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UNITED STATES OF AMERICA

NUCLEAR REGULATORY COMMISSION

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LICENSE RENEWAL AND SCOPING PROCESS

SHEARON HARRIS NUCLEAR POWER PLANT UNIT 1

PUBLIC MEETING

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Wednesday,

April 18, 2007

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Apex, North Carolina

The Public Meeting was held at 1:30 p.m. in the New Horizons Fellowship, 820 Williams Street, Apex, North Carolina, Lance Rakovan, Facilitator, presiding.

APPEARANCES:

SAM HERNANDEZ - NRC

MAURICE HEATH - NRC

RANI FRANOVICH - NRC

JOHN RUKAVINA

LYNN BAUCHKEY

HERMAN JAFFE

DAVID MCNELLIS

MAYOR JOHN BYRNE

ALDERMAN PAUL FISHER

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1 APPEARANCES: (CONT.)  
2 COUNCILMAN ROBERT J. AHLERT  
3 DAVID FINGER  
4 SCOOP GREEN  
5 JOHN RUNKLE  
6 HARVEY SCHMITT  
7 LIZ CULLINGTON  
8 MICHAEL LEACH  
9 ROBERT DUNCAN  
10 KEITH SUTTON  
11 TOM OXHOLM  
12 CARL WILKINS  
13 NELLLE HOTCHKISS  
14 KEN ATKINS  
15 HILDA PINNIX-RAGLAND

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P-R-O-C-E-E-D-I-N-G-S

1:30 p.m.

1  
2  
3 FACILITATOR RAKOVAN: Good afternoon. My  
4 name is Lance Rakovan. I am a communications  
5 assistant at the Nuclear Regulatory Commission, or  
6 NRC.

7 I would like to welcome you to today's  
8 meeting. The purpose of today's meeting is to discuss  
9 the license renewal process, and environmental scoping  
10 for the Shearon Harris nuclear power plant, unit 1,  
11 license renewal application review.

12 It is good to be here in North Carolina,  
13 and we appreciate the use of the facility for this  
14 meeting. Just to define the word scoping, it is a  
15 term used in conjunction with preparing an  
16 environmental impact statement.

17 Essentially your comments, on the scoping,  
18 will help us determine what should be included in the  
19 scope of the environmental impact statements we will  
20 prepare. In other words, what issues we will address.

21 Just to go over the meeting format, real  
22 quick, we are going to start out with a few  
23 presentations by NRC staff. At that point, once the  
24 presentations are over, we are going to open up the  
25 meeting for questions on the presentations, and then

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1 comments, specifically if you were kind enough to fill  
2 out one of the yellow cards.

3 Then I should have your name, and we  
4 should be able to call your name at some point and let  
5 you either get up, and make a formal comment, come to  
6 one of the mikes, or I'm also going to have a wireless  
7 mike.

8 So there is a number of ways we can do  
9 this. I have had a few people ask if they could go  
10 early on in the commenting, for various reasons, so  
11 I'm going to try to address them first, and then  
12 continue on.

13 We would like, if you could, to wait until  
14 the presentations are over, if you have any questions,  
15 that way it will allow us to get through the  
16 presentations completely and turn the meeting, pretty  
17 much, over to the public.

18 I'd like to remind you that we are doing  
19 a transcription, today, of the meeting. If you could,  
20 when you are making comments, or asking questions,  
21 make sure that only one person is talking at a time,  
22 and make sure that you are speaking into the  
23 microphone.

24 This will help us get a clean transcript  
25 of the meeting, so we can follow the conversation.

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1 The first time that you ask a question, or make a  
2 comment, if you could introduce yourself. And if you  
3 are with any group, or affiliation, if you could name  
4 that.

5 Again, that helps us identify who is  
6 making the comment, in the transcript. Given the  
7 number of comments that we made, I'm going to ask that  
8 we limit questions, or comments, to about five minutes  
9 or so.

10 If we have additional time, at the end of  
11 the meeting, then we can always open up the floor,  
12 again, and if you want to come back, ask more  
13 questions, give more comments, etcetera, then that  
14 will be fine.

15 But I just want to make sure that we can  
16 get through everybody in the time that we have  
17 allotted at least once.

18 Just regular meeting type things. If you  
19 could silence your cell phones, or put them on  
20 vibrate, so that they don't interrupt the meeting. As  
21 part of the table outside, that hopefully all of you  
22 signed up when you entered, there were copies of the  
23 presentations that are going to be given.

24 There are also meeting feedback forms.  
25 Those really come in handy if you could take a moment

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1 to fill those out, and either leave them on the table  
2 when you leave, hand them to one of the NRC, here, or  
3 go ahead and drop them in the mail, it is free to do  
4 that.

5 We do keep track of what comments are  
6 given, and those do have a bearing on how we run our  
7 future public meetings. So that really helps us out  
8 if you could take a moment to do that.

9 I'd like to take a moment to introduce our  
10 speakers this afternoon. First of all, Sam Hernandez.  
11 Sam is an environmental project manager. He has been  
12 with the NRC for about four years, working on  
13 environmental reviews.

14 He has a bachelor's degree, in chemical  
15 engineering, from the University of Puerto Rico and  
16 is, currently, pursuing a master's degree in  
17 environmental engineering from the University of  
18 Maryland.

19 The other speaker is Maurice Heath.  
20 Maurice is a project manager for license renewal at  
21 the NRC. He has also been with the NRC for about four  
22 years. He has a bachelor's of science in mechanical  
23 engineering, from North Carolina A&T.

24 One other comment that I wanted to make.  
25 I was given a copy of something that was in the News

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1 and Observer, I believe, on Sunday. It made the  
2 statement, "if opponents claim deficiencies in  
3 Progress Energy's application, or problems at the  
4 nuclear plant, then they can ask the NRC for an  
5 evidentiary hearing. Such a hearing would extend  
6 proceedings by at least half a year."

7 That is not entirely true. We have a  
8 number of different processes, at the NRC,  
9 specifically involving if you believe that there is a  
10 problem, if you will, at the nuclear plant.

11 And I believe Sam and Maurice are going  
12 to address more specifically what we are looking for,  
13 in terms of comments, in the process that we will be  
14 discussing today. So I just wanted to make that  
15 clarification.

16 As long as there are no other questions  
17 I'm going to go ahead and turn it over to our  
18 speakers. And, again, if you could hold your  
19 questions for the end, we will go ahead and open up  
20 the floor for questions and comments once they are  
21 done.

22 Gentlemen?

23 MR. HEATH: Good afternoon. My name is  
24 Maurice Heath, as Lance said, and I'm the project  
25 manager responsible for the review of Shearon Harris

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1 nuclear power plant license renewal application.

2 As Lance mentioned, the purpose of today's  
3 meeting is to provide an overview of the NRC's license  
4 renewal review processes, and to receive your comments  
5 on the scope of the environmental review.

6 I would like to reiterate that we will be  
7 answering your questions at the end of today's  
8 presentation. So please hold your comments until the  
9 appropriate period during the meeting.

10 Before I get into a discussion of the  
11 license renewal process, I would like to take a minute  
12 to talk about the NRC in terms of what we do, and what  
13 our mission is.

14 The two principal NRC governing statutes  
15 are the Atomic Energy Act, and the National  
16 Environmental Policy Act of 1969, better known as  
17 NEPA.

18 The Atomic Energy Act authorizes the NRC  
19 to regulate the civilian use of nuclear material. The  
20 specific regulations that the NRC enforces are  
21 contained in Title 10 of the Code of Federal  
22 Regulations, commonly known as 10CFR.

23 The Atomic Energy Act also authorizes the  
24 NRC to grant a 40 year operating license for nuclear  
25 power reactors, and allowing the renewal of this

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1 license.

2 It is important to note that the 40 year  
3 term was based on, primarily, economic considerations,  
4 and anti-trust factors, and not on safety or technical  
5 limitations.

6 The second governing statute is NEPA of  
7 1969, that established a national policy for  
8 considering the impact of federal decisionmaking on  
9 the environment.

10 In exercising its authority the NRC's  
11 mission is three-fold, to ensure adequate protection  
12 of public health and safety, to promote the common  
13 defense and security, and to protect the environment.

14 The NRC accomplishes its mission through  
15 a combination of regulatory programs and processes,  
16 such as conducting inspections, issuing enforcement  
17 actions, assessing licensee performance, and  
18 evaluating operating experience from nuclear plants  
19 across the country, and internationally.

20 One important element of our inspection  
21 program is the resident inspector. The NRC has  
22 resident inspectors at all operating nuclear power  
23 plants. Their job is to carry out our safety mission  
24 on a daily basis by ensuring that these plants have  
25 acceptable safety performances, in compliance with the

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1 regulatory requirements.

2 They are considered the eyes and ears of  
3 the NRC. And today our senior resident inspector, Mr.  
4 Phil O'Bryan is here, and he is stationed, full time,  
5 at the Shearon Harris nuclear power plant.

6 The current operating license for Shearon  
7 Harris will expire on October 24th, 2026. On November  
8 14th, 2006, CP&L, doing business as Progress Energy,  
9 owner of the plant, submitted an application for  
10 renewal of the Sharon Harris operating license for an  
11 additional 20 years.

12 Copies of the Sharon Harris license  
13 renewal application are available for review at Eva H.  
14 Perry library, in Apex, North Carolina, and the West  
15 Regional Library in Cary, North Carolina. For today's  
16 meeting we have copies, outside, on disk, if you would  
17 like to take one.

18 The regulations governing license renewal  
19 are based on two guiding principles. To effectively  
20 communicate these principles I need to describe a  
21 concept, or term, used by the NRC. That concept is  
22 licensing basis.

23 Licensing basis is a wide range of design  
24 and operational requirements, and conditions, that  
25 must be met for the plant to comply with its operating

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1 license. It serves as a basis upon which the NRC  
2 originally licensed that plant, and allows that plant  
3 to continue to operate.

4 Now, as I mentioned, the regulations  
5 governing license renewal are based on two principles.  
6 The first is that the current regulatory process is  
7 adequate to ensure that the licensing basis of all  
8 currently operating plants provide and maintain an  
9 acceptable level of safety.

10 The second principle is that the current  
11 plant's specific licensing basis must be maintained  
12 during the renewal term in the same manner, and to the  
13 same extent, as during the original license term.

14 To ensure that the plant's current  
15 licensing basis is maintained during an extended  
16 period of operation, the effects of aging must be  
17 understood and addressed.

18 The Staff conducts a rigorous review of  
19 new and existing programs, and surveillance  
20 activities, to determine, with reasonable assurance,  
21 that the effects of aging, for certain plant  
22 structures, systems, and components, will be  
23 adequately managed, or monitored.

24 This slide is a list of the content of the  
25 license renewal application submitted by Progress

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1 Energy. The Staff reviews this information to verify  
2 that all aging will be managed effectively and  
3 environmental impacts are characterized and disclosed.

4 This diagram represents the license  
5 renewal process. The top portion of the diagram shows  
6 the safety process, and the bottom portion shows the  
7 environmental process.

8 These two reviews are conducted in  
9 parallel to evaluate two separate aspects of the  
10 license renewal application.

11 The yellow starburst figures represent  
12 opportunities for public involvement. Today's meeting  
13 we are in the first yellow figure, which is to solicit  
14 your comments on the scope of the environmental  
15 review.

16 During the safety review the Staff  
17 conducts an audit to evaluate adequacy of the  
18 technical information in the license renewal  
19 application. The NRC's qualified inspectors perform  
20 on-site inspections to verify that the plant aging  
21 management programs, and activities, are implemented,  
22 or have been planned for implementation.

23 Then the results of the safety review are  
24 documented in a safety evaluation report and  
25 inspection report. The safety evaluation report, or

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1 SER, is forwarded to the Advisory Committee on Reactor  
2 Safeguards, otherwise known as ACRS, who will perform  
3 an independent review of both license renewal  
4 application, and the NRC's staff evaluation.

5 The ACRS is a group of scientists, and  
6 nuclear experts, who serve as a consulting body to the  
7 Commission. The ACRS reports their findings, and  
8 recommendations, directly to the Commission.

9 To perform an environmental review the  
10 Staff conducts an on-site environmental audit, and  
11 generates a draft and final generic environmental  
12 impact statement.

13 In the second part of this presentation  
14 Sam Hernandez, the environmental PM, will provide a  
15 detailed overview of the environmental process.

16 In summary, for the safety review process,  
17 the NRC reviews the applicant's renewal application,  
18 reviews supporting documentation, and conducts on-site  
19 audit and inspections.

20 Thereafter the Staff documents the basis  
21 of the conclusion, of its review, in a publicly  
22 available safety evaluation report. And, finally,  
23 after the ACRS has completed their independent review  
24 of both the license renewal application, and the  
25 Staff's safety evaluation report, offers a

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1 recommendation to the Commission regarding proposed  
2 action to issue a renewed operating license.

3 Before turning the presentation over to  
4 Mr. Hernandez, to discuss the environmental review  
5 process, I would like to mention a few important areas  
6 of NRC oversight, that are separate from the license  
7 renewal process.

8 They include emergency planning, security,  
9 and current safety performance. The NRC monitors, and  
10 provides, regulatory oversight of these activities, in  
11 these areas, on an ongoing basis, under the current  
12 operating license.

13 Therefore we do not reevaluate them in  
14 license renewal. The reason why these areas are not  
15 reevaluated is because they are subject to ongoing NRC  
16 inspection and oversight.

17 Any issues are identified and addressed,  
18 immediately, under the current operating license. For  
19 more information about the reactor oversight process  
20 for Sharon Harris, you can follow the link at the  
21 bottom of the page.

22 That concludes my presentation of the  
23 safety review process for license renewal. Now I'm  
24 going to turn it over to Sam Hernandez to explain the  
25 environmental review process. Sam?

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1 MR. HERNANDEZ: Hi. My name is Sam  
2 Hernandez. I'm an environmental project manager for  
3 the NRC. I'm responsible for coordinating all the  
4 activities of the NRC Staff to prepare an  
5 environmental impact statement associated with the  
6 proposed license renewal of the Shearon Harris nuclear  
7 power plant.

8 The National Environmental Policy Act of  
9 1969 requires that all federal agencies follow a  
10 systematic approach in evaluating potential impacts  
11 associated with certain actions.

12 We, at the NRC, are required to consider  
13 the impact of the proposed action and, also, any  
14 mitigation for those impacts we consider to be  
15 significant.

16 We are also required to consider  
17 alternatives to the proposed action, in this case, the  
18 license renewal of Shearon Harris, and by other  
19 alternatives we include the no action alternative.

20 In other words, if we decide not to  
21 approve the license renewal for Shearon Harris, what  
22 are the environmental impacts? The NRC has determined  
23 that an environmental impact statement, or EIS, will  
24 be prepared for any proposed license renewal of  
25 nuclear plants.

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1           In preparing an environmental impact  
2 statement the NRC conducts a scoping process. The  
3 purpose of this scoping process is to identify any  
4 important issue, and information, to be analyzed in  
5 depth during our review.

6           We are now in the scoping process for  
7 Shearon Harris, and are here today, gathering  
8 information, and collecting public comments on the  
9 scope of our review.

10           Simply put, what special issues should the  
11 Staff consider in preparing the environmental impact  
12 statement for the license renewal of Shearon Harris.

13           In that framework I want to provide an  
14 overview of the environmental review. In the 1990s  
15 the NRC staff developed a generic environmental impact  
16 statement, or GEIS.

17           The GEIS documented the environmental  
18 impacts of renewing the operating licenses for all the  
19 nuclear power plants in the nation. As a result of  
20 that analysis the NRC was able to conclude that  
21 several environmental issues were common, or similar,  
22 to all nuclear power plants.

23           The environmental impact associated with  
24 those issues was a small impact at all sites. The NRC  
25 Staff, in our overview, would also evaluate any new

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1 and significant information that might call into  
2 question the conclusions that were previously reached  
3 in the GEIS.

4 Now, the NRC also concluded that there are  
5 several issues to which a generic determination, or  
6 conclusion, could not be reached. And for these  
7 issues the NRC will prepare a site specific  
8 environmental impact statement, or SEIS, which is a  
9 supplement.

10 And that is the reason we are here today  
11 requesting your comments on the scope of the site  
12 specific environmental impact statement for Shearon  
13 Harris.

14 Now, what do I mean by generic  
15 dispositioned issues and site specific issues? I want  
16 to give you an example of what is concluded in the  
17 GEIS. An impact that we consider to be generic, for  
18 example is bird collisions with cooling towers.

19 These collisions have not been found to be  
20 a problem at operating nuclear power plants, and are  
21 not expected to be a problem during the license  
22 renewal. This is an issue that was dispositioned as  
23 generic. But, as part of our review, we will look for  
24 information that might call into question that  
25 conclusion.

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1           As for site specific issue, it is impacts  
2           on threatened or endangered species. Continued  
3           operation is not expected to adversely affect,  
4           threaten, or endanger, species.

5           However, consultation with appropriate  
6           agencies is needed at the time of the license renewal,  
7           to determine whether threatened, or endangered  
8           species, are present and whether they would be  
9           adversely affected. So this is an issue that would be  
10          included in our site specific supplement.

11          When the review is completed, the GEIS,  
12          and the site specific environmental impact, will be  
13          the complete record of the environmental review.

14          This diagram shows the subject areas that  
15          we will be looking at, and we will be evaluating in  
16          our site specific environmental impact statement for  
17          Shearon Harris. These are all the subject areas that  
18          we will be covering.

19          So how does the public provide input for  
20          the decisionmaking? This diagram shows some of the  
21          inputs that are used for the license renewal decision.  
22          Today we are here soliciting your comments on the  
23          scope of the environmental review, and we will  
24          consider your comments, received during the scoping,  
25          in developing the draft supplemental environmental

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1 impact statement.

2 Also, there is an opportunity to request  
3 a hearing, right here at the bottom. The opportunity  
4 for a hearing closes on May 19, of '07. And  
5 additional information about the hearing process is  
6 attached to the handouts that you received at the  
7 registration table.

8 Specifically, if you look at the Federal  
9 Register Notice, there is the information on how to  
10 request a hearing in the proceedings.

