

United States Senate
WASHINGTON, DC 20510-4504

COMMITTEES:
BUDGET
ENERGY AND NATURAL RESOURCES
ENVIRONMENT AND PUBLIC WORKS
HEALTH, EDUCATION, LABOR,
AND PENSIONS
VETERANS' AFFAIRS

July 18, 2008

Vermont Public Service Board
112 State Street (Chittenden Bank Building)
Drawer 20
Montpelier, VT 05620-2701

Dear Chairman Volz, Board Member Coen, and Board Member Burke:

As you may know, on July 11, 2008, Vermont Yankee reported that it discovered a substantial water leak in one of its cooling towers. It appears that this leak was caused by the failure of supports that had recently been "repaired" by Entergy. As a result, the power output has been temporarily diminished, and more expensive replacement power will have to be secured by other utility companies in Vermont.

Recently, I met with members of the Nuclear Regulatory Commission to discuss the potential safety issues raised by this latest failure. Beyond any safety issues, I am also very concerned that Vermont ratepayers not be asked to shoulder the cost of more expensive replacement power that must be purchased due to Entergy's own negligent repair.

In a recent news article Entergy claimed that it was not responsible for additional power costs under its contracts with utilities. It bears repeating that the problem in this instance is not one where Entergy experienced some unforeseen interruption of service for reasons beyond its control. In this case, the failure that occurred was one of Entergy's own making when it made shoddy repairs to its facility. In my view, at a time when Vermont consumers are experiencing higher and higher energy costs in general, it would be an insult to those consumers if they were held responsible for someone else's incompetence.

I, therefore, ask that you review this situation to see what options are available to protect Vermont electric ratepayers from being forced to pay for replacement power while Vermont Yankee is at reduced output. Thank you in advance for your assistance and I look forward to hearing from you about this important matter. Please contact me or Jess Maher of my staff once you have had an opportunity to review this matter.

Sincerely,



BERNARD SANDERS
United States Senate

cc: Commissioner David O'Brien, Vermont Department of Public Service