UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

PUBLIC SCOPING MEETING
SOUTH TEXAS PROJECT UNITS 3 & 4
COMBINED LICENSE APPLICATION

Tuesday, February 5, 2008

Auditorium
Bay City Civic Center
201 7th Street
Bay City, Texas
7:00 p.m.

PANEL MEMBERS:
FRANCIS X. "CHIP" CAMERON, Facilitator
JIM BIGGINS, Office of General Counsel
NILESH CHOKSHI, Deputy Director, NRC
GEORGE WUNDER, Sr. Project Manager
PAUL KALLAN, Environmental Project Manager
<table>
<thead>
<tr>
<th>SPEAKER</th>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nilesh Chokshi</td>
<td>9</td>
</tr>
<tr>
<td>George Wunder</td>
<td>19</td>
</tr>
<tr>
<td>Paul Kallan</td>
<td>28</td>
</tr>
<tr>
<td>Paul Gunter</td>
<td>35</td>
</tr>
<tr>
<td>Jim Biggins</td>
<td>35</td>
</tr>
<tr>
<td>Mike O'Day</td>
<td>39</td>
</tr>
<tr>
<td>James Mitchell</td>
<td>43</td>
</tr>
<tr>
<td>Richard Knapik</td>
<td>49</td>
</tr>
<tr>
<td>Joe Morton</td>
<td>51</td>
</tr>
<tr>
<td>Brent Marceaux</td>
<td>54</td>
</tr>
<tr>
<td>Stephen Kale</td>
<td>56</td>
</tr>
<tr>
<td>Bobby Head</td>
<td>61</td>
</tr>
<tr>
<td>John Corder</td>
<td>66</td>
</tr>
<tr>
<td>Bruce Martin</td>
<td>66</td>
</tr>
<tr>
<td>Paul Gunter</td>
<td>67</td>
</tr>
<tr>
<td>D.C. Dunham</td>
<td>73</td>
</tr>
<tr>
<td>Mitch Thames</td>
<td>76</td>
</tr>
<tr>
<td>Karen Hadden</td>
<td>79</td>
</tr>
<tr>
<td>Paul Kallan</td>
<td>86</td>
</tr>
<tr>
<td>William Wagner</td>
<td>87</td>
</tr>
<tr>
<td>Jimmy McCauley</td>
<td>97</td>
</tr>
<tr>
<td>Ernest Opella</td>
<td>98</td>
</tr>
<tr>
<td>No.</td>
<td>Name</td>
</tr>
<tr>
<td>-----</td>
<td>------------------</td>
</tr>
<tr>
<td>1</td>
<td>James Hefner</td>
</tr>
<tr>
<td>2</td>
<td>Owen Bludau</td>
</tr>
<tr>
<td>3</td>
<td>Ed Dykes</td>
</tr>
<tr>
<td>4</td>
<td>Robert Singleton</td>
</tr>
<tr>
<td>5</td>
<td>Mr. McCormick</td>
</tr>
<tr>
<td>6</td>
<td>Mark McBurnett</td>
</tr>
<tr>
<td>7</td>
<td>Joe Sheppard</td>
</tr>
<tr>
<td>8</td>
<td>Nilesh Chokshi</td>
</tr>
</tbody>
</table>
MR. CAMERON: Good evening everyone. My name is Chip Cameron, and just like to welcome you to the public meeting tonight. I work for the Nuclear Regulatory Commission, the NRC.

Our topic tonight is the NRC's environmental review process for evaluating the license application that we received from the South Texas Nuclear Operating Company to build and operate two new nuclear reactors at the South Texas site.

And it's my pleasure to serve as your facilitator tonight, and in that role I'll try to help all of you to have a productive meeting.

And I just want to go over a couple of things about meeting process before we get to the substance of our discussions. I want to tell you about the format of the meeting and tell you a little bit about the ground rules -- simple ground rules so that we can have a good meeting tonight and just introduce the NRC speakers who are going to talk to you briefly.

You know, I think I'm going to have to take this --

MALE VOICE: You think it's that?
MR. CAMERON: Yes, because it wasn't doing it this afternoon, so -- I'm sorry about that.

(Taking off lapel microphone.)

MR. CAMERON: Okay. And -- all right.

In terms of the format for tonight's meeting, we're going to start on giving you a little bit of information about the NRC's evaluation process -- what we look at when we have one of these license applications to evaluate.

And we're going to have some brief NRC presentations on that for you, and then we'll go on to you for some questions about the process to make sure that it's clear for you.

And then we're going to get into the second part of the meeting, which is for us to listen to all of you -- your advice and recommendations on our process. And we'll ask you to come up here -- those of you who have signed up to speak -- and to tell us what your views are.

And just as the NRC staff is going to tell you in more detail this is called a scoping meeting. And that's a term that's used with preparation of an environmental statement. And,
very simply put, it's for the NRC to hear from
people on what the scope of the environmental impact
statement should -- what issues should the NRC look
at in preparing that environmental impact statement.

So the focus is on comments related to
scoping, but we realize that there are a broader set
of concerns with anything like this than
environmental. And we always want to listen to
public concerns, so we're going to be glad to hear
what your concerns -- your issues are, even though
they ultimately might not fall within the scope of
the environmental review.

Now, during this second part of the
meeting where we're listening to you we're there to
listen. We're not there to respond or rebut what
you say in any way unless there may be some
instances where there's been some new information in
terms of what the NRC has done on a particular issue
that I'll ask the staff to bring to your attention
if we get to something like that.

In terms of the ground rules, when we
get to the question period I would ask that you just
hold your questions until all of the NRC speakers
have done with their presentation. Then we'll go on
to -- for questions. If you have a question just signal me and I'll bring you this cordless microphone. Introduce yourself and keep it to a question instead of making a comment at that time. If you want to comment come up during the second part of the meeting to make a comment.

I would that only one person speak at a time so that we can give our full attention to whomever has the microphone. And it will also allow our stenographer over here to get a clean transcript. And this is Leslie Berridge who is doing our transcribing tonight. That transcript for this meeting will be available to the public to anyone who wants to get a copy of that.

We're also taking written comments. The NRC staff will be telling you about that. But I want to emphasize any comments that you give tonight -- they're on the record. They'll count. They'll have as much weight as a written comment.

I'd ask you to try to be concise. I think we have a number of people who want to talk tonight, so I want to make sure that they all get a chance to do so. So when we get to the second part of the meeting where we're listening to you, if you
could just try to follow a three- to five-minute
guideline on your remarks -- I don't if that's
too -- to get through the evening. And usually
three to five minutes is enough time to summarize
what you have to say. And if you want to amplify
you can do that through written comments.

And, finally, although one of the
hallmarks and pleasures of working in Texas has been
the fact that everybody, no matter what their
viewpoints are, is always very, very courteous.
There's a good streak in courtesy really and I know
that I appreciate it. And it's really productive.
I usually say, you know, let's be courteous tonight
because you're going to hear remarks -- views that
you don't agree with, and just let's respect the
person.