11 Now, I would like to clarify that the  
12 hearing opportunity, and the public comments on the  
13 scope of the environmental review, are two different  
14 processes. Today we are accepting your comments on  
15 the scope of an environmental review.

16 So how do you provide your comments? You  
17 can do it here, during our comment portion of the  
18 meeting. If you are not ready to provide a comment  
19 today, you can send us your comment via regular mail,  
20 or you can also send your comment via email.

21 The special address that we have set up in  
22 the NRC, for receiving comments on the scope of the  
23 environmental review for Shearon Harris, is  
24 ShearonHarrisEIS@nrc.gov.

25 Also you can deliver your comments, in

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1 person, if you wish to. Or you can provide your  
2 written comment, today, to us. It is important that  
3 you remember that the scoping period closes on May  
4 19th of '07.

5 I want to give you some information about  
6 the overall review schedule. All this information is  
7 provided in your handouts, so I won't bore you going  
8 all over them. But all of these items, highlighted in  
9 yellow here, are the opportunities for public  
10 involvement.

11 Right now we are in the scoping process.  
12 The scoping process closes on May 19th, 2007. Also we  
13 have an opportunity to request a hearing. The  
14 opportunity to request a hearing closes in May 19th.

15 As I told you, earlier, there is more  
16 detailed information in your handouts about that  
17 process.

18 We expect to issue a scoping summary  
19 report in July of '07. In that report we will have  
20 the summary of all issues that were brought up during  
21 scoping. After that we expect to publish the draft  
22 environmental impact in December of '07.

23 And that document will be up for a period  
24 of public comment of 75 days. And we will have  
25 another meeting, here, to request your comments on the

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1 draft environmental impact statement.

2 We expect to conduct the public meeting  
3 somewhere around January of '08. We anticipate  
4 issuing the final supplemental environmental impact  
5 statement in August of '08.

6 This is some additional information. If  
7 you have any question about what was said, here today,  
8 or any information you might find useful to submit  
9 your comments, you can call any of us listed on this  
10 slide.

11 Also, as previously mentioned, the license  
12 renewal application, and the environmental review,  
13 submitted by the applicant, are available in these two  
14 local libraries.

15 In these local libraries you will also be  
16 able to inspect the scoping summary report, the draft  
17 environmental impact statement, the safety evaluation  
18 report, and the final supplemental environmental  
19 impact statement, once the NRC issues these documents.

20 And you can also go to the NRC website and  
21 find information. If you have any problem locating  
22 any document, in the NRC website, you can call any one  
23 of us, and we will make sure you obtain the  
24 information you are looking for.

25 And that concludes my remarks. Thank you.

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1 FACILITATOR RAKOVAN: Thank you,  
2 gentlemen. I have a stack of cards of people who  
3 signed up to comment. But before I move to these I  
4 wanted to give a quick check to see if anyone had any  
5 specific questions about the presentations that Sam  
6 and Maurice gave.

7 Sir, do you want to step to the mike  
8 there, if you would? If you could give us your name,  
9 and if you are representing any organization?

10 MR. RUNKLE: John Runkle with the North  
11 Carolina Waste Awareness and Reduction Network. Can  
12 you make it louder, or what do I need to do, talk  
13 louder? Okay, thank you.

14 The question was on the scoping comments,  
15 and the request for hearing. Those are two different  
16 things, now?

17 MR. HERNANDEZ: Yes, those are two  
18 different processes. Both of them conclude on May  
19 19th. But the scoping comments, for the environmental  
20 review, we will be collecting those comments today,  
21 and you can either send your comments to us, for the  
22 scoping of the environmental review, via email or  
23 regular mail.

24 Now, the hearing process, that is a  
25 different, it is a very structured process, and it is

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1 a legal proceeding, so maybe Dave Roth, he is with  
2 OGC, he can explain, maybe, if you have any questions  
3 about that particular subject, of the process of the  
4 hearing.

5 MR. RUNKLE: No, I just wanted to make it  
6 clear that those are two different things. So if  
7 scoping comments should be scoping comments, and  
8 request for a hearing, is a request for a hearing?

9 MR. HERNANDEZ: Yes, those are two  
10 different processes.

11 MR. RUNKLE: Thank you.

12 FACILITATOR RAKOVAN: Thanks, Sam. Any  
13 other questions before we go to the comment cards?

14 (No response.)

15 FACILITATOR RAKOVAN: Okay, seeing none,  
16 I had a few individuals who asked if they could go  
17 early, for one reason or another. So I'm going to  
18 start with them.

19 The first I have the Director of Public  
20 Safety for Wake county, Mr. John Rukavina.

21 MR. RUKAVINA: Ladies, and gentlemen,  
22 thank you. My name is John Rukavina, I'm Director of  
23 Public Safety for Wake County.

24 Wake County is responsible for emergency  
25 and crisis response planning, in Wake County. That

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1 includes planning and exercise functions connected  
2 with the Shearon Harris plant, as required by the  
3 Nuclear Regulatory Commission and FEMA.

4 Since the initial licensing efforts, for  
5 the plant, Wake County and, at the time, CP&L, and  
6 subsequently Progress Energy, have had a continuing  
7 relationship.

8 And that relationship includes financial  
9 planning, and work support, in development and  
10 maintenance of our emergency response plans, and other  
11 preparedness activities.

12 And, as a result of that continuing  
13 collaborative effort, when we've tested our emergency  
14 response activities, it has been determined that we  
15 meet NRC and FEMA standards for emergency response  
16 external to the plant.

17 In Wake County we actually conduct annual  
18 tests of that plan. In alternating years we either  
19 test the activation of the EOC only, or we activate  
20 the EOC and the field activities response for exercise  
21 purposes.

22 And what I wanted to establish, for the  
23 record, was that current relationship with Progress  
24 Energy, in emergency planning and testing, and  
25 managing the emergency plan for Shearon Harris. Thank

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1 you.

2 FACILITATOR RAKOVAN: Thank you. Next I'm  
3 going to see if Lynn Bauchkey is prepared to speak.  
4 Is this all right, Lynn? Do you want me to bring you  
5 the wireless, or do you want to come up here?

6 MS. BAUCHKEY: Thank you for allowing me  
7 to come first. I have my granddaughter, and my son  
8 Michael. I'm a little bit nervous, so I will relax.

9 I'm just a resident of North Carolina. My  
10 husband's job has required us to move around,  
11 periodically, which I have been doing for the past 15  
12 years.

13 Let me start by saying that I'm not here  
14 saying I know everything, I know nothing. I'm just a  
15 mom, I'm a grandmother, I'm a wife. I'm very  
16 concerned about what we are going to do with the spent  
17 rods, before we do any renewal of license.

18 I have been here for two years. Previous  
19 to that I lived in a small town called Bayville, New  
20 Jersey. We were right outside Oyster Creek. You guys  
21 renewed their license, I cried that day.

22 If you could renew Oyster Creek license,  
23 you could renew your license. But anyone that opposes  
24 it, I feel for you, I truly do feel for you. And what  
25 I'm doing is I'm begging that you do look into

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1 disposing of these used rods.

2 When we first started nuclear energy we  
3 never expected to keep them on the facilities, and we  
4 have. They don't want them out there in the desert,  
5 in Nevada. They are very, very dangerous in our  
6 backyards.

7 It is their future, for our sins. And I'm  
8 just asking you to please consider it. People don't  
9 want alternative. I lived in Wales for a year and a  
10 half. Actually I thought the windmills looked pretty  
11 good.

12 I would rather look at a windmill than  
13 look at nothing, or know that I lived and gave these  
14 sins of us, to our children. And that is about all I  
15 have to say, thank you.

16 FACILITATOR RAKOVAN: Thank you very much.  
17 I had another request to go early for Herman Jaffe.  
18 Sir, would you like to use the podium, or do you want  
19 to use the wireless?

20 MR. JAFFE: Good afternoon. My name is  
21 Herman Jaffe, 209 Old Grove Lane, here in Apex, where  
22 I have been for about ten years.

23 Now, there are several reasons not to  
24 extend the license of Shearon Harris nuclear plant.  
25 The most important is that Shearon Harris has been

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1 stalling, for 15 years, and now asks for another ten  
2 years to correct the wiring of firewalls.

3 This is material installed, originally, by  
4 the builders of Shearon Harris and approved by you,  
5 the NRC. Shearon Harris is spending 500,000 dollars  
6 a year on a fire watch system, again, approved by the  
7 NRC, hoping to prevent a major fire.

8 That is a hell of a job to look around and  
9 look to see if the fire was smoke. Boy, that is awful  
10 boring. The next reason not to extend the license is  
11 that it was built to last 40 years, only, and it is  
12 wearing out, much as a car that was built to last  
13 100,000 miles, and has run over 550,000 miles.

14 There are parts of the plant that cannot  
15 be measured for durability, and useful life, just as  
16 an old car engine and drive train can only be  
17 estimated. When a piece of equipment is designed for  
18 40 years of use, there are hidden weaknesses to  
19 consider. It ages. Let's wait ten more years before  
20 we consider a license renewal.

21 Shearon Harris has stalled on replacing  
22 known unsafe firewalls, and wiring, and does not  
23 really qualify as a responsible operator. The  
24 corrections must be made before you, the NRC, consider  
25 a license extension that Shearon Harris has asked for.

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1                   Now, this is really a public relations  
2 ploy by Progress Energy. I have been around for over  
3 80 years. And as far as the Nuclear Regulatory  
4 Commission, I have been around from the get-go. And  
5 I supervised security offices back in the '70s.

6                   And all the blab, and all the blurb from  
7 Progress Energy, I can sum up in one little statement  
8 from every security officer I supervised in five  
9 different atomic energy plants, in the northeast.

10                  Anything happens here, bud, I'm the first  
11 one out the gate. And this is all security officers  
12 I'm referring to, who I supervised. You have no real  
13 security if a major accident occurs. And we have just  
14 been going along hoping that they spot a fire, like  
15 they did back in '93, before it becomes a major  
16 conflagration.

17                  I thank you for your courtesy and time.

18                  FACILITATOR RAKOVAN: Thank you, Mr.  
19 Jaffe. I have one additional individual who asked to  
20 go early. David McNellis.

21                  MR. MCNELLIS: Thank you. I'm David  
22 McNellis, 39507 Glenglade, Chapel Hill, North  
23 Carolina. I'm a research professor at UNC in Chapel  
24 Hill, with a dual appointment in the Institute for the  
25 Environment, in the Department of Environmental

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1 Sciences and Engineering.

2 At UNC I teach courses in energy, and the  
3 environment, and treat both transportation, fuels, and  
4 systems, and conventional, renewable, and nuclear  
5 electricity power production.

6 I'm also an adjunct professor in the  
7 department of nuclear engineering at NC State. With  
8 my colleagues, and students at NC State, we are  
9 working on a number of areas related to the nuclear  
10 power industry; non-proliferation, risk assessment,  
11 spent fuel, heat evolution, and transmutation.

12 In other words, our work deals with how do  
13 we get rid of the spent nuclear fuel. The last area  
14 that I mentioned, transmutation, or transformation of  
15 spent nuclear fuel components, and the materials that  
16 are less radiotoxic, have shorter half lifes, produce  
17 less heat, or are stable, reduce physical content  
18 and/or lessen the burden on the repository, is the  
19 area of my principal interest.

20 My research is privately funded, it  
21 includes sponsoring some of the graduate students at  
22 NC state, and a number of inter-academy projects with  
23 the US and Russian Academy of Sciences.

24 I'm here to speak in favor of extending  
25 the license for the Shearon Harris nuclear power

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1 plant. The Progress Energy staff has demonstrated,  
2 over the past 20 plus years, that it is fully capable  
3 of safely operating the facility, and storing the  
4 spent assemblies in pools, and in dry casks.

5 I am convinced that they are fully capable  
6 of also preparing the assemblies for shipment, when  
7 the repository, or an interim storage facility is  
8 available.

9 Operationally, since 1987, Shearon Harris  
10 has increased its capacity factor from a little over  
11 70 percent, to just over 89 percent this past year, in  
12 2006 which was, also, a refuel outage year.

13 It has also been uprated, by the NRC, in  
14 2001, by four and a half percent, bringing it to its  
15 current 900 megawatt rating.

16 The global nuclear power industry has now,  
17 according to my estimates, over 12,000 reactor years  
18 of operation, or operational experience. The storage  
19 pools at Shearon Harris was originally built to store  
20 the assemblies, from the four reactors for which the  
21 site was originally designed.

22 There is, of course, only one reactor in  
23 operation at the site, and the pool holds, of its own  
24 fuel, again according to my estimates, less than 25  
25 percent of its capacity of 8,400 rods, or assemblies.

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1           And with its own fuel will only be  
2 approximately at 75 percent of capacity, at the end of  
3 the relicense period. Shearon Harris is contributing  
4 to the provision of the base load of electricity that  
5 we, the consumers, are demanding.

6           It is contributing to our national goal of  
7 energy independence, and its operation is not  
8 contributing to the tropospheric loading of green  
9 house gases.

10           Shearon Harris is also a member of the  
11 local community. Its management communicates with,  
12 and advises, local and state officials, on matters  
13 related to its operation.

14           It communicates with the public through  
15 its visitor centers, and outreach programs, and  
16 participates with local and state organizations, in  
17 safety related drills and exercises.

18           I have toured the facility and,  
19 periodically, talked with some of the plant's staff  
20 and employees. They have earned my confidence, over  
21 the years, and I'm pleased to speak in support of this  
22 application to extend the license, for the Harris  
23 facility, for an additional 20 years.

24           I thank you.

25           FACILITATOR RAKOVAN: Thank you, Professor

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1 McNellis.

2 I have just been handed the card of  
3 someone else who would like to speak early. So let's  
4 go ahead and do that. I have John Byrne, who is the  
5 Mayor of, and I apologize, but I can't read what you  
6 are the Mayor of. I really apologize for that.

7 MR. BYRNE: Mayor of Fuquay-Varina.

8 FACILITATOR RAKOVAN: Now that you say it  
9 I can read it. Pleasure sir, thank you.

10 MR. BYRNE: First of all, I appreciate the  
11 opportunity to be here today. I have been fortunate  
12 to have met with some of the NRC officials, several  
13 months ago, as this process was starting.

14 I have had a chance to visit the plant and  
15 interface with Bob Duncan, and his management team.  
16 I have seen, first-hand, the security measures in  
17 place, and the dedication, and the commitment, of the  
18 entire Progress Energy team.

19 Many of the employees who work at the  
20 Shearon Harris plant live in, and are a part of, our  
21 community. I am confident that their commitment to  
22 safe operation of the plant, and their strong  
23 commitment to the environment, are there.

24 There are numerous activities that the  
25 lake, and the Harris park, offers, to citizens,

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1 including hiking, and nature trails. I have lived in  
2 Fuquay for over 30 years, and continue to count on  
3 Progress Energy to provide the electricity needed for  
4 our community, and the region, and recognize that the  
5 Shearon Harris plant has been a part of providing  
6 infrastructure, and meeting the tremendous growth that  
7 has taken place in our area.

8 I'm satisfied, in fact, that we could not  
9 have had this type of growth if we hadn't had the type  
10 of energy needed for this region. And the Harris  
11 plant has met those demands.

12 While we face challenges in meeting the  
13 demands of growth, certainly our region has, and will  
14 continue, to meet those challenges while we work  
15 together. In that spirit of team work, cooperation,  
16 the Wake County Mayors Association has unanimously,  
17 there are 12 municipalities in Wake County, and they  
18 support this renewal, unanimously, with a resolution.

19 I'm also a member of the Board of  
20 Directors of the Fuquay Chamber of Commerce, and its  
21 support was unanimous. I truly believe that we will  
22 have a continued safe and reliable operation at the  
23 Harris plant, with the 20 year license renewal.

24 I want to thank the NRC for the  
25 opportunity to engage our community in the progress,

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1 and want to encourage us all to continue to work  
2 together, to meet the needs of our community, our  
3 region, and for all of our citizens to enjoy the  
4 environment.

5 This is a very safe plant, it has proven  
6 that it has stood the test of time, and it meets a  
7 very, very important part of our community and  
8 region's needs.

9 And, again, I want to thank the NRC for  
10 holding this meeting, and notifying us all to speak if  
11 we would like. Thank you very much.

12 FACILITATOR RAKOVAN: Thank you. Is that  
13 okay? Actually the Mayor is going to set up a  
14 number of representatives of various cities, or  
15 counties, that will speak at this point, starting with  
16 Paul Fisher, who is the Alderman of Southport, North  
17 Carolina, Chairman of North Carolina Municipal Power  
18 Board of Commissioners. Alderman?

19 ALDERMAN FISHER: Thank you for the  
20 opportunity to address you this afternoon. My name is  
21 Paul Fisher, I'm an Alderman for the City of  
22 Southport, if you are not familiar with that term,  
23 that is the same as city councilman.

24 Also, I'm Chairman of the North Carolina  
25 Municipal Power Agency, which I will refer to as the

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1 agency, from here on, it is easier to say.

2 Southport is the home of Brunswick nuclear  
3 power plant, they have two units, unit 1 and 2. In  
4 2006 their license was extended. We have found the  
5 Brunswick plants to be an important economic base for  
6 the community.

7 In addition, the plants have, and are  
8 continuing, to operate in a safe manner, and they are  
9 very good custodians of the environment. And, most of  
10 all, they are very good neighbors to the City of  
11 Southport.

12 The North Carolina Municipal Power Agency,  
13 the agency, consists of 32 municipalities. We have  
14 ownership in five generating facilities, three nuclear  
15 plants, and two coal-fired plants. The agency, the  
16 power agency, owns 16.17 percent of the Harris nuclear  
17 plant.

18 The Harris nuclear plant provides safe and  
19 reliable power to more than 250,000 power agency  
20 customers. The Harris plant is important to Progress  
21 Energy to ensure reliable power to both and all of its  
22 customers.

23 The plant does not depend on imported fuel  
24 and is environmentally responsive to concerns of  
25 global warming.

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1 Progress Energy has an outstanding track  
2 record and is recognized, world-wide, as an industry  
3 leader in safe and reliable nuclear operations. The  
4 North Carolina Municipal Power Agency supports the  
5 continued safe and secure operations of the Harris  
6 plant, and encourages favorable considerations of the  
7 license renewal extension.

