

April 15, 2015

MEMORANDUM TO: Jennifer L. Dixon-Herrity, Chief  
Environmental Projects Branch  
Division of New Reactor Licensing  
Office of New Reactors

FROM: Mark D. Notich, Sr. Project Manager **/RA/**  
New Reactor Rulemaking and Guidance Branch  
Division of Advanced Reactors and Rulemaking  
Office of New Reactors

SUBJECT: SUMMARY REPORT OF THE AUDIT OF THE RESULTS OF THE  
NUCLEAR INNOVATION NORTH AMERICA LLC'S PROCESS FOR  
IDENTIFYING NEW AND POTENTIALLY SIGNIFICANT  
INFORMATION RELATED TO THE SOUTH TEXAS PROJECT  
UNITS 3 AND 4 ENVIRONMENTAL REVIEW ON FEBRUARY 2,  
2015

A team of U.S. Nuclear Regulatory Commission (NRC) or Commission staff performed an audit of the results of Nuclear Innovation North America LLC's process for identifying new and potentially significant information related to the South Texas Project Units 3 and 4 environmental review. The audit was conducted by NRC staff from the Office of New Reactors (NRO), Division of New Reactor Licensing and Division of Site Safety and Environmental Analysis on February 2, 2015, at the Westinghouse Electric Company's offices in Rockville, MD. The results of the audit are presented in Attachment 1. The NRC staff performed the audit in accordance with the Audit Plan (Attachment 2). The audit summary report was developed in accordance with NRO-REG-108, "*Regulatory Audits*".

Docket Nos. 52-012 and 52-013

Enclosure:  
As Stated

CONTACT: Mark D. Notich, DARR/NRGB  
(301) 415-3053

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SUBJECT: SUMMARY REPORT OF THE AUDIT OF THE RESULTS OF THE  
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(301) 415-3053

cc: See next page

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PVokoun, NRO			

**ADAMS ACCESSION NUMBER: ML15040A372**

NRO-002

<b>OFFICE</b>	NRO/DNRL/EPB:LA	NRO/DNRL/EPB:PM	OGC	NRO/DNRL/EPB:BC
<b>NAME</b>	MBrown	MNotich	MASpenser	JDixon-Herrity
<b>DATE</b>	03/23/15	04/01/2015	04/13/2015	04/15/2015

OFFICE RECORD COPY

**STP Mailing List**

U.S. Environmental Protection Agency R6  
Marine and Wetlands Section  
1445 Ross Ave.  
Dallas TX 75202-2733

Texas Parks and Wildlife Dept.  
Protect Div.  
6300 Ocean Dr.  
Corpus Christi TX 78412-5503

Port of Corpus Christi Athry.  
Dept. of Engineering Services  
P.O. Box 1541  
Corpus Christi TX 78403-1541

Texas Commission on Environmental  
Quality  
6300 Ocean Dr., Ste. 5826  
Corpus Christi TX 78412-5826

Regional Director  
U.S. Fish and Wildlife Service  
P.O. Box 1306  
Albuquerque NM 87103-1306

NOAA Mapping and Charting Branch  
STA 7317 SMMC  
1315 East West Hwy.  
Silver Spring MD 20910-3233

Texas Historical Commission  
State Hist. Preservation Officer  
P.O. Box 12276  
Austin TX 78711-2276

Stream Wetland Services LLC  
P.O. Box 40  
Lake Charles LA 70602-0040

MSC 150  
Texas Commission on Environmental  
Quality  
P.O. Box 13087  
Austin TX 78711-3087

Texas Parks and Wildlife Dept.  
Environmental Branch  
4200 Smith School Rd.  
Austin TX 78744-3291

U.S. Fish and Wildlife Svc.  
6300 Ocean Dr., Ste. 5837  
Corpus Christi TX 78412-5837

USCG Marine Safety Office  
Waterways Management  
555 N. Carancahua St., Ste. 500  
Corpus Christi TX 78478-0012

CMDR (DPB) Eighth Coast Guard District  
Hale Boggs Federal Building  
501 Magazine St.  
New Orleans LA 70130-3396

Texas Parks and Wildlife Dept.  
Upper CST Conserve Ofc.  
1502 FM 517 E  
Dickinson TX 77539-8647

Texas Commission on Environmental  
Quality  
5425 Polk Ave., Ste. H  
Houston TX 77023-1486

