to the Commission discussing those options.

The NRC held a public workshop on October 4, 2010, with external stakeholders to discuss the findings of the GTF report and to receive input on the potential policy issues. In addition, a request for public comment was published in the **Federal Register** (75 FR 57987, September 23, 2010). These efforts help to ensure the NRC is considering the right issues on which to focus its attention as it moves forward. The transcript from this meeting is available on the NRC's Web site at: <http://www.nrc.gov/reading-rm/doc-collections/fact-sheets/buried-pipes-tritium.html>.

### III. Conclusion

Based on the information summarized above, the NRC staff concludes that the activities requested by the Petitioner have been completed, with the exception of preventing the restart of Vermont Yankee. Therefore, NRR concludes that the Petition has been granted in part and denied in part. Related documentation includes an NRC letter to Entergy on increased oversight dated April 8, 2010, ADAMS Accession No. ML100990458.

As provided in 10 CFR 2.206(c), a copy of this Director's Decision will be filed with the Secretary of the Commission for the Commission to

review. As provided for by this regulation, the Decision will constitute the final action of the Commission 25 days after the date of the Decision unless the Commission, on its own motion, institutes a review of the Decision within that time.

Dated at Rockville, Maryland, this 27 day of January 2011.

For The Nuclear Regulatory Commission.

**Eric J. Leeds,**

*Director, Office of Nuclear Reactor Regulation.*

#### ATTACHMENT TO THE FINAL DIRECTOR'S DECISION; DISCUSSION OF COMMENTS ON THE PROPOSED DIRECTOR'S DECISION FROM THE LICENSEE, AND THE NRC STAFF RESPONSES

By e-mail dated December 21, 2010, ADAMS Accession No. ML110050341, the licensee provided comments on the proposed Director's Decision on the Petition filed by Congressman Paul Hodes pursuant to 10 CFR 2.206, "Requests for action under this subpart." The licensee's comments and corresponding response from the NRC staff are provided below:

##### *Comment 1:*

Section II, "Discussion:

a) GZ-3 is actually located approximately 70 ft from the Connecticut River. Actual distance depends on river stage.

b) The highest reading from any monitoring well has been 2.52 million pci/L (measured on 2/8/2010) from monitoring well GZ-10.

c) On June 8th, Entergy reported a leak in the reactor building (June 8th was the date that RHR relief valve leakage was discovered. This required a 4-hour notification to the NRC).

##### *The NRC Staff Response:*

Revised the Director's Decision to reflect the comments.

##### *Comment 2:*

A. *The Tritiated Groundwater Remediation Process:*

a) Monitoring well GZ-15 was utilized for groundwater extraction from July 28, 2010, until September 2, 2010, and again from October 28, 2010, until November 8, 2010.

b) As of December 21, 2010, Entergy has pumped 307,000 gallons of groundwater.

c) About 298,000 gallons of water was shipped offsite for disposal and 9,000 gallons was returned to the station's liquid radioactive waste system for in-plant use.

d) Evaluation of continued extraction is ongoing.

e) On March 23, 2010, Entergy installed an extraction well (GZ-EW1). (The well was installed on 3/23 and placed in service on 3/24).

##### *The NRC Staff Response:*

Revised the Director's Decision to reflect the comments.

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## NUCLEAR REGULATORY COMMISSION

[Docket Nos. 50-338 and 50-339; NRC-2010-0283]

### Virginia Electric and Power Company North Anna Power Station, Units 1 and 2; Exemption

#### 1.0 Background

Virginia Electric and Power Company (VEPCO, the licensee) is the holder of Facility Operating License Nos. NPF-4 and NPF-7 which authorizes operation of the North Anna Power Station, Units 1 and 2 (NAPS). The license provides, among other things, that the facility is subject to all rules, regulations, and orders of the Nuclear Regulatory Commission (NRC, the Commission) now or hereafter in effect.

The facility consists of a pressurized-water reactor located in Louisa County, Virginia.

#### 2.0 Request/Action

Title 10 of the Code of Federal Regulations (10 CFR), Part 50, Section 50.46, "Acceptance criteria for emergency core cooling systems [ECCS] for light-water nuclear power reactors," requires that each power reactor meet the acceptance criteria for ECCS provided therein for zircaloy or ZIRLO™ cladding. Appendix K of 10 CFR Part 50, "ECCS Evaluation Models," requires the rate of energy release, hydrogen generation, and cladding oxidation from the metal/water reaction to be calculated using the Baker-Just equation (Baker, L., Just, L.C., "Studies of Metal Water Reactions at High Temperatures, III. Experimental and Theoretical Studies of the Zirconium-Water Reaction," ANL-6548, page 7, May 1962).