8 I have left a copy, with your  
9 receptionist, of my remarks, plus the Resolution of  
10 the 32 cities in support of this license renewal  
11 favorably. I thank you for the opportunity to speak  
12 to you this afternoon.

13 FACILITATOR RAKOVAN: Thank you, Alderman.  
14 Next to comment I have Robert Ahlert, who is a  
15 Councilman, City of Clayton, North Carolina. He is a  
16 member of the North Carolina Eastern Municipal Power  
17 Agency, Board of Commissioners. Councilman?

18 COUNCILMAN AHLERT: Mr. Heath, Mr.  
19 Hernandez, and other members of the Nuclear Regulatory  
20 Commission. I want to thank you for the opportunity  
21 to speak at this hearing.

22 My name is Robert Ahlert, I live at 100  
23 Cherry Laurel Drive, in Clayton, North Carolina. I  
24 have lived at this address since 1995, approximately  
25 12 years.

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1 I serve on the Town Council, and have done  
2 so for the past nine years, and I'm currently the  
3 Mayor ProTem.

4 Clayton is located in Western Johnston  
5 County, about 20 minutes from the state capital,  
6 located in Raleigh. Clayton is the fastest growing  
7 town, in the fastest growing county, in North  
8 Carolina.

9 The population of Clayton is 13,000.  
10 Clayton operates its own electric utility system that  
11 was established in 1913. We serve over 5,100  
12 customers, and are continuing to grow our customer  
13 base.

14 I also represent the town of Clayton, as  
15 a Commissioner, of the North Carolina Eastern  
16 Municipal Power Agency, and as Mr. Fisher said, I will  
17 refer to that, in the future, as the agency.

18 He has said there are 32 members, with the  
19 combined population of over 420,000, and serve more  
20 than 250,000 electric power customers. In order for  
21 the agency to provide that electrical power, to its  
22 members, it has invested in a number of Progress  
23 Energy generating plants.

24 The agency owns over 18 percent of the  
25 Brunswick 1 and 2 nuclear power plants, located 16

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1 miles south of Wilmington. You recently granted an  
2 operating license renewal for these two plants.

3 The rated capacity of these plants is 938  
4 megawatts, and 937 megawatts, respectively. The  
5 agency owns 16.17 percent of the Mayo plant, and 12.94  
6 percent of the Roxboro plant. These are coal fired  
7 plants, located in Person County, North Carolina. The  
8 rated capacity of these plants is 741 megawatts, and  
9 698 megawatts.

10 And, lastly, the agency owns 16.17 percent  
11 of the Shearon Harris nuclear generating plant,  
12 located in southwest Wake County, in North Carolina.  
13 And that is the subject of this operating license  
14 renewal hearing today.

15 The rated capacity of this plant is 900  
16 megawatts. The agency's share of the Shearon Harris  
17 plant's output is 146 megawatts. This represents  
18 about 10 percent of the capacity that is owned by the  
19 agency's generating capacity, and 12 percent of the  
20 energy requirements.

21 The Harris plant has provided safe,  
22 secure, economical power to the agency, its members,  
23 and customers, for almost 20 years. Should the NRC  
24 not grant an operating license renewal for the Harris  
25 plant, beginning in 2027, the agency, including the

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1 town of Clayton, would have to purchase power from  
2 other sources to meet the requirements of its  
3 customers.

4 Seeking other sources, without the Shearon  
5 Harris plant, would undoubtedly direct the agency to  
6 other higher costs, fossil fuel generating plants, in  
7 the southeastern, part of the United States. That  
8 is, of course, assuming there is transmission capacity  
9 in order to get that power to our member cities.

10 In addition to the economic impact,  
11 consideration should be given to the negative impact  
12 of replacing clean nuclear power with fossil fuel  
13 power, that generates greenhouse gases, carbon  
14 monoxide, sulfur dioxide, mercury, and nitrogen oxide.

15 Likewise, conservation measures would not  
16 be sufficient to offset the loss output from the  
17 Harris plant.

18 In closing, the town of Clayton, and the  
19 Eastern Municipal Power Agency, endorse the  
20 application of Progress Energy to renew the operating  
21 license for Shearon Harris nuclear generating plant.

22 Premature closing of the plant would have  
23 a negative impact for the more than 425,000 citizens  
24 in the agency municipalities, and the more than  
25 250,000 electric customers they serve.

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1           We encourage you to give favorable  
2           consideration to a safe and secure operating license  
3           renewal of the Shearon Harris plant for the economic  
4           and environmental reasons previously stated. Thank  
5           you.

6                   FACILITATOR    RAKOVAN: Thank you  
7           Councilman. Next I would like to invite the comment  
8           of David Finger, from the Cary Chamber of Commerce.

9                   MR. FINGER: My name is David Finger, the  
10          address is 307 North Academy Street, in Cary. I am  
11          serving as Chairman of the Cary Chamber of Commerce  
12          Board of Directors this year.

13                   And I'm here, today, representing over  
14          1,300 businesses that are members of the Cary Chamber  
15          of Commerce, located in and around Cary, that rely on  
16          energy provided by Progress Energy, and the Shearon  
17          Harris nuclear power plant.

18                   The Cary Chamber fully supports the  
19          continued safe and secure operation of the Harris  
20          plant, and encourages the NRC to extend the Harris  
21          plant's operating license an additional 20 years.

22                   Progress Energy has a proven 35 year track  
23          record of operating nuclear plants safely and  
24          securely. The Harris plant supplies power to more  
25          than 550,000 businesses and residences, or about 12

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1 percent of the total electricity generated by PE  
2 Carolinas.

3 Continued operation of the Harris plant  
4 will result in no greenhouse gas emissions, and reduce  
5 dependence upon unstable foreign energy supplies.

6 Aside from benefiting from the plant's  
7 safe and productive operation, our community realizes  
8 a tremendous positive and economic impact from  
9 Progress Energy and the Harris plant by virtue of the  
10 tax revenues generated, salaries generated, and the  
11 company's strong philanthropic contributions to Cary  
12 and Wake County.

13 To the NRC we ask that you take whatever  
14 steps are necessary to facilitate the operating  
15 license extension, and thank you for allowing us to  
16 participate in this hearing today.

17 And I would also like to leave, with you,  
18 a resolution that was unanimously approved by our  
19 Board of Directors and our Executive Board. Thank  
20 you.

21 FACILITATOR RAKOVAN: Thank you, Mr.  
22 Finger. I'd like to invite to the podium Scoop Green,  
23 who is representing the Holly Springs Chamber. I  
24 believe that would be Chamber of Commerce. That is  
25 just a guess.

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1 MR. GREEN: My name is Scoop Green, I'm  
2 the executive director of the Holly Springs Chamber of  
3 Commerce. The Holly Springs community continues to be  
4 one of the fastest growing communities in North  
5 Carolina.

6 On January 24th, 2007, with one hundred  
7 percent support, the Holly Springs Chamber of Commerce  
8 Board of Directors passed a resolution in support of  
9 the continued safe and secure operations of the  
10 Shearon Harris nuclear plant.

11 Besides Progress Energy's proven track  
12 record and safety, we also recognize their tremendous  
13 economic impact, and the environmental resources that  
14 Progress Energy has in Holly Springs, as well as  
15 within Wake County.

16 Please support the necessary steps to  
17 facilitate the operating license extension. And,  
18 again, thank you for the opportunity to speak today.

19 FACILITATOR RAKOVAN: Thank you, Mr.  
20 Green. Next up I have Harvey Schmitt, who is with the  
21 Raleigh Chamber of Commerce.

22 MR. SCHMITT: Thank you for the  
23 opportunity. I'm Harvey Schmitt, president of the  
24 Greater Raleigh Chamber of Commerce. We have 2,800  
25 members representing roughly 70 percent of the private

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1 sector workforce in Wake County. I live in North  
2 Raleigh at 9005 Armitage Court.

3 June 12th, or approximately thereabouts,  
4 will be a significant day in our region. Our county  
5 has, over the past year, we have been growing at  
6 roughly 100 people per day. And at this rate our MSA  
7 population should reach a million people in mid-June.

8 Over the past 12 months our area has  
9 received many high rankings and accolades; number one  
10 place for business, and careers, by Forbes, number  
11 eight fastest growing metro in the nation by the U.S.  
12 Census Bureau; number one best U.S. city for job,  
13 Forbes; top 50 hottest cities for expanding and  
14 relocating companies; top ten tech town; Wake County  
15 number one school district, and the Wake County's  
16 schools gold rating from Expansion Management  
17 magazine.

18 What those ratings suggest is that dynamic  
19 growth that has taken place in this market is likely  
20 to continue. And that kind of growth requires energy  
21 to meet new demand.

22 The Shearon Harris plant currently  
23 supplies more than a half million residences and  
24 businesses, and provides 12 percent of the total  
25 energy generated by Progress Energy of the Carolinas.

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1           And the plant generates more than 7.9  
2 million megawatt hours of electricity, and  
3 approximately ten million dollars in taxes to Wake  
4 County, annually.

5           Obviously it has a big impact. Greater  
6 Raleigh Chamber of Commerce would support this  
7 relicensing request, and would ask that the agency  
8 consider the fact that this growth has taken place in  
9 the market, and will have an impact on the need for  
10 electricity in our community for some time to come.

11           FACILITATOR RAKOVAN: Thank you, sir. I  
12 would like to kind of interrupt the flow of what I was  
13 trying to do, there, and actually let a member of the  
14 public come up and have the podium, since we have had  
15 a lot of people representing various groups.

16           If Liz Cullington would like to come and  
17 comment, please?

18           MS. CULLINGTON: Thanks very much. I hope  
19 I'm not going to hold up any of the town worthies who  
20 came today, but there has been a fair amount of  
21 disinformation said so far, and misinformation, and  
22 whatever.

23           So since I was fourth, originally, on the  
24 list I thought I would interrupt and say, okay, give  
25 me a turn.

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1           An environmental scoping process is not a  
2 popularity contest. The environmental impact  
3 statement is supposed to analyze the effect of a no-  
4 action alternative, which would mean an NRC denial to  
5 extend the operating license beyond 2026 to 2046, or  
6 deciding not to do so at this time.

7           It also has to consider alternative  
8 sources for power. We are talking about a very early  
9 extension of the license. The license doesn't expire  
10 for 20 years. We won't have the same staff, we won't  
11 have the same environmental conditions, we won't have  
12 the same population.

13           The alternative energy sources that  
14 Progress Energy has considered, in its report, are  
15 limited to those that are available now, in terms of  
16 electricity demand now, not in 2026.

17           And on their claim that energy demand is  
18 simply going to increase for the foreseeable future.  
19 They only consider, in their report, power generation  
20 sources that they consider viable now, a new nuclear  
21 or new fossil fuel plant, or purchase power from such  
22 dirty sources, rather than what might be available,  
23 and viable, in 2026.

24           In terms of plant aging issues and those  
25 affects on the public health and the environment,

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1 aging of plant systems is the only area, other than  
2 environmental issues, that the NRC is supposed to  
3 consider in relicensing a plant or not.

4 But this is the one area that is very  
5 impossible to predict so far in advance. During the  
6 first 20 to 30 years of U.S. power reactor operation  
7 numerous systems and components have turned out to age  
8 and deteriorate more rapidly than expected, and to be  
9 missed by routine inspections.

10 It seems extremely likely that additional  
11 generic aging issues will emerge in the next 5, 10,  
12 and 20 years if U.S. power reactors continue to  
13 operate.

14 It simply is not credible that either  
15 Progress Energy, or the NRC, can predict additional  
16 aging effects 40 years into the future.

17 Two dangerous examples of such unforeseen  
18 issues that have emerged in recent years are reactor  
19 head corrosion, and the pressurized water reactor  
20 problem with butt welds.

21 These appear to be -- there are likely to  
22 be many more as reactors age. A responsible regulator  
23 would not tie its hands so far in advance, but would  
24 retain the authority to shut down nuclear reactors  
25 that can no longer be operated safely.

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1           Scoping issues that ought to be included  
2           in the supplemental plant specific EIS, specific  
3           environmental and public health impacts that are  
4           supposed to be analyzed in the EIS seem very hard to  
5           predict in the future, but I tried to come up with a  
6           list of things that should be analyzed, and what is  
7           wrong with the current analysis.

8           The first one is water supply for reactor  
9           cooling. There are significant water supply issues  
10          with the plant now, with water having to be pumped  
11          from the lower Harris lake reservoir, to the upper  
12          lake reservoir, during dry months.

13          The source for this information is  
14          Progress Energy's application for renewal of its North  
15          Carolina NPDES permit in 2006. Harris lake, compared  
16          to some other lakes in our state, has a relatively  
17          small and poor catchment area. It is not fed by a  
18          single major river.

19          To what extent is Progress Energy double  
20          dipping in regards to the possibility of raising the  
21          water level in the lower reservoir of Harris Lake?  
22          The company has said that this could be done to serve  
23          two additional reactors.

24          That water supply, if that is done, that  
25          water supply would not be available for additional

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1 reactors if it turns out that it is needed for the  
2 current reactor, and vice versa.

3 In addition to actual water volume use of  
4 the lake for makeup water for a nuclear reactor,  
5 raises its temperature. And so a usable water body  
6 can be temperature limited, and affected by  
7 increasingly hot summers.

8 The availability of Harris lake as a heat  
9 sink not just for routine cooling for the period of  
10 2026 to 2046 would need to be evaluated in light of  
11 this water supply factors, and may need to be  
12 evaluated for the current term of the operating  
13 license.

14 For this reason alone it is dangerous and  
15 unnecessary for the NRC to proceed with considering  
16 extending the Harris plant license at this time.

17 The high level waste storage, i.e., the  
18 fuel pools and the water supply, a separate analysis  
19 would need to be done for future scenarios of climate  
20 change on the fuel pools, including the possibility of  
21 no repository.

22 This analysis must include the  
23 availability of the lake to provide cooling, and the  
24 heat sink, to the fuel pools, and the reactor,  
25 simultaneously, under the most severe drought

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1 conditions, and the most catastrophic accident  
2 conditions.

3 Third issue, greenhouse gas emissions from  
4 the entire fuel cycle, from an additional 20 years of  
5 operation. Progress Energy, in its report said if we  
6 decommission the plant in 2026, or if we decommission  
7 the plant in 2046, oh what is the difference?

8 Well, the difference is, among other  
9 things, significant quantities of various greenhouse  
10 gases are released during the entire fuel cycle,  
11 uranium fuel cycle, some of which are many times more  
12 damaging than carbon dioxide, such as those emitted  
13 during fuel fabrication.

14 The plant specific environmental impact  
15 statement should consider all the greenhouse gas  
16 emissions, not just carbon dioxide, associated with  
17 extended operation for 20 years, beyond 2026, such as  
18 uranium mining, fuel fabrication, fuel transport,  
19 repair, replacement, manufacture and transport, to  
20 maintain the reactor, spent fuel transport, low level  
21 radioactive waste transport, low level radioactive  
22 waste incineration, and so on.

23 Issue number 4, water impacts and water  
24 pathways to humans and other species. An  
25 environmental impact statement for an additional 20

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1 years of operation beyond 2026, would have to be able  
2 to adequately predict, under uncertain climate change  
3 scenarios, all the water pollution aspects of all  
4 those activities just discussed above.

5 Tritium is currently released at the  
6 Harris lake, and thus into the Cape Fear river  
7 downstream, which is used as a drinking water source  
8 by a number of counties and municipalities. Harnett  
9 county is merely the first intake downstream. And  
10 water from that intake is currently sold to other  
11 water needy counties and municipalities.

12 Tritium cannot be filtered out of water,  
13 and is incorporated into the body of humans and other  
14 animals. Analysis would have to include increased  
15 emissions of tritium, under aging and accident  
16 scenarios, and include higher concentration under  
17 drought conditions, and the concentration and  
18 consequent exposures during simultaneous catastrophic  
19 accident and severe drought conditions.

20 There is also a section here which I will  
21 just submit in writing, on additional operational  
22 exposures, which is actually quite extensive.

23 Alternatives, any discussion of available  
24 alternative energy generation must be done for a  
25 period beginning 20 years into the future, and not

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1 based on currently available technologies or prices.

2 Reasonable assumptions, which are not  
3 found in Progress Energy's report, include wind,  
4 solar, and current clean renewable alternatives will  
5 be cheaper than at present, and possibly have lower  
6 impacts than at present.

7 Additional renewable energy options will  
8 be developed in the future, beyond what is considered  
9 in Progress Energy's report, or basically in any of  
10 our minds right now.

11 Thirdly, coal fired power plants may not  
12 be an available or viable option in 2026, and natural  
13 gas supplies via pipeline may not be available either.

14 If the environmental impact statement is  
15 still to include alternatives such as new nuclear,  
16 coal or natural gas generation, then their  
17 environmental impacts would have to be evaluated,  
18 thoroughly, for the period 2026 to 2046, for their  
19 entire fuel cycle, not just utility operation.

20 From exploration and mining, through  
21 transportation, and up to disposal of wastes, it would  
22 also have to include all the resources committed and  
23 used, those would be impacted in the full range of  
24 water and air emissions, resulting in deep stage.

25 Uranium supply, analysis of remaining

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1 global uranium supply does not support the feasibility  
2 of operating the Harris plant for an additional 20  
3 years under current assumptions regarding fuel  
4 availability, or price.

5 Uranium prices are projected, by industry  
6 analysts, to continue to rise with global scarcity,  
7 and increasing global demand for uranium, for both  
8 fuel fabrication and nuclear feed stock, until they  
9 reach 500 dollars a pound, and then conceivably people  
10 would just stop paying.

11 The price advantage cited by Progress  
12 Energy and the nuclear industry, generally, over other  
13 alternatives, often relies on old uranium prices, such  
14 as when several years it was 8 dollars a pound, now it  
15 is 113 dollars a pound, and shows no sign of slowing  
16 down.

17 It has risen 57 percent since the start of  
18 2007. Uranium mining is dependent on a supply of  
19 water very nearby. The environmental impact statement  
20 would have to consider the effects of uranium mining  
21 using alternative water supply methods because,  
22 basically, that water supply future is not assured.

