January 25, 2008

Alabama-Coushatta Tribe
Historical Preservation Department
Route 3, Box 659
Livingston, TX 77351

SUBJECT: APPLICATION FOR THE COMBINED LICENSES FOR THE SOUTH TEXAS PROJECT SITE, UNITS 3 AND 4

Dear Alabama-Coushatta Tribe:

The U.S. Nuclear Regulatory Commission (NRC) staff is reviewing an application submitted by STP Nuclear Operating Company (STPNOC) for combined licenses (COLs) for the potential future construction of two new nuclear power plants at the South Texas Project (STP) Site, Units 3 and 4. The application was submitted by STPNOC on September 20, 2007, pursuant to NRC requirements in Part 52, Title 10 of the *Code of Federal Regulations*. The application was accepted for docketing on November 29, 2007. The applicant's preferred location for the new units, if built, would be located approximately 2,000 feet northwest of the existing STP Site. The location for Units 3 and 4 would be located on approximately 12,200 acres in a rural area of Matagorda County, TX, approximately 12 miles south-southwest of the city limits of Bay City, TX and 10 miles north of Matagorda Bay along the west bank of the Colorado River.

As part of its review of the application, the NRC staff will prepare an environmental impact statement (EIS) under the provisions of 10 CFR Part 51, the NRC rules that implement the National Environmental Policy Act (NEPA) of 1969. The NRC environmental review process includes an opportunity for public participation in the environmental review. The STP COL Site is located on land that may be of interest to the Alabama-Coushatta Tribe. We want to ensure that you are aware of our efforts and pursuant to regulations in 10 CFR 51.28(b), the NRC invites the Alabama-Coushatta Tribe to provide input to the scoping process relating to the NRC's environmental review of the application. The following is a description of the application and the environmental review process.

The EIS will document the NRC staff's evaluation of the impacts of construction and operation of two new nuclear plants at the STP COL Site. In addition, the staff will also consider alternatives to the proposed action, including alternative sites. The EIS will contain the results of the review of the environmental impacts on the area surrounding the STP COL Site that are related to terrestrial ecology, aquatic ecology, hydrology, socioeconomic issues, and historic properties (among others), and will contain a recommendation on whether the requested COL should be granted or denied.

Therefore, as part of this review and in accordance with the provisions in 36 CFR § 800.8(c), the NRC staff is using the NEPA process to comply with the obligations imposed under § 106 of the National Historic Preservation Act (NHPA) of 1966, as amended.

Accordingly, the Alabama-Coushatta Tribe will be conferring with the NRC staff by participating in the scoping process; identifying historic properties on the STP COL Site; assessing the effects of the proposed action on any historic properties identified; and developing alternatives and proposed measures that might avoid, minimize, or mitigate any adverse effects of the proposed action on historic properties. The NRC intends to describe such alternatives and proposed measures in the EIS analyses of potential impacts to historical and cultural resources. To complete consultation under § 800.8(c), the NRC will forward the draft EIS to you for your review and comment and will address your comments in the final EIS.

Pursuant to 10 CFR 51.28 and 36 CFR 800.2(c), the NRC wishes to ensure that Indian Tribes that might have an interest in any potential historic properties in the area of potential effect are afforded the opportunity to identify their concerns, provide advice on the identification and evaluation of historic properties, including those of traditional, religious, and cultural importance and if necessary, participate in the resolution of any adverse effects to such properties.

The area of potential effect for this COL review is the area at the power plant site and its immediate environs which may be impacted by land-disturbing activities associated with the construction and operation of the new units. The application, which describes the area of potential effect is available through the web-based version of the NRC's Agency-wide Document Access and Management System (ADAMS) which can be found at http://www.nrc.gov/reading-rm/adams.html . The environmental report is listed under accession number ML072831239.

On Tuesday, February 5, 2008, the NRC will conduct two public environmental scoping meetings commencing at 1:30 p.m. until 4:30 p.m., and again at 7:00 p.m. until 10:00 p.m., at the Bay City Civic Center, 201 7th Street, Bay City, TX. Representatives of your tribe are invited to attend. Each meeting will be preceded by a one-hour open house during which members of the public may meet and talk with NRC staff members on an informal basis.

Please submit any written comments your tribe may have to offer on the scope of the environmental review by February 18, 2008. Comments should be submitted either by mail to the Chief, Rules and Directives Branch, Division of Administrative Services, Mail Stop T-6D59, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555-0001 or by e-mail to STP_COL@nrc.gov.

At the conclusion of the scoping process, the NRC staff will prepare a summary of the significant issues identified and the conclusions reached and will send a copy to you. In addition, after it is issued, your office will receive a copy of the draft EIS along with a request for comments. The anticipated publication date for the draft EIS is to be determined.

If you have any questions or require additional information, please contact Paul Kallan, Environmental Project Manager for the STP COL Project at 301-415-2809 or Cristina Guerrero, Deputy Project Manager at 301-415-2981. You may also e-mail them at PBK1@nrc.gov or CXG3@nrc.gov, respectively.

Sincerely,

/RA/

William Burton, Branch Chief
Environmental Projects Branch 1
Division of Site and Environmental Reviews
Office of New Reactors
United States Nuclear Regulatory Commission

Docket Nos.: 50-012 and 50-013

cc: See next page

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Sincerely,

William Burton, Branch Chief
Environmental Projects Branch 1
Division of Site and Environmental Reviews
Office of New Reactors
United States Nuclear Regulatory Commission

Docket Nos.: 50-012 and 50-013

cc: See next page

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COL STP Nuclear - South Texas Mailing List (Revised 1/3/08)

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