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October 5, 2015

In reply refer to: NRC_2014_0317_001

Marissa G. Bailey, Director
Division of Fuel Cycle Safety, Safeguards, and Environmental Review
Office of Nuclear Material Safety and Safeguards
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

RE: Section 106 Consultation Regarding the Proposed Amendment to License No. DPR-7 for the Humboldt Bay Power Plant Unit 3 License Termination Plan (Docket No. 50-133)

Dear Ms. Bailey:

Thank you for your letters of February 18, 2015, and August 6, 2015, consulting with me for the above-referenced project in order to comply with Section 106 of the National Historic Preservation Act of 1966 and its implementing regulation at 36 CFR § 800. The Nuclear Regulatory Commission (NRC) has requested my concurrence that the approval of the License Termination Plan (LTP) for the decommissioning of Humboldt Bay Power Plant Unit 3 (Unit 3) will have no effect on historic properties.

The undertaking is the NRC's approval of the LTP which, as described in your letter, includes the adequacy of the licensee's decommissioning funding plan to ensure that sufficient funding is available to complete the remaining radiological remediation activities, the radiation-release criteria for license termination, and the adequacy of the design of the final survey to verify that the release criteria have been met. The primary objective of the decommissioning, as I understand from the NRC's initial request for comment dated March 12, 2014, is to restore the land at Unit 3 to an unrestricted release to its formerly occupied condition (prior to initial construction). Many of the structures associated with Unit 3, including all generation components, have already been demolished or removed per the February 18, 2015, letter. The following features remain: spent fuel pool, caisson, waste buildings and vaults, as well as dredging and remediating the intake and discharge canals.

As the NRC is amending a license, which includes the decommissioning and dismantling of remaining on-site facilities, the license amendment and approval of the LTP meets the definition of an undertaking as defined in 36 CFR Part 800.16(y). Unit 3 was commissioned in 1963, making it over 50 years old. This is the standard threshold for evaluating properties part of a federal undertaking for potential eligibility to the National Register of Historic Places. Additionally the project will involve ground disturbance, raising the potential for affecting archaeological resources.

The NRC has defined the Area of Potential Effect (APE) for the undertaking as the site

of Unit 3, including the intake and discharge canals and other associated structures, as well as the remainder of the 143-acre Humboldt Bay Power Plant site and locations where site activity can be seen or heard.

The California Energy Commission (CEC) recommended, via the licensing process for the new Humboldt Bay Generating Station (HBGS), that Unit 3 was eligible for listing on the National Register of Historic Places. As part of the HBGS licensing procedure, PG&E prepared the following mitigation as described in the 2013 Cultural Resources Inventory and Evaluation attached to the August 6, 2015 letter:

- Full HABS/HAER documentation (HAER No. CA-2293)
- Interactive Museum Exhibit at the Clark Historical Museum in Eureka, California
- Preparation and publication of *From Sawdust to Uranium: The History of Electrical Power Generation in Humboldt County and Pacific Gas & Electric Company's Humboldt Bay Power Plant, 1883-2015* (Root and Hebert, 2013)
- Donation of archival materials to the Humboldt State University Special Collections
- Installation of a mural on the administration building at the Humboldt Bay Power Plant, depicting the history of the facility

The NRC, per the February 18, 2015, letter has determined that Unit 3 is eligible for listing in the National Register of Historic Places (NRHP). The NRC has also determined that the APE contains no archaeological resources, given the extent of previous disturbance. The NRC has also determined that the approval of the LTP would have no affect to historic properties.

The NRC's February 18, 2015 letter states that although 10 CFR 50.82(a)(9) requires the licensee to identify remaining dismantlement activities in its LTP, the NRC's approval or disapproval of the LTP does not control the licensee's demolition or dismantlement of any buildings or structures. However, since the demolition of Unit 3 is required to return the site to pre-construction conditions and the license cannot be terminated without approval of the LTP per 10 CFR 50.82(a)(11), it would appear that the demolition of the remaining Unit 3 facilities is directly related to the NRC's approval of the LTP.

After reviewing the information submitted with your letter, I offer the following comments:

- I concur that APE is sufficient for the proposed undertaking, per 36 CFR §800.4(a)(1).
- Based on the information provided in the February 18 and August 6, 2015, consultation packages, the NRC has not provided sufficient information at this time for concurrence that Unit 3 is eligible for listing in the NRHP. As stated in the February 18, 2015 letter, many of the facilities associated with Unit 3 have been demolished as of November, 2014. The consultation materials provided to date do not discuss which facilities have been demolished and which remain, or evaluate the significance or integrity of the existing facility. Absent a discussion of the existing historic integrity of Unit 3, I cannot concur at this time on the eligibility of this property.

- As such, I cannot concur at this time that the undertaking will have no affect to historic properties. I am unable to determine the effect of the undertaking or comment on potential appropriate mitigation, however I understand that the demolition cannot be avoided or minimized, per 36 CFR §800.1(a), in order to achieve the goal of pre-construction site conditions. I recommend that the NRC ensure that the LTP includes sufficient funding for any additional mitigation that may be necessary.

Thank you for considering historic properties as part of you project planning and I look forward to future consultations with you. Please direct any questions or concerns that you may have to Kathleen Forrest at 916-445-7022 or at kathleen.forrest@parks.ca.gov.

Sincerely,



Julianne Polanco
State Historic Preservation Officer

Cc: Alan Bjornsen, NRC (via email)
Stephanie Cimino, PG&E (via email)
David Sokolsky, PG&E (via email)
John Eddins, ACHP (via email)