Terry Cole  
Choctaw Nation of Oklahoma  
P.O. Box 1210  
Durant OK 74702-1210

Mike Hooks Inc.  
P.O. Box 1525  
Lake Charles LA 70602-1525

CST and Harbor Engineering  
3410 Far West Blvd., Ste. 210  
Austin TX 78731-3273

Texas General Land Office  
Director - Coastal Division  
Land Research Program  
1700 Congress Ave.  
Austin TX 78701-1495

Mr. Richard L. Allen  
Cherokee Nation of Oklahoma  
P.O. Box 948  
Talequah OK 74465-0948

Ms. Augustine Asbury  
Alabama Quassarte Tribal Town  
P.O. Box 187  
Wetumka OK 74883-0187

Mr. Earl Barby Jr.  
Tunica Biloxi Indian Tribe of LA  
P.O. Box 331  
Marksville LA 71351-0331

Ms. Tina Battise  
Alabama Coushatta Tribe of Texas  
571 State Park Rd.  
Livingston TX 77351-4540

Sandy Belaire  
Belaire Environ Inc.  
P.O. Box 741  
Rockport TX 78381-0741

Mr. Wayne Boyd  
King Fisher Marine Service Inc.  
P.O. Box 108  
Port Lavaca TX 77979-0108

Ms. Angela G. Bulger  
PBS and J  
6504 Bridge Point Pkwy., Ste. 200  
Austin TX 78730-5091

Mr. Michael Burgess  
Comanche Indian Tribe  
P.O. Box 908  
Lawton OK 73502-0908

Mr. Robert Cast  
Caddo Indian Tribe of Oklahoma  
P.O. Box 487  
Binger OK 73009-0487

Mr. Jim Coody  
5219 Spartan Dr.  
Houston TX 77041-5952

Mr. Mike Davis  
Players Construction  
102 22nd St. N.  
Texas City TX 77590-7219

L. B. Foster  
7015 Fairbanks N. Houston Rd.  
Houston TX 77040-4299

Ms. Tamara Francis  
Delaware Tribe of West Oklahamo  
P.O. Box 825  
Anadarko OK 73005-0825

Mr. Johnny French  
4417 Carlton St.  
Corpus Christi TX 78415-5211

Mr. Johnny French  
4417 Carlton St.  
Corpus Christi TX 78415-5211

Mr. Juan Garza  
Kickapoo Traditional Tribe of Texas  
HC 1 Box 9700  
Eagle Pass TX 78852-9752

Mr. William Goldston PE  
210 S Carancahua St., Ste. 200  
Corpus Christi TX 78401-3040

Mr. Holly Houghten Jr.  
Mescalero Apache Tribe  
P.O. Box 227  
Mescalero NM 88340-0227

Nan Jackson  
1113 S. Paisano Dr.  
Rockport TX 78382-3219

Mr. Glenn Jarrett  
Wetland Technologies Corp.  
1831 Pinewood Ct.  
Sugar Land TX 77478-2236

Mr. Scott Jones  
Galveston Bay Foundation  
17330 Highway 3  
Webster TX 77598-4133

Evangaline Wharton  
Scenic Galveston Inc.  
20 Colony Park Cir.  
Galveston TX 77551-1738

Ms. Stella Lawson  
TX GEN Land Office  
6300 Ocean Dr., Ste. 2400  
Corpus TX 78412-5599

Mr. Reginald Moore  
8619 Barron Wood Cir.  
Houston TX 77083-6511

Mr. Curtis Munoz  
Kiowa Tribe of Oklahoma  
P.O. Box 369  
Carnegie OK 73015-0369

Spero Pomonis  
Rodriguez Brothers  
218 Bay Colony Cir.  
La Porte TX 77571-7394

Ms. Ellyn H. Roof  
Galveston Bay Conservation  
and Preservation Association  
1111 Pine Circle Dr.  
Seabrook TX 77586-4709

Leslie Savage  
Railroad Commission of Texas  
P.O. Box 12967  
Austin TX 78711-2967

Mr. Edward Stavinoha  
East Matagorda Bay Foundation  
P.O. Box 4004  
Sargent TX 77404-4004

Mr. Anthony Street  
Tonkawa Tribe of Indians of Oklahoma  
1 Rush Buffalo Rd. Tonkawa OK 74653-  
4449

Rusty Swafford  
Branch Chief  
National Marine Fisheries Service  
4700 Avenue U  
Galveston TX 77551-5923