23 Industry analysts predict that many  
24 declared global uranium reserves may not be able to be  
25 mined now using in situ recovery, which is water

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1 dependent.

2 Let me skip that part. The generic  
3 environmental impact statement is not adequate to  
4 address future environmental impacts 40 years into the  
5 future, since it was only prepared in the 1990s.

6 Significant new mechanisms have been  
7 discovered since that time, which have drastically  
8 altered both projected impacts and timelines of  
9 climate change effects.

10 Any issue that was covered inadequately in  
11 the GEIS, or not covered at all, but which involves  
12 future environmental impacts, in this case, should be  
13 allowed into the scope of the plant specific  
14 environmental impact statement.

15 To adequately comment on this process a  
16 person would have to know about, obtain and read, 1680  
17 pages. While Progress Energy's 476 page environmental  
18 review is located in two Wake libraries, at this point  
19 the generic environmental impact statement is not  
20 there yet.

21 I'm asking the NRC to provide a copy of  
22 the generic environmental impact statement to the Cary  
23 library. I also request that the NRC allow another 60  
24 days to allow for adequate comment.

25 The vast majority of the public only had

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1 a few days notice from Sunday's April the 17th News  
2 and Observer, or possibly a week from one or more of  
3 the local papers. That is a certain amount of  
4 information, but probably not full or adequate.

5 Without these documents it is impossible  
6 for interested members of the public to know what  
7 environmental impacts are supposed to be considered,  
8 and which process the adequacy of current scoping  
9 plans, or how the process affects the future of their  
10 environment.

11 The entire relicensing process is a  
12 premature action which is unwise and unnecessary.  
13 What is the hurry? The Harris plant operating license  
14 is good for another 20 years, and does not need to be  
15 renewed at this time.

16 To rule on aging and safety issues, 20  
17 years in the future, is both risky and absurd. The  
18 licensee has not even attempted to frame these issues  
19 in the required future years of 2026 to 2046. Instead  
20 they have prepared a report that could be quickly  
21 adapted for other purposes, such as to support a  
22 combined operating and siting license, construction  
23 license, for one or two new reactors at the Harris  
24 site.

25 Since it covers conditions in the year

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1 2006, not 2026, let alone 2046. I urge the NRC to  
2 reject Progress Energy's application for license  
3 extension at this time.

4 If the NRC insists on proceeding along  
5 this relicensing track, then I urge the NRC to reject  
6 the company's draft EIS and require them to attempt to  
7 meet their legal requirements for the future period in  
8 question.

9 Secondly, the NRC must not begin  
10 consideration of an application for one or two new  
11 reactors at the Harris site, until the relicensing  
12 process for the first reactor is finalized, and all  
13 the water supply, and other issues, described above,  
14 are resolved.

15 The NRC must not allow a separate track  
16 process under which the company could allocate the  
17 same resource to several different safety and  
18 environmental impact analysis without the left hand  
19 counting what the right hand is doing.

20 Thank you very much.

21 FACILITATOR RAKOVAN: Thank you for your  
22 comments. I had a request if someone can go.  
23 Apparently he needs to get back to work. Michael  
24 Leach, representing the Raleigh Apex NAACP.

25 MR. LEACH: Good afternoon. I'm Michael

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1 Leach, president of the Raleigh Apex branch of the  
2 National Association for the Advancement of Colored  
3 People.

4 And I have submitted a resolution in  
5 support of the Harris license renewal. I work with  
6 Progress Energy on various projects over the years.  
7 And I'm familiar with its Harris plant.

8 I'm also a customer of Progress Energy.  
9 I count on them to provide me, and the members I  
10 represent, with reliable power. The Harris plant is  
11 an important part of Progress Energy's plan to ensure  
12 reliable power at the least expensive cost to me, and  
13 other customers.

14 Therefore I support to ensure the Harris  
15 plant continues to operate in the future, providing  
16 safe, reliable, and affordable energy.

17 I would like to thank the NRC for allowing  
18 me the time to make comments on behalf of the  
19 community. Thank you.

20 FACILITATOR RAKOVAN: Thank you, Mr.  
21 Leach. I'd like to thank everyone who is being  
22 patient waiting to comment. I would like to allow  
23 Robert Duncan, who is the Harris vice president to  
24 comment, if you would like.

25 MR. DUNCAN: Thank you very much for the

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1 opportunity to speak today. My name is Bob Duncan,  
2 I'm the site vice president at the Harris nuclear  
3 plant.

4 On May 2nd of this year the Harris plant  
5 will reach a major milestone in its history, 20 years  
6 of commercial operation, 20 years of providing power  
7 to our customers without incident.

8 Over those 20 years the Harris plant has  
9 produced over 130 million megawatt hours of power.  
10 That is enough power to power over a half a million  
11 homes for over 20 years.

12 At Progress Energy we believe a balanced  
13 solution is absolutely necessary to help the future of  
14 population growth that we see in the area. The  
15 solution includes demand site management, energy  
16 efficiency, renewable energy sources, clean air  
17 technology, as well as new nuclear baseload operation.

18 The Harris plant is essential to meeting  
19 the needs of our customers and we meet those needs  
20 with zero greenhouse gas emissions. With very real  
21 concerns about global warming it is good for our  
22 customers and good for the environment to take steps  
23 now to ensure that the Harris plant continues to be  
24 that clean air energy source well into the future.

25 Renewing the plant's license will allow us

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1 to do exactly that. A recent Bisconti research  
2 national survey determined that 85 percent of the  
3 public believe that the U.S. should take advantage of  
4 all low carbon energy opportunities in the future,  
5 including nuclear power.

6 And I agree with DOE assistant secretary  
7 Dennis Bergen, who recently said, any serious efforts  
8 to stabilize greenhouse gases in the atmosphere, while  
9 providing the increasing amount of energy for economic  
10 development and growth must include expanded use of  
11 nuclear energy.

12 That, obviously, includes the retention of  
13 current capabilities through the license renewal  
14 process.

15 I'm here today representing 650 employees  
16 who work at the Harris plant, many of who are in the  
17 audience today to show their support. These are  
18 highly skilled, extensively trained professionals, who  
19 are dedicated and committed to their work.

20 Understandably these employees, including  
21 me, are held to very high expectations. We are  
22 responsible for safely operating a nuclear reactor,  
23 and that is a huge responsibility.

24 We come to work every day with our first  
25 priority not simply to generate electricity, but to

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1 make sure that we are generating electricity in a  
2 sustainable way, that ensures the health and safety of  
3 the public, and the environment.

4 It is my responsibility to ensure that  
5 safety for our employees, and for our public. Safety  
6 has, and always will be, a top priority for the Harris  
7 plant.

8 In 2006 the Harris plant received its  
9 third consecutive Institute of Nuclear Power  
10 Operations Excellence Award, identifying it as a top  
11 operating plant in the U.S. industry.

12 We also have an obligation to produce  
13 power in a cost effective way. The Harris plant helps  
14 Progress Energy do that. We consistently rank high in  
15 the industry in this category. And in 2002 and 2005  
16 the Harris plant was the lowest cost energy provided,  
17 in dollars per megawatt generated, of any nuclear  
18 plant in the country.

19 We also have a three year capacity factor,  
20 over 93 percent. That means we are on-line an average  
21 of 340 days of every year. We are privileged to  
22 provide power for the community at the Harris plant,  
23 and we take that responsibility very seriously.

24 It is important to clarify that if our  
25 application is approved, that doesn't give us carte

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1 blanche to operate for another 20 years. We have to  
2 earn that license every minute, of every day, through  
3 our performance.

4 We are a good neighbor, and a capable  
5 corporate citizen. And we intend to preserve what has  
6 been entrusted to us, and that is our commitment.  
7 Thank you for the opportunity to comment.

8 FACILITATOR RAKOVAN: Thank you, Mr.  
9 Duncan. Next up Keith Sutton, from the Triangle Urban  
10 League.

11 MR. SUTTON: Good afternoon, Keith  
12 Sutton, President of the Triangle Urban League, and I  
13 have submitted a letter of support for Progress  
14 Energy.

15 We are a community based organization that  
16 is devoted to empowering African-Americans. You just  
17 heard about some of the accolades bestowed on this  
18 community and we just recently received one, and that  
19 is the third best city for African-Americans in this  
20 country.

21 Like other community leaders I have worked  
22 closely with Progress Energy since 2000, and I know  
23 first hand the commitment this company has to the  
24 community that it serves.

25 As that community continues to grow, with

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1 these accolades and others, so will the demand for  
2 electricity. Therefore I advocate for safe,  
3 affordable, and reliable electricity.

4 And in my observation Progress Energy is  
5 capable of providing such and, therefore, I support  
6 moving forward with the license renewal of the Harris  
7 plant.

8 Thank you for this opportunity to give a  
9 community perspective.

10 FACILITATOR RAKOVAN: Thank you, Mr.  
11 Sutton. Tom Oxholm, if you would like to come up and  
12 comment, sir?

13 MR. OXHOLM: My name is Tom Oxholm. Sorry  
14 for my bad cold. I'm a CPA, I live at 7301 Bayhill  
15 Court in Raleigh, I'm a 30 year resident of Wake  
16 county and customer of CP&L Progress Energy.

17 Also a chief financial officer of Wake  
18 Stone Corporation, which is headquartered in  
19 Nighthdale. Our 150 employees produce crushed stone  
20 for concrete and asphalt producers, as well as road  
21 builders, and general contractors.

22 An average new home requires about 700  
23 tons of crushed stone. The expected life of our  
24 quarries is about 200 years. We like to plan way  
25 ahead.

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1           We are a 37 year customer of Progress  
2 Energy, spending close to a million dollars per year  
3 for power to crush our products to state  
4 specifications.

5           We count on them to always provide our  
6 stone crushing plants with a reliable power. A power  
7 outage in our business means equipment that locks up,  
8 full of thousands of tons of raw material. A lockup  
9 might take us a full day to unclog.

10           When we do have a power problem they get  
11 right on it, helping us get back in business as  
12 quickly as possible. The Harris plant is an important  
13 part of Progress Energy plan to ensure reliable power  
14 at the lowest possible cost to us, and to other  
15 business customers.

16           Nuclear power helps Progress Energy  
17 protects customers from price volatility, ensures a  
18 reliable supply of energy. We do not need to depend  
19 on imported fuels. We do need to be environmentally  
20 responsible to concerns about global warming, and we  
21 need to be safe.

22           One of our plants is about ten miles from  
23 the Harris plant. We are very pleased with Progress  
24 Energy's outstanding safety record, and are very  
25 confident in their ability to keep our employees safe.

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1           With demand for our products growing in  
2 Wake county, and eastern North Carolina, failure to  
3 renew the license of the Harris plant would threaten  
4 the reliability of our needed power source, and  
5 affordability of our products.

6           I would also like to add that I'm a former  
7 member of the Wake county Board of Education, serving  
8 from 1999 to 2003. And there is no better partner for  
9 public education than Progress Energy.

10           School children's safety is always their  
11 top priority. And Wake County public schools  
12 confidently depend on their reliability record.

13           I'm also currently the finance chair of  
14 the Board of Directors of Wake Med Health and  
15 hospitals. The hospital system cannot operate without  
16 safe dependable power. Progress Energy has an  
17 unwavering commitment to all of Wake Med's hospitals  
18 and patients, that Wake County citizens depend on,  
19 every minute of every day.

20           Thank you for the opportunity to speak,  
21 and to ask you to please renew the Harris plant  
22 license.

23           FACILITATOR RAKOVAN: Thank you, Mr.  
24 Oxholm. Carl Wilkins, representing the American  
25 Association of Blacks in Energy.

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1 MR. WILKINS: Hi. I'm Carl Wilkins, the  
2 past president for the American Association of Blacks  
3 in Energy, the North Carolina chapter.

4 I'm a resident of Wake County, have lived  
5 here for over 32 years with my family. In 2005 our  
6 national office commissioned a study on the state of  
7 energy for African-Americans in the United States.

8 We learned that African-Americans, and  
9 other minorities, pay a disproportionate share of  
10 their income for energy, and these groups to be more  
11 acutely affected by air emissions from our  
12 transportation and energy sectors.

13 We also learned that our communities tend  
14 to live in older housing stock, which isn't energy  
15 efficient, and usually has older, less efficient  
16 appliances, and heating and cooling systems.

17 With these observations, as a back drop,  
18 we have determined that our constituents, and our  
19 communities, would be greatly served from measures  
20 that would ensure low cost, clean and reliable energy  
21 sources.

22 With the current volatility in the fossil  
23 fuels market, we believe that the stable cost of  
24 nuclear power has had a positive effect on our local  
25 rates with respect to fuel adjustment.

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1           Our members and constituents want  
2 continued access to low cost energy, as we see it as  
3 necessary to having a growing economy, and the quality  
4 of life which we have grown accustomed to.

5           We have lived with the Shearon Harris  
6 nuclear power plant in our region since 1987 and have  
7 observed that it is operated without a major incident.  
8 We also know that it operates at a low cost of  
9 production, which helps keep our local electric rates  
10 low.

11           In addition we have observed that it has  
12 operated reliably and safely. Therefore it is the  
13 opinion of the North Carolina Chapter of the American  
14 Association of Blacks in Energy, that Progress  
15 Energy's application to extend this operating license  
16 for Shearon Harris nuclear power plant be granted by  
17 the Nuclear Regulatory Commission.

18           Thank you for the opportunity to make  
19 these public comments.

20           FACILITATOR RAKOVAN: Thank you, Mr.  
21 Wilkins. Next up I would like to invite to comment  
22 Nelle Hotchkiss, who is with the North Carolina  
23 Electric Membership Corporation.

24           MS. HOTCHKISS: Thank you, and good  
25 afternoon. I'm Nelle Hotchkiss, senior vice president

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1 of corporate relations for the North Carolina Electric  
2 Membership Corporation, which provides electricity to  
3 26 rural electric cooperatives, serving over 800,000  
4 meters across the state.

5 North Carolina Electric Membership  
6 Corporation is a wholesale customer of Progress Energy  
7 Carolinas. The Harris plant is an important part of  
8 Progress Energy's resources.

9 Extending the life of a well run, existing  
10 plant, in today's global environment of rising energy  
11 costs, and environmental sensitivity, provides for the  
12 continuation of emission free, reliable power, at the  
13 lowest possible cost to the citizens of North  
14 Carolina, including our electric cooperative  
15 membership.

16 In a broader context, nuclear energy is  
17 essential to a balanced portfolio for any energy  
18 company operating in North Carolina. North Carolina  
19 Electric Membership Corporation has interest in a  
20 nuclear plant as well, and supports the continuation  
21 and development of nuclear resources in our state.

22 We strongly support the relicensing of the  
23 Harris plant and encourage the Nuclear Regulatory  
24 Commission to do so as well.

25 I have a copy of my remarks, and I will

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1 leave them in the back of the room. Thank you.

2 FACILITATOR RAKOVAN: Thank you, Ms.  
3 Hotchkiss. Ken Atkins, representing the Wake County  
4 Economic Development.

5 MR. ATKINS: My name is Ken Atkins,  
6 executive director of Wake County Economic  
7 Development, and thank you for this opportunity to  
8 speak here today.

9 I'm here to support the extension of the  
10 license for Progress Energy. North Carolina and  
11 Research Triangle Region is recognized as one of the  
12 most dynamic economies in the U.S., we heard some of  
13 the earlier accolades.

14 My organization is directly responsible  
15 for working with a lot of the industries that are  
16 looking to either move or expand here. And in 2006 I  
17 worked directly with many of those companies, there  
18 were 33 of them coming into this area.

19 And I would like to just name a very few  
20 to give you an example, Biogen, 100 new jobs, and  
21 about 20 million dollars of investment. ConAgra, 30  
22 new jobs, Credit Suisse, 400 new jobs, 40 million  
23 dollars of investment; Fidelity Investments, 1000 new  
24 jobs, 100 million dollars of investment. Nobardis 350  
25 new jobs, 267 million dollars of investment.

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1 I will leave the complete list with you,  
2 but I think you are getting a feel for what we are  
3 saying. These new companies, and the others that came  
4 in, represent 29,759 net new jobs for the citizens of  
5 Wake County.

6 We must continue to grow our jobs, and  
7 investment, for us to continue having a dynamic  
8 economy. My staff and I were involved in every one of  
9 the projects I just mentioned.

10 And I can tell you a key factor in their  
11 decision to come here was the availability of  
12 reasonably priced reliable energy. And it is  
13 extremely important to us that this license be  
14 renewed, because many of these companies, particularly  
15 Novardas, the vaccine producer, it will take them five  
16 to six years even to get their facility up and  
17 operating.

18 They are very concerned that there is a  
19 long term plan in place to continue having a good  
20 steady supply of electricity, and a very vibrant  
21 market.

22 It is for that reasons, and many of the  
23 others that you heard today, that Wake County Economic  
24 Development strongly supports the extension of the  
25 license. We feel it is a critical part of our vibrant

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1 economy and must be in place for us to move forward.  
2 Thank you very much.

3 FACILITATOR RAKOVAN: Thank you, Mr.  
4 Atkins. Hilda Pinnix. And I apologize, I don't know  
5 if it is Ragland or Bagland.

6 MS. PINNIX-RAGLAND: Thank you for this  
7 opportunity. I'm Hilda Pinnix-Ragland, I do reside at  
8 100 Lock Cove Lane, in Cary, North Carolina, not far  
9 from the Harris plant.

10 I have the opportunity to serve 16  
11 counties in central and northern North Carolina for  
12 Progress Energy. And I also have this opportunity to  
13 ensure that our commercial, our industrial, and our  
14 residential customers receive the power to their  
15 homes, and their businesses.

16 We must make sure that reliable, 24/7 flow  
17 of power, is there to meet their needs each and every  
18 day. And, especially, for those hospitals, the fire  
19 and police departments, and for our industrial  
20 customers, often who can't even tolerate a flick  
21 within their power flow.

22 So continuous power is needed. The Harris  
23 plant is an important, no it is essential, it is an  
24 essential part to a balanced solution, to meeting all  
25 of our customers needs.

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1           So we are applying to renew the Harris  
2           plant's operating license because we have  
3           responsibility to serve our customers, to ensure they  
4           have power today, and for tomorrow.

