

UNITED STATES NUCLEAR REGULATORY COMMISSIONOMAHA PUBLIC POWER DISTRICTDOCKET NO. 50-285ENVIRONMENTAL ASSESSMENT AND FINDING OF NO SIGNIFICANT IMPACT

The U.S. Nuclear Regulatory Commission (the Commission) is considering issuance of an exemption from the schedular requirement of 10 CFR 50.54(w)(1) to the Omaha Public Power District (licensee) for the Fort Calhoun Station, Unit 1, located at the licensee's site in Washington County, Nebraska.

ENVIRONMENTAL ASSESSMENT

Identification of the Proposed Action: The proposed action would grant an exemption to the licensee from Section 50.54(w)(1) of 10 CFR Part 50 which was recently amended to require that the licensees of nuclear power reactors maintain a minimum insurance coverage in the sum of \$1.06 billion to provide financial security for stabilizing and decontaminating their operating nuclear power reactors in the event of an accident. The new requirement became effective on October 5, 1987 and the regulation provides for a 60 day grace period in which a licensee could comply with the requirements. By letters dated October 2, 1987 from the licensee's counsel's and October 5, 1987 from the licensee, the licensee requested an exemption to 10 CFR 50.54(w)(1), which would defer the due date for acquiring the full amount of property insurance required by the regulation.

The Need for the Proposed Action: Currently, the licensee maintains \$585 million of property insurance obtained through American Nuclear Insurers and the Mutual Atomic Energy Reinsurance Pool. The only source of additional insurance to comply with the Commission's recently amended Section 50.54(w)(1) is Nuclear Electric Insurance Limited (NEIL). However, NEIL is a mutual company and under the provisions of the Nebraska law, the licensee is prohibited from becoming a subscriber to the stock or any portion of interest of any corporation or association. The licensee is a political subdivision of the State of Nebraska. In an effort to satisfy the limitations of Nebraska law, NEIL amended its charter and by-laws to issue appropriate policy endorsements. Based upon NEIL's actions, the licensee submitted an application to NEIL for decontamination and property insurance. By letter from NEIL dated June 28, 1985, the licensee was advised NEIL would not issue a policy to the licensee until the licensee had secured a declaratory judgment from the Nebraska Supreme Court that non-voting membership in NEIL and the issuance of policies with appropriate endorsements would not violate the Nebraska Constitution. On July 1, 1985, the licensee, commenced an action for a declaratory judgment in the District Court. The District Court issued its decision on December 1, 1986 in which it declined to grant a declaratory judgment. The licensee has appealed the ruling of the District Court to the Nebraska Supreme Court where the matter currently is pending. In the event the Nebraska Supreme Court ultimately refuses to grant a declaratory judgment that the licensee may, consistent with Nebraska law, purchase insurance from NEIL, the licensee asserts that it plans to commence an action for a declaratory judgment in the United States District

Court in Nebraska and ask the Federal court to declare that the Commission's new regulation preempt any provisions of the Nebraska law.

Environmental Impact of the Proposed Action: The proposed exemption affects only the required date for the licensee to be in compliance with the regulation and does not affect the risk of facility accidents. Thus, post-accident radiological releases will not differ from those determined previously, and the proposed exemption does not otherwise affect facility radiological effluents, or any significant occupational exposures. With regard to potential non-radiological impacts, the proposed exemption does not affect plant non-radiological effluents and has no other environmental impact. Therefore, the Commission concludes there are no measurable radiological or non-radiological environmental impacts associated with the proposed exemption.

Alternative Use of Resources: This action does not involve the use of resources not considered previously in the Final Environmental Statement for Fort Calhoun Station, Unit 1.

Agencies and Persons Consulted: The NRC staff reviewed the licensee's request and did not consult other agencies or persons.

FINDING OF NO SIGNIFICANT IMPACT:

The Commission has determined not to prepare an environmental impact statement for the proposed exemption. Based upon the environmental assessment, the NRC staff concludes that the proposed action will not have a significant effect on the quality of the human environment.

For further details with respect to this proposed action, see the licensee's letter dated October 5, 1987 and that of its counsel, dated October 2, 1987. The letters available for public inspection at the Commission's Public

Document Room, 1717 H Street, Washington, D.C. 20555 and at the Local Public Document Room in the W. Dale Clark Library, 215 South 15th Street, Omaha, Nebraska 68102.

Dated at Bethesda, Maryland this 25th day of November, 1987.

FOR THE NUCLEAR REGULATORY COMMISSION

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