

**FINDING OF NO SIGNIFICANT IMPACT**  
**TENNESSEE VALLEY AUTHORITY**  
BELLEFONTE PROPERTY DISPOSAL  
JACKSON COUNTY, ALABAMA

After halting construction at the Bellefonte Nuclear Plant (BLN) Property, the Tennessee Valley Authority (TVA) has considered various uses for the site. In 1997, TVA considered but ultimately decided against using some of the infrastructure to construct a natural gas power plant (*Final Environmental Impact Statement [EIS] for the Bellefonte Conversion Project*, Oct 1997). In 2007, TVA submitted a Combined License Application to the Nuclear Regulatory Commission (NRC) for the construction and operation of two new AP-1000 units, and in 2010, TVA completed a *Supplemental EIS for a Single Nuclear Unit at the Bellefonte Plant Site* (SEIS) which compared completion of one Babcock and Wilcox unit to one AP-1000 unit. Although TVA issued a Record of Decision in 2011 indicating an intention to complete a single Babcock and Wilcox unit, subsequent changes in TVA's power generation needs postponed this project indefinitely. TVA continues to hold NRC Construction Permits for BLN Units 1 and 2.

While the site would otherwise have strategic value to TVA as a possible location for a large generation facility, TVA determined in its 2015 *Integrated Resource Plan* that it likely would not have a need for such facilities for the next 20 years. In light of this determination, in April 2016 TVA provided the public 30 days to comment on whether TVA should continue to retain the site or sell it. Approximately 79 people or entities responded with a majority supporting the sale of the site.

In May 2016, the TVA Board authorized the sale of the BLN Property. The Board directed TVA staff to update and supplement the existing environmental review record in light of the purchaser's proposed use of the site and conditioned completion of the sale on TVA's Chief Executive Officer's determination that the environmental review satisfactorily addressed potential environmental impacts. The BLN Property was auctioned on November 14, 2016, and Nuclear Development, LLC, (Nuclear Development) was the successful bidder.

Although more recent reviews have updated baseline information, the TVA Board tasked staff with ensuring that available information continues to adequately reflect current conditions and determining whether the potential impacts associated with the proposed use of the site by the purchaser are satisfactorily addressed by the collective reviews and updated analysis. Because the purchaser Nuclear Development plans to complete the unfinished nuclear units, almost all of the previous reviews that TVA has conducted apply directly to this proposed use. Therefore, TVA has prepared an Environmental Assessment (EA) to update and supplement existing environmental information and data in light of the purchase of the site by Nuclear Development as directed by the Board. That EA for this proposed action is incorporated herein by reference.

## ALTERNATIVES

TVA evaluated two alternatives in the EA:

**Alternative A – No Action:** Under the No-Action Alternative, TVA would not dispose of the BLN Property and would continue to maintain the site. The majority of the site and all onsite infrastructure would be left in the “as-is” condition and the site would continue to be secured and monitored. Periodic inspections and critical maintenance would be performed as needed. TVA would maintain the National Pollutant Discharge Elimination System (NPDES) permit, implement the Integrated Pollution Prevention Plan, and perform environmental monitoring and reporting as required. Under Alternative A, TVA would continue to use the active firing range in accordance with best management practices. TVA would post signage notifying that inactive firing range 2 is closed and no shooting activities should occur at this location. For inactive firing range 3, TVA would remove and properly dispose of 225 cubic yards of soil from the berm and post signage notifying that range 3 is closed and no shooting activities should occur there.

**Alternative B – Complete the Sale of the BLN Property:** Under Alternative B, TVA would complete the sale of the approximately 1,400 acre BLN Property to the successful bidder Nuclear Development. TVA would retain ownership of the majority of the shoreline around the BLN Property. The sale includes the two partially constructed at least 1,200-megawatt electric (MWe) Babcock and Wilcox pressurized light water reactors and associated structures and support facilities (cooling towers, intake and discharge structure, ponds, etc.). Additional facilities on the site include 161-kilovolt (kV) and 500-kV switchyards and associated transmission lines, office buildings, simulator building, training center, warehouses, three firing ranges, parking lots, railroad spurs (from the BLN Property to the mainline where it passes through Hollywood), roads, laydown areas, and a helicopter landing pad. The approximately 35-acre Pole Yard Training Center would remain TVA property unless Nuclear Development notifies TVA prior to completion of the sale that it elects to take ownership of this land. Should Nuclear Development elect to assume ownership of the Pole Yard Training Center, TVA would retain a permanent easement for access to and use of the center or any replacement center. The Pole Yard Training Center land is considered part of the sale for the purposes of this EA to ensure the most conservative evaluation of potential impacts.

