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October 19, 1994

MEMORANDUM TO: Dennis K. Rathbun, Director
Office of Congressional Affairs

FROM: James L. Blaha *Original signed by*
Assistant for Operations *James L. Blaha*
Office of the Executive Director for Operations

SUBJECT: ENVIRONMENTAL JUSTICE

Attached you will find the "Talking Points" the Chairman requested following the staff's Environmental Justice briefing of October 18, 1994.

If you have any questions, please feel free to call me at 504-1703.

Attachment:
As stated

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UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20585-0001

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DOMESTIC POLICY COUNCIL
MEETING ON ENVIRONMENTAL JUSTICE
OCTOBER 24, 1994

The NRC has been a participant in the Interagency Working Group, the Subcommittee on Policy and Coordination, and the task forces on "Implementation" and "Definitions and Standards" since their inception. The NRC members have submitted all work products on time, and shared information with myriad Subcommittee and Task Force members.

The NRC's Draft Environmental Justice Implementation Plan will be submitted on December 11, 1994 and a proposed final Environmental Justice Implementation Plan in February 11, 1995. The NRC plans to solicit comments on the draft plan from the Interagency Working Group, and stakeholders, as appropriate. The draft plan will be placed in the NRC's Public Document Room (PDR). In addition, public comments will be solicited on the proposed final Environmental Justice Implementation Plan by publishing it in the Federal Register, and in publications that reach minority communities. The proposed final plan will be placed in the PDR.

The draft plan will provide for:

- integrating Environmental Justice into all facets of NRC environmental policy and regulatory development, e.g. EAs and EISs would focus on demographic composition relevant to environmental justice, affected community income level, as well as the concept of affected community rather than jurisdictional lines;
- reaching out to minority and low income communities and soliciting input from them and their members;
- incorporating the concept of Environmental Justice into Title VI reviews; and
- assuring senior leadership buy-in.

The NRC has already incorporated Environmental Justice into a facility licensing case, i.e., the Louisiana Energy Services enrichment facility, and plans to incorporate Environmental Justice considerations when it updates a nuclear plant's environmental supplement, i.e. the Watts Bar nuclear power plant.

LOUISIANA ENERGY SERVICES

- Louisiana Energy Services (LES) applied to NRC in January 1991, for a license to build a uranium enrichment plant in Homer, Louisiana. The proposed site is in a rural area which is populated almost entirely by African Americans.
- Opponents of the LES project raised the environmental justice issue, and NRC recognized this issue early, well before the

February 1994 Executive Order. The issue is one of several to be litigated in an NRC adjudicatory hearing in early 1995.

- The NRC Draft Environmental Statement was issued in November 1993. The draft concluded that there would be substantial economic benefits to the area around the plant, and no significant offsite impacts. There was no detailed discussion of environmental justice in the Draft Environmental Statement.
- The Final Environmental Impact Statement was issued in August 1994. It contains a discussion of environmental justice, including a description of the surrounding neighborhoods (which are not incorporated towns), the site selection process, possible discrimination, and possible disproportionate impact. The statement concludes that there is no evidence of discrimination, and that in any case there will be no significant disproportionate impacts on minorities or economically disadvantaged persons.
- EPA recently informally notified NRC that EPA would like to see additional analysis on environmental justice, particularly site selection, and NRC plans to respond to those concerns when we get more specific information from EPA.
- LES states that it used normal business considerations in selecting the site: land cost, location, weather, community support for economic development, labor availability and costs, etc.
- As stated in the Final Environmental Impact Statement, northern Louisiana is an economically depressed area. The total cost of the project is over \$800 million, and it will provide 200-400 construction jobs, and 180 operational jobs. However, not all of the jobs and investment will go to local people (due to the need to import certain specialized skills).
- Of 530 comment letters received by NRC on the LES project, 170 were from people in Louisiana:
 - 100 Louisiana letters clearly supported the LES project.
 - 70 Louisiana letters opposed the project or expressed concern about environmental justice.
 - 70 support letters came from the Homer area.
 - 17 opposition letters came from the Homer area, but a few had multiple signatures totalling about 200 people.
- As indicated, this is a matter which is in litigation before the NRC, and the Commission will have an opportunity to review the adequacy of the Staff's review of environmental justice issues associated with the application.

WATTS BAR ENVIRONMENTAL REVIEW

- As construction of Unit 1 neared completion in 1976, TVA filed for an operating license. As a part of the review of TVA's application for an operating license the NRC prepared an FES to support licensing. This impact statement was completed in 1978.
- As a result of construction delays Watts Bar Units 1 and 2 are not licensed.
- Currently, the NRC is reviewing TVA's application for an operating license for Watts Bar Nuclear Plant Unit 1. TVA expects to begin initial operation of Unit 1 in the Spring of 1995.
- Due to the extended period of time since the 1978 FES, the NRC determined that it would be prudent to re-examine the environment to determine if there are any significant changes prior to issuing a license.
- To further the purposes of NEPA the NRC is currently preparing a supplement to the 1978 FES. The supplement will identify and assess any variation in environmental impacts resulting from a change in proposed plant operation or the environment.
- As a part of the supplement the NRC is addressing Environmental Justice.
- This Environmental Justice review is unique because the plant is already sited and built. The supplement will compare the household per capita income and ethnic breakdown for the cities and counties closest to the plant with the rest of Tennessee, and provide a brief analysis.