UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

March 15, 2010

Mr. Timothy S. Rausch
Senior Vice President and Chief Nuclear Officer
PPL Susquehanna, LLC
769 Salem Boulevard
Berwick, PA 18603-0467

SUBJECT: SUSQUEHANNA STEAM ELECTRIC STATION, UNITS 1 AND 2 - ENVIRONMENTAL ASSESSMENT AND FINDING OF NO SIGNIFICANT IMPACT RE: REQUEST FOR EXEMPTION FROM IMPLEMENTATION DEADLINE FOR PHYSICAL SECURITY PLANS (TAC NOS. ME2839 AND ME2840)

Dear Mr. Rausch:

Enclosed is a copy of the Environmental Assessment and Finding of No Significant Impact related to your application for exemption dated December 3, 2009, as supplemented by letters dated January 8 and 29, 2010.

PPL Susquehanna, LLC (PPL, or the licensee) requested U.S. Nuclear Regulatory Commission (NRC) approval for an exemption from March 31, 2010, implementation date for certain security requirements of Title 10 of the *Code of Federal Regulations* Part 73, "PHYSICAL PROTECTION OF PLANTS AND MATERIALS," for Susquehanna Steam Electric Station (SSES) Units 1 and 2, issued by NRC in a Final Rule dated March 27, 2009 (74 FR 13926). The proposed exemption would allow an extension from the March 31, 2010, implementation date for some specific requirements, until October 29, 2010, for two requirements and until July 31, 2011, for one other requirement.

The environmental assessment is being forwarded to the Office of the Federal Register for publication.

Sincerely,

BKVaidya

Bhalchandra K. Vaidya, Project Manager
Plant Licensing Branch I-1
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-387 and 50-388

Enclosure:
Environmental Assessment

cc w/encl: Distribution via Listserv

7590-01-P

UNITED STATES NUCLEAR REGULATORY COMMISSION

PPL SUSQUEHANNA, LLC.

DOCKET NOS. 50-387 AND 50-388

SUSQUEHANNA STEAM ELECTRIC STATION, UNITS 1 AND 2

ENVIRONMENTAL ASSESSMENT AND

FINDING OF NO SIGNIFICANT IMPACT

The U.S. Nuclear Regulatory Commission (NRC) is considering issuance of an Exemption, pursuant to Title 10 of the *Code of Federal Regulations* (10 CFR) Section 73.5, "Specific exemptions," from the implementation date for certain new requirements of 10 CFR Part 73, "Physical protection of plants and materials," for Renewed Facility Operating License Nos. NPF-14 and NPF-22, issued to PPL Susquehanna, LLC (PPL or the licensee), for operation of the Susquehanna Steam Electric Station (SSES), Units 1 and 2, respectively, located in Luzerne county, Commonwealth of Pennsylvania. Therefore, as required by 10 CFR 51.21, the NRC performed an environmental assessment. Based on the results of the environmental assessment, the NRC is issuing a finding of no significant impact.

ENVIRONMENTAL ASSESSMENT

Identification of the Proposed Action:

The proposed action would exempt the licensee from the required implementation date of March 31, 2010, for several new requirements of 10 CFR Part 73. Specifically, the licensee would be granted an exemption from being in full compliance with certain new requirements contained in 10 CFR 73.55 by the March 31, 2010, deadline. The licensee has proposed an alternate full compliance implementation date of October 29, 2010, for two requirements and until July 31, 2011, for one other requirement. The proposed action, an extension of the

schedule for completion of certain actions required by the revised 10 CFR Part 73, does not involve any physical changes to the reactor, fuel, plant structures, support structures, water, or land at the SSES Units 1 and 2 site.

The proposed action is in accordance with the licensee's application dated December 3, 2009, as supplemented by letters dated January 8 and 29, 2010.

The Need for the Proposed Action:

The proposed action is needed to provide the licensee with additional time to perform the required upgrades to the SSES Units 1 and 2 security system due to resource and logistical impacts and other factors.

The licensee has requested the proposed exemption from the specific requirements of 10 CFR 73.55, "Requirements for physical protection of licensed activities in nuclear power reactors against radiological sabotage," for SSES Units 1 and 2 by extending the implementation deadline for certain security requirements issued by NRC in a Final Rule dated March 27, 2009 (74 FR 13926).

Pursuant to the Final Rule, the new security requirements must be implemented by March 31, 2010. PPL has evaluated these new requirements and determined that many can be implemented by the required date. PPL has determined, however, that implementation of specific parts of the new requirements will require more time to implement since they are significant physical changes involving or requiring: 1) specific parts that are proving to be long lead time items, 2) specialized industry expertise whose availability is being challenged by the significant demand for a limited resource, or 3) a major interface with the plant for installation that must be carefully planned and implemented to avoid impact to the plant protective strategy.

Specifically, extensions are requested until October 29, 2010, for two requirements and until July 31, 2011, for one other requirement.