Based on the expressed intentions of the buyer, for purposes of this EA, TVA assumes that this sale would result in completion and operation of the two partially constructed nuclear reactor units. Nuclear Development currently plans to operate these units as a merchant power plant connected to the power grid through existing transmission lines. When completed and in operation, the nuclear units at the BLN Property are each expected to have at least 1,200 MWe capacity.

Under Alternative B, the two inactive firing ranges would be managed as described above. Because Nuclear Development has expressed the intention to continue to use the active firing range on the BLN Property, the transfer of the active firing range can be managed with the implementation of best management practices rather than closing the range. Implementation of Alternative B would allow Nuclear Development the opportunity to make beneficial use of the site, with corresponding economic benefits to the local community and Jackson County. One of TVA’s goals for the sale was to determine if TVA would better serve the public by retaining control of the site or proceeding with the sale. The purchase contract requires that Nuclear Development must make a cumulative total expenditure of \$25 million in capital improvements at the BLN Property or other areas in Jackson County, Alabama in connection with development of the BLN Property

within five years after the close of the sale. Therefore, TVA's preferred alternative is Alternative B, complete the sale of the approximately 1,400 acre BLN Property to Nuclear Development.

### **IMPACTS ASSESSMENT**

Based on the analyses in the EA, TVA concludes that the implementation of Alternative B would have no negative impact on wetlands, threatened and endangered species of plants, climate change, cultural and historic resources, and seismology. There would be minor and mostly temporary adverse impacts to air quality; noise; natural areas, parks, and recreation; and transportation primarily in association with construction activities. This is because the existing nuclear plant is substantially complete and the major site disturbances required for constructing a nuclear plant have already occurred.

There would be minor adverse impacts to land use, surface water, groundwater, floodplains, aquatic ecology, wildlife, vegetation, and threatened and endangered aquatic species and wildlife, with the implementation of Alternative B. Impacts to land use would be associated with the transfer of the property from federal to private ownership and subsequent rezoning of the property. It is expected that the minor impacts to surface water, aquatic ecology, vegetation, and threatened and endangered aquatic species and wildlife would largely be addressed through implementation of best management practices by Nuclear Development and their compliance with all local, state, and federal regulations. Minor impacts to floodplains would be addressed through deed covenants associated with the sale of the BLN Property and compliance with all local, state, and federal requirements.

There would also be minor impacts associated with hazardous materials, and solid and hazardous waste and radiological effects of normal operations from activities related to completing and operating a nuclear plant. Regarding the closure of firing range 3, hazardous materials, and solid and hazardous waste impacts would be minor because TVA would comply with applicable local, state, and federal requirements. Radiological effects of normal operations of the BLN Property would be minor because Nuclear Development would operate the site in compliance with NRC regulations.

Impacts to socioeconomics would include temporary and permanent minor increases in population, corresponding increased demand for housing, classroom space, and police and fire protection service. Beneficial impacts would include increases in employment opportunities, increases in expenditures for goods and services in the area, increased local tax revenues, and indirect benefits to retail and services. While beneficial impacts associated with construction would be temporary, some would extend over the life of the plant. The majority of these impacts would be beneficial to the community and Jackson County. These beneficial impacts would also apply to environmental justice communities in the area. Implementing Alternative B would not cause low-income or minority populations to be disproportionately affected by adverse environmental impacts.

### **PUBLIC AND INTERGOVERNMENTAL REVIEW**

The Draft EA for the proposed Bellefonte Property Disposal was released for comment on March 31, 2017. The Draft EA was also transmitted to various agencies and organizations and posted on TVA's public NEPA review website. A notice of availability including a request for comments on the Draft EA was published in newspapers serving the Jackson County, Alabama area. Comments were accepted through May 1, 2017, via TVA's website, mail, and e-mail.

A total of 30 comment letters, emails, and online comments were received from 28 individuals and organizations. Two individuals/organizations provided more than one submission. Of the 28 individuals and organizations that commented, 20 expressed support of the sale, four were opposed to the sale, and the remaining four had other comments. TVA's responses to the topics and issues raised in the comment submissions are provided in Appendix B of the Final EA.

Pursuant to Section 106 of the National Historic Preservation Act, TVA consulted with the Alabama State Historic Preservation Officer who concurred that the proposed action would not adversely affect any historic property that is eligible for listing on the National Register of Historic Places. TVA received no objection from any of the federally recognized Native American tribes.

