

November 18, 1996

Mr. Donald Schnell  
Senior Vice President - Nuclear  
Union Electric Company  
Post Office Box 149  
St. Louis, Missouri 63166

SUBJECT: ENVIRONMENTAL ASSESSMENT AND FINDING OF NO SIGNIFICANT IMPACT FOR  
THE CORPORATE MERGER AGREEMENT BETWEEN UNION ELECTRIC COMPANY AND  
CIPSCO INCORPORATED (TAC NO. M94850)

Dear Mr. Schnell:

Enclosed is a copy of the Environmental Assessment and Finding of No Significant Impact for the Callaway Plant, Unit 1. The assessment relates to your application dated February 23, 1996, as supplemented by letter dated April 24, 1996, for consent under 10 CFR 50.80 regarding the proposed corporate merger agreement between Union Electric Company and CIPSCO Incorporated, under which Union Electric Company would become a wholly-owned subsidiary of Ameren Corporation.

The assessment is being forwarded to the Office of the Federal Register for publication.

Sincerely,

Original signed by:

Kristine M. Thomas, Project Manager  
Project Directorate IV-2  
Division of Reactor Projects - III/IV  
Office of Nuclear Reactor Regulation

Docket No. 50-483

Enclosure: Environmental Assessment

cc w/encl: See next page

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\*For previous concurrences see attached ORC

DOCUMENT NAME: CAL94850.ENV

OFC	PDIV-2/PM	PDIV-2/LA	OGC*
NAME	<sup>KMT</sup> KThomas:ye	<sup>esp</sup> EPeyton	SHom
DATE	11/18/96	11/18/96	11/8/96

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UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D.C. 20555-0001

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Project Directorate IV-2  
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Mr. D. F. Schnell

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UNITED STATES NUCLEAR REGULATORY COMMISSIONCALLAWAY PLANT, UNIT 1UNION ELECTRIC COMPANYDOCKET NO. 50-483ENVIRONMENTAL ASSESSMENT AND FINDING OF NO SIGNIFICANT IMPACT

The U.S. Nuclear Regulatory Commission (the Commission) is considering approval under 10 CFR 50.80(a) of the application concerning the corporate merger agreement between Union Electric Company (the licensee), holder of Facility Operating License No. NPF-30, issued for operation of the Callaway Plant, Unit 1, located in Callaway County, Missouri, and CIPSCO Incorporated.

ENVIRONMENTAL ASSESSMENTIdentification of the Proposed Action

The proposed action would approve the application concerning the merger agreement between Union Electric Company (UEC) and CIPSCO Incorporated (CIPSCO), which would provide for UEC to become a wholly-owned operating company of Ameren Corporation (Ameren), which is now owned equally by UEC and CIPSCO. Ameren would hold all common stock in UEC upon completion of the merger. UEC would continue to remain the owner/operator of Callaway Plant, Unit 1. The proposed action is in accordance with UEC's application dated February 23, 1996, as supplemented by letter dated April 24, 1996.

The Need for the Proposed Action

The proposed action is required to enable UEC to consummate the merger agreement with CIPSCO as described above. UEC has submitted that the merger will enable UEC and CIPSCO to reduce the combined operating costs for UEC and

CIPSCO, that both companies have been aggressively pursuing cost reductions to remain competitive, and have reached the practical limits of that strategy, and that by combining utility operations, both companies have an opportunity to achieve more cost efficiency than either company could achieve independently.

Environmental Impacts of the Proposed Action

The Commission has completed its evaluation of the proposed corporate merger and concludes that there will be no physical or operational changes to the Callaway Plant. The corporate merger will not affect the qualifications or organization affiliation of the personnel who operate the facility, as UEC will continue to be responsible for the operation of the Callaway Plant, Unit 1.

The Commission has evaluated the environmental impact of the proposed action and has determined that the probability or consequences of accidents would not be increased by the merger, and that post-accident radiological releases would not be greater than previously determined. Further, the Commission has determined that the corporate merger would not affect routine radiological plant effluents and would not increase occupational radiological exposure. Accordingly, the Commission concludes that there are no significant radiological environmental impacts associated with the proposed action.

With regard to potential nonradiological impacts, the merger would not affect nonradiological plant effluents and would have no other environmental impact. Therefore, the Commission concludes that there are no significant nonradiological environmental impacts associated with the proposed action.

Alternative to the Proposed Action

Since the Commission concluded that there are no significant environmental effects that would result from the proposed action, any alternative with equal or greater environmental impacts need not be evaluated.

The principal alternative would be to deny the requested action. Denial of the application would result in no change in current environmental impacts. The environmental impacts of the proposed action and the alternative action are identical.

Alternative Use of Resources

This action does not involve the use of any resources not previously considered in the Final Environmental Statement for the Callaway Plant, dated March 1975.

Agencies and Persons Contacted

In accordance with its stated policy, on October 30, 1996, the staff consulted with the Missouri State official, Tom Lange for the Department of Natural Resources, regarding the environmental impact of the proposed action. The State official had no comments.

Finding of No Significant Impact

Based upon the environmental assessment, the Commission concludes that the proposed action will not have a significant effect on the quality of the human environment. Accordingly, the Commission has determined not to prepare an environmental impact statement for the proposed action.

For further details with respect to the proposed action, see the licensee's application dated February 23, 1996, as supplemented by letter dated April 24, 1996, which are available for public inspection at the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW.,

Washington, DC, and at the local public document room located at the Callaway County Public Library, 710 Court Street, Fulton, Missouri 65251.

Dated at Rockville, Maryland, this 18th day of November 1996.

FOR THE NUCLEAR REGULATORY COMMISSION

*Kristine M Thomas*

Kristine M. Thomas, Project Manager  
Project Directorate IV-2  
Division of Reactor Projects III/IV  
Office of Nuclear Reactor Regulation