5           And, of course, we have an obligation,  
6           under the direction of the North Carolina Utilities  
7           Commission to meet that need in the most cost  
8           effective, environmentally responsibility way we can.

9           The nuclear power generated at Harris is  
10          the lowest cost option, and it produces no greenhouse  
11          gases that contribute to global climate change.

12          Now, we are also mindful of making an  
13          impact in our communities. In fact, there are two  
14          great examples. Our employees, and our customers,  
15          since 1982, have contributed more than 16 million  
16          dollars to our energy neighbor fund.

17          Now, that fund was created by us to make  
18          sure those customers who can't afford to pay their  
19          bills, have that opportunity. And they can do so by  
20          applying for this Energy Neighbor Fund dollars.

21          Furthermore, in 2006, Progress Energy  
22          contributed more than 12 million dollars to support  
23          our community, to enhance education, to protect the  
24          environment, to promote economic development.

25          And, of course, we are supportive of our

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1 communities, because we have more than 10,000  
2 employees, out and about in our communities.

3 Now, we have a major tax impact on this  
4 community. I think someone mentioned it earlier. In  
5 Wake County the tax revenue is about 15.1 million  
6 dollars, of which 7.4 million is directly attributable  
7 to the Harris plant.

8 So we are in the community, we are  
9 contributing from a tax revenue perspective. We are  
10 in Johnston County, we are in Orange, we are in  
11 Chatham, we are in Lee, we are in Harnett.

12 We are all over the community with those  
13 10,000 employees. Now, as I close, I'm extremely  
14 pleased to announce that we have support from 13  
15 different entities. These are resolutions.

16 Some of them have been mentioned already.  
17 I will mention just the 13. The Raleigh Apex branch  
18 of the NAACP, the American Association of Blacks in  
19 Energy; the Wendell Wake branch of the NAACP, the  
20 Triangle Urban League, the Holly Springs Chamber of  
21 Commerce, the Fuquay-Varina Area Chamber of Commerce,  
22 Wake County Economic Development, Town of Clayton, the  
23 Greater Raleigh Chamber of Commerce, the North  
24 Carolina Economic Developers Association, the North  
25 Carolina Eastern Municipal Power Agency, and the Wake

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1 County Mayors Association.

2 Again, I thank you for allowing me this  
3 opportunity, and I definitely endorse the renewal of  
4 the plant.

5 FACILITATOR RAKOVAN: Thank you, Ms.  
6 Raglan. At this point that was the last speaker that  
7 I had signed up by completing a yellow card. I  
8 believe we have some time left if there is anybody who  
9 wants to have the mike again, if they already made a  
10 comment, or if somebody new wants to come up and make  
11 a comment, or ask a question, we have time for that  
12 now.

13 I will pause and gaze around the room,  
14 slowly a couple of times, just to see if I see any  
15 hands go up. Since I didn't I will go ahead and  
16 introduce Rani Franovich. Rani is going to close out  
17 the meeting for us. She is the chief of the  
18 environmental branch, for license renewal at the NRC.

19 MS. FRANOVICH: Thank you, Lance. I just  
20 want to take this opportunity to thank you all for  
21 coming to this meeting. Getting input from the public  
22 is a very important step in our environmental review  
23 process.

24 For those of you who did not provide  
25 comments during today's meeting, the comment period is

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1 open until May 19th. Likewise, the opportunity for  
2 hearing is also open until May 19th, for those of you  
3 who wish to proffer contentions for the NRC to  
4 consider.

5 I wanted to correct something that was  
6 said earlier by Ms. Lynn Bauchkey. She was the one  
7 who came up with her grandchild and her son. She  
8 indicated that the NRC staff has renewed the license  
9 of Oyster Creek Nuclear Generating Station.

10 This is a facility in New Jersey that  
11 applied for license renewal in the latter part of  
12 2005. The Staff has completed its environmental  
13 impact statement, it was published around January  
14 19th, I believe.

15 The Staff has also completed its safety  
16 review, and the safety evaluation report was issued  
17 March 30th. But that particular proceeding is  
18 currently in litigation. We will be going to hearing  
19 in the next few months.

20 And so the NRC staff has not issued a  
21 renewed license, we have only completed the safety  
22 review, and the environmental review, but hearings are  
23 another part of the process, one of the things we  
24 consider before coming to a conclusion about issuing  
25 a renewed license. So I just wanted to correct the

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1 record on that.

2 We have comment forms that you may have  
3 received when you first registered for the meeting.  
4 Any ideas, suggestions, on how we can improve our  
5 public meetings, things we can do better, things we  
6 can do different, things that are working well, please  
7 don't hesitate to let us know, fill out one of the  
8 forms.

9 You can leave one with a member of the  
10 Staff. Or you can mail it in. I think the postage is  
11 pre-paid. And with that I would like to close the  
12 meeting. Thank you all, again, for being here, and if  
13 there are any members of the public who wish to speak  
14 with NRC staff, we are all wearing name tags, we will  
15 be hanging around the area for the next 15 or 20  
16 minutes, we will be happy to talk with you, just grab  
17 one of us and let us know what you would like to  
18 discuss with us, and we will be happy to.

19 FACILITATOR RAKOVAN: Rani, would you like  
20 to mention that we are having another one of these  
21 meetings tonight, just in case anybody wants to come  
22 back?

23 MS. FRANOVICH: We are going to have a  
24 meeting very, very similar to this one. It will start  
25 at 7 o'clock, we will have an open house between 6

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1 o'clock and 7 o'clock before that meeting. So if  
2 anyone wishes to come back, they are welcome to.

3 If you know of anyone who could not make  
4 this afternoon's meeting, please let them know they  
5 will have another opportunity to come meet with us  
6 this evening. Thank you Lance.

7 FACILITATOR RAKOVAN: Thank you.

8 (Whereupon, at 3:10 p.m., the above-  
9 entitled matter was concluded.)

10  
11  
12  
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14  
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16  
17  
18  
19

# Exhibits



# North Carolina Electric Membership Corporation

## NRC Hearing for Harris Plant Relicensing April 18, 2007

Good afternoon. I am Nelle Hotchkiss, Senior Vice President of Corporate Relations at the North Carolina Electric Membership Corporation which provides electricity to 26 rural electric cooperatives serving over 800,000 meters across the state.

North Carolina Electric Membership Corporation is a wholesale customer of Progress Energy Carolinas. The Harris Plant is an important part of Progress Energy's energy resources. Extending the life of a well run existing plant in today's global environment of rising energy costs and environmental sensitivity provides for the continuation of emission free, reliable power at the lowest possible cost to the citizens of North Carolina including our membership.

In a broader context nuclear power is essential to a balanced portfolio for any energy company in North Carolina. North Carolina Electric Membership Corporation has interest in a nuclear plant as well and supports the continuation and development of nuclear resources in the state.

We support the relicensing of the Harris Plant and encourage the Nuclear Regulatory Commission to do so.

**NRC public meeting on Harris Plant license renewal  
April 18, 2007  
1:30 p.m. and 7 p.m.**

- **Thank you for this opportunity – I am Hilda Pinnix-Ragland, the vice president of Progress Energy’s Northern Region, which includes a 16-county area in central/northern North Carolina.**
- **I oversee the part of the company that is responsible for making sure our customers – commercial, industrial and residential – receive the electricity they need to power their homes and businesses.**
- **We need a reliable, 24/7 flow of power to meet the needs of all of our customers, but especially for customers like hospitals, fire and police departments, industrial customers who can’t operate without the guarantee that there won’t be so much as a flicker of their lights.**
- **The Harris Plant is an important – in fact, an ESSENTIAL – part of our company’s balanced solution to meeting our customers’ needs. We are applying to renew the Harris Plant’s operating license because we have a responsibility as an electric utility to ensure we have enough electricity to meet their needs now and in the future.**
- **And we have an obligation – under the direction of the NC Utilities Commission – to meet that need in the most cost-effective, environmentally-responsible way we can. The nuclear power generated at the Harris Plant is the lowest cost option and it produces no greenhouse gases that contribute to global climate change.**
- **We also are mindful of making an impact in the communities we serve, outside of our commitment to providing power. For example:**
  - **Our employees and customers have contributed more than \$16 million since 1982 to the Energy Neighbor Fund – the program we started to help our customers who cannot afford to pay their power bills**
  - **In 2006, Progress Energy donated more than \$12 million in 2006 to enhance education, promote economic development and protect the environment in the communities we serve, and to support initiatives and institutions important to the company’s 10,000-plus employees.**
  - **Progress Energy also has an important impact on the community in terms of the tax revenue we provide to the area – in Wake County alone, \$15.1 million was paid to Wake County in 2006, of which \$7.4 million was directly related to the Harris Plant. And we positively impact the economies of several other counties – Chatham, Orange, Lee, Harnett, and others – through the thousands of employees who live in all of these counties.**



## **NRC License Extension Hearing – Shearon Harris NPP**

I am David N. McNelis, a research professor at UNC in Chapel Hill with a dual appointment in the Institute for the Environment and the Department of Environmental Sciences and Engineering. At UNC, I teach courses in energy and the environment and treat both transportation fuels and systems and conventional, renewable and nuclear electricity power production. I am also an adjunct professor in the Department of Nuclear Engineering at NCSU. With my colleagues and students at NCSU we are working in a number of areas related to the nuclear power industry, i.e., non proliferation, risk assessment, spent fuel heat evolution and transmutation. This last area, transmutation or the transformation of spent nuclear fuel components into materials that are less radiotoxic, have shorter half-lives, produce less heat or are stable, reduce fissile content, and/or lessen the burden on the repository, is the area of my principal interest. My research is privately funded and includes sponsoring some of the graduate students at NCSU and a number of interacademy projects with the U.S. and the Russian Academy of Sciences.

I am here to speak in favor of extending the license for the Shearon Harris Nuclear Power Plant. The Progress Energy staff has demonstrated over the past 20+ years that it is fully capable of safely operating the facility and storing the spent assemblies in pools and in dry casks. I am convinced that they are fully capable of also preparing the assemblies for shipment when the repository or an interim storage site is available. Operationally, since 1987, Shearon Harris has increased its capacity factor from 70.52 to just over 89.16% in 2006 – a refuel outage year. It has also been uprated by the NRC in 2001 by 4.5% bringing it up to its current 900 MWe rating. The global nuclear power industry now has, according to my estimates, over 12,000 reactor years of operational experience. {~8,000 reactor years post Chernobyl}. The storage pool at Shearon Harris was originally built to store the spent fuel assemblies from the four reactors for which the site was originally designed. There is, of course, only one reactor at the site and the pool currently holds of its own fuel, again according to my estimates, less than 25% of its capacity of 8,400 assemblies and with its own fuel, will only be at approximately 75% of its capacity at the end of the relicensed period.

Shearon Harris is contributing to the provision of the base load of electricity that we, the consumers, are demanding; is contributing to our national goal of achieving energy independence; and its operation is not contributing to the tropospheric loading of green house gases. Shearon Harris is also a member of the local community. Its management communicates with and advises local and State officials on matters related to its operation; communicates with the public through its visitor's center and its outreach programs; and participates with local and State organizations in safety related drills and exercises. I have toured the facility and periodically talk with some of the plant's employees. They have earned my confidence and I am pleased to speak in support of this application to extend the license for the Harris facility for an additional 20 years.

Thank you

**David N. McNelis, Ph.D.**  
**University of North Carolina at Chapel Hill**  
**April 18, 2007**



## Shearon Harris Nuclear Plant

June 12, 2007 will be a significant day for our community. Over the last year, our region has grown by 100 new residents every day. At this rate, our MSA population should reach 1 million people on June 12!

Over the past twelve months, our area received many high rankings and accolades by leading magazines.

- Raleigh the #1 Best Place for Business and Careers, *Forbes* magazine
- Raleigh-Cary the #8 Fastest Growing Metro in the Nation, US Census Bureau
- Raleigh-Cary #1 Best US City for Jobs, *Forbes*
- Raleigh-Cary Top 50 Hottest Cities for Expanding and Relocating Companies, *Expansion Magazine*
- Raleigh-Durham Top Ten Tech Town, *Wired Magazine*
- Wake County #1 School District in the Nation for Certified Teachers, National Board of Certified Teachers
- Wake County Schools Gold Rating, *Expansion Management's Education*


These ratings result in dynamic economic growth in our area, and that growth requires a phenomenal amount of energy to meet new demand.

The Shearon Harris Nuclear Plant currently supplies power to more than 550,000 residences and businesses and provides 12 percent of the total electricity generated by PE Carolinas. The plant generates more than 7.9 million megawatt-hours of electricity and approximately \$10 million in taxes to Wake County annually.

It is a proven fact that nuclear energy produces no greenhouse gas emissions that can lead to ozone formation or acid rain. Updating of equipment and constant oversight by the Nuclear Regulatory Commission is ongoing.

Because Progress Energy has a 35-year track record of operating nuclear plants safely and securely, and has consistently been ranked among the top nuclear plants in the country in terms of safety, production and cost, the Greater Raleigh Chamber of Commerce strongly supports a 20-year operating license extension for the Shearon Harris Plant. This extension will allow the plant to operate until 2046 and continue to provide safe, efficient and economical power.

We strongly encourage you, the citizens, to support the extension as well.

  
Harvey A. Schmitt, CCE  
President and CEO  
April 18, 2007

800 South Salisbury Street  
PO Box 2978  
Raleigh, NC 27602-2978

T 919.664.7000 F 919.664.7097  
[www.raleighchamber.org](http://www.raleighchamber.org)

**License Renewal Application for Shearon Harris Nuclear Power Plant**

**Wednesday, April 18, 2007 – 1:30-4:30p.m.**

**Comments by Robert J. Ahlert**

**Mr. Heath, Mr. Hernandez and members of the NRC and NRR, thank you for allowing me to speak at this hearing. My name is Robert J. Ahlert. I live at 100 Cherry Laurel Drive, Clayton, North Carolina 27527. I have lived at this address since 1995 – 12 years. I serve on the Town Council and have done so for over 9 years. I am currently the Mayor Pro Tem.**

**Clayton is located in western Johnston County, about 20 minutes from the state capital in Raleigh. Clayton is the fastest growing town in the fastest growing county in North Carolina. The population of Clayton is over 13,000. Clayton operates it's own electric utility system that was established in 1913. We serve over 5,100 customers, and growing.**

**I also represent the Town of Clayton as a commissioner of the North Carolina Eastern Municipal Power Agency. The 32 member cities have a combined population of over 420,000 and serve more than 250,000 electric power customers.**

**In order for the Power Agency to provide electrical power to it's members it has invested in a number of Progress Energy's generating plants. The Agency owns 18.33% each of the Brunswick 1 and 2 nuclear generating plants located about 16 miles south of Wilmington, North Carolina. You recently granted an operating license renewal for these two plants. The rated capacity of these plants is 938 MW and 937 MW respectfully. The Agency owns 16.17% of the Mayo plant and 12.94% of the Roxboro plant. These are coal fired generating plants located in Person County, North Carolina. The rated capacity of these plants are 741 MW and 698 MW respectfully. The Agency owns 16.17% of the Shearon Harris nuclear generating plant located in southwestern Wake County, North Carolina, the subject of this operating license renewal hearing. The rated capacity of this plant is 900 MW.**

**The Agency's share of the Shearon Harris rated output is 146 MW. This represents approximately 10% of the Agency's generating capacity and 12% of its energy requirements. The Harris plant has provided safe secure economical power to the Agency, its members and their customers for almost 20 years.**

**Should the NRC/NRR not grant an operating license renewal for the Harris plant, beginning in 2027, the Agency, including the Town of Clayton, would have to purchase power from other sources to meet the needs of its customers. Seeking other sources without the Shearon Harris output would undoubtedly direct the Agency to other higher cost fossil fuel generating plants in the southeast. This is assuming there would be transmission capacity available to deliver the power to the Agency members. In addition to the economic impact, consideration should be given to the negative impact of replacing clean nuclear power with fossil fuel power that generates greenhouse gases, carbon monoxide, sulfur dioxide, mercury and nitrogen oxides. Likewise, conservation measures would not be sufficient to offset the lost output from the Harris plant.**

**In closing, the Town of Clayton and the Eastern Municipal Power Agency endorse the application of Progress Energy to renew the operating license for its Shearon Harris nuclear generating plant. Premature closing of the plant would have a negative economic impact for the more than 425,000 citizens in the Agency municipalities and the more than 250,000 electric customers they serve.**

**We encourage you to give favorable consideration to a safe and secure operating license renewal of the Shearon Harris plant for the economic and environmental reasons as previously stated.**

**I will be happy to answer any questions you might have at the appropriate time.**

**Thank you.**

A handwritten signature in black ink, appearing to read "Robert J. White". The signature is written in a cursive style with a large initial "R".

Now let me add to my earlier comments about SH since the N. Co article limited the item open for discussion and I learned earlier today that the N. Co is open to environmental input. The newspaper article stated that SH supplies 12% of Progress' capacity now.

That is a small amount when I look at the study done for the N. Co State Utility Commission as directed by the State. The study by La Caze Assoc. of Boston, Mass. states that we can get 10% of our electric needs from solar and wind if we develop them. The associate Mr. Jonathan Weiner also agreed with me that the new environmentally sound compact fluorescent bulbs and the light emitting diodes now on the market will reduce demand by 25% over the next few years. Progress two years ago reported capacity on hand to see us through 2016 with no increase in capacity. Now you take these numbers and they tell us that we really don't need SH or any other coal or nuclear plant now. By 2016 California P. Co and 2's program to boost electric core to power the grid for peak demand will be in operation for five years. They are planning on Honda's new electric car that is due for sale to the public by 2009. You can read about it in this article.

That's why this is not the ~~time~~ time to consider a license extension. Progress should be spending time studying Lakeland, Florida's utility of leasing solar hot water heaters to their ratepayers. These are several reasons I would like wait ten years to consider license extensions. We may be better off considering spending \$1.6 billion.

Thank you,  
Herman Hoff 4/18/07  
HERMAN HOFF

Here is another system that can do it all.

# PG&E Eyes Power Grid Plan to Boost Electric Cars

**SAN FRANCISCO (Reuters)**—California's biggest utility, Pacific Gas & Electric Co., is considering a plan to charge fleets of battery-powered cars overnight with wind energy and let consumers sell back some of the stored electricity during the day.

