



7590-01-P]

**NUCLEAR REGULATORY COMMISSION**

**[Docket Nos. 52-027 and 52-028; NRC-2008-0441]**

**South Carolina Electric & Gas Company**

**Virgil C. Summer Nuclear Station, Units 2 and 3**

**AGENCY:** Nuclear Regulatory Commission.

**ACTION:** Termination of licenses.

**SUMMARY:** The U.S. Nuclear Regulatory Commission (NRC) is terminating the Virgil C. Summer Nuclear Station (VCSNS), Units 2 and 3, Combined Licenses (COLs) designated as NPF-93, and NPF-94, and their included licenses to manufacture, produce, transfer, receive, acquire, own, possess, or use byproduct material. By letter dated December 27, 2017, the South Carolina Electric & Gas Company (SCE&G) requested that the NRC terminate the VCSNS COLs. Although construction was initiated for VCSNS Units 2 and 3, nuclear materials were never possessed under these licenses. Consequently, the VCSNS site is approved for unrestricted use.

**DATES:** The letter terminating the VCSNS COLs was issued on March 6, 2019.

**ADDRESSES:** Please refer to Docket ID NRC-2008-0441 when contacting the NRC about the availability of information regarding this document. You may obtain publicly-available information related to this document using any of the following methods:

- **Federal Rulemaking Web site:** Go to <http://www.regulations.gov> and search for Docket ID **NRC-2008-0441**. Address questions about NRC Docket IDs in Regulations.gov to Krupskaya Castellon; telephone: 301-287-9221; e-mail: [Krupskaya.Castellon@nrc.gov](mailto:Krupskaya.Castellon@nrc.gov). For technical questions, contact the individual listed in the **FOR FURTHER INFORMATION CONTACT** section of this document.

- **NRC's Agencywide Documents Access and Management System**

**(ADAMS):** You may obtain publicly-available documents online in the ADAMS Public Documents collection at <http://www.nrc.gov/reading-rm/adams.html>. To begin the search, select "Begin Web-based ADAMS Search." For problems with ADAMS, please contact the NRC's Public Document Room (PDR) reference staff at 1-800-397-4209, 301-415-4737, or by e-mail to [pdr.resource@nrc.gov](mailto:pdr.resource@nrc.gov). The ADAMS accession number for each document referenced (if it is available in ADAMS) is provided the first time that it is mentioned in this document.

- **NRC's PDR:** You may examine and purchase copies of public documents at the NRC's PDR, Room O1-F21, One White Flint North, 11555 Rockville Pike, Rockville, Maryland 20852.

**FOR FURTHER INFORMATION CONTACT:** William (Billy) Gleaves, Office of New Reactors, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001; telephone: 301-415-5848; e-mail: [Bill.Gleaves@nrc.gov](mailto:Bill.Gleaves@nrc.gov).

## **SUPPLEMENTARY INFORMATION:**

### **I. Background**

The NRC issued COLs NPF-93, and NPF-94, to SCE&G for VCSNS Units 2 and 3 on March 30, 2012 (ADAMS Package Accession Nos. ML113190371 and ML113190715, respectively). Since issuance of the licenses, SCE&G has procured construction materials and has begun construction on the site. By letter dated August 17, 2017 (ADAMS Accession No. ML17229B487), the NRC received formal notification from SCE&G that VCSNS Units 2 and 3 construction had been stopped and the COLs placed in terminated status, consistent with the Commission's policy statement on deferred and terminated plants. In that letter, SCE&G indicated that it would follow-up with a request to disposition its COLs. SCE&G's stoppage of construction activities

at VCSNS Units 2 and 3, on July 31, 2017, coincided with the departure of most construction workers, support personnel, and managers.

By letter dated December 27, 2017 (ADAMS Accession No. ML17361A088), SCE&G informed the NRC that it is requesting withdrawal of the COLs, and the included title 10 of the *Code of Federal Regulations* (10 CFR) parts 30, 40, and 70 licenses for VCSNS Units 2 and 3. Co-licensee Santee Cooper responded to SCE&G's request for withdrawal of the VCSNS Units 2 and 3 COLs in its January 8, 2018, letter to the NRC (ADAMS Accession No. ML18010A068). Santee Cooper requested that NRC not take action on SCE&G's COL withdrawal request for 180 days, or such time as might be necessary for Santee Cooper to evaluate whether to seek transfer of the VCSNS Units 2 and 3 COLs. Santee Cooper also raised questions regarding the appropriate regulation for COL withdrawal and the rights of co-licensees in a withdrawal action.

By letter dated January 25, 2018, SCE&G requested an order approving the indirect transfer and control of operating licenses and combined licenses for the VCSNS, Units 1, 2, 3, and the associated Independent Spent Fuel Storage Facility due to the proposed merger between SCANA Corporation and Sedona Corporation, a South Carolina corporation and subsidiary of Dominion Energy. In that letter (ADAMS Accession No. ML18025C035) SCE&G noted that it had previously requested NRC withdraw the combined licenses for VCSNS, Units 2 and 3, and that it sought the indirect transfer of those COLs to the merged corporation if the merger occurred before the COL termination was approved by NRC. The merger between Dominion Energy, Inc., and SCANA Corporation was approved by NRC on August 30, 2018 (ADAMS Accession No. ML18355A996). SCE&G's obligations as a co-owner and operator under the licenses for VCSNS, Units 1, 2, 3, and the associated Independent Spent Fuel Storage Facility did not change under the merger.

