

October 17, 2008

Mr. James Scarola
Senior Vice President &
Chief Nuclear Officer
Progress Energy, Inc.
P.O. Box 1551
Raleigh, NC 27602

SUBJECT: NOTICE OF INTENT TO PREPARE AN ENVIRONMENTAL IMPACT
STATEMENT AND CONDUCT SCOPING RELATED TO A COMBINED
LICENSE APPLICATION FOR LEVY NUCLEAR PLANT, UNITS 1 AND 2

Dear Mr. Scarola:

The U.S. Nuclear Regulatory Commission (NRC) received an application on July 28, 2008, from Florida Power Corporation doing business as Progress Energy Florida, Inc. (PEF), a wholly-owned subsidiary of Progress Energy, Inc. for a limited work authorization (LWA) and a combined license (COL) for the Levy Nuclear Plant Units 1 and 2 (LNP). In support of the COL application and in accordance with Title 10 of the *Code of Federal Regulations 10 CFR*, Parts 51 and 52, PEF submitted an environmental report (ER).

The NRC has prepared a notice of intent (NOI) that advises the public that the NRC intends to gather information necessary to prepare an environmental impact statement (EIS) in support of the review of the LNP LWA and COL application. The U.S. Army Corps of Engineers (USACE), Jacksonville District, has requested to participate in the preparation of the EIS as a cooperating agency; the NRC has accepted their request. Enclosed is a copy of the NOI which has been forwarded to the Office of the *Federal Register* for publication.

Pursuant to 10 CFR 51.28, PEF is invited to participate in the environmental scoping process. As discussed in the enclosed notice, the NRC is providing the public with the opportunity to participate in environmental scoping meetings to be held Thursday, December 4, 2008. The first meeting will convene at 1:00 p.m., and will continue until approximately 4:00 p.m. The second meeting will convene at 6:00 p.m., with a repeat of the overview portions of the first meeting and will continue until approximately 9:00 p.m. The NRC will present an overview of the environmental review process and will describe how the process will be implemented for the review of the LNP COL application. The meeting will be held at the Florida National Guard Armory located at 8551 West Venable Street, Crystal River, Florida 33426. A separate NRC meeting notice with a more detailed agenda will be forthcoming.

Additionally, NRC staff and contractors plan to be on-site December 1 - 5, 2008, for a site audit to discuss the preparation of the ER with members of your staff, to perform a walk down of the site and its environs, meet with other resource agencies, and to review documentation.

J. Scarola

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Additional details regarding the site audit will be provided to your staff before the visit. In the interim, should you have any questions regarding the scoping meetings or the environmental review, please contact Mr. Douglas Bruner, NRC Environmental Project Manager, at (301) 415-2730 or via e-mail at Douglas.Bruner@nrc.gov, or Ms. Jessie M. Muir at (301) 415-0491 or via email at Jessie.Muir@nrc.gov.

Sincerely,

/RA/

Andy C. Campbell, Acting Director
Division of Site and Environmental Reviews
Office of New Reactors

Docket Nos.: 52-029 and 52-030

Enclosure:
As stated

cc: see next page

J. Scarola

- 2 -

Additional details regarding the site audit will be provided to your staff before the visit. In the interim, should you have any questions regarding the scoping meetings or the environmental review, please contact Mr. Douglas Bruner, NRC Environmental Project Manager, at (301) 415-2730 or via e-mail at Douglas.Bruner@nrc.gov, or Ms. Jessie M. Muir at (301) 415-0491 or via email at Jessie.Muir@nrc.gov.

