

June 15, 2007

MEMORANDUM TO: William Burton, Chief
Environmental Projects Branch A
Division of Site and Environmental Reviews
Office of New Reactors

H. Brent Clayton, Chief
Environmental Technical Support Branch
Division of Site and Environmental Reviews
Office of New Reactors

FROM: Andrew J. Kugler, Senior Project Manager */RA/*
Environmental Projects Branch B
Division of Site and Environmental Reviews
Office of New Reactors

SUBJECT: TRIP REPORT - JUNE 6 - 7, 2007, PRE-APPLICATION READINESS
ASSESSMENT (T-2) FOR A COMBINED LICENSE APPLICATION AT
THE V.C. SUMMER SITE

This report summarizes the staff's June 6 - 7, 2007, pre-application readiness assessment related to the environmental portion of a future combined license (COL) application for the V.C. Summer site. South Carolina Electric and Gas (SCE&G) has indicated its intent to submit a COL application for this site late in 2007.

The purpose of this visit was to allow the staff to assess the readiness of the applicant's environmental report, a key component of the COL application. The visit took place at the site in Fairfield County, South Carolina. Enclosure 1 provides a list of attendees. Enclosure 2 is the agenda used during the visit. Enclosure 3 is a summary of the more significant issues that were identified related to the environmental report. In summary, the staff did not identify any issues related to the environmental report that would indicate it would not be ready by the planned date of application.

The next pre-application activity in which the environmental staff will be involved will be a public information meeting. The date for this meeting has not yet been established.

Project No.: 743

Enclosures:
As stated

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ADAMS ACCESSION NUMBER: ML07071700090

OFFICE	RAP2/PM	RAP1/BC
NAME	AKugler: SRM	WBurton
DATE	06/15/07	06/15/07

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V.C. Summer Combined License
Pre-Application Readiness Assessment on June 6 - 7, 2007

List of Attendees

NAME	AFFILIATION
Andrew Kugler	U.S. Nuclear Regulatory Commission (NRC)
Kristina Banovac	NRC
Irene Yu	NRC
Tamsen Dozier	NRC
Mark Notich	NRC
Michael Willingham	NRC
Becky Krieg	Pacific Northwest National Laboratory (PNNL)
Charles Kincaid	PNNL
Dave Anderson	PNNL
Bob Bryce	PNNL
Amoret Bunn	PNNL
Amy Monroe	South Carolina Electric & Gas (SCE&G)
Mike Roberts	SCE&G
Steven Fipps	SCE&G
Tim Franchuk	SCE&G
Ron Clary	SCE&G
Donna Griffin	SCE&G
Jamie LaBorde	SCE&G
Julie Giles	SCE&G
April Rice	SCE&G
Al Paglia	SCE&G
Tim Schmidt	SCE&G
Jim Lucchese	SCE&G
Duke Bell	SCE&G

V.C. Summer Combined License
Pre-Application Readiness Assessment on June 6 - 7, 2007

List of Attendees

Andy Underwood	SCE&G
Jerry Harrison	SCE&G
Robert Lindler	SCE&G
Jerry Lindler	SCE&G
Danny Quattlebaum	SCE&G
Stephen Summer	Scana Services (SCE&G)
Terry Blackwell	Santee Cooper
Ken Browne	Santee Cooper
Mike Whitten	TetraTech NUS
Lisa Matis	TetraTech NUS
Brenda Dais	Tetra Tech NUS
Pixie Baxter	Tetra Tech NUS
Jon Cudworth	Tetra Tech NUS
Anne Lovell	Tetra Tech NUS
Steve Connor	Tetra Tech NUS
Philip Moore	Tetra Tech NUS
Angelos Findikakis	Bechtel
Doug Martin	Bechtel
Paul Snead	Progress Energy
Dwight Hollifield	Facilities Planning and Siting (FPS)

Agenda
V.C. Summer NRC Environmental Staff Site Visit
Location: V.C. Summer Site, Fairfield County, SC
June 6 - 7, 2007

Wednesday, June 6, 2007

- 7:45 Coffee and Sign In
- 8:00 Welcome and Introductions – NRC and SCE&G
- 8:15 Brief Project Overview – SCE&G
- 8:30 Breakout to Technical Groups/Start ER Review
- 12:00 Lunch
- 1:00 Breakout to Technical Groups/Continue ER Review
- 4:45 End of Day Summary

Thursday, June 7, 2007

- 8:00 General Discussion and Follow Up from Day One
- 8:30 Continue Technical Group Breakouts (Transmission line siting process discussion)
- 11:00 – 1:00 Flexible Lunch Time
- 4:30 End of Day Summary

**Additional Information Summarizing the
V.C. Summer NRC Environmental Staff Readiness Assessment
Location: V.C. Summer Site, Fairfield County, SC
June 6 - 7, 2007**

The staff did not identify any issues related to the environmental report (ER) that would indicate it would not be ready by the planned date of application. However, the staff did identify one generic issue (i.e., an issue affecting multiple applicants) related to transmission lines that requires the attention of industry and NRC management for resolution. In addition, the staff identified some application-specific issues that need to be addressed, preferably prior to submittal of the ER. These issues are discussed below.