Ms. Lavina Tyrrell  
P.O. Box 2582  
South Padre Island TX 78597-2582

Mr. Jhon Jairo Vasquez  
USA-Colombia Dredging  
and MRNE Construction  
P.O. Box 1302  
Port Lavaca TX 77979-1302

## ATTACHMENT 1

### SUMMARY REPORT OF THE AUDIT OF THE RESULTS OF THE NUCLEAR INNOVATION NORTH AMERICA LLC'S PROCESS FOR IDENTIFYING NEW AND POTENTIALLY SIGNIFICANT INFORMATION RELATED TO THE SOUTH TEXAS PROJECT UNITS 3 AND 4 ENVIRONMENTAL REVIEW ON FEBRUARY 2, 2015

#### Background

The U.S. Nuclear Regulatory Commission (NRC or Commission) staff issued NUREG-1937, *“Environmental Impact Statement for Combined Licenses (COLs) for South Texas Project Electric Generating Station Units 3 and 4, Final Report,”* on February 24, 2011. The NRC staff performed an audit of the results of the Nuclear Innovation North America (NINA) LLC’s process for identifying new and significant information related to the South Texas Project’s (STP) Units 3 and 4 environmental review on February 2, 2015, at the Westinghouse Electric Company (WEC) offices in Rockville, Maryland. NRC staff from the Office of New Reactors (NRO), Division of New Reactor Licensing and Division of Site Safety and Environmental Analysis, performed the audit in accordance with the Audit Plan. The audit plan was developed in accordance with NRO-REG-108, *“Regulatory Audits,”* and guidance set forth in *“Staff Process for Determining if a Supplement to an Environmental Impact Statement is Required In Accordance with Title 10 of the Code of Federal Regulations, Part 51.92(a) or 51.72(a),”* Agencywide Documents Access and Management System (ADAMS) accession number ML13199A170.

#### Objectives

The objectives of the audit were to determine if NINA had developed a methodology for searching for new and significant information; if NINA followed that methodology; and if any new information found was duly supported by documentation to support NRC determination of whether a supplement of the final environmental impact statement is required as addressed in 10 CFR 51.92.

#### Audit Location and Dates

The audit was held at the offices of WEC, 12300 Twinbrook Parkway, Suite 150, Rockville, Maryland, 20852, on Monday, February 2, 2015, beginning at 9:00 am. The audit was concluded at 4:00 pm on Monday, February 2, 2015.

### Audit Team Members

The NRC staff attending the audit and their areas of responsibility is as follows:

Name	Area of Responsibility
Mark Notich	Environmental Project Manager
Tami Dozier	Radiation, Site Layout and Plant Description
Jack Cushing	Historic/Cultural Resources, Cumulative Effects
Nancy Kuntzleman	Aquatic and Terrestrial Ecology
Stacey Imboden	Meteorology, Air Quality
Dan Mussatti	Need for Power, Socio-economics, Environmental Justice, Benefit/Costs, Demographics
Pat Vokoun	Land Use, Human Health, Transmission Lines, Alternatives, Transportation
Dan Barnhurst	Groundwater, Hydrology
Mohammad Haque	Hydrology

### Applicant Audit Team Members

The applicant's audit team members attending the audit and their affiliations were as follows:

Name	Affiliation
Russell Kiesling	Nuclear Innovation North America LLC (NINA)
Peggy Travis	South Texas Project Nuclear Operating Company (STPNOC)
James Fisicaro	Toshiba America Nuclear Energy (TANE)
Scott Head	Nuclear Innovation North America LLC (NINA)

### Documents that were Audited

The audit focused on the results of NINA's process for identifying new and potentially significant information related to STP 3 and 4 environmental review as documented in NUREG-1937 issued in February 2011. NINA provided an Excel spreadsheet which detailed its' review of every section in NUREG-1937 and reported whether or not any new information was found that related to that section. NINA also provided supporting documentation for any new information found in publicly available reports, publicly available web pages, and previously issued NRC documents. NINA also provided a methodology for how NINA searched for new information.

## Audit Activities

The audit was performed in accordance with the audit plan (ML13199A170). The audit began with an opening statement and safety briefing by Scott Head (NINA). Mr. Head then described the information that was available to the NRC audit team. Mark Notich (NRC) followed this with thanks to NINA for coordinating the logistics of the meeting and for providing the results of the new and significant information process for NRC review. Mr. Notich described the objectives of the audit and stated that the meeting was the initial step in the new and significant information process and that follow up activities were likely to occur. The NRC audit team then introduced themselves and their areas of responsibilities.