In terms of the NRC speakers, we have
Nilesh Chokshi, who is right here. Nilesh is our
deputy division director of the -- is it Division of
Environmental Review?

MR. CHOKSHI: Site and Environment.

MR. CAMERON: Pardon me?

MR. CHOKSHI: Site and Environment.

MR. CAMERON: Site and Environment.
Nilesh is our top manager here tonight, and he's going to lead off and tell you a little bit about the NRC and what we're trying to accomplish tonight.

Then we're going to go to George Wunder, who's the project manager for the review of the safety aspects of the license application that we've received from South Texas. And he's also in our office of new reactors, which is where Nilesh is.

Our third speaker is going to get to the heart of the matter, the environmental review. This is Paul Kallan right here, who is the project manager to the environmental review. And he's also in the office of new reactors. In fact, you are in Nilesh's division, which Burton right here -- William Burton is the branch chief of that environmental branch.

And I would just thank you all for being here. And let's have a good meeting. And, Nilesh?

MR. CHOKSHI: Thank you, Chip. Good evening. Can you hear me in the back of the room? No?

(Pause.)

MR. CHOKSHI: Good evening. Is it
better? Okay.

Now, my name is Nilesh Chokshi. I'm deputy director in the Division of Site and Environmental Reviews in the NRC’s Office of New Reactors.

First, let me begin by welcoming you and thanking you all for taking time to really help to fulfill one of our major responsibilities related to the environmental review under the National Environmental Policy Act.

I also see that -- thank you -- some of you are staying for the second session. And probably my remarks are a repetition, but, but I thank you for staying and participating in this important gathering. I know that you are taking time out of your personal schedule to meet with us and share your insights and views about the South Texas Project.

Hopefully during the open house you had a chance to discuss with many of the NRC staff members and get some better understanding over why we are here today and what we are trying to accomplish. But, anyway, this is the session where we're going to expand on what we are here for, and
we look forward to your participation.

What we are going to do is present some information on the application for the two new power reactors to be constructed and operated at the South Texas Project site. And we're going to -- our focus is going to be on the environmental review aspects of the application.

It is in my division, and my staff is responsible for managing the environmental review and that we have to conduct before we can make a decision about the application.

During the course of review, we interact quite a bit with our safety counterparts, and safety and environmental reviews go hand in hand. And Mr. George Wunder, who is the project manager for safety -- he will also give a prospective on the overall review process.

So I think, as Mr. Cameron already mentioned about the meeting, our purpose is to basically get input on our environmental review process. But what I want to do is take a few minutes and put this meeting in the context of the earlier meeting -- public outreach meeting which was held in June, and that was before the applications
were filed with the NRC.

And in that meeting in June -- some of you may have participated in the meeting -- we shared information on the various steps in the licensing process -- the purpose was to explain the licensing process. We also informed you about the opportunities that you would have to observe or participate in the work of the NRC if we were to receive an application to construct and operate new reactors.

During that meeting we also identified several major tracks of review, which include safety review, inspection activities, formal hearings, as well as the environmental review.

In June we also wanted to share with you information about what combined construction permit and operating licenses, COL. Shortly you will hear me and other NRC people talk about COL or COLA, which is the Combined Operating License Application.

And in that meeting and in this meeting you will hear again and again that how much your participation is important in these proceedings. You know, the fact is that this is your home, this is your community, and the proposed project, if NRC
and all of the other permitting agencies approve, will have more of an impact on you, people who are in the close vicinity of the plant, than anybody else.

Now, I think since that meeting -- outreach meeting in June, as you know, the NRC did receive an application for a combined construction permit and operating license for the South Texas Project in September 2007.

And after we determined that the application was acceptable, we now are initiating the review of the application. I want to make sure, because I think after the first session apparently probably there was some misunderstanding. We are accepting the application for review. That is not same as granting a combined operating license. This is just the beginning of the process.

So we have now initiated our review of the application. And we are at very early stages. And much of our focus -- and you will hear in more detail about our review process, but our focus right now is on gathering information.

And as shown in these first three bullets on this chart, one of the purposes of this
two-day meeting is go over that earlier information we presented in June just to review the overall context of the review.

But the primary purpose of two-days meeting is to give you opportunity to share with us your comments and thoughts on what we should consider in the environmental review when we develop the NRC's environmental impact statement on the South Texas combined operating license application.

This is a scoping meeting, and it's a part of a formal scoping process where we decide what matters need to be addressed and that what we should consider when we undertake the review. So I think this is very vital that those of you who live close to the proposed plant and have a better understanding of your local environment will give your insights.

We need to better appreciate those environmental values and insights you have, and we really want to hear about the issues you think important to you. So we are going to be, as Mr. Cameron mentioned, primarily in the listening mode in the later part of the process.

Now, you are also going to hear
from project managers-- that we already have a well-defined review process -- and you will hear detail about this. And our review team is staffed with nationally and internationally recognized experts in all of the environmental disciplines.

In fact, many of NRC environmental staff, and our principal contractor, Pacific Northwest National Lab, staff is here, and they're also going to listen to your concerns and views.

Now, I want to make sure that you understand that this is not the last opportunity for you to interact on environmental issues. There will be other opportunities as we conduct review and develop environmental impact statement. And I think later Mr. Kallan will go over some of the more details on that aspect.

Now, before I hand the mike over to the project managers to give more detailed information, I wanted to go over who we are, what we do, and who we interact with. I know that this was probably covered in detail in the June meeting, but I think it's worth going over so you understand our role.

The Nuclear Regulatory Commission was created in 1974 to regulate, among other things, the
civilian use of nuclear power, to ensure the health and safety of public, to promote the common defense and security, and to protect the environment.

I want to -- I would like to emphasize that we are not part of the Department of Energy or any other agencies that promote the use of nuclear power. We are here to regulate and grant license.

We are an independent regulatory agency headed by five commissioners, all appointed by the President and confirmed by the Senate. And unlike cabinet secretaries and other political appointees, the NRC commissioners do not change when a new president is elected. They each serve five year terms, and there's always a mix of both Republicans and Democrats.

The Commission is supported by a staff of technical and regulatory experts, roughly around 3,000 people. And as an agency, since we came into existence over 30 years, we have experience in licensing and regulating nuclear power plants and other uses of nuclear materials. There are currently 104 operating reactors in the country.

Now, a couple of points about our licensing process, and what I want to emphasize is
the aspect that this is a very open public process
to the greatest extent possible. The process is
also designed so that people who have a stake in the
proposed action are given a chance to participate
and to be heard.

On this chart I have listed the
participants in the licensing process in three
categories. I already mentioned the Commissioners
and the staff, but under the heading of NRC you will
also see two other bodies listed, hearing boards and
the Advisory Committee on Reactor Safeguards. I
think in a few minutes you will hear a little bit
more about both the hearing process and the Advisory
Committee on Reactor Safeguards.

Another participant in the process is
obviously the applicant and the company that wants
to build the plant and operate the plant. And the
final group of participants in this process is the
group of people we call stakeholders. And that is
you, the residents and business operators of the
community.

