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MAY 2 1974

Mr. William E. Garner
Route 4, Box 277A
Scottsboro, Alabama 35768

Dear Mr. Garner:

This is in response to your letter of March 26, 1974, addressed to Chairman Ray, regarding the Final Environmental Statement for the Sequoyah Nuclear Plant.

The National Environmental Policy Act of 1969 (NEPA) requires inter alia that an environmental impact statement shall be prepared with respect to a major Federal action. NEPA, however, does not specifically provide for procedures to be followed in a situation where two or more Federal agencies were involved in the identical project which constituted the major Federal action. The Council on Environmental Quality, which was established under the provisions of NEPA for the purpose of providing general guidance on the implementation of NEPA, recognized this situation and dealt with it in its Guidelines for the implementation of NEPA published in April 1971. (36 Federal Register 772, April 23, 1971). Pursuant to these Guidelines, in situations where more than one Federal agency is involved in a major Federal action subject to the provisions of NEPA, one agency may be designated as the "lead agency" for the preparation of the requisite environmental statement.

These Guidelines of the Council were recognized in the Commission's regulations implementing NEPA (10 CFR Part 50, Appendix D, Section A, note 1). Accordingly, and in full accord with the Council's Guidelines and Commission regulations, the "lead agency" concept was applied to the Browns Ferry, Sequoyah and Watts Bar applications with respect to the preparation of the environmental impact statement. With respect to those facilities TVA was designated the "lead agency," with the full knowledge of the Council, and prepared the environmental statements, subject of course to comments by the Commission and others in their respective areas of expertise.

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Mr. William E. Garner

It should also be noted that in August 1973 the Council published new NEPA implementing Guidelines which continue to recognize the viability of the "lead agency" concept (38 Federal Register 20550, August 1, 1973).

With respect to the Bellefonte application, the Commission staff determined that as useful as the "lead agency" procedure may be in avoiding the duplication of effort in preparing environmental impact statements by two or more agencies involved in the same major Federal action it would nevertheless undertake to prepare a separate environmental statement. This decision was dictated solely by policy considerations and not because there was any question as to the legality of the prior procedure. The procedures for complying with NEPA which were followed in connection with the Browns Ferry, Sequoyah and Watts Bar facilities were in consonance with existing law and implementing procedures as evidenced in the above discussion.

In your letter you question the adequacy of TVA environmental statements for the specific facilities identified above. It is important to note that the preparation and review process for the TVA statements as well as those prepared by the Commission is extensive and allows for the review and receipt of comments by interested members of the public, experts in many fields of endeavor and Federal, State and local agencies. Finally, these statements are subject to the close scrutiny of the licensing boards in Commission proceedings. All these various steps provide additional assurance that the environmental statements whether prepared by the TVA or the Commission are complete and adequate in all respects.

This response should provide you with a better understanding of our position on the matters you raised in your letter.

Sincerely,

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John F. O'Leary
Director of Licensing

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