The NRC audit team then reviewed the new information detailed on the Excel spreadsheet provided by NINA and any supporting documentation.

As each NRC audit team member concluded their activities, they individually debriefed the NRC Environmental Project Manager on their findings or assessments.

## Exit Briefing

At 3:20 pm, the NRC Environmental Project Manager called the exit briefing to order. The NRC audit team determined that NINA did have a written methodology for performing their new and significant information process and did follow that methodology in developing the Excel spreadsheet.

The issue that was consistently expressed by the NRC audit team during their individual debriefings, and subsequently relayed to NINA, was the need to analyze the supporting information provided by NINA to determine if the new information warranted a recommendation from the audit team to NRO management to develop a supplement to the FEIS. In some instances the NRC audit team felt comfortable accepting NINA's determination but the NRC audit team felt more investigation was needed for the majority of the new information in order for the NRC audit team to be comfortable with the information being non-significant.

The NRC audit team specifically decided to closely review Table 7-1, "*Past, Present, and Reasonably Foreseeable Future Projects and Other Actions Considered in the STP Cumulative Analysis,*" in Section 7.0, "Cumulative Impacts," to make additions or deletions and bring the table up to date and then do an analysis for significance.

Because the Commission is in the process of developing a Tribal Policy Statement, the audit team felt they needed to have a discussion with the NRC Office of Nuclear Reactor Regulation, Division of License Renewal staff, who developed the license renewal EIS for STP Units 1 and 2, about tribal consultations performed for license renewal and the possible need to initiate more communications with the potentially affected tribes concerning Units 3 and 4.



The NRC audit team also looked into the issue of the salt wedge that migrates upstream and downstream in the Lower Colorado River. The location of the salt wedge depends on the flow in the Lower Colorado River<sup>1</sup>. The area where STP is located has been in a drought since 2010 and flows in the Colorado River have been affected. The NRC audit team wants to determine if these flow fluctuations have caused any additional impacts due to the salt wedge than were presented in NUREG-1937.

#### Potential for Requests for Additional Information

The NRC audit team did not discuss issuing any requests for additional information (RAI) during the audit. However, depending on further assessment of supporting information, the NRC audit team may need to issue RAIs.

#### Open Items and Proposed Closure Paths

The primary open item from the audit is the need for the audit team to determine whether or not any of the new information provided by NINA is significant and would result in the development of a recommendation to NRO management to supplement the STP FEIS. The proposed closure path is for the audit team to complete the assessment activities needed to justify or defend the determination that new information developed by NINA will or will not result in the development of a supplement to the STP FEIS. This will be accomplished by the audit team members accessing the appropriate technical documents and web pages used by NINA and determining what other information is needed, then accessing and analyzing that information to see if a supplement is required.

The NRC audit team has talked with the Lower Colorado River Authority (LCRA) and requested that a teleconference be set up between NRC and LCRA hydrologists to discuss the salt wedge issue. The date and time of this meeting has not been finalized at the time of the preparation of this audit summary report.

The NRC audit team will also determine if additional communications with potentially affected tribal groups is needed concerning STP Units 3 and 4.

#### Deviations from the Audit Plan

There were no deviations from the audit plan.

<sup>1</sup> Lower flow rates in the Colorado River result in the salt wedge travelling further up the river due to reduce flow pressure. Higher flow rates in the river result in the salt wedge being driven further down the river towards the Gulf of Mexico. Staff is interested in determining if the drought could have resulted in the salt wedge moving further up river than normal or staying in place longer and causing subsequent environmental impacts.

## ATTACHMENT 2

### PLAN FOR AUDITING THE RESULTS OF THE APPLICANT'S PROCESS FOR IDENTIFYING NEW AND POTENTIALLY SIGNIFICANT INFORMATION RELATED TO THE SOUTH TEXAS PROJECT UNITS 3 & 4 ENVIRONMENTAL REVIEW FEBRUARY 2, 2015

#### **Background**

The Final Environmental Impact Statement (FEIS) for Combined Licenses (COLs) for South Texas Project (STP) Units 3 & 4 (NUREG-1937) was published in February 2011 the staff is now proceeding with activities as outlined in the *Staff Process for Determining if a Supplement to an Environmental Impact Statement is Required in Accordance with Title 10 of the Code of Federal Regulations, Part 51.92(a) or 51.72(a)* (Agencywide Document Access & Management System (ADAMS) Accession Number (ML120950050)). One of those activities is for the staff to audit the new information identified by Nuclear Innovation North America LLC (NINA) regarding the FEIS and NINA's process for identifying new and potentially significant information. The staff will also determine whether any further analyses of new information identified by NINA are warranted.