Sincerely,

/RA/

Andy C. Campbell, Acting Director
Division of Site and Environmental Reviews
Office of New Reactors

Docket Nos.: 52-029 and 52-030

Enclosure:
As stated

cc: see next page

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RidsOpaMail	Michael Smith, PNNL (Michael.Smith@pnl.gov)	
Ellen Prendergast-Kennedy, PNNL (Ellen.Prendergast@pnl.gov)		

ADAMS ACCESSION NUMBER: **ML082830024**

OFFICE	PM:RAP2: DSER:NRO	LA:RAP2 DSER:NRO	PM:RAP2 DSER:NRO	OGC	BC:RAP2 DSER:NRO	D:DSER:NRO
NAME	JMuir:sek1	ARedden	DBruner	SBrock	BZalcman	SFlanders /ACC for/
DATE	10/10/08	10/10/08	10/10/08	10/17/08 NLO	10/10/08	10/17/08

OFFICIAL RECORD COPY

cc:

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Dunnellon Branch Library
20351 Robinson Rd.
Dunnellon FL 34431

Mr. Lawrence J. Chandler
Morgan, Lewis & Bocklus LLP
1111 Pennsylvania Ave., N.W.
Washington DC 20003

Ms. Mimi Drew
FDEP Deputy Secretary
3900 Commonwealth Blvd.
Mail Stop 15
Tallahassee FL 32399

Ms. Lesa Ehlers
Coastal Region Library
Citrus County
8619 West Crystal St.
Crystal River FL 34428

Mr. Don Hambrick
Department of the Army
Jacksonville District - Corps of Engineers
Panama City Regulatory Office
1002 West 23rd St.
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Panama City FL 32405-3648

Ms. Sandy Moseley
Bronson Public Library
Levy County
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Bronson FL 32621

Ms. Cindy Mulkey
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UNITED STATES NUCLEAR REGULATORY COMMISSION

DOCKET NOS. 52-029 AND 52-030

PROGRESS ENERGY FLORIDA, INC.

LEVY NUCLEAR POWER PLANT, UNITS 1 AND 2

COMBINED LICENSE APPLICATION AND LIMITED WORK AUTHORIZATION

NOTICE OF INTENT TO PREPARE AN ENVIRONMENTAL

IMPACT STATEMENT AND CONDUCT SCOPING PROCESS

Florida Power Corporation doing business as Progress Energy Florida, Inc. (PEF), a wholly-owned subsidiary of Progress Energy, Inc. has submitted an application for a limited work authorization (LWA) and a combined license (COL) to build Units 1 and 2 at its Levy Nuclear Plant (LNP) site, located in Levy County, Florida. The nearest incorporated municipality is the Town of Inglis located approximately four miles from the nearest boundary of the LNP site; the site is approximately 10 miles northeast of the Crystal River Energy Complex, also owned by PEF. The application for the LWA and COL was submitted by PEF by letter dated July 28, 2008, pursuant to Title 10 of the *Code of Federal Regulations 10 CFR, Part 52*.

A notice of receipt and availability of the application including the environmental report (ER) was published in the *Federal Register* on **October 14, 2008 (73 FR 60726)**. A notice of acceptance for docketing of the application for the COL was published in the *Federal Register* on **October 14, 2008 (73 FR 60726)**. A notice of hearing and opportunity to petition for leave to intervene will be published at a later date.

The purpose of this notice is to inform the public that the U.S. Nuclear Regulatory Commission (NRC) will be preparing an environmental impact statement (EIS) as part of the

review of the LWA and COL application and to provide the public with an opportunity to participate in the environmental scoping process as defined in 10 CFR 51.29. The U.S. Army Corps of Engineers, Jacksonville District, has requested to participate in the preparation of the EIS as a cooperating agency; the NRC has accepted their request.

In addition, as outlined in 36 CFR 800.8(c), "Coordination with the National Environmental Policy Act," the NRC staff plans to coordinate compliance with Section 106 of the National Historic Preservation Act (NHPA) with steps taken to meet the requirements of the National Environmental Policy Act of 1969, as amended (NEPA). Pursuant to 36 CFR 800.8(c), the NRC staff intends to use its process and documentation for the preparation of the EIS on the proposed action to comply with Section 106 of the NHPA in lieu of the procedures set forth on 36 CFR 800.3 through 800.6.

