Early Bid for a Reactor Site Draws Opposition in Texas

By MATTHEW L. WALD

WASHINGTON — Twenty years ago, the Nuclear Regulatory Commission rewrote its procedure for licensing reactors to cut the time it would take to build new ones. Now an important part of the system is getting its first test, as a Chicago-based nuclear utility clashes with a well-to-do group of Texas ranchers over preapproval of a site about 120 miles southwest of Houston.

The conflict involves the first application by a utility for approval of an entirely new site for a reactor without actually scheduling the construction of one.

In this case, Exelon, the utility that has filed the application, has stated that it will not build on the site unless business conditions change. Meanwhile, opponents of the project figure that if they do not object now, they will never have another opportunity, and they say they have found unique problems with the geology of the spot.

The Victoria County project, named for the surrounding county, is 13 miles south of the city of the same name. Exelon says that because of low prices for natural gas, and the lack of a price on carbon dioxide emissions, it does not want to build a reactor there now; instead, it is applying for early site approval, the utility version of a family shopping for a house and getting pre-approved for a mortgage.

Why bother, for a project with no timetable?

Nuclear proponents say winning approval could lop months or years off the lead time to get a new reactor up and running, once the decision is made to build.

“I believe it is the right way to go,” said Nils J. Diaz, who was chairman of the Nuclear Regulatory Commission during the George W. Bush administration. If a company gets a site approved and later selects a reactor design that has been pre-approved by the commission, he said, “this takes care of maybe 80 percent of all the issues.” He added, “You clear this hurdle and you bank the site for 10 or 20 years.”

Under the old system, the one used to build the 104 reactors now running, the government gave a utility permission to construct a plant, and as it neared completion, the parties spent months in
hearings to determine whether it was safe to run.

Andrew C. Kadak, director of nuclear services at Exponent, a consulting firm, said that under the old system, a utility could get permission to build but then needed to wait, after construction was complete, for permission to run the plant. If a company must wait while an investment stands idle, he said, “you really get killed.”

But some opponents are putting up a fight reminiscent of those that traumatized the industry in the 1980s. This time, though, no bulldozer has started work on the spot in question.

A prominent ranching family, the descendants of D. M. O’Connor, a South Texas pioneer, hired geologists who are raising detailed objections about “growth faults,” which do not lead to earthquakes but do cause subsidence, as the basin that includes the Gulf of Mexico grows.

A report, commissioned by an organization called Texans for a Sound Energy Policy, which was financed by the family, found that one fault had created a dip eight inches deep in a nearby road, according to the geology report, produced by a Colorado firm, John C. Halepaska & Associates. The report quotes from Nuclear Regulatory Commission guidance documents that say, “Preferred sites are those with a minimal likelihood of surface or near-surface deformation.”

Another fault runs under the area staked out for the cooling pond of the new reactors. A shift could make the dikes around the pond collapse, according to the group, letting the cooling water drain away. The report also argues that among the 65 sites where nuclear power is now generated in the United States, only one, the South Texas Project, has any oil and gas wells on it.

The Victoria site is “a pincushion,” according to Bill Jones, a spokesman for the family. Old wells sometimes vent poisonous gas or combustible methane.

In a telephone interview, Mr. Jones said there was simply too little water during drought periods to allow the reactor to operate.

But Craig Nesbit, a spokesman for Exelon, said that the purpose of the pond was to let the plant draw water in wet periods and ride out the dry times. The pond, he said, is not part of the safety equipment required for safe shutdown.

“We wouldn’t build a $10 billion facility there if we didn’t think we could,” he said.

The opposition, said Mr. Nesbit, was coming from “families that have been there for many generations,” who do not want changes in a landscape that has not been substantially altered in generations, either.

The project has some strong local support. The county government, the city of Victoria and the chamber of commerce have all passed resolutions supporting construction, said D. Dale Fowler,
president of the nonprofit Victoria Economic Development Corporation.

“It’s hard to really comprehend how many thousands of construction jobs would come in in this project,” he said, along with 700 permanent full-time jobs at an average salary of $70,000.

He said the opposition was “purely a not-in-my-backyard issue.”

The Nuclear Regulatory Commission’s ruling on technical details involved in the project might take an extended period. But, Mr. Kadak pointed out, time is not critical now. And, he said, “If this site passes early site permitting, that’s one less hurdle when you really need the power.”