

March 26, 2010

Mr. Mark McBurnett, Vice President
Regulatory Affairs
South Texas Project Nuclear Operating Company
P. O. Box 289
Wadsworth, TX 77483

SUBJECT: SOUTH TEXAS PROJECT UNITS 3 AND 4 COMBINED LICENSE APPLICATION
REVIEW SCHEDULE

Dear Mr. McBurnett:

Thank you for your letter of February 24, 2010, in which you stated your commitment to continue to support the staff's review as well as provided specific dates by which you intend to submit additional information. In your letter, you correctly noted that we have encountered schedule challenges in several areas; specifically, in the areas of groundwater modeling, seismic source analysis, soil structure interaction, settlement and stability, flow induced vibrations, and criticality analyses for the new and spent fuel storage areas. All of these areas will be addressed in either Chapter 2, Chapter 3, or Chapter 9 of the staff's Safety Evaluation Report (SER).

In your letter you noted that you submitted a revised groundwater model on September 21, 2009. This was followed by a groundwater report on November 30, 2009. In your letter you also stated that the staff does not currently require any additional information in the area of groundwater modeling. We agree with this statement; however, the need for additional information may arise as the staff completes its review in this area. Any such need will be handled through the request for additional information process.

In your letter you informed us that by March 18, 2010, you intend to provide the staff with a revised seismic source analysis considering additional data on Gulf Coast region earthquakes. You also stated that you do not believe that this additional data will have an effect on conclusions that you have heretofore drawn. We have received this revised analysis and the staff is performing a thorough evaluation to assess the implications of the new data.

With regard to soil structure interaction and settlement and stability, your letter pointed to outstanding commitments to provide additional information on April 15, April 30, and May 31, 2010. It went on to state that you consider the information that will be provided on these dates to be "largely confirmatory." The staff does not agree that this information is largely confirmatory because the issues are complex and a clear path to resolution has yet to be established. This information is critical to our safety evaluation and will require careful review.

In your letter, you mentioned the ongoing dialog about flow induced vibration. We met with members of your staff on March 3, 2010, to discuss this issue. We understand that your position is that you are a prototype plant and, as such, you do not need to present various technical reports and analyses to support combined license (COL) issuance; rather, you intend to provide these reports and analyses after you receive a COL. The staff does not agree with this approach. We believe that both a predictive analysis and a measurement and inspection plan must be submitted and reviewed in order to support COL issuance. The predictive analysis provides the theoretical justification for the reactor internals structural adequacy and the measurement and inspection plan demonstrates the adequacy of your efforts in these two areas.

With regard to the criticality analyses for new and spent fuel storage areas, your letter referenced a February 18, 2010, letter in which you stated that you would provide the requested information following a meeting with the staff. At that meeting, which was held on March 23, 2010, the staff learned that you intend to provide the necessary information in September 2010. Upon review of that information, the staff will be better able to determine a schedule for resolving the technical issues.

One thing that you did not mention in your letter is your plan for resolving the issues associated with the use of backfill under some of your Category I structures. We understand that you have recently decided that you will not provide information on the backfill and dynamic testing results at this time; rather, you have chosen an alternate approach that involves adding a new item to your Inspection Test and Analysis Acceptance Criteria. You submitted a description of this alternate approach in a letter dated March 15, 2010. The staff is evaluating your submittal to determine whether or not your proposed approach will allow us to draw the safety conclusions that would justify issuing a COL.

It is the stated policy of the Office of New Reactors not to allow parts of our review that are to be completed in one phase slip to a later phase. In Phase 2 we are to produce an SER with Open Items. For the purposes of Phase 2 we define an Open Item as an issue that is unresolved but for which we see a clear path to resolution. This resolution must be attainable without either asking for significant additional information or performing additional detailed technical review.

The staff is not prepared to proceed beyond Phase 2 until we have a clear path to resolving the issues in Chapter 2 (groundwater modeling and seismic source analysis and backfill), Chapter 3 (soil structure interaction, settlement and stability, and flow induced vibration), and Chapter 9 (criticality analyses). Because we do not have all of the information necessary for us to see such a path, we cannot issue a revised schedule at this time. The staff intends to continue its review with the schedule for Phases 2 through 6 to be determined. Once we have received all the technical information we need, we will develop and publish a revised schedule for the remainder of the COL application review.

Please be aware that the absence of a published schedule does not affect the staff's review of those areas of your application for which we have complete information. We are continuing with our aggressive review effort; this includes making presentations to the Advisory Committee on Reactor Safeguards for those chapters not affected by the scheduling challenges mentioned in this letter.

M. McBurnett

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I would be happy to discuss any of these issues with you. If I can be of assistance, I can be reached at (301) 415-1199 or via e-mail at Frank.Akstulewicz@nrc.gov.

Sincerely,

/RA/

Frank Akstulewicz, Deputy Director
Division of New Reactor Licensing
Office of New Reactors

Docket Nos.: 52-012
52-013

cc: See next page

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Sincerely,

/RA/

Frank Akstulewicz, Deputy Director
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Docket Nos.: 52-012
52-013

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