And also included in this hearing are
various public groups -- public interest groups, as
well as the government of the State of Texas and
your own county and city governments. I think when you hear about the environmental review you see that a number of variety of different agencies that are involved in the reviews.

So this is a little background, and to try to set the stage for this meeting. Let me thank you again for allowing us to come to you, come into your community, and for you taking this effort to meet with us and share your views on the potential environmental issues associated with this project.

Now, we have a long way to go before the NRC completes its review of the application -- is ready to make a decision on the proposal. We're talking about one aspect of the review today.

With this, what I want to do -- I want to turn it over to Mr. George Wunder, our safety project manager for the South Texas, and he will give you more details on the application and the overall aspects of the review. George?

MR. WUNDER: Thank you, Nilesh. It's been a long couple of days, so I hope you'll all bear with me as I make my way through these slides.

I've only got a few slides that I want to go over with you tonight trying to give you a little bit of
a background on what the COLA is.

As Nilesh said, I'm George Wunder, and I'm the safety project manager with the Office of New Reactors.

So what is a combined license? Well, a combined license -- I'm not doing too well with this, am I? A combined license is permission from the Nuclear Regulatory Commission to build and operate a reactor of a specific design in a specific location subject to specific rules and regulations.

In this case South Texas is applying to build two general electric advanced oil and water reactors at their site in Wadsworth.

As far as who get an -- or who can be issued a combined license, it has to be an entity that is qualified both financially and technically -- in this case, South Texas Project Nuclear Operating Company.

And as far as when -- the application was received in September of last year. And we did a two-month review and at the end of November of 2007 we officially accepted the application.

Now, the NRC has a pretty big job to do when it comes to reviewing a combined license
application. As Nilesh indicated, our primary focus as an agency is on safety. And one of the ways in which we ensure safety is by making sure that everything is done in accordance with the appropriate laws and regulations.

In this case, the law of concern is the Atomic Energy Act, and the regulations are those contained in Title 10 of the Code of Federal Regulations. So these are the standards by which we are going to be evaluating the application that South Texas submitted.

We're also tasked with performing an environmental review under the National Environmental Policy Act. And Paul Kallan, the environmental P.M., will talk more about that in just a bit.

One of our goals is throughout the review to make the best possible decisions with the best information at every moment and to document these decisions in a clear and unambiguous way. And this is going toward our goal of trying to make sure that the entire process is as open as possible and that anyone who is interested can understand not only what decisions we are making but why we are
making those decisions.

   Okay. Now, let's take a little look at the scope of the review -- what is it that we're actually going to be looking at. Well, first of all, we're going to look at the design of the plant.

   In this case, much of that work was already done about ten years ago. The ABWR is what we call a certified design. And what that means is that we've already reviewed and approved the basic design of the plant.

   Now, there are going to be some differences between the plant as built at South Texas and the design that we certified ten years. And this can be for a variety of reasons. It can be the applicant wants to use a new technology -- something that wasn't in existence when we did our certification. Or it can be because of specific site -- site specific needs. Any deviation from the approved design is reviewed and approved by our staff.

   One of the other things we're going to look at is we're going to look at the suitability of the site itself. And this will include things like looking at the suitability of the soil to support
the structures that are going to be built. We're
go ing to look at the seismic history of the area.
We're going to look at the potential for all sorts
of natural problems, like flooding or tornadoes and
hurricanes. All of this -- all of these things are
going to be taken into account on our safety
evaluation chapter on site characteristics.

We're going to look at the environmental
impact of the project. Paul's going to tell you
more about that in a minute.

We're going to look at the way they want
to put the plant together -- look at the materials
they want to use and the way they're going to
arrange the components. We have standards on
quality assurance, and we're going to have
inspections going on to make sure that these
standards are upheld.

There's going to be an army of
construction workers and heavy equipment coming down
to the site. So, obviously, security is going to be
a concern -- and we're going to look at security
considerations, both for the new plants under
construction and for the operating units.

We're going to look at emergency
preparedness. And in consultation with the Federal Emergency Management Agency we're going to evaluate the South Texas Emergency Preparedness Plan -- Matagorda County Emergency Preparedness Plan. And we've got the emergency preparedness expert with us this evening to handle any questions that you might have in that area.

Finally, we're going to look at personnel training so that we can make sure that anyone who is working on something dealing with the South Texas Reactor Project has been trained and qualified to do that job.

Now, Nilesh indicated that we very much value your participation and we want you to have all the information that you want to have. And a good place to get that is in our electronic public reading room. You'll find most documents pertinent to the application there.

You'll also find meeting notices. Now, most of the meetings that we're going to be having with South Texas are public meetings. They're open for you to attend and to observe. We understand that coming to our meetings might not be a priority or might not be a practicality for you, so also
posted on the website we will -- we'll have meeting
summaries where we provide a brief synopsis of what
transpired in the meetings and provide any handouts
or material that was distributed.

Another way that you can participate --
and this comes a little bit later on in the
review -- is when the application is presented --
or, rather, when the staff safety evaluation is
presented to the Advisory Committee on Reactor
Safeguards.

Now, the Advisory Committee on Reactor
Safeguards is an independent statutory body. It
reports directly to the Commission. And what we do
as a staff, as it evaluates the application,
prepares what's called a safety evaluation report.

And when we have this safety evaluation
report prepared to a large degree we present it to
the advisory committee and we receive their comments
on it. They comment on it. We take their feedback,
and their feedback is also provided to the
Commission.

Now, the presentation in the meeting
with the Advisory Committee on Reactor Safeguards is
a public forum, and members of the public can apply
to speak at this meeting and present any comments or
concerns that they have directly to the advisory
committee. Okay?

And, finally, what I want to talk about
is the hearing process. After docketing the
application the staff on December 27, 2007, issued a
notice in the Federal Register which offered an
opportunity for the public to participate in the
hearing as a party. And this is a process called
intervention.

In order to intervene a petitioner needs
to file a petition within 60 days of the Federal
Register notice. That period is going to expire on
February 25, 2008.

Okay. This is a slide that just kind of
shows a flowchart of the overall process that we're
describing here briefly tonight. We received the
application back in June. We had a pre-application
meeting down here. We've now received the
application. And, as you can see, the review
process splits, and we've got the environmental
review, which Paul will discuss, and then we've got
the safety review. And then these things all come
together neatly at the end and result in a -- the
Commission rendering a licensing decision on the project.

But nothing really comes together all that neatly in the real world. As I noted, we accepted the application for docketing on November 29, 2007. In a letter dated January 10, 2008, South Texas Project informed us they were having challenges in arranging for some of the design support that they will need for furthering the project. And as a result of that they asked that we put parts of the application -- a review of parts of the safety part of the application on hold.

In a letter dated January 30, 2008, we informed South Texas that we were going to put the majority of the safety review on hold. This is not the entire safety review. We're continuing with parts of the safety review dealing with site characteristics. And this cannot be mistaken for a lack of acceptance of the application. I want to be very clear about that.