By letter dated July 23, 2018, Santee Cooper informed the NRC that it expected the Santee Cooper Board of Directors to resolve the issue of termination of the VCSNS Units 2 and 3 COL on August 20, 2018 (ADAMS Accession No. ML18206A230). The letter further stated that the senior Santee Cooper management would recommend that the VCSNS Units 2 and 3 COLs be terminated. By letter dated January 29, 2019 (ADAMS Accession No. ML19038A225), Santee Cooper informed the NRC that Santee Cooper's Board of Directors consented to SCE&G's request to terminate the VCSNS COLs.

## **II. License Termination**

Termination of COLs issued under 10 CFR part 52 is controlled by 10 CFR 52.110, "Termination of license." As discussed in "Current NRC Staff Views on Applying the 1987 Policy Statement on Deferred Plants" (ADAMS Accession No. ML18065B257), the NRC staff does not apply the requirements for termination in 10 CFR 52.110 to plants that have not begun operation. Requirements for termination of the included licenses under sections 30.36, 40.42, and 70.38 of 10 CFR include the submission of NRC Form 314, or equivalent information. The staff finds that SCE&G met these requirements through the information provided as part of its December 27, 2017, submission.

Along with their December 27, 2017, request to terminate the COLs, SCE&G provided a site redress plan to address the environmental impacts associated with the structures and materials remaining from the partial construction of the site. SCE&G estimates that less than 40 percent of the construction at the site was completed. Most of the environmental impacts outlined in the redress plan include the removal of equipment and structures associated with the halted construction of VCSNS Units 2 and 3. SCE&G stated that materials and structures removed would be above grade or in areas that have previously experienced substantial ground disturbance for the original

construction of the plant. Some structures and equipment would be abandoned in place. Redress would also include the removal of oil and lubricants associated with the construction activities in accordance with all applicable federal, state, or local laws and regulations. SCE&G stated that it would conduct periodic site inspections to ensure that none of the equipment or materials are causing environmental, health, or safety problems. SCE&G also stated that it would continue to maintain the site in compliance with all applicable environmental regulations and permit conditions after the termination of the COLs.

As no nuclear materials have been possessed under these licenses, there is no need for a site radiation survey to be conducted under 10 CFR parts 30, 40, or 70. With no radiological contamination associated with the licenses, the VCSNS site may be released for unrestricted use pursuant to 10 CFR 20.1402.

### **III. Environmental Review**

SCE&G seeks to terminate the VCSNS Units 2 and 3 COLs, for which nuclear material under these licenses was never brought onsite. Terminating a COL is a licensing action that would ordinarily require an environmental assessment under 10 CFR 51.21, unless a categorical exclusion in 10 CFR 51.22(c) applies and no special circumstances under 10 CFR 51.22(b) exist. Actions listed in 10 CFR 51.22(c) were previously found by the Commission to be part of a category of actions that “does not individually or cumulatively have a significant effect on the human environment.”

The categorical exclusion identified in 10 CFR 51.22(c)(20) includes:

Decommissioning of sites where licensed operations have been limited to the use of –

- (i) Small quantities of short-lived radioactive materials;

- (ii) Radioactive materials in sealed sources, provided there is no evidence of leakage of radioactive material from these sealed sources; or
- (iii) Radioactive materials in such a manner that a decommissioning plan is not required by 10 CFR 30.36(g)(1), 40.42(g)(1), or 70.38(g)(1) and the NRC has determined that the facility meets the radiological criteria for unrestricted use in 10 CFR 20.1402 without further remediation or analysis.

This categorical exclusion captures decommissioning activities at sites where contamination from radioactive material is determined to be nominal. In the case of VCSNS Units 2 and 3, no associated radiological contamination exists because nuclear material under these licenses was never brought on site. As a result, a decommissioning plan for this site is not required by 10 CFR 30.36(g)(1), 40.42(g)(1), or 70.38(g)(1), and the site meets the radiological criteria for unrestricted use in 10 CFR 20.1402 without further remediation or analysis. Further, no special circumstances under 10 CFR 51.22(b) apply. The factors listed in 10 CFR 51.22(c)(20) are consistent with the circumstances here because there is no radiological impact associated with the VCSNS COLs, which is even less than the nominal impacts anticipated by the categorical exclusion. Therefore, application of the categorical exclusion to the termination of the VCSNS COLs is warranted. Consequently, in accordance with 10 CFR 51.21, an environmental assessment is not required for the termination of COLs NPF-93 and NPF-94, and their included 10 CFR parts 30, 40, and 70 licenses.

#### **IV. Conclusion**

As discussed above, the Commission has determined that the VCSNS COL termination request meets the categorical exclusion criteria set forth in

10 CFR 51.22(c)(20) and that the unrestricted use criteria pursuant to 10 CFR 20.1402 are met. The Commission grants SCE&G's request to terminate the COLs designated as NPF-93 and NPF-94, and their included 10 CFR parts 30, 40, and 70 licenses for VCSNS Units 2 and 3. This license termination was effective upon SCE&G's receipt of NRC's termination letter, dated March 6, 2019 (ADAMS Accession No. ML18198A299).

Dated at Rockville, Maryland, this 8<sup>th</sup> day of March, 2019.

For the Nuclear Regulatory Commission.

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