Both of the above requirements require the use of zircaloy or ZIRLO™ cladding. The licensee proposes to use Optimized ZIRLO™ as the cladding material and therefore is requesting an exemption from the requirements.

In summary, by letter dated May 6, 2010, (Agencywide Documents Access and Management System (ADAMS), Accession No. ML101260517), the licensee requested an exemption from the requirements of 10 CFR 50.46 and Appendix K to 10 CFR part 50. The reason for the exemption is to allow the use of Optimized ZIRLO™ as a cladding material.

#### 3.0 Discussion

Pursuant to 10 CFR 50.12, the Commission may, upon application by any interested person or upon its own initiative, grant exemptions from the

requirements of 10 CFR part 50 when (1) the exemptions are authorized by law, will not present an undue risk to public health or safety, and are consistent with the common defense and security; and (2) when special circumstances are present. These circumstances include the special circumstances that application of the regulation is not necessary to achieve the underlying purpose of the rule.

#### *Authorized by Law*

This exemption would allow the licensee to use Optimized ZIRLO™ fuel rod cladding material at NAPS. As stated above, 10 CFR 50.12 allows the NRC to grant exemptions from the requirements of 10 CFR part 50. The NRC staff has determined that granting of the licensee's proposed exemption will not result in a violation of the Atomic Energy Act of 1954, as amended, or the Commission's regulations. Therefore, the exemption is authorized by law.

#### *No Undue Risk to Public Health and Safety*

The underlying purpose of 10 CFR 50.46 is to establish acceptance criteria for adequate ECCS performance. By letter dated June 10, 2005 (ADAMS Accession No. ML051670408), the NRC staff issued a safety evaluation (SE) approving Addendum 1 to Westinghouse Topical Report WCAP-12610-P-A and CENPD-404-P-A, "Optimized ZIRLO™" (ADAMS Accession No. ML062080576) (portions of this topical report are non-publicly available because they contain proprietary information) (the report with the proprietary information removed is available at ADAMS Accession No. ML062080569), wherein the NRC staff approved the use of Optimized ZIRLO™ as a fuel cladding material. The NRC staff approved the use of Optimized ZIRLO™ as a fuel cladding material based on: (1) Similarities with ZIRLO™, (2) demonstrated material performance, and (3) a commitment to provide irradiated data and validate fuel performance models ahead of burnups achieved in batch application. The NRC staff's SE for Optimized ZIRLO™ includes 10 conditions and limitations for its use. As previously documented in the NRC staff's review of topical reports submitted by Westinghouse Electric Company, LLC (Westinghouse), and subject to compliance with the specific conditions of approval established therein, the NRC staff finds that the applicability of these ECCS acceptance criteria to Optimized ZIRLO™ has been demonstrated by Westinghouse. Ring

compression tests performed by Westinghouse on Optimized ZIRLO™ (NRC-reviewed, approved, and documented in Appendix B of WCAP-12610-P-A and CENPD-404-P-A, Addendum 1-A, "Optimized ZIRLO™") (ADAMS Accession No. ML062080576) demonstrate an acceptable retention of post-quench ductility up to 10 CFR 50.46 limits of 2200° Fahrenheit and 17 percent equivalent clad reacted. Furthermore, the NRC staff has concluded that oxidation measurements provided by the licensee illustrate that oxide thickness (and associated hydrogen pickup) for Optimized ZIRLO™ at any given burnup would be less than both zircaloy-4 and ZIRLO™. Hence, the NRC staff concludes that Optimized ZIRLO™ would be expected to maintain better post-quench ductility than ZIRLO™. This finding is further supported by an ongoing loss-of-coolant accident (LOCA) research program at Argonne National Laboratory, which has identified a strong correlation between cladding hydrogen content (due to in-service corrosion) and post-quench ductility.