We reviewed the application -- we accepted it for docketing. All this means is that -- as we go forward in our review we will find the necessity to have lots of interaction with the
applicant -- a lot of question and answer going on. And they were not ready at this point to support our full evaluation. So based on our own workloads and other considerations we decided to put a majority of the safety evaluation on hold temporarily.

The environmental review will continue. And, with that, I'd like to introduce the environmental P.M. Paul, come on up.

MR. KALLAN: Thank you, George. Thank you for coming out tonight to understand our process. My name is Paul Kallan, and I'm with the Office of New Reactors. I'm also the environmental project manager.

You may be wondering why there's two project managers. One is a safety project manager and other environmental. The answer is that the NRC's mission is to ensure the safety of the facility, and at the same time to protect the environment.

So I'm here today to talk to you a little bit about the National Environmental Policy Act. The goal of the National Environmental Policy Act is to create an environment where man and the
environment can live in productive harmony.

The National Environmental Policy Act also requires the NRC to do an independent study -- or an independent evaluation. We use a systematic approach to our environmental reviews.

The environmental impact statement is required for major federal actions that may significantly affect the quality of the human environment. Issuing a combined license such as the one at this project would be a federal -- a major federal action.

This slide illustrates the environmental review process. There are many steps to this process, and we would like the public to participate in this process. For that, we have the public scoping meeting where we try to explain our process, and at the same time get your comments.

We have a large team of technical reviewers for the project. We accepted the application in September 2007. Our next step is to do a site audit, which we are conducting actually this week. We check to see what was described in the application, as well as we try to identify issues that are not in the application. This is our
own independent evaluation.

Also, we schedule a public scoping meeting, such as the one tonight, during the week of the site audit. Along with the public participation we also get comments from federal, state, tribal, and local agencies.

We take all this information, analyze it, and draft the environmental impact statement. Once we have that we issue it and ask for public comments.

Next we have -- we write the final impact statement based on the fact that we look at the draft environmental impact statement and incorporate additional concerns. The NRC has a hearing, and after the hearing is completed the agency makes a decision.

So you may be wondering what is scoping. Scoping is participation of diverse groups. This is necessary for full consideration of the potential environmental impacts of a proposed action and its alternatives.

By discussing and informing you, the public, we are able to reduce misunderstandings, build relationships, educate the public, decision
makers, and avoid potential conflicts.

For example, in an earlier scoping meeting at Vogtle -- Plant Vogtle -- a member of the public asked what the U.S. Army Corps of Engineers was doing to manage the flow of the Savannah River. Based on this comment we arranged a meeting with the Army Corps of Engineers to discuss issues such as drought levels in the Savannah River.

So information identified in the scoping process will be evaluated and considered in the environmental review. The public can give comments until February 18, 2008.

So what is -- basically how does the NRC do an independent evaluation? We don't only look at the application. We have our own observation which we do by going to the site and conducting a site audit. We get public comments, such as at this meeting. And the reason we want public comments is because you live here and you know best of what the environmental impacts may be with regards to this project. We talk to social services and also we talk -- we try to incorporate socio-economics and environmental justice.

We also talk to federal agencies such as
EPA, FEMA, Army Corps of Engineers, Fish and Wildlife, to name a few. We have a long list of other agencies that we contact to get their input. We also talk to state, local, tribal agencies to get their knowledge on the local conditions.

This slide basically shows a range of environmental review that we do. We have a large team of experts in the various fields, such as socio-economics, environmental justice, aquatic and terrestrial ecology, water quality, hydrology, land use, radiation, atmospheric science. We also look at transportation of radioactive material and decommissioning.

The staff has begun its review of the environmental report. A schedule helps the staff organize its review and use its resources effectively. Normally staff would issue a draft environmental impact statement in 18 months. However, as part of this review the staff has identified additional information necessary to determine a detailed scheduled. While the schedule is uncertain we will be giving you updates, and these can be -- you can get them on the NRC website.

Here are some milestones of the
environmental review. Scoping comments can be received until February 18, 2008. The public can petition to intervene through February 25, 2008.

We will still need to determine the draft environmental impact statement public meeting, draft environmental impact statement the final impact statement -- the dates on those. As we progress we'll give you the dates. The review schedule will be also available on the NRC website, and we've provided the website on the bottom of the slide.

We encourage public participation during the environmental review. It's important as part of our process. The public can make comments during the public scoping meeting, such as the one tonight, and the draft environmental impact comment period.

Throughout our environmental process we hold public meetings to inform the public of our process. The next public meeting will be the draft environmental impact statement meeting. The NRC meeting is another way for the public to participate. The public can file petitions to intervene until February 25, 2008.

I would like to point out that the
Commission recently passed a rule for e-filing which requires a digital certificate. The digital certificate takes about a day, so if interested parties will want to review the instructions, it's on the NRC website and on the Notice of Intent. The hearing covers both the safety and environmental issues.

We welcome your comments tonight. You can provide them in writing, as well as you can provide them by mail to Chief Rules and Directives Branch, Division of Administration Services, Mail Stop TSD59, U.S. Nuclear Regulatory Commission, Washington, DC, 20555. Or you can e-mail us at STP_COL@NRC.gov. Of if you'd like you can provide those comments in person at 11545 Rockville Pike, Rockville, Maryland, 20852.

Here's a list of NRC contacts. Kindly contact George Wunder for any safety issues that you might have. For environmental issues please contact me. And, finally, a list of acronyms that may help you with reviewing the environmental report. I'll turn it over to Chip.

MR. CAMERON: Great. Thank you very much. We have time for questions about the process.
before we go on. Come up and please introduce yourself.

MR. GUNTER: My name is Paul Gunter. I'm with Beyond Nuclear, and we're out of Takoma Park, Maryland. And we've been watching the NRC oversight process and the licensing process. And I have a particular question with regard to the digital certification process. Could you elaborate a little bit more on that for us?

MR. CAMERON: Thanks, Paul. Do you under -- do we understand what the digital -- is this the e-filing?

MR. GUNTER: Yes.

MR. CAMERON: Okay. Good.

MR. BIGGINS: Thank you, Chip.

MR. CAMERON: Introduce yourself.

MR. BIGGINS: Right. My name is Jim Biggins. I'm with the Office of General Counsel at the NRC. And the Commission recently passed a rule requiring e-filing. You can apply for an exception, but if you intend to e-file, it requires a digital certificate in order to sign documents digitally before you file them with the NRC.

And that process to obtain the digital
certificate typically requires contacting the NRC. The instructions are on the website regarding how to do that and how to obtain the digital certificate. And those instructions -- would probably be best to review those on the website or in the Notice of Intent that was filed with the Federal Register for this application.

MR. GUNTER: Could I ask a follow up real quick? I guess just to cut to the chase, does this require additional software on the part of the intervener?

MR. BIGGINS: I believe there is a plug-in for your web browser that's necessary, which is available on the website that contains the instructions for how to install it and that sort of thing, yes.

