

Hearing Docket

From: Susan Dancer [texasblessings@yahoo.com]
Sent: Friday, September 30, 2011 12:52 PM
To: Gibson, Michael; Charbeneau, Randall; Arnold, Gary; Docket, Hearing
Subject: STP-Docket Nos. 52-012-COL 52-013-COL
Attachments: STP foreignownership letter 2.doc

Please see attachment regarding STP Units 3 & 4 on the issue of foreign ownership and control.

Sincerely,

Susan Dancer

S.T.A.R.E

South Texas Association for Responsible Energy

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DOCKETED

September 30, 2011 (12:52 p.m.)

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Date: Fri, 30 Sep 2011 09:51:38 -0700

From: Susan Dancer <texasblessings@yahoo.com>

Reply-To: Susan Dancer <texasblessings@yahoo.com>

Subject: STP-Docket Nos. 52-012-COL 52-013-COL

To: "mmg3@nrc.gov" <mmg3@nrc.gov>,

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"hearingdocket@nrc.gov" <hearingdocket@nrc.gov>

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09/27/2011

**UNITED STATES OF AMERICA NUCLEAR REGULATORY COMMISSION
BEFORE THE ATOMIC SAFETY AND LICENSING BOARD**

In the Matter of STP NUCLEAR OPERATING COMPANY

South Texas Project Units 3 and 4

Docket Nos.
52-012-COL 52-013-COL

Administrative Judge Michael M. Gibson, Chair Atomic Safety and Licensing Board
Panel
Mail Stop T-3 F23 U.S. Nuclear Regulatory Commission Washington, DC 20555-0001
Via E-mail: mmg3@nrc.gov

Administrative Judge Dr. Randall J. Charbeneau Atomic Safety and Licensing Board
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Adjudications Staff Washington, DC 20555-0001
E-mail: hearingdocket@nrc.gov

Dear Judges Gibson, Charbeneau and Arnold,

I am Susan Dancer, Director of the South Texas Association for Responsible Energy and an intervener in the South Texas Project's planned expansion for new units 3 & 4. I am writing to address what I believe were inaccuracies promoted during the hearings held at the TCEQ facility in Austin on August 17th and 18th, particularly the issue of foreign ownership and control.

While STP's representatives admitted that NINA (Nuclear Innovation North America) would be the major owner of STP 3 & 4 and that Toshiba, the major partner in NINA, is a foreign entity, they claimed that in today's global economy and business world and with the way American investments are structured, "foreign ownership" on an investor level cannot be avoided. They went on to say that NINA/Toshiba's investment in the project does not constitute "foreign control" because the South Texas Project Nuclear Operating Company (STPNOC) would be "in control" of day-to day operations thereby providing some level of insulation from the admittedly foreign owner. This is the point I would vigorously dispute.

If one wants a model as to how STPNOC would operate units 3 and 4 and how that operation will relate to ownership, we have that in their current operation of exiting units 1 and 2. In this model the staff, managers and contractors are continually reminded of their fiduciary obligation to produce a profit for the owners. The plant goals, employee incentive program and basic business model leave no room for doubt about what the consequence for failure to produce will be: replacement as individual employees, entire departments, or STPNOC as a whole. In other words, a major tenet of their business model is to pressure the workforce in support of the owner's demands and while safety and reliability are a part of the package, the focal point is profit.

For Units 1 & 2 this business model causes employees to be hesitant to acknowledge such things as human performance errors, on the job injuries and equipment reliability issues even when plant safety is at stake. S.T.P's I.C.P (performance bonus program) provides financial incentive to individual employees at the direct bequest of the owner's agent. In this program, plant goals including production and profitability are direct rewards to the employees for production.

In a foreign-owned expansion this dynamic will be magnified because foreign owners have even more incentive than domestic owners to promote profit over safety because out-of-country ownership and control, by its very nature, insulates the owner from the American safety culture and social pressure for safe operation on domestic soil and shifts the plant operation's focus to profitability.

In short, the claim that an American operating company, which is effectively the foreign entity's hired hand, negates the existing law's specification against "foreign ownership and control" is just absurd.

The S.T.P./N.I.N.A./Toshiba relationship clearly constitutes an international nuclear industrial relationship that federal guidelines prohibit. It appears that S.T.P.'s argument is not based on an allegation that they are not in violation of the foreign ownership and control prohibitions but rather that changes in the world economy make the law impractical in today's world. We are not aware of any provision that renders a law moot because global investment practices have rendered it impractical to potential foreign investors.

I therefore respectfully request that you deny the requested C.O.L. to this foreign owned investor.