The underlying purpose of 10 CFR part 50, Appendix K, Section I.A.5, "Metal-Water Reaction Rate," is to ensure that cladding oxidation and hydrogen generation are appropriately limited during a LOCA and conservatively accounted for in the ECCS evaluation model. Appendix K states that the rates of energy release, hydrogen concentration, and cladding oxidation from the metal-water reaction shall be calculated using the Baker-Just equation. Since the Baker-Just equation presumes the use of zircaloy clad fuel, strict application of the rule would not permit use of the equation for Optimized ZIRLO™ cladding for determining acceptable fuel performance. However, the NRC staff has found that metal-water reaction tests performed by Westinghouse on Optimized ZIRLO™ demonstrate conservative reaction rates relative to the Baker-Just equation and are bounding for those approved for ZIRLO™ under anticipated operational occurrences and postulated accidents.

Based on the above, no new accident precursors are created by using Optimized ZIRLO™, thus, the probability of postulated accidents is not increased. Also, based on the above, the consequences of postulated accidents are not increased. Therefore, there is no undue risk to public health and safety.

#### *Consistent With Common Defense and Security*

The proposed exemption would allow the use of Optimized ZIRLO™ fuel rod cladding material at NAPS. This change to the plant configuration has no relation to security issues. Therefore, the common defense and security is not impacted by this exemption.

#### *Special Circumstances*

Special circumstances, in accordance with 10 CFR 50.12(a)(2)(ii), are present whenever application of the regulation in the particular circumstances is not necessary to achieve the underlying purpose of the rule. The underlying purpose of 10 CFR 50.46 and Appendix K to 10 CFR part 50 is to establish acceptance criteria for ECCS performance and to ensure that cladding oxidation and hydrogen generation are appropriately limited during a LOCA and conservatively accounted for in the ECCS evaluation model. The wording of the regulations in 10 CFR 50.46 and Appendix K is not directly applicable to Optimized ZIRLO™, even though the evaluations above show that the intent of the regulation is met. Therefore, since the underlying purposes of 10 CFR 50.46 and Appendix K are achieved through the use of Optimized ZIRLO™ fuel rod cladding material, the special circumstances required by 10 CFR 50.12(a)(2)(ii) for the granting of an exemption from certain requirements of 10 CFR 50.46 and Appendix K exist.

#### **4.0 Conclusion**

Accordingly, the Commission has determined that, pursuant to 10 CFR 50.12, the exemption is authorized by law, will not present an undue risk to the public health and safety, and is consistent with the common defense and security. Also, special circumstances are present. Therefore, the Commission hereby grants VEPCO an exemption from certain requirements of 10 CFR 50.46 and Appendix K to 10 CFR Part 50, to allow the use of Optimized ZIRLO™ fuel rod cladding material, for NAPS.

Pursuant to 10 CFR 51.32, the Commission has determined that the granting of this exemption will not have a significant effect on the quality of the human environment as published in the **Federal Register** on September 2, 2010 (75 FR 53984).

This exemption is effective upon issuance.

Dated at Rockville, Maryland, this 23rd day of March 2011.

For the Nuclear Regulatory Commission.

**Joseph G. Giitter,**

*Director, Division of Operating Reactor Licensing, Office of Nuclear Reactor Regulation.*

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**BILLING CODE 7590-01-P**

**POSTAL REGULATORY COMMISSION**

**[Docket No. A2011-11; Order No. 702]**

**Post Office Closing**

**AGENCY:** Postal Regulatory Commission.

**ACTION:** Notice.

**SUMMARY:** This document informs the public that an appeal of the closing of the Ida Post Office in Ida, Arkansas has been filed. It identifies preliminary steps and provides a procedural schedule. Publication of this document will allow the Postal Service, petitioner, and others to take appropriate action.

**DATES:** *Administrative record due (from Postal Service):* April 6, 2011; *deadline for notices to intervene:* April 18, 2011. See the Procedural Schedule in the

**SUPPLEMENTARY INFORMATION** section for other dates of interest.

**ADDRESSES:** Submit comments electronically by accessing the “Filing Online” link in the banner at the top of the Commission’s Web site (<http://www.prc.gov>) or by directly accessing the Commission’s Filing Online system at <https://www.prc.gov/prc-pages/filing-online/login.aspx>. Commenters who cannot submit their views electronically should contact the person identified in **FOR FURTHER INFORMATION CONTACT** section as the source for case-related information for advice on alternatives to electronic filing.

**FOR FURTHER INFORMATION CONTACT:** Stephen L. Sharfman, General Counsel, at 202-789-6820 (case-related information) or [DocketAdmins@prc.gov](mailto:DocketAdmins@prc.gov) (electronic filing assistance).