In accordance with 10 CFR 51.45, 51.49, and 51.50, PEF submitted the ER as part of the LWA and COL application. The ER was prepared pursuant to 10 CFR Parts 51 and 52 and is available for public inspection at the NRC Public Document Room (PDR) located at One White Flint North, 11555 Rockville Pike (first floor), Rockville, Maryland 20852 or from the Publicly Available Records (PAR) component of NRC's Agencywide Documents Access and Management System (ADAMS). ADAMS is accessible at <http://www.nrc.gov/reading-rm/adams.html>, which provides access through the NRC's Electronic Reading Room (ERR) link. Persons who do not have access to ADAMS or who encounter problems in accessing the documents located in ADAMS should contact the NRC's PDR Reference staff at 1-800-397-4209/301-415-4737 or via e-mail at pdr@nrc.gov. The application may also be viewed on the Internet at <http://www.nrc.gov/reactors/new-reactors/col/levy.html>. In addition, the Citrus County Coastal Region Library located at 8619 West Crystal Street in Crystal River, Florida; Bronson Public Library at 600 Gilbert Street, Bronson, Florida; and the Dunnellon

Branch Library at 20351 Robinson Road in Dunnellon, Florida have agreed to maintain a copy of the ER and make it available for public inspection.

The following key reference documents related to the application and the NRC staff's review processes are available through the NRC's web site at <http://www.nrc.gov>:

- a. 10 CFR Part 51, Environmental Protection Regulations for Domestic Licensing and Related Regulatory Functions,
- b. 10 CFR Part 52, Licenses, Certifications, and Approvals for Nuclear Power Plants,
- c. 10 CFR Part 100, Reactor Site Criteria,
- d. NUREG-1555, Standard Review Plans for Environmental Reviews for Nuclear Power Plants,
- e. NUREG/BR-0298, Brochure on Nuclear Power Plant Licensing Process,
- f. Regulatory Guide 4.2, Preparation of Environmental Reports for Nuclear Power Stations,
- g. Regulatory Guide 4.7, General Site Suitability Criteria for Nuclear Power Stations,
- h. Fact Sheet on Nuclear Power Plant Licensing Process,
- i. Regulatory 1.206, Combined License Applications for Nuclear Power Plants,
- j. NRR Office Instruction LIC-203, Procedural Guidance for Preparing Environmental Assessments and Considering Environmental Issues, and
- k. Interim Staff Guidance for Limited Work Authorizations to Support Early Site Permit and Combined License Applications (ISG-004) and the Supplement to the Interim Staff Guidance on Limited Work Authorizations.

The regulations, NUREG-series documents, regulatory guides, and the fact sheet can be found under Document Collections in the ERR on the NRC webpage. The Office Instruction LIC-203 can be found in ADAMS in two parts under the accession numbers ML011710073 (main text) and ML011780314 (charts and figures).

This notice advises the public that the NRC intends to gather the information necessary to prepare an EIS as part of the review of the LWA and COL application for the LNP site. Possible alternatives to the proposed action (issuance of the LWA and COL) include no action, reasonable alternative energy sources, and alternate sites. The NRC is required by 10 CFR 51.20(b)(1) and (b)(2) to prepare an EIS in connection with the issuance of an LWA and COL, respectively. This notice is being published in accordance with NEPA and the NRC's regulations found in 10 CFR Part 51.

The NRC will first conduct a scoping process for the EIS and thereafter will prepare a draft EIS for public comment. Participation in this scoping process by members of the public, local, State, Tribal, and Federal government agencies is encouraged. The scoping process for the draft EIS will be used to accomplish the following:

- a. define the proposed action that is to be the subject of the EIS,
- b. determine the scope of the EIS and identify the significant issues to be analyzed in-depth,
- c. identify and eliminate from detailed study those issues that are peripheral or that are not significant,
- d. identify any environmental assessments and other EISs that are being or will be prepared that are related to but are not part of the scope of the EIS being considered,
- e. identify other environmental review and consultation requirements related to the proposed action,
- f. identify parties consulting with the NRC under the NHPA, as set forth in 36 CFR 800.8(c)(1)(i),
- g. indicate the relationship between the timing of the preparation of the environmental analyses and the Commission's tentative planning and decision-making schedule,

- h. identify any cooperating agencies and, as appropriate, allocate assignments for preparation and schedules for completing the EIS to the NRC and any cooperating agencies; and describe how the EIS will be prepared, including any contractor assistance to be used.