MR. CAMERON: And if someone is going to intervene, is there a certain time limit that they have to pay attention to to notify the Secretary of the Commission that they are going to do e-filing that's over and above the time period for filing that intervention?

MR. BIGGINS: Well, the time period can be sensitive in regards to you have to have the
certificate before you can e-file. And in order to get the certificate, like I said, you have to contact the NRC. So, you know, when it comes down to the deadline to file your intervention you can't wait until the day that you intend to file to get the certificate. That was our point for pointing it out in the slides.

MR. CAMERON: Okay. Thanks, Jim. Yes?

MALE VOICE: Is the e-certificate tied to the computer or to the browser? In other words, if you get the certificate and you're not at home can you -- is it tied to your browser on your computer -- the cookie?

MR. BIGGINS: It's not a cookie, sir. But I believe it is tied to your computer, but may be imported to other computers. It is your certificate and identifies you as the author of the document.

MALE VOICE: So you have to carry that certificate. If you get caught someplace else with another computer, you have to bring that certificate with that. That's the final one that you're going to use to --

MR. BIGGINS: I'm not a computer expert,
but I believe that's correct.

MALE VOICE: So that issue's on the website explained.

MR. BIGGINS: It is explained on the website, yes.

MR. CAMERON: And I think that's an important point for everybody. These types of questions should be clearly answered on the website, so if you go to the NRC website, there is a link to the e-filing rule and how you do that.

MR. BIGGINS: That's right. And we've set up computers in the back room that should still be available after the meeting if you want to take a look at that webpage.

MR. CAMERON: That's a good idea. That's -- thank you. Thank you very much, Jim. Other questions on this entire process from anybody? And we do have time to take your questions, so don't be bashful about it if there's anything you want to know.

(Pause.)

MR. CAMERON: Okay. Great. And we'll all be here after the meeting too if you want to talk further about any of this.
But we're going to go to the comment part of the meeting. And I'm going to first go to the elected officials in the community so that you can hear what their views are. And we have Representative O'Day -- state representative -- who's going to talk to us. And is it 29th?

REPRESENTATIVE DAY: Yes, sir.

MR. CAMERON: 29th District.

REPRESENTATIVE DAY: Good evening, everyone. And thank you for being here. First I'd like to let you know that Judge McDonald is not here tonight because he's in Washington doing business for us. And so, therefore, I get the opportunity to speak to you, and obviously probably not as eloquently as the Judge could. But he did want me to let you know that he wishes he could be here but he can't be because he's helping us in Washington.

First thing, my name is Mike O'Day. I'm the state representative for District 29, which covers all of Matagorda County and the western portion of Brazoria County. I just want to let you know that I live -- or I have my recreational home here in Matagorda County in view of the nuclear
plant. I've had this property for about the last ten years.

The reason I tell you this is that I want you to know that I have no concerns directly with STP. My qualifications are I'm a water well contractor by living. I make my living being a water well contractor, so therefore I drill a lot of water wells and analyze water wells around the county.

I was on the Brazoria County Water Conservation District, so I'm aware of the water outtake that could be possible from the nuclear plant. I'm on the Natural Resources Committee in the House of Representatives, of which we deal with the surface water in the State of Texas, and the Recreation and Tourism Committee, which is over Texas Parks and Wildlife and Fish and Game.

I tell you this not for any other reason than to let you know that I believe I'm pretty well informed to be able to stand up here and say that I believe in safe, clean nuclear energy. I don't know that I could say that anywhere in the United States, but having been working in Matagorda County for the last 30 years, along with -- you know, around the
nuclear plant, I believe that it's a safe environment for us to be able to live.

If I didn't think so I wouldn't be -- my recreational time is spent in the Colorado River and in the Matagorda bays. My children and my grandchildren all love to fish and enjoy the environment around the bays.

The outfall from the nuclear plant obviously is beneficial to the river. And the lake that we have -- the 7,000 acre -- also creates some of the best bird habitats in the state of Texas.

MR. CAMERON: Representative, could you -- I guess people are having trouble hearing you in the back of the room. So if you could --

REPRESENTATIVE O'DAY: Okay. Is that better?

MR. CAMERON: You can take that -- you can hold that too if you want.

REPRESENTATIVE O'DAY: Okay. As your representative in the State Legislature I was asked to help pass 2.2 bills in the House of Representatives that had to do with nuclear energy. Both of those bills passed and the House of Representatives by the people's representatives.
One of them was 186 to zero -- I'm sorry -- 138 to zero and the other was 137 to 4.

I say this because it lets you know that the House of Representatives, who is elected by the people of the state of Texas, basically unanimously support nuclear energy in the state of Texas until we find a source that is better.

The economic impact on the state of Texas will create -- or one nuclear plant would create $9.2 billion statewide from one reactor and 5,564 jobs. Nuclear provides reliable, low cost power in great quantities, clean energy with zero gas emissions -- greenhouse emissions.

And it offsets the use of natural gas in the state of Texas. This nuclear plant would offset the same as it would take to -- for -- pardon me. Let me start with a different sentence. The two nuclear plants that are being proposed here would offset 15.8 million tons of carbon dioxide, 38.8 thousand tons of sulfur dioxide, and 10.7 thousand tons of nitrogen oxide.

And I guess what we're saying is is that the nuclear is the best power that we have currently. The water that's being released from the
plant has been cooled before it has been released,
so there's little impact on the environment -- that
the nuclear plant sites create the natural preserves
as I was talking about.

I would like to tell you that I'm proud
to be the representative for Matagorda County. I'm
proud of the NRG and STP and the -- their track
record because that's -- their track record has
been -- they gave us the ability to pass the laws
that we need in the state of Texas to help you have
good clean power from nuclear energy. Thank you
very much.

MR. CAMERON: Okay. Thank you,
Representative O'Day. And we're going to go to
Sheriff James Mitchell at this point. Sheriff?

SHERIFF MITCHELL: Good evening again.
My name is James Mitchell, and I am the county
sheriff here. I've been the sheriff here for the
past 12 years. I'm now in my 26th year in law
enforcement. All of that time has been here in
Matagorda County.

I've lived my whole life here in
Matagorda County -- graduated from this -- not from
that high school across the street but when it was a
little further across town.

There were two generations in my family before me to live here in this county, and there's been two generations since then, being my children and my grandchildren. And I hope to have more grandchildren raised in this county. I'm accompanied tonight by my wife Paula sitting over there.

As sheriff of Matagorda County one of my greatest concerns when it comes to the nuclear plant is security. And the key issue is can this security force protect the health and safety and the public. My stance on that is, yes, it can because it's been doing it for the past 20 years.

My entire career in law enforcement has been involved with this nuclear plant -- has been involved with the security at this plant. One of the things I always think of when someone asks me about the security is a comment that an FBI agent made when I was accompanying this group on a tour at the nuclear plant. And that agent said something to the effect of, An adversary that would be a real threat to this facility would realize they could cause a greater effect at another critical
infrastructure with less effort.

The FBI on that tour was so impressed with everything that they saw. I only wish that you the public could see everything there is to see there. As they say at the plant a lot of that is safeguards information.