In addition to reducing oil consumption and greenhouse gas emissions from standard cars, the plan could help stoke production of plug-in hybrid electric vehicles and give power managers more energy capacity on the grid for hot summer afternoons, speakers said at a "clean technology" investment conference in San Francisco last week.

The utility, a subsidiary of PG&E Corp., "could recharge car batteries through electric outlets during the off-peak overnight hours and recharge the grid from the batteries during critical peak demand periods," Hal LaFlash, director of energy policy and planning at PG&E, said.

In California, wind power is the biggest renewable source, with more than 2,500 megawatts. Some 4,600 megawatts of wind are projected to be added to meet the state's goal for renewable supplies, LaFlash said.

Minneapolis-based Xcel Energy also is studying smart-grid technologies and recharging hybrid electric vehicles and feeding excess power back to the grid.

A six-month study in Colorado found that electric cars may reduce the overall cost of owning a car, and with new grid technology, cut harmful vehicle emissions by up to 50 percent.

## Five to Six Years Away

More studies will include plug-in electric vehicle field tests, and examine management of battery charging along with the availability of renewable energy, Xcel said.

A power grid-to-car-batteries hookup, however, is probably at least five to six years away, Felix Kramer, founder of CalCars, said at the cleantech conference.

CalCars is a nonprofit group which has built about 20 plug-ins since 2004 by outfitting the Toyota Prius with new lithium-ion batteries.

Improving battery technologies to boost energy density at lower weight and cost is a hurdle, but progress on lithium ion battery packs could help develop a bigger market for plug-in cars, Kramer said.

Drivers also may have to downsize their vehicle choices. Some electric cars are likely to be small and aimed at urban dwellers who do most of their motoring in or near cities, speakers at the conference said.

Jan-Olaf Willums, chairman of Norway's THINK Electric Car Co., is betting he will find a market in Europe and the United States for his two-seater "city" car. The company previously had ties to Ford Motor Co.

The company raised \$25 million in February and aims to double the funding amount by May, he said. It expects to begin production in Norway in September, with marketing focused first in Europe and then the United States.

PG&E's LaFlash said new "smart grid" technologies such as high-tech meters that measure electricity use via remote control and give customers timing and pricing options could help drivers charge their batteries at home or parking lots and also get a bill credit for putting excess electricity back on the grid.

Utilities and grid managers would limit the amount of energy uploaded from batteries, he said. Metering and billing systems would be equipped to match a car to an account.

More than 20 states have adopted measures ordering electric utilities to add more renewable cleaner energies such as wind, solar, geothermal, and biomass to their energy supplies.

In addition to cars, connections could be made from homes and office buildings to a smart grid, storing energy at off-peak and delivering more capacity to the grid at peak periods, LaFlash said.

**'PG&E aims to] recharge the grid from the batteries during critical peak demand periods.'**

—Hal LaFlash, PG&E

Herman Jaffe 1-719-234-9574 629-2672  
2520 Park Summit Blvd. • h.jaffe@nc.rr.com  
760-276-2

The Epoch Times  
Newspaper Classifieds  
Newspaper Classifieds  
Phone: 212-693-8888  
Fax: 212-693-8886  
Email: nyclassified@epochtimes.com

There are several reasons not to extend the license extension of Shearon/Harris nuclear plant (SH). The most important is that SH has been stalling for 15 years and now asks for another 10 years to correct wiring and fire walls. This is material installed originally by the builders of SH and approved by you. SH is spending 500,000 dollars a year on a fire watch system, approved by you, hoping to prevent a major fire.

The next reason not to extend the license is that it was built to last 40 years and is wearing out much as a car that was built to last 100,000 miles and has run over 50,000 miles. There are parts of the plant that can not be measured for durability and useful life just as a old cars engine and drive train can only be estimated. When a piece of equipment is designed for 40 years use there are hidden weaknesses to consider as it ages. Lets wait 10 years.

SH has stalled on replacing known unsafe fire walls and wiring and does not qualify as a responsible operator. The corrections must be made before you the NRC consider the license extension that SH has asked for.

This is really a public relations play by Progress Energy.

Thank you.

Herman Jaffe 4/16/07

HERMAN JAFFE

209 OLD GROVE L.A.

APEX, NC 27502

919-629-2672

e-mail [Hjaffe@NC.RR.ORG](mailto:Hjaffe@NC.RR.ORG)

Here are several reasons not to extend the license of Spesson Haven Nuclear Plant. (SH) The most important is that SH for 15 years has stalled the NRC on improving the fire walls and wiring originally installed. SH is spending \$500,000 per year on a fire water system hoping to prevent a major fire. The next reason not to extend the license is that it was built to last 40 years and is degrading much as a car built to last 100,000 miles and has run 50,000 miles. There are parts of the plant that cannot be measured for durability just as a cars engineer drive train. When a piece of equipment is designed for 40 years use after 20 years there is hidden gas weakness to consider. SH has stalled ~~the~~ <sup>you</sup> on replacing clearly weakened fire walls. This must be repaired before an extension to operate this plant is given. considered. Progress energy is using this hearing as a public relations ploy.

Thank you.

Herman Joffe 4/16/07

209 old Shore Lane

apt 112 22532

919-269-2672.





### NRC PUBLIC MEETING FEEDBACK

Category  
3

Meeting Date: 04/18/2007 Meeting Title: License Renewal Review Process and Environmental Scoping for Shearon Harris Nuclear Power Plant

In order to better serve the public, we need to hear from the meeting participants. Please take a few minutes to fill out this feedback form and return it to NRC.

1. How did you hear about this meeting?

- NRC Web Page
- NRC Mailing List
- Newspaper
- Radio/TV
- Other \_\_\_\_\_

	<u>Yes</u>	<u>No</u> <small>(Please explain below)</small>	<u>Somewhat</u>
2. Were you able to find supporting information prior to the meeting?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Did the meeting achieve its stated purpose?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4. Has this meeting helped you with your understanding of the topic?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5. Were the meeting starting time, duration, and location reasonably convenient?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Were you given sufficient opportunity to ask questions or express your views?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Are you satisfied overall with the NRC staff who participated in the meeting?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

COMMENTS OR SUGGESTIONS:

Thank you for answering these questions.

*Since I did not know that environmental issues were allowed today I did not point out that this area's water is in danger & also that I request plans on raising the level of Harris Lake if water can be allowed.*

Continue Comments on the reverse. ↗

OPTIONAL

Name H. JAFFE Organization \_\_\_\_\_

Telephone No. 719 6292672 E-Mail Hjaffe@nc.rr.com  Check here if you would like a member of NRC staff to contact you.

Talking Paper

**NRC Public Meeting**

**April 18, 2007**

My name is Paul Fisher. I am an Alderman from the City of Southport, N.C. and I am Chairman of the North Carolina Municipal Power Agency (NCEMPA).

Southport is the home of Brunswick Nuclear Power Plant (Units 1&2). These units' license renewal was approved in 2006. Southport has found the Plants to be an important economic base for the community. In addition, the plants have operated in a safe manner and are good custodians of the environment and good neighbors.

The NCEMPA consist of 32 municipalities that have ownership in five (5) generating facilities, 3 nuclear and 2 coal. The agency owns 16.17% of the Harris Nuclear Plant. The Harris Plant provide part of the safe and reliable power to more than 250,000 power agency customers.

The Harris Plant is important to Progress Energy to ensure reliable power to me and other customers. The Plant does not depend on imported fuels and is environmentally responsive to concerns of global warming.

Progress Energy has an outstanding tract record and is recognized worldwide as an industry leader in safe and reliable nuclear operations.

The North Carolina Municipal Power Agency supports the continued safe and secure operations of the Harris Plant and encourages favorable consideration of the license extension request. See attached Resolution No EAR-5-06, dated 13 December 2006.

**W** HEREAS, Progress Energy has a 35-year track record of operating nuclear plants safely and securely, and like all nuclear plants, features multiple backup systems to ensure safe operation;

**W** HEREAS, the Harris Plant is closely monitored and observed by on-site inspectors who are employees of the federal regulatory authority, the Nuclear Regulatory Commission, whose mission is to ensure safe operation of the nation's nuclear plants;

**W** HEREAS, the 650 professionals who work at the plant and live in the community are committed to the safety and security of the site;

**W** HEREAS, nuclear energy produces no greenhouse gas emissions;

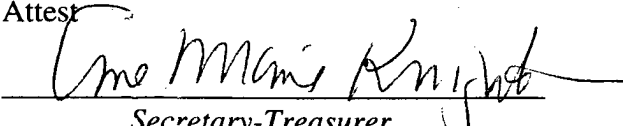
**W** HEREAS, domestic nuclear power generation helps the United States reduce dependence on unstable foreign energy supplies; and,

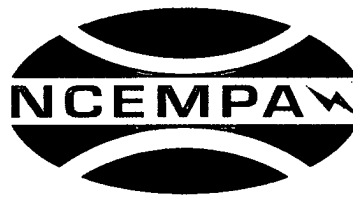
**W** HEREAS, the Harris Plant provides approximately \$10 million dollars in taxes to Wake County each year; now, therefore be it

**R** ESOLVED that the Board of Commissioners of the North Carolina Eastern Municipal Power Agency supports the continued safe and secure operation of the Harris Plant and encourages the Nuclear Regulatory Commission to extend the Harris Plant's operating license an additional 20 years.

**A** dopted this the 13th day of December, 2006.

  
Chairman, Board of Commissioners

Attest  
  
Secretary-Treasurer



**Resolution of the  
Board of Commissioners  
of the  
North Carolina Eastern Municipal Power Agency  
in Support of the Continued Safe and Secure Operation  
of the Shearon Harris Nuclear Plant  
Resolution No. EAR-5-06**

**W** HEREAS, North Carolina Eastern Municipal Power Agency (NCEMPA) is comprised of 32 eastern participants and has a 16.17 percent ownership interest in the Shearon Harris Nuclear Plant (Harris Plant) in Wake County;

**W** HEREAS, the Harris Plant provides 10 percent of the capacity and 12 percent of the energy for the NCEMPA participants;

**W** HEREAS, the Harris Plant, which began operations in May 1987, provides a safe, efficient and economical source of electricity;

**W** HEREAS, in November 2006, Progress Energy Carolinas (PEC) intends to file with the Nuclear Regulatory Commission an application for a twenty-year extension to the Harris Plant's operating license, allowing the plant to continue operating until 2046;

**W** HEREAS, renewing the Harris Plant's operating license will help ensure that PEC can continue to provide the electricity needed for the growing Triangle region;

**W** HEREAS, the Harris Plant supplies power to more than 550,000 residences and businesses, and provides twelve percent of the total electricity generated by PEC;

**W** HEREAS, in 2005, the Harris Plant generated more than 7.9 million megawatt-hours of electricity, the largest volume in its 18 years of operation;

**W** HEREAS, the Harris Plant has been consistently ranked by its peers among the top nuclear plants in the country in terms of safety, production and cost;



**Resolution in Support of the Continued Safe and Secure Operation  
of the Shearon Harris Nuclear Plant**

WHEREAS, the Shearon Harris Nuclear Plant (hereafter referred to as the Harris Plant), which went into operation in May 1987, provides a safe, efficient and economical source of electricity; and

WHEREAS, in November 2006, Progress Energy intends to file for a 20-year extension to the Harris Plant's operating license, allowing the plant to continue operating until 2046; and

WHEREAS, renewing the Harris Plant's operating license will help ensure that Progress Energy can continue to provide the electricity needed for the growing Triangle region; and

WHEREAS, the Harris Plant supplies power to more than 550,000 residences and businesses, and provides 12 percent of the total electricity generated by PE Carolinas; and

WHEREAS, In 2005, the Harris Plant generated more than 7.9 million megawatt-hours of electricity, the largest volume in its 18 years of operation; and

WHEREAS, the Harris Plant has been consistently ranked by its peers among the top nuclear plants in the country in terms of safety, production and cost; and

WHEREAS, Progress Energy has a 35-year track record of operating nuclear plants safely and securely, and the plant features multiple backup systems to ensure safety; and

WHEREAS, the Harris Plant is closely monitored by on-site inspectors from by the Nuclear Regulatory Commission; and

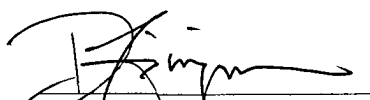
WHEREAS, the 650 professionals who work at the plant and live in the community are committed to the safety and security of the site; and

WHEREAS, nuclear energy produces no greenhouse gas emissions that contribute to global climate change; and

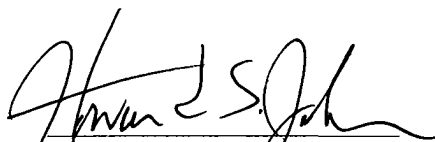
WHEREAS, nuclear power helps the United States reduce dependence on unstable foreign energy supplies; and

NOW, THEREFORE, BE IT RESOLVED that the Cary Chamber of Commerce supports the continued safe and secure operation of the Harris Plant and encourages the Nuclear Regulatory Commission to extend the Harris Nuclear Plant's operating license an additional 20 years.

This the 17th day of January, 2007.

  
David T. Finger  
Chairman

Cary Chamber of Commerce

  
Howard S. Johnson  
President

Cary Chamber of Commerce



**Resolution in Support of the Continued Safe and Secure Operation  
Of the Shearon Harris Nuclear Plant**

WHEREAS, the Shearon Harris Nuclear Plant (hereafter referred to as the Harris Plant), which went into operation in May 1987, provides a safe, efficient and economical source of electricity; and

WHEREAS, in November 2006, Progress Energy intends to file for a 20-year extension to the Harris Plant's operating license, allowing the plant to continue operating until 2046; and

WHEREAS, renewing the Harris Plant's operating license will help ensure that Progress Energy can continue to provide the electricity needed for the growing Triangle region; and

WHEREAS, the Harris Plant supplies power to more than 550,000 residences and businesses, and provides 12 percent of the total electricity generated by PE Carolinas; and

WHEREAS, in 2005, the Harris Plant generated more than 7.9 million megawatt-hours of electricity, the largest volume in its 18 years of operation; and

WHEREAS, the Harris Plant has been consistently ranked by its peers among the top nuclear plants in the country in terms of safety, production and cost; and

WHEREAS, Progress Energy has a 35-year track record of operating nuclear plants safely and securely, and the plant features multiple backup systems to ensure safety; and

WHEREAS, the Harris Plant is closely monitored by on-site inspectors from the Nuclear regulatory Commission; and

WHEREAS, the 650 professionals who work at the plant and live in the community are committed to the safety and security of the site; and

WHEREAS, nuclear energy produces no greenhouse gas emissions that contribute to global climate change; and

WHEREAS, nuclear power helps the United States reduce dependence on unstable foreign energy supplies; and

Now, Therefore, Be It Resolved that the Holly Springs Chamber of Commerce supports the continued safe and secure operation of the Harris Plant and encourages the Nuclear Regulatory Commission to extend the Harris Nuclear Plant's operating license an additional 20 years.

Adopted this 24 day of January 2007

# FUQUAY-VARINA

*Area Chamber of Commerce*

## **A RESOLUTION IN SUPPORT OF THE CONTINUED SAFE AND SECURE OPERATION OF THE SHEARON HARRIS NUCLEAR PLANT**

**WHEREAS**, the Shearon Harris Nuclear Plant (hereafter referred to as the Harris Plant), which went into operation in May 1987, provides a safe, efficient and economical source of electricity; and

**WHEREAS**, in November 2006, Progress Energy intends to file for a 20-year extension to the Harris Plant's operating license, allowing the plant to continue operating until 2046; and

**WHEREAS**, renewing the Harris Plant's operating license will help ensure that Progress Energy can continue to provide the electricity needed for the growing Triangle region; and

**WHEREAS**, the Harris Plant supplies power to more than 550,000 residences and businesses, and provides 12 percent of the total electricity generated by PE Carolinas; and

**WHEREAS**, in 2005, the Harris Plant generated more than 7.9 million megawatt-hours of electricity, the largest volume in its 18 years of operation; and

**WHEREAS**, the Harris Plant has been consistently ranked by its peers among the top nuclear plants in the country in terms of safety, production and cost; and

**WHEREAS**, Progress Energy has a 35-year track record of operating nuclear plants safely and securely, and the plant features multiple backup systems to ensure safety; and

**WHEREAS**, the Harris Plant is closely monitored by on-site inspectors from the Nuclear Regulatory Commission; and

**WHEREAS**, the 650 professionals who work at the plant and live in the community are committed to the safety and security of the site; and

**WHEREAS**, nuclear energy produces no greenhouse gas emissions that contribute to global climate change; and

**WHEREAS**, nuclear power helps the United States reduce dependence on unstable foreign energy supplies; and

**NOW, THEREFORE, BE IT RESOLVED** that the Fuquay-Varina Area Chamber of Commerce supports the continued safe and secure operation of the Harris Plant and encourages the Nuclear Regulatory Commission to extend the Harris Nuclear Plant's operating license an additional 20 years.

Adopted this 7<sup>th</sup> day of February, 2007.



Stephen M. Strader  
2007 Board Chair



**RESOLUTION IN SUPPORT OF THE CONTINUED SAFE AND SECURE  
OPERATION OF THE SHEARON HARRIS NUCLEAR PLANT**

WHEREAS, the Shearon Harris Nuclear Plant (hereinafter referred to as the Harris Plant), which went into operation in May, 1987, provides a safe, efficient and economical source of electricity; and

WHEREAS, in November, 2006, Progress Energy intends to file for a 20-year extension to the Harris Plant's operating license, allowing the plant to continue operating until 2046; and

WHEREAS, renewing the Harris Plant's operating license will ensure that Progress Energy can continue to provide the electricity needed for the growing Triangle region; and

WHEREAS, the Harris Plant supplies power to more than 550,000 residences and businesses, and provides 12 percent of the total electricity generated by PE Carolinas; and

WHEREAS, in 2005, the Harris Plant generated more than 7.9 million megawatt-hours of electricity, the largest volume in its 18 years of operation; and

WHEREAS, the Harris Plant has been consistently ranked by its peers as among the top nuclear plants in the country in terms of safety, production and cost; and

WHEREAS, Progress Energy has a 35-year track record of operating nuclear plants safely and securely; and

WHEREAS, nuclear energy produces no greenhouse gas emissions that can lead to ozone formation or acid rain; and

WHEREAS, the Harris Plant is continually updating equipment and undergoes constant oversight and scrutiny by the Nuclear Regulatory Commission; and

WHEREAS, the 650 professionals who work at the plant and live in the community are committed to the safety and security of the site; and

WHEREAS, the Harris Plant provides approximately \$10 million dollars in taxes to Wake County each year; and

NOW, THEREFORE, LET IT BE RESOLVED that the Wake County Economic Development Commission supports the continued safe and secure operation of the Harris Plant and encourages the Nuclear Regulatory Commission to extend the Harris Nuclear Plant's operating license an additional 20 years.