Generic Issue - Transmission Lines

There are multiple facets to this issue. But they all relate to one thing - how much information will be available to the staff regarding the transmission lines when it develops the environmental impact statement? For the Summer combined license (COL) application, South Carolina Electric & Gas (SCE&G) has not yet performed its siting review for the transmission lines. Once it completes this review and selects the routes (multiple lines are involved), it must request and receive a license from the State to build the lines. The entire process will take 18 to 24 months once it is initiated. Santee Cooper, which will own part of the new plants and will also require new transmission lines, does not require a license from the State to build lines because it is itself a State entity. However, its process for siting new transmission lines also takes up to 2 years. This could become less of an issue for Santee Cooper if, as currently envisioned, the new lines are run within existing corridors.

At this time, the final routing of the new lines has not been determined. Therefore, the applicant planned to simply identify the counties through which the lines would pass in order to attempt to quantify the likely impacts. However, based on recent experience the staff does not believe that this approach is viable for the purposes of evaluating the environmental impacts under the National Environmental Policy Act (NEPA), and for the satisfaction of the requirements of other acts to which the NRC is subject. For example, predicting the impacts to threatened and endangered species (as required by the Endangered Species Act) and completing the consultation with other agencies (e.g., the U.S. Fish and Wildlife Service) is proving problematic, if not impossible, in a current review. Other areas of impact (e.g., cultural resources) present similar issues.

This problem will likely affect all applicants who require the construction of new transmission lines to support new plants. Plants built by non-utilities (typically referred to as "merchant plants") may present even greater problems because of the separation between the company that generates the electricity and the company responsible for its transmission.

The staff recommended, and the applicant agreed, that this issue needs to be elevated both within NRC and in industry in order to develop a viable solution. Other stakeholders (e.g., the U.S. Fish and Wildlife Service, the U.S. Environmental Protection Agency, the U.S. Federal Energy Regulatory Commission) will almost certainly have to be involved in the development of the solution.

Unavailable Sections

Some sections of the ER that the staff had hoped to review were not yet available. These included section on socioeconomic impacts of construction and operation, design basis accidents, and the overall cost-benefit analysis. By the nature of the assessment performed during this visit (i.e., pre-application) the staff expects that some sections may not be available. Some sections, like the cost-benefit analysis, by their nature tend to be the last sections written. The lack of these sections at this stage did not lead the staff to conclude that the ER would not be ready at the time the applicant has indicated that it will submit it.

Permits, Licenses, the 401 Certification, and Water Quality

First, there is a generic issue related to the timing of licenses and permits in relationship to the review. In most cases the licenses or permits will not be granted (or even applied for) until shortly before operation of the facility (or shortly before the anticipated start of the activity, such as a construction activity). These permits or licenses will most likely not be available at the time of the review. One example is the Clean Water Act Section 401 certification for water quality. The draft ER lists the water treatment chemicals that might be used in the water treatment systems, but did not provide the concentration in the waste stream, or the amount of chemicals that will be used. It is not possible to determine the impact to the receiving water body (Parr Reservoir) based on this information. The document states that the applicant will apply for a National Pollutant Discharge Elimination System (NPDES) permit and that the concentrations of chemicals going out the discharge will meet the NPDES permit requirements, but that permit application will not be submitted until shortly before operations begin. The information that the utility plans to provide in the ER will not be sufficient to evaluate the impacts from non-radiological chemical discharges.

Timing of ER and Safety Analysis Report (SAR) Submittals

Some portions of the draft ER reference the SAR. However, the applicant plans to submit the ER before the SAR. In order for the staff to perform a timely review of the environmental impacts, the ER needs to be a standalone document without reliance on the SAR for more detailed descriptions of geology, hydrology, data used, or calculations made.

Need for Power

SCE&G has not yet initiated the formal request for State review of its need for power analysis. Santee Cooper, as an entity established by the State, is not required to obtain such a review. So at the time of the COL application, there will not have been any independent evaluation of the applicants' need for power analysis. In accordance with the Environmental Standard Review Plan (ESRP), the NRC staff would have to perform an independent assessment lacking one by the State. The applicant pointed out that there might be a concern by the State that the NRC review, coming before theirs, in some way preempts their authority. Specifically, if NRC has already found the results of the need for power analysis acceptable, does that in some way imply that the State must do the same? It may be possible to handle this by careful wording in the EIS (e.g., the staff could find the analysis acceptable for the purposes of NEPA, pending the outcome of the State's evaluation of the need for power.)