Our nuclear plant I believe, for a variety of reasons, is very unique to those of other nuclear plants around the country. And I want to give you a couple of those reasons as well.

For instance, I keep a deputy sheriff at the nuclear plant performing on a controlled area patrol 24 hours a day, seven days a week, 365 days a year. Depending on what the threat level in the nation is sometimes that might be as many as four deputies. But that's done continuously.

Our SWAT team -- we have a 15-man SWAT team at the sheriff's office combined with the Bay City Police Department. Many of the officers on that SWAT team received their basic, their immediate, and their advanced training at the nuclear plant training with those security officers out there at that plant.

My employees -- my deputies participate
in force-on-force exercise, both inside and outside the protected area, because many of my employees have been red badged. They're cleared to go into the protected area unescorted.

We participate regularly in on- and offsite drills on tabletop exercises. I spoke with the SWAT team. The ammunition that my team carries and many of my employees on the street carry is the same ammunition that the security officers carry -- the same weapons that they carry. So if we ever do have to respond to an event to back up the nuclear plant -- to back up the security officers we're able to do that more easily.

Another very unique thing about our plant and the unique thing about the state of Texas, the state of Texas was so -- lost my word -- they were so I guess impressed -- or so confident -- confident is the word I'm looking for -- in the training that the Nuclear Regulatory Commission requires of an officer at a nuclear facility that the state of Texas with Senate Bill 1517 exempted them from falling under the Private Security Act. And instead of that they increased their authority giving them law enforcement authority in the areas
of arrest, search, and seizure and the use of deadly force to protect that plant. That's how far the state stands behind security -- of nuclear security officers.

The emergency training that we received to be able to support STP we use in every type of disaster that comes through this county. I'll give you a quick for instance. We had a grain truck driving through our county that was hauling 65 illegal aliens in the back of it. That truck went into an S curve, rolled over, and you can imagine what happened. Due to the training that received in association with STP we were able to handle that. We immediately got all the ambulance personnel we needed. We called on school busses to handle the walking wounded. We knew where to call on every resource that we needed to handle that catastrophe, and I contribute that to the training that we do with STP.

Another project that we're doing is an inter-operable radio communication system. At the sheriff's office with cooperation with the police department -- something that we're doing together -- we started an inter-operable radio communication
that will link us with 13 counties around the Houston/Galveston area. When we get that system up and running we're going to bring STP under that radio program so that when my officers are there there's constant communication at all times, inside and outside and the power blocks.

Sorry I had to keep putting these on, but I wouldn't be able to say anything without them. Last, but not least -- I introduced my wife earlier, and I'll tell you another reason why I have a lot of confidence in the nuclear plant security program -- because my wife is the senior security coordinator out there for that.

Now, I told you that I've been 26 years in law enforcement. She's only been out there since last April. So that confidence started long before we went to work there, but it did give me the confidence that I didn't have a problem with my wife working out there. And I don't have a problem raising my children here.

And I'm excited about the possibilities of Unit 3 and 4 coming on line. It will be a good thing for Matagorda County and the people who live here. Thank you.
MR. CAMERON: Okay. Thank you very much, Sheriff. Next we're going to go to the mayor of Bay City. And this is Mayor Richard Knapik.

MAYOR KNAPIK: Good evening everyone, NRC staff seated here, and those in the audience. My name is Richard Knapik. I am the mayor of the city of Bay City. My fellow citizens, friends, and visitors who are gathered tonight, I want to say good evening and welcome once again.

I'm sure glad the NRC left up the list of acronyms on the boards. For those of you who are familiar with acronyms -- and STP loves acronyms -- you're all familiar with the term NIMBY. For those of you who are not it's Not In My Backyard.

Well, I'm here to tell the NRC and all of you assembled that I am a PIMBY. And you may ask what is a PIMBY. That means Please In My Backyard.

The city of Bay City is ready to meet the challenges of the growth and expansion of Units 3 and 4. The city three years ago passed a $6 million bond issue to repave all the streets in the city of Bay City. We're also actively engaged right now in creating a diversion road around our community to help alleviate traffic that we
anticipate coming.

We also are a surplant, which was built in the late nineties. It's only operating at 50 percent capacity because we built it so well we can take a lot more homes, lot more residence in our community.

So we look forward to the challenges that Units 3 and 4 are going to present to us. But we look forward to our partnership working with STP. Because I'm here to tell you I'm going to paint a human picture of STP and all the wonderful employees who are seated in the room.

The culture that has been created by Joe Shepherd and his team is a culture of excellence in community involvement. There are a lot of things in this community that would not happen without their direct involvement. One is the American Red Cross. The American Cancer Society Relay for Life where they have raised over $100,000 the past several years because of the involvement of STP. The March of Dimes.

The employees of STP sit on our city councils, our school boards, our economic development boards. They are committed. They are
involved. If 800 quality citizens like that are
going to be coming with Units 3 and 4 Bay City and
Matagorda County are the beneficiaries. Thank you
for allowing me to make these comments.

MR. CAMERON: Thank you very much, Mayor. We're going to go to Mayor Joe Morton. And
Mr. Morton is the mayor of Palacios.

MAYOR MORTON: Thank you, Chip. Welcome
to our part of the country in Matagorda County.
Good evening. My name is Joe Morton. I am the
mayor of the city of Palacios. I thank you for the
opportunity to come and speak before you this
evening as a representative of Palacios citizens.
This afternoon I spoke as a citizen of Palacios.
Tonight is the mayor.

Today is a great day for our city. I
think that if the forefathers of our country was in
the back of this room tonight they would be proud of
the process that we had all day today at these
meetings. This is what democracy is all about.
People can come up and give their concerns and their
opinions and be appreciated for it.

I've served the citizens of Palacios as
mayor for the past 20 months. I was a city
councilman for 48 months prior to that. In the last
68 months I have asked many, many citizens their
opinion about STP. A great majority of them was
totally supportive of it -- thought it was great for
the community.

A few of them had some concerns, and
very few of them had any really opposition to it.
Mainly they were opposed to nuclear power period.

Palacios is going through an economic
change. The shrimping industry is on the way down
and it will never return. The Harris and Galveston
County Council of Governments, which is 13 counties,
including Matagorda County, recently started last
year making plans for an additional 2.5 million
people coming to our area by year 2015. That's a
footprint of Los Angeles, California, coming on a
13-county area. Matagorda County is going to get
its share of those people. We're having to plan for
it now. But the main thing is the power that's
needed for our state in this area is something we've
got to work on.

The economic future of our area is very
bright. And the South Texas plant is leading the
way as a community partner in an environmentally
friendly economic development.

The NRC also plays an important part in this development. Under your guidance and direction the last 25 years of safe operation is supported by some of the highest scores in graded efficiency and exercises by your agency.

As an elected official involved with the Matagorda County Enforcement Emergency Operations Center these very intensive drills has proven to me and you the excellent preparedness of the people involved in operating the plan under any adverse conditions. This training is also important in preparing ourselves for any type of disaster in our county. Matagorda County's EOC is second to none, I believe, of any emergency operating center.

