



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

February 16, 2010

Mr. Edward D. Halpin
President and Chief Executive Officer
STP Nuclear Operating Company
South Texas Project
P. O. Box 289
Wadsworth, TX 77483

SUBJECT: SOUTH TEXAS PROJECT, UNITS 1 AND 2 - ENVIRONMENTAL
ASSESSMENT AND FINDING OF NO SIGNIFICANT IMPACT (TAC NOS.
ME2873 AND ME2874)

Dear Mr. Halpin:

Enclosed is a copy of the Environmental Assessment and Finding of No Significant Impact related to STP Nuclear Operating Company's application for exemption dated November 18, 2009 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML093280174).

In its letter dated November 18, 2009, the licensee requested an exemption from certain requirements in Title 10 of the *Code of Federal Regulations* (10 CFR) Part 73. Specifically, the request is to extend the compliance date in the new 10 CFR Part 73 from March 31, 2010, to June 30, 2010. Granting this exemption will allow the licensee to complete the modifications designed to upgrade the equipment and incorporate state-of-the-art technology as required by the new regulatory requirements.

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

Sincerely,

A handwritten signature in black ink, reading "Mohan C. Thadani", is positioned above the typed name.

Mohan C. Thadani, Senior Project Manager
Plant Licensing Branch IV
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-498 and 50-499

Enclosure:
Environmental Assessment

cc w/encl: Distribution via Listserv

NUCLEAR REGULATORY COMMISSION
STP NUCLEAR OPERATING COMPANY
SOUTH TEXAS PROJECT, UNITS 1 AND 2
DOCKET NOS. 50-498 AND 50-499
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 Facility Operating Licenses numbered NPF-76 and NPF-80, issued to STP Nuclear Operating Company (the licensee), for operation of South Texas Project (STP), Units 1 and 2, located in Matagorda County, Texas. In accordance with 10 CFR 51.21, the NRC prepared an environmental assessment documenting its finding. The NRC concluded that the proposed actions will have no significant environmental impact.

ENVIRONMENTAL ASSESSMENT

Identification of the Proposed Action:

The proposed action would exempt STP, Units 1 and 2, from the required implementation date of March 31, 2010, for certain new requirements of 10 CFR Part 73. Specifically, STP, Units 1 and 2, 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 for STP, Units 1 and 2, has proposed an alternate full compliance implementation date of June 30, 2010, 3 months beyond the date required by 10 CFR Part 73. 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 STP, Units 1 and 2, site.

The proposed action is in accordance with the licensee's application dated November 18, 2009.

The Need for the Proposed Action:

The proposed action is needed to provide the licensee with additional time required to perform the required upgrades to the STP, Units 1 and 2 security systems.

Environmental Impacts of the Proposed Action:

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

The proposed action would not result in any increased radiological hazards 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 13926). 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-Stevens 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 staff 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 (March 27, 2009)).

With its request to extend the compliance implementation deadline, the licensee has proposed compensatory measures to be taken in lieu of full compliance with the new requirements specified in 10 CFR Part 73. The licensee currently maintains a security system acceptable to the NRC. The proposed compensatory measures will continue to provide acceptable physical protection of the STP, 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 to June 30, 2010, would not have any significant environmental impacts.

The NRC staff's safety evaluation will be provided as part of a 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 NRC staff considered denial of the proposed actions (i.e., the "no-action" alternative). Denial of the exemption request 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, compliance implementation deadline. The environmental impacts of the proposed exemption and the "no-action" alternative are similar.

Alternative Use of Resources:

The action does not involve the use of any different resources than those considered in the Final Environmental Statement for the STP, Units 1 and 2, NUREG-1172, dated August 1986.

Agencies and Persons Consulted:

In accordance with its stated policy, on February 1, 2010, the NRC staff consulted with the Texas State official, Ms. Alice Rogers of the Texas State Department of Health, regarding the environmental impact of the proposed action. The Texas State official had no comments.

FINDING OF NO SIGNIFICANT IMPACT

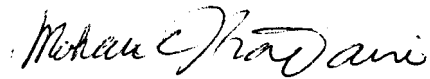
On the basis of the environmental assessment, the NRC concludes that the proposed action will not have a significant effect on the quality of the human environment. Accordingly, the NRC has determined not to prepare an environmental impact statement for the proposed action.

For further details with respect to the proposed action, see the licensee's letter dated November 18, 2009. Portions of November 18, 2009, submittal contains security related information and, accordingly, are not available to the public. Other parts of the documents 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-1F21, 11555 Rockville Pike (first floor), Rockville, Maryland 20852. Publicly available records will be accessible electronically from the Agencywide Documents Access and Management System (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 16th day of February 2010.

FOR THE NUCLEAR REGULATORY COMMISSION

A handwritten signature in black ink, appearing to read "Mohan C. Thadani".

Mohan C. Thadani, Senior Project Manager
Plant Licensing Branch LPLIV
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

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Sincerely,

/RA/

Mohan C. Thadani, Senior Project Manager
Plant Licensing Branch IV
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-498 and 50-499

Enclosure:
Environmental Assessment
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ADAMS Accession Nos.: Letter: ML100250707, EA: ML100250723

OFFICE	NRR/LPL4/PM	NRR/LPL4/LA	NRR/DLR/RERB/BC	OGC	NRR/LPL4/BC	NRR/LPL4/PM
NAME	MThadani	JBurkhardt	Almboden	STurk	MMarkley	MThadani
DATE	1/25/10	1/25/10	2/1/10	2/4/10	2/16/10	2/16/10

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