

June 24, 2015

Mr. Daniel D. Saunders
Deputy State Historic Preservation Officer
Historic Preservation Office
Dept. of Environmental Protection
State of New Jersey
P.O. Box 404
Trenton, NJ 08625-0404

SUBJECT: NOTIFICATION OF POTENTIAL ADVERSE EFFECT FROM THE PSEG EARLY
SITE PERMIT APPLICATION REVIEW IN SALEM COUNTY, NEW JERSEY

Dear Mr. Saunders:

The U.S. Nuclear Regulatory Commission (NRC) is reviewing an application submitted by PSEG Power, LLC and PSEG Nuclear, LLC (PSEG) for an Early Site Permit (ESP) for a new nuclear power plant site, which is located on the southern part of Artificial Island on the east bank of the Delaware River in Lower Alloways Creek Township, Salem County, New Jersey. The proposed site is adjacent to the existing Hope Creek Generating Station and Salem Nuclear Generating Station, Units 1 and 2. As part of the review of this ESP application, the NRC is preparing an Environmental Impact Statement (EIS) as required by Title 10 of the *Code of Federal Regulations* (10 CFR) Part 51, the NRC regulations that implement the National Environmental Policy Act (NEPA) of 1969, as amended. Your office was contacted by the NRC on October 26, 2010, informing you that we were coordinating our Section 106 review with NEPA for this review. The draft EIS was issued for public comment in August 2014 and contained an agency determination of No Adverse Effect to historic properties.

Based on a revised opinion letter from your office dated December 4, 2014, indicating that the construction of two new natural draft cooling towers would visually affect the Abel and Mary Nicholson National Historic Landmark, the NRC revisited its effects determination for the proposed project. Four meetings were held with your office to discuss the effects and possible strategies for mitigating any effects resulting from the project (January 9, 2015, in Salem County; February 12, 2015, at NJ HPO offices, April 23, 2015, at NJ HPO offices, and May 19, 2015, in Salem County). In attendance at some of these meetings were the Advisory Council on Historic Preservation, the National Park Service, PSEG and interested stakeholders. PSEG also had its contractor AKRF do additional research on the potential for visual effects on historic resources found in the region from the project. Based on these discussions and the additional research done, the NRC is notifying your office of its determination that the project would have an indirect adverse (i.e., visual) effect to the Abel and Mary Nicholson House (127 Fort Elfsborg-Hancock Bridge Road), 349 Fort Elfsborg-Hancock Bridge Road, and 116 Mason Point Road, in the event that natural draft cooling towers were constructed at the proposed project site. The indirect adverse effect would be cumulative because the current setting already contains a natural draft cooling tower immediately south of the proposed project site. The indirect adverse effect would only occur if natural draft cooling towers were chosen as the cooling system for a new nuclear plant at the proposed site location (the applicant is not obligated to choose its cooling system at the ESP stage). Mechanical draft cooling towers would have no effect on

these properties. The Abel and Mary Nicholson House is a National Historic Landmark, and 349 Fort Elfsborg-Hancock's Bridge Road and 116 Mason Point Road are *National Register of Historic Places*, eligible structures. Your office has also proposed, in a letter dated April 13, 2015, that these properties should also be considered as contributing to an Alloway Creek Rural Historic District. All affected structures are within the agreed upon visual area of potential effect of 4.9 miles from the proposed project.

An ESP resolves issues involving site safety, environmental characteristics, and emergency preparedness that are independent of a specific nuclear reactor design. This permitting approach provides an applicant with an opportunity to "bank" a site for up to 20 years, reduces licensing uncertainty, and resolves siting issues before construction. The ESP does not license a nuclear power plant to be built. If the applicant decides to build and operate a nuclear power plant, then it has to apply for a combined license (COL). The NRC will issue a supplemental EIS and perform Section 106 consultation for the COL undertaking if and when an application is received. For the supplemental EIS, if there is no new and significant information, then the NRC relies on the final EIS issued for the ESP. For the COL Section 106 review, the NRC would rely on the consultation performed at the ESP stage to inform the required consultation at the COL stage.

Pursuant to Section 106 of the National Historic Preservation Act, a draft Memorandum of Agreement (MOA) is currently under development between your office, interested parties, PSEG, and potentially the Advisory Council on Historic Preservation and the National Park Service. Once a finalized draft is developed, it will be forwarded to your office for review and comment. In addition, the NRC invites your agency to be a signatory to the MOA. The NRC staff requests that you indicate your interest in participating within 30 days of receipt of this letter and associated materials. If you have any questions or require additional information, please contact Mr. Allen Fetter, NRC Environmental Project Manager, at (301) 415-8556, or via email at Allen.Fetter@nrc.gov.

Sincerely,

/RA/

Jennifer Dixon-Herrity, Chief
Environmental Projects Branch
Division of New Reactor Licensing
Office of New Reactors

Docket No.: 52-043

cc: Mr. Ron Magill
Ms. Janet Sheridan

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/RA/

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Environmental Projects Branch
Division of New Reactor Licensing
Office of New Reactors

Docket No.: 52-043

cc: Mr. Ron Magill
Ms. Janet Sheridan

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