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

FEB 4 1980

Docket Nos. 50-483
and 50-486

Ms. Treva J. Hearne
Assistant General Counsel
Missouri Public Service Commission
P. O. Box 360
Jefferson City, Mo. 65102

Dear Ms. Hearne:

Your letter of January 15, 1980, cites Union Electric's letter of October 19, 1979, as raising questions regarding the status of Callaway Plant, Unit 2. First of all, the Union Electric application of April 30, 1974, to the Atomic Energy Commission was "...an Application for two Construction Permits and two Operating Licenses for a nuclear power plant to be designated Callaway Plant, Units 1 and 2, both of which are Standardized Nuclear Unit Power Plant System (SNUPPS) units." Thus, their recent (October 1979) filing with this Commission was appropriately an amendment to that application, regardless of the scope of action sought.

The balance of their October 1979 filing appears to be in accord with Harold Denton's letter of August 9, 1978, to the SNUPPS applicants. The principal purpose of Mr. Denton's letter was to advise the applicants as to how the NRC staff viewed the overall review of the SNUPPS applications at the operating license stage of review. (A copy of this letter was addressed to Michael K. McCabe, Esq., First Assistant Commission Council, Missouri Public Service Commission.)

Basically, this letter informed the original four SNUPPS applicants that the SNUPPS FSAR for all plants would be submitted to the Commission at the first time that an operating license was sought for one of the SNUPPS plants. After this "lead plant" application has been accepted for review, we will provide opportunity for hearings on safety and environmental matters affecting this plant. In addition, we will also provide opportunity for hearings on safety matters relating to this FSAR and the other SNUPPS plants. After completing our review of the SNUPPS design, we will issue a single Safety Evaluation Report (SER) which will be applicable to all SNUPPS applications unless good cause for exception can be shown.

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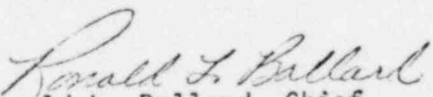
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I would like to point out that, although the applications for the Callaway Units were for both construction and operation, the resulting Commission action was the granting of construction permits only. Both our regulations and the procedures set forth in the August 9, 1978 letter from Mr. Denton identify the requirement for subsequent applications for operating licenses. Thus, the current action under consideration involves the issuance of an operating license for Callaway Unit 1 only. Application for the Unit 2 operating license will be submitted at some later date, at which time the application will be noticed in the Federal Register and all interested parties will have an opportunity to intervene.

I trust that this letter and the attached information helps to clarify the status of Callaway Unit 2 as we see it. Please let me know if I can be of further assistance.

Sincerely,


Ronald L. Ballard, Chief
Environmental Projects Branch 1
Division of Site Safety and
Environmental Analysis

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ANALYSIS OF H. R. DENTON LETTER OF AUGUST 9, 1978, AND
UNION ELECTRIC LETTER OF OCTOBER 19, 1979

A. Excerpts from Harold Denton's letter of August 9, 1978:

1. "The SNUPPS FSAR will be submitted with the operating license application for the lead SNUPPS plant, along with site-related and applicant-related portions of the FSAR and with the Environmental Report for that application. ---this lead application, including the complete FSAR and the ER, can be submitted on the order of 2-1/2 to 3 years prior to the projected construction completion for the first unit."
2. "After this application has been accepted for review, we plan to issue a notice of opportunity for hearing on both environmental and safety matters for the lead SNUPPS plant application. For the other three SNUPPS plants, we also plan to issue, at that time, notices for receipt of the SNUPPS FSAR which the applicants intend to reference in their operating license applications, and will also notice the opportunity for hearing on safety matters relating to the SNUPPS FSAR for these plants."
3. Each of (the) succeeding applications, including (the site-related and applicant-related portions of the FSAR and the Environmental Report) also should be submitted for review on the order of 2-1/2 to 3 years prior to the projected construction completion date for each of the other three plants."
4. "After we complete our review of the SNUPPS design, including the receipt of a favorable ACRS report, we will issue a single Safety Evaluation Report (SER) for this design which will be applicable to all four SNUPPS applications, except for good cause (such as extended delays in construction for later plants after the SER has been issued)."

B. Union Electric's letter of October 19, 1979:

1. The information submitted with respect to Callaway Plant Unit 1 complies with item 1 from Denton's letter. Callaway Plant Unit 1 is the lead SNUPPS plant. The October 1979 date is some 2-1/2 years prior to the Union Electric estimated fuel-load date of April 1982.

2. The material submitted with respect to Callaway Plant Unit 2 complies with item 2 from Denton's letter in that the SNUPPS FSAR for Unit 2 (as well as for Sterling and Wolf Creek) will be noticed for receipt at the time that we accept the Callaway Unit 1 amended application for review. Since Unit 2 shares the Callaway site with Unit 1, there is no reason why Union Electric should not point out to us that the site-related and applicant-related portions of the FSAR as they apply to Unit 2 will be the same as those portions as they apply to Unit 1. With respect to the Environmental Report, we find no fault with Union Electric's submission of a Report that addresses the operational impacts of both units, and, in fact, prefer this approach. (This does not imply that we have determined that the Union Electric Environmental Report submitted with their October 1979 amended application is satisfactory; our acceptance review of that document has not yet begun.) However, our Environmental Statement will be prepared for Unit 1 only, and the staff conclusions and recommendations contained in that Statement will address only the issue of whether or not an Operating License should be granted for Unit 1.
3. We will expect a later amended application from Union Electric addressing an operating license for Unit 2. As outlined in item 3 from Denton's letter, this would normally include the site/applicant related portions of the FSAR, and the ER. For Unit 2, we would expect these specific documents to represent updates of the material provided for Unit 1. All material submitted will be subjected to an acceptance review by the staff before the amended application for a Unit 2 operating license would be docketed.
4. As noted in item 4 from Denton's letter, we do plan to issue a single SER which will apply to all SNUPPS applications, including both Callaway units. However, there can be exceptions to this, and the example cited specifically refers to extended delays in construction for later plants after the SER is issued. This may affect Callaway Unit 2; but we are not in a position to make such a judgement at this time. In any event, it is always true that any nuclear power plant must meet all current NRC requirements before it can receive an operating license.