#### **Regulatory Audit Bases**

Staff activities will be based on NRO-REG-108, *Regulatory Audits; and Staff Process for Determining if a Supplement to an Environmental Impact Statement is Required in Accordance with Title 10 of the Code of Federal Regulations, Part 51.92(a) or 51.72(a)*.

#### **Regulatory Audit Scope or Methodology**

The audit will focus on three aspects of the new information process employed by NINA:

- 1) Is there a defined and adequate process which guided NINA in the identification of new information and in determinations on the potential significance of the new information? Did NINA follow that process?
- 2) Is any identified new information supported by references or documented materials?
- 3) Does any new information require further analysis by the staff to determine if it rises to the level of requiring a supplement to the FEIS.

#### **Information and Other Material Necessary for the Regulatory Audit**

The staff needs the FEIS; the documented process NINA followed; the EXCEL spreadsheets identifying the new information developed by NINA, and documentation supporting NINA's determination whether identified information is new and potentially significant.

## Team Assignments

Name	Area of Responsibility
Mark Notich	Project Manager
Jennifer Dixon-Herrity	Branch Chief
Tamsen Dozier	Hydrology
Pat Voukon	Land Use, Alternatives, Human Health
Nancy Kuntzleman	Aquatic and Terrestrial Ecology
Stacy Imboden	Meteorology
Dan Mussatti	Need for Power, Environmental Justice, Socio-economics, Cost/Benefit analysis
Dan Barnhurst	Hydrology
Jack Cushing	Cultural/Historic Resources, Cumulative Impacts

## Logistics

The audit will take place at the Westinghouse Electric Co., 12300 Twinbrook Parkway, Rockville, MD 20852 starting at 9:00 am on Monday, February 2, 2015. The entrance briefing led by Mark Notich, NRO/DNRL/EPB, will begin at 9:00 am on February 2, 2015. The exit briefing will depend on the time the staff needs to thoroughly review the information collected by NINA. The conference areas where the audit will occur have been reserved for both February 2 and 3, in case additional time is needed.

NINA will provide hardcopy printouts of the Excel spreadsheet which contains the information that was assessed during NINA's process for identifying new and potentially significant information. Documentation supporting NINA's decisions on what is new and potentially significant information will be available via computer to the staff.

The proposed schedule for the audit is as follows:

### Monday, February 2, 2015

9:00 am – Staff arrives at Westinghouse Electric offices in Rockville.

9:15 am – Introduction of audit attendees and discussion of audit objectives, logistics, and the audit schedule

9:45 am – Staff begins review of data and documentation from NINA

11:30 am – Break for lunch

1:00 pm – Staff resumes review of data and documentation

2:00 pm – exit briefing (tentative)

3:00 pm – staff departs from Westinghouse electric offices in Rockville (tentative)

Tuesday, February 3, 2015

9:00 am – Staff arrives at Westinghouse Electric offices in Rockville (tentative)

Remainder of the day (tentative)

### **Special Requests**

The staff has requested that each audit team member receive a copy of the Excel spreadsheet from NINA which contains the results of the new information process.

The staff also requested that a computer with all documentation developed by NINA in support of the new information process be available for staff use.

### **Deliverables**

The staff will develop and issue an audit report in accordance with NRO-REG-108 that will be placed on the docket and in ADAMS within 90 days of the completion of the audit.

### **References**

U.S. Nuclear Regulatory Commission (NRC). 2009. *Regulatory Audits*. NRO-REG-108, Washington, D.C.

U.S. Nuclear Regulatory Commission (NRC). 2011. *Environmental Impact Statement for Combined Licenses (COLs) for South Texas Project Electric Generating Station Units 3 and 4, Final Report*. NUREG-1937, Washington, D.C.

U.S. Nuclear Regulatory Commission (NRC). 2014. *Staff Process for Determining if a Supplement to an Environmental Impact Statement is Required in Accordance with Title 10 of the Code of Federal Regulations, Part 51.92(a) or 51.72(a)*. (ADAMS Accession No. ML120950050), Washington, D.C.