This is the 14<sup>th</sup> day of December, 2006.





Town of Morrisville  
Post Office Box 166  
Morrisville, North Carolina 27560

Phone: 919.463.6200  
Fax: 919.481.2907  
www.ci.morrisville.nc.us

## **Resolution in Support of the Continued Safe and Secure Operation of the Shearon Harris Nuclear Plant**

WHEREAS, the Shearon Harris Nuclear Plant (hereafter referred to as the Harris Plant), which went into operation in May 1987, provides a safe, efficient and economical source of electricity; and

WHEREAS, in November 2006, Progress Energy intends to file for a 20-year extension to the Harris Plant's operating license, allowing the plant to continue operating until 2046; and

WHEREAS, renewing the Harris Plant's operating license will help ensure that Progress Energy can continue to provide the electricity needed for the growing Triangle region; and

WHEREAS, the Harris Plant supplies power to more than 550,000 residences and businesses, and provides 12 percent of the total electricity generated by PE Carolinas; and

WHEREAS, In 2005, the Harris Plant generated more than 7.9 million megawatt-hours of electricity, the largest volume in its 18 years of operation; and

WHEREAS, the Harris Plant has been consistently ranked by its peers among the top nuclear plants in the country in terms of safety, production and cost; and

WHEREAS, Progress Energy has a 35-year track record of operating nuclear plants safely and securely, and the plant features multiple backup systems to ensure safety; and

WHEREAS, the Harris Plant is closely monitored by on-site inspectors from by the Nuclear Regulatory Commission; and


WHEREAS, the 650 professionals who work at the plant and live in the community are committed to the safety and security of the site; and

WHEREAS, nuclear energy produces no greenhouse gas emissions that contribute to global climate change; and

WHEREAS, nuclear power helps the United States reduce dependence on unstable foreign energy supplies; and

NOW, THEREFORE, BE IT RESOLVED that the Wake County Mayors' Association supports the continued safe and secure operation of the Harris Plant and encourages the Nuclear Regulatory Commission to extend the Harris Nuclear Plant's operating license an additional 20 years.

Adopted this the 19<sup>th</sup> day of February, 2007.

  
\_\_\_\_\_  
Jan Faulkner, President  
Wake County Mayors' Association



**Resolution in Support of the Continued Safe and Secure Operation  
of the Shearon Harris Nuclear Plant**

WHEREAS, the Shearon Harris Nuclear Plant (hereafter referred to as the Harris Plant), which went into operation in May 1987, provides a safe, efficient and economical source of electricity; and

WHEREAS, in November 2006, Progress Energy intends to file for a 20-year extension to the Harris Plant's operating license, allowing the plant to continue operating until 2046; and

WHEREAS, renewing the Harris Plant's operating license will ensure that Progress Energy can continue to provide the electricity needed for the growing Triangle region; and

WHEREAS, the Harris Plant supplies power to more than 550,000 residences and businesses, and provides 12 percent of the total electricity generated by PE Carolinas; and

WHEREAS, In 2005, the Harris Plant generated more than 7.9 million megawatt-hours of electricity, the largest volume in its 18 years of operation; and

WHEREAS, the Harris Plant has been consistently ranked by its peers as among the top nuclear plants in the country in terms of safety, production and cost; and

WHEREAS, Progress Energy has a 35-year track record of operating nuclear plants safely and securely; and

WHEREAS, nuclear energy produces no greenhouse gas emissions that can lead to ozone formation or acid rain; and

WHEREAS, the Harris Plant is continually updating equipment and undergoes constant oversight and scrutiny by the Nuclear Regulatory Commission; and

WHEREAS, the 650 professionals who work at the plant and live in the community are committed to the safety and security of the site; and

WHEREAS, the Harris Plant provides approximately \$10 million dollars in taxes to Wake County each year;

800 South Salisbury Street  
PO Box 2978  
Raleigh, NC 27602-2978

T 919.664.7000 F 919.664.7097  
[www.raleighchamber.org](http://www.raleighchamber.org)

NOW, THEREFORE, BE IT RESOLVED that the Greater Raleigh Chamber of Commerce supports the continued safe and secure operation of the Harris Plant and encourages the Nuclear Regulatory Commission to extend the Harris Nuclear Plant's operating license an additional 20 years.

This the 24th day of January, 2007.

**TOWN OF CLAYTON  
RESOLUTION IN SUPPORT OF THE CONTINUED  
SAFE AND SECURE OPERATION  
OF THE SHEARON HARRIS NUCLEAR PLANT**

**WHEREAS, the Shearon Harris Nuclear Plant (hereafter referred to as the Harris Plant), which went into operation in May 1987, provides a safe, efficient and economical source of electricity; and**

**WHEREAS, in November 2006, Progress Energy intends to file for a 20-year extension to the Harris Plant's operating license, allowing the plant to continue operating until 2046; and**

**WHEREAS, renewing the Harris Plant's operating license will help ensure that Progress Energy can continue to provide the electricity needed for the growing Triangle region; and**

**WHEREAS, the Harris Plant supplies power to more than 550,000 residences and businesses, and provides 12 percent of the total electricity generated by PE Carolinas; and**

**WHEREAS, in 2005, the Harris Plant generated more than 7.9 million megawatt-hours of electricity, the largest volume in its 18 years of operation; and**

**WHEREAS, the Harris Plant has been consistently ranked by its peers among the top nuclear plants in the country in terms of safety, production and cost; and**

**WHEREAS, Progress Energy has a 35-year track record of operating nuclear plants safely and securely, and the plant features multiple backup systems to ensure safety; and**

**WHEREAS, the Harris Plant is closely monitored by on-site inspectors from the Nuclear Regulatory Commission; and**


**WHEREAS, the 650 professionals who work at the plant and live in the community are committed to the safety and security of the site; and**

**WHEREAS, nuclear energy produces no greenhouse gas emissions that contribute to global climate change; and**

**WHEREAS, nuclear power helps the United States reduce dependence on unstable foreign energy supplies; and**

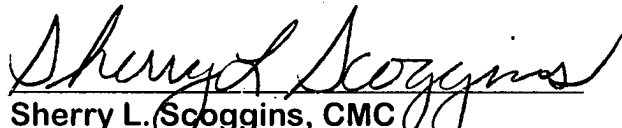
**NOW, THEREFORE, BE IT RESOLVED** that the Town of Clayton supports the continued safe and secure operation of the Harris Plant and encourages the Nuclear Regulatory Commission to extend the Harris Nuclear Plant's operating license an additional 20 years.

Duly adopted this 18th day of December 2006 while in regular session.



Jody L. McLeod  
Mayor

ATTEST:



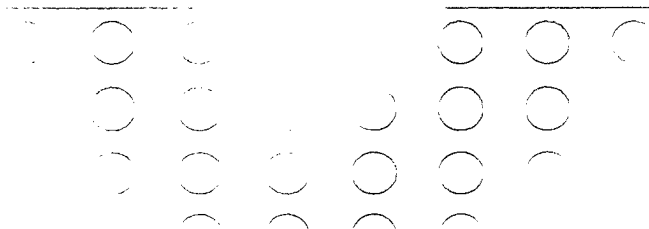
Sherry L. Scoggins, CMC  
Town Clerk



**edge**

**annual report**

***T h e P o w e r t o L e a d***



## Message from the Chairman

I want to thank each of the investors in the edge<sup>3</sup> program for continuing to support our economic development marketing activities during 2006, the second year of our program. As we embark on the third phase of our program, we can be very proud of all that was accomplished last year.

With the initial five-year goal of 50,000 new jobs set, we are proud to say that Wake County is exceeding the pace necessary to reach that goal. There were 29,759 more people employed in Wake County in December 2006 than there were in December 2005. In fact, Wake County announced 37 new and expanding companies resulting in 4,248 new jobs and \$445 million in new investment. Last year, the Wake County Economic Development staff worked on 174 new projects, participated in 105 client company visits, and made 85 existing industry calls.

The rapidly expanding global economy played a major role in building our local economy during 2006. Novartis announced a major vaccine plant in Holly Springs; Credit Suisse doubled its operation in RTP; Lenovo announced the location of its corporate headquarters in Morrisville; and RBC Centura broke ground on its US headquarters building in downtown Raleigh. Building local capacity to leverage these investment trends was a major objective last year, and, as a result, the North Carolina China Center was opened and the World Trade Center North Carolina was reorganized to become a part of Research Triangle Regional Partnership. NC State University and Shaw University signed memorandums of agreement with prestigious Chinese Universities, and the NC China Center opened offices in both Raleigh and the Suzhou Industrial Park. A group of business leaders and economic developers visited China in spring 2006, building a foundation for expanded business relationships in the upcoming year.

NC State continues to evolve into one of our most important partners in economic development, and we made significant strides in building this effort in 2006. It

was the second full year of our precision marketing effort and WCED developed unique, customizable marketing materials to promote the innovation occurring at the University. WCED attended nonwoven industry trade shows and met with numerous company officials that are actively engaged in research, or that are likely candidates to benefit from working with NC State in the future. Our focus in textiles last year was on marketing the materials developed in Year One and making sales calls on company decision makers. Work on our second phase of university based materials has begun and will focus on the areas of advanced medical design, medical devices, material science and medical textiles. The colleges of Engineering, Textiles, Veterinary Medicine, Design, and Management will all play a role in the development of these materials.

We continue to build on our existing industry clusters and a good example of these proactive strategies was participation in the Medical Design and Manufacturing (MD&M) trade shows. WCED staff, university professors, and edge<sup>3</sup> investors attended shows in Minneapolis and New York City. Several ads were placed in medical device magazines, and work has begun on a video outlining the assets that exist at our universities and existing business clusters that will support expansion of this industry sector.

These significant achievements in 2006 serve as a very strong platform to accomplish our plans for 2007 and the remainder of the edge<sup>3</sup> campaign. Aggressive recruitment of companies in our targeted industry clusters, expanding and retaining our existing industries, and the strengthening of our relationship with NC State University will keep us on the cutting edge of innovation and economic development.

Much of this would not be possible without the support of our edge<sup>3</sup> investors. I want to express both my sincere thanks for all that you have done, and my sincere excitement for all that there is left to do.



**William K. Atkinson, PhD**  
WakeMed Health & Hospitals  
edge<sup>3</sup> Chairman

# Program Goals for edge<sup>3</sup> – 2005-2009

## Effective Buying Income

2005 – \$16,792,905,000

2006 – \$17,837,400,000

2007

2008

2009

**edge<sup>3</sup> Goal – \$20,135,463,750**

## Industrial Commercial Tax Base

2005 – \$21,264,787,000

2006 – \$22,035,070,641

2007

2008

2009

**edge<sup>3</sup> Goal – \$26,184,863,468**

## New Jobs in Wake County

2005 – 389,384 (increase of 16,511 net new jobs)

2006 – 419,143 (increase of 29,759 net new jobs)

2007

2008

2009

**edge<sup>3</sup> Goal – 466,091**

## Existing Industry Service Calls

180 Calls Made Through December 2006

**edge<sup>3</sup> Goal – 750 Calls**



**LEADERSHIP**

**edge<sup>3</sup> Co-chair**

Dr. William K. Atkinson II, PhD  
WakeMed Health & Hospitals

**edge<sup>3</sup> Co-chair**

James O. Roberson  
Research Triangle Regional Partnership

**INVESTORS**

Alfred Williams & Co.  
J. Blount Williams

American Asset Corporation  
Paul Herndon

The Angus Barn, Ltd.  
Van Eure

AT&T North Carolina\*  
John McKinney

Bank of America\*  
Bruce Sharpe

Barnhill Contracting Co.  
Matt Smith

BBH Design, PLLC  
Douglas Hall

Belk, Inc.  
Bob Greiner

Biogen Idec  
John Cox

Blue Cross and Blue Shield  
of North Carolina\*  
Lynne Garrison

Bonitz Flooring Group, Inc.  
John McDonald

BP Studios  
Drew Robison

Branch Banking  
& Trust Co.\*  
Lee Youngblood

Brenda C. Gibson  
Commercial Real Estate  
Brokerage & Consulting  
Brenda C. Gibson

Brogan & Partners  
Convergence Marketing  
Jim Tobin

Capital Associates  
Hugh Little

Capital Bank  
Chris Intemann

Capitol Broadcasting  
Company, Inc.\*  
Paul Pope

Capstrat\*  
Ken Eudy

Carolina Hurricanes  
Jason Karmanos

Carter & Burgess  
Rick Bourn Jr.

Caterpillar  
Edward Rapp

CDM  
Tommy Esqueda

Cisco Systems  
Joseph Freddoso

City of Raleigh\*  
Russell Allen

Clancy & Theys  
Construction Company  
Tim Clancy

Cline Design Associates  
David Bradford

Coastal Federal Credit  
Union  
Larry Wilson

Coldwell Banker  
Howard Perry & Walston  
David Jones

Corporate Express  
Office Products  
Rich Coleman

Craig Davis Properties  
Jack Dunn

Curtis Media Group  
Donald Curtis

Deloitte.  
JR Shearin

Dixon Hughes, PLLC  
Cid Hickman

Dominion Partners LLC  
Andy Andrews

Drucker & Falk, LLC  
Kellie Falk-Tillett

Duke Energy  
Scott Gardner

Duke Raleigh Hospital  
Doug Vinsel

Duke Realty Corp.  
H. Andrew Kelton

Earth Tech of NC, Inc.  
Tommy Harrelson

Ernst & Young, LLP  
Robert Thorburn

Excel Moving & Storage,  
Inc. – Allied Van Lines  
Jody Hatley

First Citizens Bank  
Frank Holding Jr.

Flad & Associates  
Michael Nagy

Fonville Morisey Realty, Inc.  
Camille Mims

Frankel Staffing Partners  
Rod Frankel

The Freelon Group, Inc.  
Lew Myers

GE Energy  
Michelle April

General Parts, Inc.  
O. Temple Sloan

Golden Corral Corp.  
Dale Whitworth

Greene Resources, Inc.  
Gary Greene

Gregory Poole  
Equipment Company\*  
J. Gregory Poole

Greystar Communities  
Todd Mancini

Grubb & Ellis/Thomas  
Linderman Graham  
J. Rex Thomas

Harris Wholesale, Inc.  
Worth Harris

Heery International, PC  
David Waggoner

Highwoods Properties, Inc.  
Skip Hill

Home Builders Association  
of Raleigh & Wake County  
David Baron

Hunter Industries, Inc.  
Bertram Days

Hunton & Williams  
William Patterson

Hutchison Law Group PLLC  
Fred Hutchison

IBM Corporation  
Tina Wilson

Jani-King of Raleigh/  
Durham  
Michael Kearns

Jennings & Co.  
Roger Jennings

John Deere Worldwide  
Nate Jones

Joseph C. Woodard Co.  
Joseph C. Woodard

Kane Realty Corporation\*  
Mike Smith

KB Home Triangle Division  
Dianne Rupprecht

KCI Technologies, Inc.  
Michael Ray

Kilpatrick Stockton LLP\*  
Gary Joyner

KPMG LLP  
David Otteni

Lenovo Group  
Ann Waldo

Longistics  
Duane Long

Lynch & Howard, PA  
Homer Duncan

Manpower  
Jeff Stocks

MarketSmart Interactive  
Elliott Greene

Meredith College  
Maureen Hartford, EdD

Milliken Carpet  
David Potter

Misys Healthcare Systems  
Judy Mann

Moore & Van Allen, PLLC  
Jody Joyner

Mulkey Engineers &  
Consultants  
Merritt Brinkley

NAI Carolantic Realty, Inc.  
E. Stephen Stroud

Nelson Mullins Riley &  
Scarborough, LLP  
Cathy Rudisill

The News & Observer  
Publishing Co.\*  
Orage Quarles III

O'Brien/Atkins Associates,  
PA  
John Atkins III

O'Neal Engineering, Inc.  
David Broughton

Paragon Commercial Bank  
Robert Hatley

Parker, Poe, Adams &  
Bernstein, LLP  
William Pappas

Pearce Brinkley Cease  
& Lee – Architects  
H. Clymer Cease

Plaza Associates, Inc.  
Neil Rudolph

Poyner & Spruill LLP  
Attorneys-at-Law  
Bo Dempster

Prestonwood Country Club  
Tom Stewart

PricewaterhouseCoopers  
LLP  
Jeffrey Barber

Progress Energy\*  
Fred Day IV

Prudential Carolinas Realty  
Nancy Harner

PSNC Energy  
Rusty Harris

Pulte Home Corp.  
Steve Schlageter

Quintiles, Inc.  
Dennis Gillings

RBC Centura\*  
Scott Custer

Regions Bank  
William Dawkins

Research Triangle  
Foundation of NC\*  
Rick Weddle

Research Triangle  
Regional Partnership  
Charles Hayes

Rex Healthcare\*  
David Strong

Rich Commercial Realty  
Michelle Rich Goode

RSM McGladrey, Inc./  
McGladrey & Pullen, LLP  
Ronald Wainwright Jr.