The NRC invites the following entities to participate in the scoping process:

- a. the applicant; PEF,
- b. any Federal agency that has jurisdiction by law or special expertise with respect to any environmental impact involved or that is authorized to develop and enforce relevant environmental standards,
- c. affected State and local government agencies, including those authorized to develop and enforce relevant environmental standards,
- d. any affected Indian tribe,
- e. any person who requests or has requested an opportunity to participate in the scoping process, and
- f. any person who intends to petition for leave to intervene.

In accordance with 10 CFR 51.26, the scoping process for an EIS may include a public scoping meeting to help identify significant issues related to a proposed activity and to determine the scope of issues to be addressed in an EIS. The NRC staff has elected to hold two identical public scoping meetings to be held at the Florida National Guard Armory located at 8551 West Venable Street, Crystal River, Florida 33426, on Thursday, December 4, 2008. The meetings will convene at 1:00 p.m., which will continue until approximately 4:00 p.m., and again at 6:00 p.m. which will continue until approximately 9:00 p.m. The meetings will be transcribed and will include the following: (1) an overview by the NRC staff of the environmental review process, the proposed scope of the EIS, and the proposed review schedule; (2) the opportunity for interested government agencies, organizations, and individuals to submit comments on the

environmental issues or the proposed scope of the EIS. Additionally, the NRC staff will host informal discussions for one hour prior to the start of each public meeting. No formal comments on the proposed scope of the EIS will be accepted during the informal discussions. To be considered, comments must be provided either at the transcribed public meeting or in writing, as discussed below. Persons may register to attend or present oral comments at the meeting on the scope of the NEPA review by contacting Mr. Douglas Bruner or Ms. Jessie M. Muir at 1-800-368-5642, extensions 2730 or 0491, respectively. In addition, persons can register via e-mail to the NRC at Levy.COLEIS@nrc.gov no later than November 26, 2008.

Members of the public may also register to speak at the meeting prior to of the start of the session. Individual oral comments may be limited by the time available, depending on the number of persons who register. Members of the public who have not registered may also have an opportunity to speak, if time permits. Public comments will be considered in the scoping process for the EIS. If special equipment or accommodations are needed to attend or present information at the public meeting, the need should be brought to Mr. Bruner's or Ms. Muir's attention no later than November 20, 2008, so that the NRC staff can determine whether the request can be accommodated.

Members of the public may send written comments on the scope of the Levy LWA and COL environmental review to the Chief, Rules and Directives Branch, Division of Administrative Services, Office of Administration, Mailstop T-6D59, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, and should cite the publication date and page number of this *Federal Register* notice. Comments may be hand-delivered to the NRC at 11545 Rockville Pike, Rockville, Maryland, between 7:30 a.m., and 4:15 p.m., on federal workdays. To be considered in the scoping process, written comments must be postmarked or delivered by the comment period end date **[60 days from publication of this FRN]**. Electronic comments may be sent by e-mail to the NRC at Levy.COLEIS@nrc.gov. Electronic submissions must be sent

no later than the comment period end date of **[60 days from publication of this FRN]**, to be considered in the scoping process.

Participation in the scoping process for the EIS does not entitle participants to become parties to the proceeding to which the EIS relates. Notice of a hearing regarding the application for COL will be noticed separately in the *Federal Register*.

At the conclusion of the scoping process, the NRC will prepare a concise summary of the determination and conclusions on the scope of the environmental review reached, including the significant issues identified, and it will be made publicly available. The staff will then prepare and issue for comment the draft EIS, which will be the subject of a separate *Federal Register* notice and a separate public meeting. Copies will be available for public inspection at the PDR through the above-mentioned address and one copy per request will be provided free of charge. After receipt and consideration of the comments, the NRC will prepare a final EIS, which will also be available to the public. Information about the proposed action, the EIS, and the scoping process may be obtained from Mr. Douglas Bruner or Ms. Jessie M. Muir at 1-800-368-5642, extensions 2730 or 0491, respectively or via e-mail at Douglas.Bruner@nrc.gov, or Jessie.Muir@nrc.gov.

Dated at Rockville, Maryland, this 17th day of October, 2008.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

Andy Campbell, Acting Director
Division of Site and Environmental Reviews
Office of New Reactors