## **MITIGATION**

The EA makes several assumptions about mitigation measures Nuclear Development would implement, in accordance with NRC guidelines and requirements and applicable law, to complete construction and operation of the nuclear units at the BLN Property. TVA assumes that final determination of mitigation measures associated with impacts from construction and operation of the BLN Property would be determined after thorough environmental review and further NEPA analyses by the NRC. TVA is able to make assumptions about the likely mitigation measures based on past TVA experience with NRC licenses and requirements. TVA discusses these assumptions in this EA to inform TVA's assessment of the impacts of TVA's current proposed action of selling the BLN Property to Nuclear Development. TVA's analysis in the EA is based on the assumption that Nuclear Development would comply with all applicable federal, state, and local regulations and would apply standard best management practices. However, except with respect to the mitigation measures specifically noted below as being imposed by TVA, TVA would not be responsible for determining the final mitigation measures or assuring Nuclear Development's compliance with them.

## **Floodplains**

Portions of the tract proposed for disposal contain floodplain resources. Development within the few portions of the BLN Property along the shorelines or within the floodplains could require a Section 26a permit or Land Use approval from TVA. If such development is proposed by Nuclear Development, TVA would consider potential loss of flood control storage and other floodplain impacts in determining the conditions for issuing a permit. Under the 26a permit, any dredged material will be disposed of on land lying outside the 100-year floodplain and above the 500-year flood elevation.

The following commitments would be included in the sale deed (noting that all elevations are referenced to National Geodetic Vertical Datum 1929):

- Any future activities will be subject to all applicable federal, state, or local floodplain regulations.
- Any future development proposed within the limits of the 100-year floodplain (Elevation 601.7), including fill, will be consistent with the requirements of Executive Order 11988, and any amendments thereto. No improvements or fill will be placed within the 100-year floodplain without TVA's prior written approval.

- All future development will be consistent with the requirements of the TVA Flood Control Storage Loss Guideline.
- TVA retains the right to permanently flood this area to elevation 595.44 feet and to temporarily and intermittently flood land in this area lying below elevation 603.4. This area is potentially subject to flooding, and TVA will not be liable for damages due to flooding.
- Any future facilities or equipment subject to flood damage will be located above or floodproofed to elevation 605.4.

**Wetlands**

The deed would require Nuclear Development to comply with requirements proscribed by the United States Army Corps of Engineers (USACE) for impacts to wetlands located on the BLN Property and other applicable laws.

**Threatened and Endangered Species – Aquatic Species**

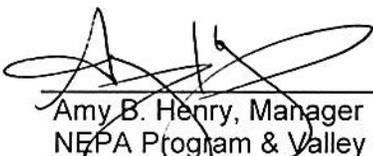
In a letter dated April 15, 2010, in response to TVA’s Endangered Species Act consultation with respect to the 2010 SEIS, the USFWS issued an Endangered Species Act biological opinion (BO) for construction and operation of one unit at the BLN Property. The BO contains an “incidental take” permit that allows for impacts to the federally listed endangered pink mucket. If either action alternative evaluated in the 2010 SEIS had been implemented, TVA would have provided a total of \$30,000 to be used for research and recovery of pink mucket and high priority mollusks within their historic ranges (2010 SEIS Vol. 2, Appendix H). As neither action alternative was pursued, this transaction has not occurred, and TVA is no longer required to commit to this payment. Nuclear Development may be required to apply for a TVA Section 26a permit should site development occur. TVA would review any application and determine if any additional coordination with USFWS is required for issuance of this permit. Additionally, NRC would conduct consultation with the USFWS as part of the environmental review process for any application submitted by Nuclear Development. Impacts and mitigation that Nuclear Development would implement to reduce effects to any federally listed species would be reviewed and reassessed at that time.

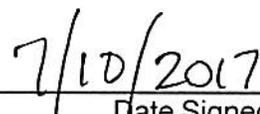
**Cultural and Historic Resources**

TVA determined and marked the boundary of Fennell Cemetery. The sale deed will include a covenant enjoining the buyer from conducting any ground disturbing activities within the marked cemetery.

**Conclusion and Findings**

Based on the findings in the EA, TVA concludes that implementing Alternative B – Completion of the Sale of the BLN Property would not be a major federal action significantly affecting the environment. Accordingly, an environmental impact statement is not required to implement Alternative B.

  
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 Amy B. Henry, Manager  
 NEPA Program & Valley Projects  
 Environmental Compliance and Operations  
 Tennessee Valley Authority

  
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 Date Signed