The NRC has proven records since conception. People come and go, but the documented evidence and experience of your agency is invaluable. The future will be more demanding, and you will avail. With guidance and direction of the country will meet the future of our energy needs. I believe you will weigh this all fairly and make the right decisions. God bless our country.

MR. CAMERON: Thank you very much, Mayor
Morton. We'll go to Bruce Marceaux. Is Bruce here?

MR. MARCEAUX: Brent.

MR. CAMERON: Brent. You say your brother didn't come tonight.

MR. MARCEAUX: I've been called worse.

MR. CAMERON: Okay. This is Brent Marceaux.

MR. MARCEAUX: I'm not bringing any paperwork to read of. I just want to speak about something that I think is important from both sides, predominantly what's right, good, fair. As an elected official it's my duty to look out for the safety, health, well-being, economically of the citizens I serve.

And recently I had the opportunity to go and sit on a pier and watch my brother fish and a friend of his. And this is an extremely sensitive issue. And they caught a few fish, but they really weren't having a slam night.

So we sat for a time. And as we did, as the conversation waned, I heard something. And the longer you listened, the louder it got. And that that I was hearing were frogs: frogs that were speaking loudly. And if you know anything about
frogs, they're the most -- or one of the most sensitive animals in our environment. And they were not only loud, but they were interactive.

And I came to understand that as sensitive an issue as this is the creatures of the world tell us a lot. And for them to be out in such a large and strong body to be heard at night, and them being such a sensitive creature that they through their skins osmose anything the environment deals to them, their presence made me understand that we have a very environmentally safe -- not just our nuclear facility, but numerous facilities that operate along our river -- something I'm very proud of in our county -- something they should be proud of, and I think everyone should be well aware of.

If those the most sensitive that our nature provides can survive and grow and be so prolific as to be heard on an evening's night then I welcome and hope that they are successful in their bid to build Units 3 and 4.

Economically it would benefit our community, county, and surrounding counties. In the long range our children would benefit dramatically.

And so I wholeheartedly support it and thank you
all for the opportunity to speak.

MR. CAMERON: Thank you very much.

Brent is on the city council.

We're going to go next to Stephen Kale, and then we're going to hear from Bobby Head and then John Corder. Stephen?

MR. KALE: Good evening. My name is Stephen Kale. I am a resident of the city of San Antonio. And probably, as you can detect, I'm not a native of Texas. My wife and I arrived here about five years ago by way of Pittsburgh, Pennsylvania, and Washington, D.C. It was a journey that required 35 years, but we finally got to Texas.

We love San Antonio. We find the people are warm-hearted and nice people to be with -- nice friends. And we love the San Antonio Spurs. In fact, my wife is probably at home watching the Spurs play the Pacers even as I speak up here.

I appreciate the opportunity to present these comments -- scoping comments to the NRC. But, first, I want to congratulate CPS Energy for their forward-looking windtricity and conservation programs. We've heard this afternoon people talk that we need a mix of conservation, energy saving,
renewal resources, and CPS Energy is providing that to us in the San Antonio area.

I've installed in my own home one of CPS's programmable thermostats. It's the kind that CPS can switch off my air conditioning the late summer afternoons, and we all know what those are like in July and August. It's been about three years ago, and I don't really know if it's working or not. It's supposed to turn off for no more than ten minutes, and if it's doing that I've certainly noticed no discomfort in my home.

Perhaps they could switch it off even longer if that would help them with their load factor in the afternoon. I'm not sure my dogs would like that, because except for when we go bird hunting in the fall, when they're home they like their creature comforts.

I've also purchased a solar-powered attic ventilator that I ran across several months ago. Hopefully -- I've not had it during the summer, but hopefully it will help keep the attic cooler, reduce my air conditioning load, reduce CPS's load, and save me some money. It was not cheap even with the CPS rebate, which was fairly
generous.

In addition to that, I purchased from CPS a kilowatt of their wind-sourced electricity. And, again, I hope that's doing my part for the environment. My home is fairly modern. It has modern insulation, low emissivity windows. I feel as a resident that I've done all that I can.

But even with this, even with the rest of the citizens doing this in San Antonio, I don't think this is surely enough to meet the future needs of electricity in San Antonio and south Texas.

Paragraphs 51.71 and 51.75 of 10 CFR 51 state that the contents of the draft environmental impact statement, EIS, will include, among other things, consideration of the economic, technical, and other benefits and costs of the proposed action and alternatives and indicate what other interests and consideration of federal policy, including factors not related to environmental quality.

So based on these requirements I've prepared a list of just four criteria what I believe the EIS -- the draft EIS should evaluate on an equivalent basis, both for the proposed action, the no-action case, and the alternatives that the NRC
determines need to be studied.

The first of these involved energy security. The President and the Congress have determined that national energy security is a critical federal policy. I believe the proposed action and its alternatives should implement this federal policy in the timeliest manner.

Secondly, the governments of San Antonio and Bexar County are on record that they desire -- strongly desire continued economic growth in the city -- in Bexar County and in the city. CPS Energy has determined that timely additional electrical generation capacity is required for this growth in south Texas. So I submit that the proposed action and alternatives must be able to meet these requirements.

Third, another reason that I like San Antonio is that CPS provides my residential electricity at a cost much lower than the national average. My suspicion is that that's due in a large part to the operation of the nuclear plants. My own residence bill is about $35 a month lower than this national average. 35 bucks a month doesn't sound like much, but over the course of a year I think
that's a pretty good piece of change.

So I think that the proposed action and the alternatives need to consider this and be able to meet this type of a requirement. If they can't then the EIS should go into the impacts -- the negative impacts – socio-economic impacts on the residents and the businesses in San Antonio.

And, finally, lastly, the land for these reactors exists. Installation of the equivalent capacity -- and, again, I think when these alternatives and proposed actions are evaluated they've got to be done on an equivalent basis. So I think that installation of alternatives has got to be the equivocal capacity to what the proposed action for the nuclear plants will be.

And I'm thinking primarily of wind and solar, which would I think require large areas of land -- primarily the agrarian areas -- out in west Texas. I think the EIS needs to determine whether installation of these alternatives -- and I'm thinking about Fort Stockton -- the wind farms out there -- of Big Spring just off of I-20, and if you go up to Sweetwater and over across I-20 to Spider there are hundreds of windmills up there.
So the EIS I think needs to evaluate installation of either wind, solar, whatever, and determine if there are any impacts -- primarily impacts on land usage, ecology, wildlife, other natural resources.

I appreciate this opportunity, and I thank you for listening.

MR. CAMERON: Thank you very much, Stephen. Very helpful. Thank you. Is Bobby Head -- Bobby? Oh, there he is. This is Bobby Head. (Pause.) And we're going to put these comments of Stephen's as another exhibit for the record.