**SUPPLEMENTARY INFORMATION:** Notice is hereby given that, pursuant to 39 U.S.C. 404(d), on March 22, 2011, the Commission received a petition for review of the Postal Service’s determination to close the Ida, Arkansas post office. The petition, which was filed by the Committee to Save Ida Post Office (Petitioner), is postmarked March

16, 2011, and was posted on the Commission’s Web site March 22, 2011. The Commission hereby institutes a proceeding under 39 U.S.C. 404(d)(5) and establishes Docket No. A2011-11 to consider the Petitioner’s appeal. If the Petitioner would like to further explain its position with supplemental information or facts, the Petitioner may either file a Participant Statement on PRC Form 61 or file a brief with the Commission no later than April 26, 2011.

*Categories of issues apparently raised.* The Petitioner raises the issue of failure to consider the effect on the community. See 39 U.S.C. 404(d)(2)(A)(i).

After the Postal Service files the administrative record and the Commission reviews it, the Commission may find that there are more legal issues than the one set forth above, or that the Postal Service’s determination disposes of one or more of those issues. The deadline for the Postal Service to file the administrative record with the Commission is April 6, 2011.

See 39 CFR 3001.113. In addition, the due date for any responsive pleading by the Postal Service to this Notice is April 6, 2011.

*Availability; Web site posting.* The Commission has posted the appeal and supporting material on its Web site at <http://www.prc.gov>. Additional filings in this case and participants’ submissions also will be posted on the Commission’s Web site, if provided in electronic format or amenable to conversion, and not subject to a valid protective order. Information on how to use the Commission’s Web site is available online or by contacting the Commission’s webmaster via telephone at 202-789-6873 or via electronic mail at [prc-webmaster@prc.gov](mailto:prc-webmaster@prc.gov).

The appeal and all related documents also are available for public inspection in the Commission’s docket section. Docket section hours are 8 a.m. to 4:30 p.m., Monday through Friday, except on Federal government holidays. Docket section personnel may be contacted via electronic mail at [prc-dockets@prc.gov](mailto:prc-dockets@prc.gov) or via telephone at 202-789-6846.

*Filing of documents.* All filings of documents in this case shall be made using the Internet (Filing Online) pursuant to Commission rules 9(a) and

10(a) at the Commission’s Web site, <http://www.prc.gov>, unless a waiver is obtained. See 39 CFR 3001.9(a) and 3001.10(a). Instructions for obtaining an account to file documents online may be found on the Commission’s Web site or by contacting the Commission’s docket section at [prc-dockets@prc.gov](mailto:prc-dockets@prc.gov) or via telephone at 202-789-6846.

The Commission reserves the right to redact personal information which may infringe on an individual’s privacy rights from documents filed in this proceeding.

*Intervention.* Those, other than the Petitioner and respondent, wishing to be heard in this matter are directed to file a notice of intervention. See 39 CFR 3001.111(b). Notices of intervention in this case are to be filed on or before April 18, 2011. A notice of intervention shall be filed using the Internet (Filing Online) at the Commission’s Web site unless a waiver is obtained for hardcopy filing. See 39 CFR 3001.9(a) and 3001.10(a).

*Further procedures.* By statute, the Commission is required to issue its decision within 120 days from the date it receives the appeal. See 39 U.S.C. 404(d)(5). A procedural schedule has been developed to accommodate this statutory deadline. In the interest of expedition, in light of the 120-day decision schedule, the Commission may request the Postal Service or other participants to submit information or memoranda of law on any appropriate issue. As required by the Commission rules, if any motions are filed, responses are due 7 days after any such motion is filed. See 39 CFR 3001.21.

*It is ordered:*

1. The Postal Service shall file the administrative record regarding this appeal no later than April 6, 2011.
2. Any responsive pleading by the Postal Service to this Notice is due no later than April 6, 2011.
3. The procedural schedule listed below is hereby adopted.
4. Pursuant to 39 U.S.C. 505, Cassandra L. Hicks is designated officer of the Commission (Public Representative) to represent the interests of the general public.
5. The Secretary shall arrange for publication of this Notice and Order in the **Federal Register**.

**PROCEDURAL SCHEDULE**

March 22, 2011 .....	Filing of Appeal.
April 6, 2011 .....	Deadline for Postal Service to file administrative record in this appeal.
April 6, 2011 .....	Deadline for the Postal Service to file any responsive pleading.
April 18, 2011 .....	Deadline for notices to intervene (see 39 CFR 3001.111(b)).