



COMMONWEALTH of VIRGINIA

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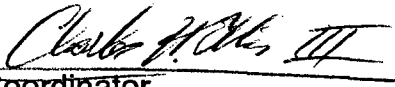
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May 3, 2006

MEMORANDUM

TO: *Reviewing Agencies:* (see list at end)

THROUGH: Ellie L. Irons 
Program Manager
Office of Environmental Impact Review

FROM: Charles H. Ellis III 
Environmental Impact Review Coordinator

SUBJECT: North Anna Early Site Permit: Re-starting the Review of Federal Consistency Certification based on New Information from the Applicant (Dominion Virginia Power Company)
DEQ-05-079F

This memo and accompanying review form re-start a review of a federal consistency certification for the proposed addition of nuclear reactor units #3 and #4 to the existing North Anna Power Station. These proposed units are the subject of an Early Site Permit application submitted to the federal Nuclear Regulatory Commission by the applicant. The new document, known as Revision 6, is on the attached disc and also on the NRC web site, citation of which appears in an accompanying e-mail.

It will be recalled that we reviewed a draft federal consistency certification for this project in late 2003 (DEQ-03-223F, comments mailed February 10, 2004). Several months later, we reviewed a Draft EIS for the project (DEQ-04-216F, comments mailed March 3, 2005). The applicant submitted a federal consistency certification soon after we had finished our review of the Draft EIS last spring; we are using that log number (DEQ-05-079F).

Near the end of our review period for this federal consistency certification, the applicant sought our agreement to extend the review period to allow for the development of additional information on the proposed project. Using the authority available to us under the then-current Federal Consistency Regulations (Title 15, Code of Federal Regulations, Part 930, section 930.60(a)(3)), we agreed to a 45-day extension of time for our completion of the review. This changed our deadline for comments from September 21 to November 7, 2005. Meanwhile, in late October, the applicant announced that it had devised a different method of cooling Unit #3 (i.e., a closed-cycle wet and dry cooling tower instead of once-through cooling water taken from Lake Anna).

At the request of the applicant, we agreed to a stay instead of an extension in order to facilitate the applicant's development of the necessary information on the modifications proposed for the cooling method of Unit #3. A stay, by its nature, suspends the duties of the reviewers as well as those of the applicant until further notice by either. It enables the applicant and reviewers to assign, or be subject to, realistic new deadlines once they have agreed to lift the stay. A stay is authorized by the Federal Consistency Regulations cited above (section 930.60(b)). However, the new Regulations do not authorize extensions.

As you may know, the National Oceanic and Atmospheric Administration, the agency within the U.S. Department of Commerce which administers the Federal Consistency Regulations, amended the Regulations effective February 6, 2006 (see the January 5, 2006 Federal Register, Volume 71, Number 3, pages 788-831). These revisions included a change in the nature of a stay. Under the new rules, a stay must have a definite ending date (section 930.60(b), page 828 of the above Federal Register notice). To comply with this requirement, DEQ contacted the applicant and arranged for the stay to end on March 31, 2006, by which time the applicant was to have submitted necessary information to resolve questions raised by selected reviewing agencies (DEQ-DWR, DGIF, and DCR).

This information arrived on March 31, and deadlines for review were to have been established following a determination that the information is complete. The reason for this approach is that the new Regulations do not give us extra time for review if we request additional information more than 30 days after the receipt of incomplete information. If we make this request within the 30 days, then the 6-month review period starts when we get complete information (section 930.60(a)(2), page 828 of the Notice). Thus we had until April 28 to request additional information; and we requested it as of April 19. The new information (Revision 6 and amended pages) arrived April 21.

The new review covers the applicant's Revision 6 of the application to the Nuclear Regulatory Commission for an Early Site Permit. The subject matter of this revision is the proposal to add Units #3 and #4 to the North Anna nuclear power station, as before, but the analysis of Unit #3 focuses on the new method of cooling that is described in Revision #6. The applicant makes reference, in its March 31, 2006 letter ending the stay (attached), to its January 13 correspondence entitled "Supplement to Address a Modified Approach to Unit 3 Cooling...."

As a federal consistency certification review, this process is subject to the six-month time frame and the three-month status report requirement, which are unchanged in the new Regulations (section 930.62). However, since most of the information was reviewed previously, we would like to complete our review in a shorter time. The public notice requirements (section 930.61) apply. To meet these requirements, DEQ will publish public notice of this review on its web site and in project area newspapers.

If you wish for us to reiterate or use any of your spring 2005 comments on the earlier federal consistency certification or on the Draft EIS, please let us know, and identify any changes or new emphasis.

We should mention one related matter. The Nuclear Regulatory Commission has indicated to us (conference call, January 25, 2006, Cushing/Murphy/Irons/Hassell/et al) that the new cooling method for proposed Unit #3 may require a Supplemental Draft Environmental Impact Statement. The Supplemental Draft EIS is likely to be published, and become available to us, in late 2006. It will be circulated for a separate review.

I hope the foregoing information is helpful to you as we begin this review. If you have questions, please feel free to call Charlie Ellis (telephone (804) 698-4488).

Please return your comments on the federal consistency certification, particularly with regard to the new cooling method for proposed Unit #3, to DEQ's Office of Environmental Impact Review (this Office) not later than **June 27, 2006**.

Reviewing Agencies:

Andrew K. Zadnik, DGIF
John Kauffman, DGIF
Joseph P. Hassell, DEQ-DWR

Reviewing Agencies
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Reviewing Agencies (continued):

Scott A. Bedwell, DCR
Robert S. Munson, DCR
Thomas Faha, DEQ-NVRO
John D. Bowden, DEQ-NVRO
Catherine M. Harold, DEQ-DWQ
Tony Watkinson, MRC
Ethel R. Eaton, DHR
Mark VandeWater, Rappahannock-Rapidan PDC
~~Eldon James, RADCO PDC~~
Harrison B. Rue, Thomas Jefferson PDC
C. Lee Lintecum, Louisa County
Ted Coberly, Orange County
J. Randall Wheeler, Spotsylvania County
Jim Candeto, Town of Mineral

cc:

✓ Jack Cushing, NRC
Judson White, Dominion