Environmental Impacts of the Proposed Action:

The NRC has completed its environmental assessment of the proposed exemption. The staff has concluded that the proposed action to extend the implementation deadline would not significantly affect plant safety and would not have a significant adverse effect on the probability of an accident occurring.

The proposed action would not result in an increased radiological hazard beyond those previously analyzed in the environmental assessment and finding of no significant impact made by the Commission in promulgating its revisions to 10 CFR Part 73 as discussed in a *Federal Register* notice dated March 27, 2009 (74 FR 13967). There will be no change to radioactive effluents that affect radiation exposures to plant workers and members of the public. Therefore, no changes or different types of radiological impacts are expected as a result of the proposed exemption.

The proposed action does not result in changes to land use or water use, or result in changes to the quality or quantity of non-radiological effluents. No changes to the National Pollution Discharge Elimination System permit are needed. No effects on the aquatic or terrestrial habitat in the vicinity of the plant, or to threatened, endangered, or protected species under the Endangered Species Act, or impacts to essential fish habitat covered by the Magnuson-Steven's Act are expected. There are no impacts to the air or ambient air quality.

There are no impacts to historical and cultural resources. There would be no impact to socioeconomic resources. Therefore, no changes to or different types of non-radiological environmental impacts are expected as a result of the proposed exemption.

Accordingly, the NRC concludes that there are no significant environmental impacts associated with the proposed action. In addition, in promulgating its revisions to 10 CFR Part 73, the Commission prepared an environmental assessment and published a finding of no

significant impact [Part 73, Power Reactor Security Requirements, 74 FR 13926, 13967 (March 27, 2009)].

The licensee currently maintains a security system acceptable to the NRC to provide acceptable physical protection of the SSES, Units 1 and 2 in lieu of the new requirements in 10 CFR Part 73. Therefore, the extension of the implementation date of the new requirements of 10 CFR Part 73 until October 29, 2010, for two requirements and until July 31, 2011, for one other requirement, would not have any significant environmental impacts.

The NRC staff's safety evaluation will be provided in the exemption that will be issued as part of the letter to the licensee approving the exemption to the regulation, if granted.

Environmental Impacts of the Alternatives to the Proposed Action:

As an alternative to the proposed action, the staff considered denial of the proposed action (i.e., the "no-action" alternative). Denial of the application would result in no change in current environmental impacts. If the proposed action was denied, the licensee would have to comply with the March 31, 2010, implementation deadline. The environmental impacts of the proposed action and the alternative action are similar.

Alternative Use of Resources:

The action does not involve the use of any different resources than those previously considered in the Final Environmental Statement for the SSES Units 1 and 2 site, NUREG-0564, dated June 1981 as supplemented through the "Generic Environmental Impact Statement for License Renewal of Nuclear Plants, Supplement 35 Regarding Susquehanna Steam Electric Station, Units 1 and 2 Final Report," dated March 2009.

Agencies and Persons Consulted:

In accordance with its stated policy, on February 17, 2010, the NRC staff consulted with the Commonwealth of Pennsylvania State official, Larry Winker of the Department of

Environmental Protection/Bureau of Radiation Protection, regarding the environmental impact of the proposed action. The State official had no comments.

FINDING OF NO SIGNIFICANT IMPACT

On the basis of the environmental assessment, the NRC concludes that the proposed action will not have a significant effect on the quality of the human environment. Accordingly, the NRC has determined not to prepare an environmental impact statement for the proposed action.

For further details with respect to the proposed action, see the licensee's letter dated December 3, 2009, as supplemented by letters dated January 8, 2010, and January 29, 2010. Portions of the letter dated December 3, 2009, as supplemented by letters dated January 8 and January 29, 2010, contain security sensitive information and, accordingly, are withheld from public disclosure in accordance with 10 CFR 2.390. The redacted versions of the December 3, 2009, as supplemented by letters dated January 8 and January 29, 2010, (Agencywide Documents Access and Management System (ADAMS) Accession Number ML093410632, ML100120657, and ML100330085, respectively), may be examined, and/or copied for a fee, at the NRC's Public Document Room (PDR), located at One White Flint North, Public File Area O-F21, 11555 Rockville Pike (first floor), Rockville, Maryland. Publicly available records will be accessible electronically from the ADAMS Public Electronic Reading Room on the Internet at the NRC Web site, http://www.nrc.gov/reading-rm/adams.html.

Persons who do not have access to ADAMS or who encounter problems in accessing the documents located in ADAMS should contact the NRC PDR Reference staff by telephone at 1-800-397-4209 or 301-415-4737, or send an e-mail to pdr.resource@nrc.gov.

Dated at Rockville, Maryland, this 15th day of March 2010.

FOR THE NUCLEAR REGULATORY COMMISSION

B.K. Vaidya

Bhalchandra K. Vaidya, Project Manager
Plant Licensing Branch I-1
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Mr. Timothy S. Rausch
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/RA/
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