Scott Insurance Company  
Bryan Bickley

SEPI Engineering Group,  
Inc.  
Sepideh Asefnia

Shelco, Inc.  
Dan Perry

Sheraton Raleigh Hotel  
Larry Jones

Skanska USA Building, Inc.  
Allen Jones

Smith, Anderson, Blount,  
Dorsett, Mitchell  
& Jernigan, LLP  
Steve Mason

Smith Moore LLP  
Sam Southern

Sony Ericsson Mobile  
Communications (USA), Inc.  
Stewart Engineering, Inc.  
Willy Stewart

SunTrust Bank  
Robert Jones

Teleflex Medical  
Matthew Jennings

Time Warner Cable  
Raleigh Division  
Thomas Adams

Triangle Business Journal  
Charlene Grunwaldt

TriSure Corporation  
Linda Folger

Wachovia Bank, NA\*  
Jack Clayton

Wake County Government\*  
David Cooke

Wake Stone Corp.  
John Bratton

WakeMed Health &  
Hospitals  
William K. Atkinson II, Ph.D.

Ward & Smith, PA  
Samuel Poole

Wharton Gladden  
& Company, LLC  
Algenon Cash

Womble Carlyle Sandridge  
& Rice, PLLC\*  
Johnny Loper

Wyrick, Robbins, Yates  
& Ponton, LLP  
Larry Robbins

The York Companies  
Smedes York

# Wake County New and Expanding Companies 2006

Company Name	New Jobs	Investment	Contact	Phone	New or Expanding
<b>AAIPharma</b>	22	Lease	Matt Czajkowski	910-254-7000	Expanding
AAIPharma has announced they will occupy 27,000 square feet of space at Perimeter Park in Morrisville later this year. The new facility will be a Phase I clinic, bringing their US bed-total for Phase 1 trials to 144. The clinic's focus will be bio-equivalence trials, but it will also allow the company to expand their clinical pharmacology operation. AAIPharma will create 22 new full-time positions at the clinic, as well 100 part time jobs.					
<b>Administaff</b>	8	Lease	John DuBois	919-719-8700	New

Administaff, a leading professional employer organization, has moved into the Raleigh market. They recently announced the opening of their second North Carolina location, the first one being in Charlotte. The new office is located on Beechleaf Court. They will provide comprehensive human resources services. Administaff has 42 sales offices in 22 major markets.

Applied Research Associates	New Jobs	Investment	Contact	Phone	New or Expanding
<b>Applied Research Associates</b>	40	Leasing	Robert Frank	919-582-3300	Expanding
Applied Research Associates, a company which makes software for the U.S. military, is growing its North Raleigh office as it wins more contracts in the Southeast. They will move from about 30,000 square feet in the Colonnade at Six Forks and Strickland roads to at least 45,000 square feet at Forum V. Forum V is a 133,500-square-foot office building being constructed across Six Forks. ARA currently has 110 employees in Raleigh and plans to hire about 40 additional by the time it moves in early 2008 and has the option to expand to 55,000 square feet.					

Best Lab Deals	New Jobs	Investment	Contact	Phone	New or Expanding
<b>Best Lab Deals</b>	N/A	N/A	Vance Moore	919-661-8030	Expanding
Best Lab Deals is an international distributor, supplier and service center for pharmaceutical, academic & science education, water treatment, environmental testing, healthcare clinical labs, private R&D labs, governmental research & testing facilities and more. Best Lab Deals purchased a 100,000 square foot facility at 1000 Management Way in Garner, NC.					

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**Company Name**                      **New Jobs**    **Investment**                      **Contact**                      **Phone**                      **New or Expanding**

**Biogen**                      100                      N/C                      John Cox                      919-993-1100                      Expanding  
Biogen Idec has added 80 positions as they recover from the layoffs they were forced to make last year after they pulled their MS medication off the market. The RTP site benefited when the Cambridge headquarters shut down a customer service unit. The positions were transferred to the RTP office and filled with new hires. Biogen also plans to make 20 additional new hires in their manufacturing and quality control sectors.

**BMC Software**                      10                      N/A                      Paul Farr                      919-388-3333                      Expanding  
BMC Software of Cary has announced the acquisition of Identify Software, a New York-based company with 45 employees at their Cary location. BMC plans to increase the Cary unit's professional services strength by adding five to 10 new hires in the new few months. BMC sells software that helps companies find errant computer applications and fix them. They employ 7,900 people worldwide.

**Campbell Alliance**                      50                      Lease                      Craig Dunkley                      (919) 844-7100                      Expanding  
Campbell Alliance, a biotech and pharmaceutical management consulting firm, has announced that they will move their headquarters into 28,000 square feet at the Brier Creek Corporate Center. The company also plans to make 50 new hires this year. They will be vacating space at the Colonnade Center in Raleigh. This move will more increase their space by more than 50% when they move towards the end of 2006.

**Cempra Pharmaceuticals**                      8                      N/A                      Prabhavathi Fernandes                      919-467-1716                      Expanding  
Cempra Pharmaceuticals has closed a \$14 million round of funding. The company, which is based in Morrisville, says the funding will be used to expand product development and hire up to eight new employees within the next year. Cempra was founded in January. They are working to develop macrolides - drugs that are effective against antibiotic-resistant bacteria.

**Centice**                      18                      Lease                      Brandon Bryce                      919-653-0424                      New  
Centice, a company that spun out of Duke in 2004, is moving to 13, 800 square feet of space in Durham on Southport Drive. Centice makes sensors for analytical, life science and pharmaceutical companies. This move triples the companies office space and allows room for them to hire up to 18 new employees.

29,759                      Net New Jobs

**Company Name**                      **New Jobs**    **Investment**                      **Contact**                      **Phone**                      **New or Expanding**

**ConAgra**

30                      N/C                      Chris Kircher                      919-772-1511                      Expanding

ConAgra plans to add 30 jobs at its Garner manufacturing facility. The is part of a company-wide streamlining effort that will involve the closure of a facility in Pennsylvania. This will add to ConAgra's current Garner employment count of 650. ConAgra Foods includes brands such as Egg Beaters, Healthy Choice, Hunt's and Orville Redenbacher.

**Cranfill, Sumner & Hartzog**

No Change                      Leasing                      Barry Pennell                      919-828-5100                      Expanding

Cranfill, Sumner & Hartzog, one of the Triangle's biggest law firms is moving out of the city's reviving downtown to become a pioneer in a part of the city that is slowly coming to life. They will lease 50,000 square feet of offices at Wade, a 168-acre development planned across from RBC Center on Edwards Mill Road at Wade Avenue in West Raleigh. The firm will move in early 2008, when the building is finished. They will be the first tenant to commit to the development, where Lichtin Corp. of Raleigh and Post Properties of Atlanta plan to build a million square feet of offices, 150,000 square feet of shops and at least 1,500 homes during the next decade.

**Credit Suisse**

400                      \$40,000,000                      Tom Sazone                      Expanding

Credit Suisse has announced an expansion of the Research Triangle Park location. The expansion will add 400 new jobs and represents an investment of \$40 million. The expansion was made possible by funds from the Job Development Investment Grant. Construction of the expansion of their "Center of Excellence" will begin this summer with the new hires made at the end of 2006. The center houses support staff for the company's investment banking division. Wake County Economic Development worked with Credit Suisse on this announcement.

**Destineer**

100                      Lease                      Peter Tamte                      763-231-8000                      New

Destineer, a video game developer based in Minneapolis, is expanding into the Raleigh market. They have announced they will lease 16,000 square feet of space near the RBC Center. They also plan to hire 100 employees for the new location. The jobs will be software engineers, 3-D artists, game developers, quality assurance employees, and administrative employees. Destineer makes commercial video games for personal computer and video game consoles, as well as simulation systems for the military.

**Fidelity Investments**

2,000                      \$100,000,000                      Don Haile                      919-544-0386                      New

Fidelity Investments, one of the world's largest providers of financial services, has announced plans to invest \$100 million to build a new facility in Wake County. They also plan to create 2,000 jobs at the new location, bringing their Triangle presence to about 3,000 employees. This is one of the largest economic development deals ever announced in Wake County. Wake County Economic Development worked with the client as well as the NC Department of Commerce and Wake County on the deal. Fidelity will receive incentives from One North Carolina Fund as well as the Job Development Investment Grant.

Company Name	New Jobs	Investment	Contact	Phone	New or Expanding
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**Healthways, Inc.**

150	N/A	Nick Balog	615-263-7956	New
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Healthways, Inc. has opened a new care enhancement nurse call center. They will employ 150 RNs and LPNs at the facility, which is located in the RDU Center office park off I-40. They will lease 50,000 square feet. Clinicians in the center will establish relationships with patients over the phone and attempt to assist those with chronic medical conditions like diabetes and asthma. They will attempt to better their conditions through education, exercise and diet. Wake County Economic Development worked with Cary, the North Carolina Department of Commerce, Wake Tech and Progress Energy on this project.

**INC Research**

120	Lease	Trisha Vonder Reith	919-876-9300	Expanding
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INC Research will be adding 120 new positions and 29,000 square feet in the coming year. The company currently employs 245 people in their two North Raleigh locations, but are projected to reach 365 this year. They are also moving into an additional 29,000 square feet in the building next to their current headquarters. They say the new positions are in response to the growth the company is seeing. INC is a clinical research firm and they maintain their global headquarters in Raleigh. The company manages clinical development programs for pharmaceutical and biotech customers.

**Intervolve**

35	Lease	Sandy Smith	(919) 789-9797	Expanding
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Intervolve is moving their headquarters from Lake Boone trail to the Warehouse District of Downtown Raleigh. They will be adding 35 new employees when they make this move in June. Intervolve creates software to help beer wholesalers with inventory, tracking and distribution. They currently count about 75 beer distributors in 18 states as clients.

**Ironworks Consulting**

n/a	Leasing	Brian Buchanan	919-462-2092	Expanding
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Ironworks Consulting has expanded operations and moved into new offices in 11000 Regency Parakway in Cary. Ironworks is a project-based, customer-focused technology consulting firm that offers a broad range of IT consulting services. The team has quadrupled over the last 12 months and continues to enjoy an increased demand for their services.

**JetBlue**

13	N/A			New
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JetBlue Airways has announced plans to begin service from Raleigh-Durham International Airport. The low-fare carrier will offer four daily roundtrip flights between RDU and New York's John F. Kennedy Airport beginning in July. The company will create 13 new jobs and will also operate four daily roundtrip flight to Charlotte-Douglas.

Company Name	New Jobs	Investment	Contact	Phone	New or Expanding
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**Meadwestvaco**

200	\$14,000,000	Donna Owens Cox	212-461-7400	Expanding
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Meadwestvaco has announced plans to establish a "Packaging Innovation Center" at NC State's Centennial Campus. This operation will be a consolidation of their research and development, engineering and other technology-focused operations. Meadwestvaco is a Fortune 500 global packaging company that formed from the merger of Mead and Westvaco Corporation in 2002. They plan to create 200 new jobs and eventually occupy as much as 125,000 square feet. The new jobs will be highly skilled positions, with salaries reaching \$1,831.

**Misys Healthcare**

N/A	Lease	Mike Truell	(919) 847-8102	Expanding
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Misys Healthcare, a healthcare industry software provider, has announced they will be the lead tenant at the new Forum V in North Raleigh. They will occupy 58,000 square feet which will accommodate their current growth expectations in the coming years. Misys did not announce any new hire projections at this point, but their spokesman did indicate sustained growth overall is expected. They currently employ 840 people at their Raleigh site. Misys will continue to occupy Forum IV, even after they move into the new space at Forum V.

**New Jersey Packaging**

12	\$5,000,000	Gene Dul	(973) 808-8000	New
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New Jersey Packaging, a company that provides pharmaceutical printing solutions, has announced plans to open a 30,000 square foot facility in the Triangle. The new operation will be located at Perimeter Park in Morrisville. Approximately 10-12 jobs will be created and company plans to invest about \$5 million in machinery.

**Novartis**

350	\$267,000,000	Eric Althoff	+41 61 324 6392	New
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Novartis Vaccines and Diagnostics has announced a \$267 million facility in Holly Springs. The new plant will be a flu vaccine manufacturing operation. The state-of-the-art facility will employ 350 people when it becomes fully operational in 2011. The average salary will be \$50,000 per year. The Swiss-based company's new facility will be approximately 300,000 square feet. Wake County Economic Development worked with the North Carolina Department of Commerce, the Town of Holly Springs, Progress Energy and various other local groups on this deal. Novartis will receive incentives from the One North Carolina Fund and the Job Development Investment Grant.

**Pharmaceutical Product Development Inc.**

	Lease	Nancy Zeleniak	919-380-2000	Expanding
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Pharmaceutical Product Development Inc. (PPD) has announced that they will lease an additional 30,000 square feet at Duke Realty's Perimeter Park in Morrisville. This is an increase of 36 percent. They already lease 315,000 square feet throughout five buildings in the Park. The new building they will occupy is currently under construction and will be complete in November of this year. PPD is a Wilmington-based company that helps pharmaceutical companies test experimental drugs.

Company Name	New Jobs	Investment	Contact	Phone	New or Expanding
<b>Poyner &amp; Spruill</b>	No Change	Leasing	Cecil Harrison	919-783-6400	Expanding
<p>The North Carolina law firm Poyner &amp; Spruill will relocate its Raleigh office and more than 120 attorneys and staff to the RBC Plaza in 2008. RBC Centura, which is building the plaza to house its own Raleigh headquarters, broke ground on the 33-story tower on September 26th, 2006 and construction is expected to be completed by late 2008. Aside from RBC, Poyner &amp; Spruill is the first tenant to commit to the building and will occupy 55,000 square feet of office space over three floors.</p>					
<b>Red Hat</b>	150	N/A	Karen Clark	919-515-7036	Expanding
<p>Red Hat is adding 150 employees to their operation on Centennial Campus. They have also leased an additional 50,000 square feet in the Venture III building. Red Hat is a worldwide provider of Linux and open source technology.</p>					
<b>Ring Industrial</b>	20	Lease	Myra Eldred	800-649-0253	New
<p>Ring Industrial will create 15-20 new jobs and open a manufacturing facility at Greenfield North in March 2006. The new facility will manufacture their EZFlow products, the eight operation of this kind. EZFlow drains are created from recycled polystyrene which allow for maximum life and performance, lower system costs and an environmentally friendly drainage system. Wake County Economic Development worked with Ring Industrial on this transaction.</p>					
<b>Roper Lumber</b>	23	Lease	Scott Warren		New
<p>Roper Lumber plans to open its first North Carolina location in Raleigh this summer. The Petersburg, VA based operation is a provider of construction materials and will create 23 new jobs when they locate here. Their lumber yard serves professional home builders and construction companies and will be located at 3401 Gresham Lake Road.</p>					
<b>rPath</b>	20	Lease	Billy Marshall	919-851-3984	Expanding
<p>rPath has doubled the size of their Raleigh location, adding 5,000 square feet. The company, which was launched in January 2006, is growing due to demand for their products. They have doubled their square footage at the Corporate Center in Raleigh and they are planning to add up to 20 new employees this year. rPath provides rBuilder and rPath Linux, the first platform for creating and maintaining software appliances. The company was founded by two former RedHat executives.</p>					

Company Name	New Jobs	Investment	Contact	Phone	New or Expanding
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**Ryscor Science**

Ryscor Science has announced the construction of a new 10,000 square foot facility in Wake Forest. Ryscor develops small-molecule synthetic reagents and methodologies for pharmaceutical and biotech companies worldwide. The new facility will feature research labs, small-scale production labs, and advanced analytical facilities.

			Jonathan Scoggins	919-875-1982	Expanding
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**S&ME Engineering**

S&ME, and engineering and environmental consulting firm has relocated their corporate headquarters to a 32,000 square foot facility in Raleigh off Spring Forest Road. The new operation will house new offices, training and conference rooms, as well as the 100 S&ME employees that work out of the corporate headquarters. Company growth led to the larger facility. S&ME was founded in Raleigh in 1973 and employs 700 people in southeast today.

	N/C	Lease	Larry Hammerstein	(919) 872-2660	Expanding
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**Sageworks**

Sageworks has moved their current 75 employees to a new 15,000 square foot office space at Centerview Office Park in southwest Raleigh. They plan to add 130 new jobs by May of this year to help keep up with the demands of their growing company. Sageworks is a software company that sells applications to help businesses with their financial and accounting needs. The company has grown from 20 subscribers when it rolled out its first product in 2000, to over 4,000 today. Clients include H&R Block and Citibank.

	130	Lease	Scott Ogle	919-851-7474	Expanding
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**SAS Institute Inc.**

SAS Institute Inc. is the world's largest privately held software company with 10,000 employees in more than 400 offices spanning the globe. SAS, a leader in business intelligence software and services, will relocate its international headquarters to Cary from Germany. Approximately 240 SAS employees stationed at the international headquarters in Germany will be affected by the move. A number of positions will be shifted to Cary.

	N/C	N/C	Pamela Meek	919-531-7883	Expanding
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**SFLA Architects**

SFLA Architects is moving into the Raleigh market. The company, which currently has locations in Charlotte and Fayetteville, has signed a lease for 6,000 square feet of space on Fayetteville Street in the Capital Bank Building.

		Lease	Robert Ferris	910-484-4989	New
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Company Name	New Jobs	Investment	Contact	Phone	New or Expanding
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**Ultimus**

Ultimus has announced plans to build a 16,500 square foot headquarters facility on Weston Parkway in Cary. The new space will allow the company to expand to up to 70 employees in the coming years. They currently employ 38 people locally, with worldwide employment around 350. Ultimus provides consulting services and sells software that helps businesses connect different databases. The purpose of the new site, which represents an investment of \$3 million, is provide a presentable space for large clients to visit, as well as space for future expansion.

**US Foodservice**

200	\$16,000,000	Mike Almquist	919-404-4100	Expanding
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U.S. Foodservice in Zebulon has announced an expansion of their facility. This announcement represents an investment of \$16 million as they add 98,000 square feet, bringing their total square footage to 373,000. They have been growing rapidly in recent months, adding 25 jobs. Plans call for them to continue adding as many as 200 more as growth continues in the area.

Some of U.S. Foodservice's local customers include NC State University, Wake County Public Schools, Smithfield's Chicken and BBQ and Michael Deans.

**WTVD-ABC 11**

7	N/A	Bernie Prazencia	(919) 899-3600	Expanding
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WTVD - ABC 11 is adding five to seven employees to accommodate the additional newscast they will begin offering. They will produce a 10:00 p.m. newscast for WFLI, in addition to their 11:00 p.m. newscast. They currently have 80 employees. The new positions will include newscasters, producers and photographers.