MR. HEAD: Hello. How are you all? My name is Bobby Head. For those of you that know me know that I'm a great talker, but I'm not much of a speaker. I had to bring my notes too and my glasses. A little bit about myself. I was talking to a gentleman earlier about the weather, and I told him I was never going to get used to the weather down here. And he said, You're not from here? I said, No, I was born up north. And he said, Up north? I said, Yes, the hospital on the north side of town over here -- Matagorda General.
And as a third generation Matagorda County resident I understand the concerns and -- that we have about nuclear power. But I also understand the huge drawbacks that we're having today with our continued overuse of fossil energy. We as a county, of course, a state and nation need to look at solar, wind, bio, and, of course, nuclear energy for our future.

All of them have drawbacks. All of them have unique benefits. But about our environment here, it's really strange that what Brent Marceaux was saying earlier about the frogs, I've had an opportunity to work at the power plant on a couple of outages as an outside contractor.

And I had an opportunity one night working nights to go out and work where the pumps are out on the reservoir. And I walked out and I looked down and I said, Geez, as a fisherman here are these huge catfish and these huge red fish swimming together down there. Now, at -- the environment -- if they're doing something about the environment they're making the fish grow big. I can tell you that.

Also the alligators -- the nuclear power
plant is -- the whole grounds -- in a protected wildlife zone. They've not only done that, they've gone in and put in a -- what's called a wetlands -- their own private wetlands so, you know, to help that.

In the last 20 years that the nuclear power plant has been here the National Audubon Society, year in and year out -- I don't know if you all know this but Matagorda County is the number one birding center in the nation -- more birds -- more species of birds every year. They just did the Christmas bird count -- number one in the nation again this year -- more species of birds in Matagorda County.

So as far as the environmental impact is concerned it's negligible what we've had so far and I can't help but think that Units 3 and 4 would also be the same way.

As far as our nuclear plant is concerned, as a Matagorda County resident, I almost have nothing bad to say -- almost. I'll come back to that in a minute. Having worked a couple of outages at the plant I have to tell you it is the most secure facility I have ever been in in my life.
It is unbelievable what you have to do just to get inside. It is -- it takes days. You don't go out there and walk in.

A Westinghouse gentleman was working the last outage, and he had finished his job and he left, and he went -- he was staying at the hotel next door over here. And he'd gone into the -- he had given up his badge and he had gone in. 30 minutes later they needed him back. Too bad. Too bad. He couldn't go back. He had to go the next day, go through the whole scenario of getting everything tested so he could get back in.

Those people out there are the most secure people. And the STP employees are the most concerned and professional people that I've ever had the privilege of working with. They're great people. They do a great job.

As far as the economic impact to Matagorda County, doggone, we've got businesses here that have been here -- we've got Taylor Brothers Funeral Home that I think is the oldest Chamber member -- been here since the early 1900s. Ted's Jewelry Store has been here since the 1900s. I think they're the second oldest Chamber member.
Yes, we have new industry coming in. We have your Wal-marts and we have your Chili's and these new guys coming in -- the new Walgreens -- I think CVS is planning on building a new drug store here.

But we have these old businesses too. And they need -- we've got people like Wild Bill's and Green Brothers and Sissy's One-Stop. And down in Palacios you've got the Ace Hardware and you've got the PMR, which is Palacios Mexican Restaurant -- people like that. Also Blessing and Matagorda and Clemville and Bowling and -- Bowling's not in Matagorda County, but these -- all these communities around close that are going to have impact by Units 3 and 4. Also, it's going to secure future for our children and our children's children.

Now, as far as the one concern I had -- and it's kind of more of a economic thing. As far as the concerns I have is the number of STP employees who choose to live outside of Matagorda County. I understand. They've got beautiful country clubs and stuff like that every place else.

But I would like to work with both STP, our local officials, and Matagorda County to make Matagorda
County the preferred residence of not only the construction families it will bring, but also the management and employees of STP.

Once again, thanks for this opportunity.

If anybody has any questions for me I'm here to answer. Thank you very much.

MR. CAMERON: Okay. Thank you, Bobby. And John? John Corder.

MR. CORDER: I'd like to express my appreciation for the Nuclear Regulatory Commission for coming here tonight and being so gracious to host this any questions we may have.

I'm from Brazoria County -- a citizen. My interest is to monitor the engineering and the construction of the plant, and I hope I will be afforded that opportunity. And I think that we should all be interested in the performance of the new plants as they come into fruition. Thank you very much.

MR. CAMERON: Thank you, John, for being here tonight. We're next going to go to Bruce Martin, then Paul Gunter, then D.C. Dunham. And Bruce?

MR. MARTIN: Well, with all these
excellent speakers I kind of feel like the guy that
has to follow Bob Hope when he's telling jokes.

I don't have much to say except that I'm
100 percent for the building of this two reactors
for Matagorda County. Economically we need it. And
the safety is -- and the environmental impact are
excellent. We've had 20-some-odd years with no
accidents.

And as the man has said about the frogs
and the crocodiles or alligators what is the
environmental impact? This is a closed section out
there where everything that goes on is controlled by
STP, and they keep it friendly to the environment.

And as for the people that are against
it, most of them have a personal axe to grind. If
you worked there 20 years and drew the high salaries
it was fine. But now that they're not working there
it's not any good. And I thank you for your time.

MR. CAMERON:  Okay. Thank you, Bruce.
And now we have Paul Gunter that's going to talk to
us.

MR. GUNTER:  Thank you. My name is Paul
Gunter. I'm with Beyond Nuclear out of Takoma Park,
Maryland. And I step up here on this stage -- and,
really, it's about all I need is to have another
foot path here.

But, you know, my daddy was from Canton, Texas, and his nickname was Treetop, because he was
six-foot-ten. But, you know, I like to think that
we're all here not just whether we're for or against nuclear power.

We have some common interests. And what I'm here to talk to you tonight about is the common interests that we have in that we all should be concerned about a thorough, open, and a process with integrity.

And I think that right now from our perspective, as we look at what you all are going to go through and what is happening around the country, is that there is a crisis in public confidence. And it's a crisis that comes from this process. And what I'd like to speak to tonight in particular is a crisis around the National Environmental Policy Act that we're here to talk about tonight.

I think that it's important for us to realize that it's not just about building this plant, but it's about how we're going to approach this issue and a number of environmental concerns
that it raises, not just for you, but for
generations to come. And not just for the
generations that will inherit -- that get the watt
of electricity, but for the countless generations
that will inherit all of the nuclear waste without
one watt of electricity from the process from --
from this oversight process and from the
construction and from the operation should it
happen.

And right now we've got a crisis because
the scientific process that we're looking to manage
the nuclear waste South Texas 1 and 2, 3 and 4, the
104 operating reactors around the country -- right
now there's only one site that's being looked at.
And that's in Yucca Mountain, Nevada.

And the issue is is that if this were a
scientific process you would be looking at least
three sites. And you would be looking -- likely you
would be looking at Deaf Smith County, Texas, as one
of those other sites. And it wasn't until 1987 that
Deaf Smith County, Texas, was taken off of the list
and Yucca Mountain, Nevada, was the only one that
was left.

And let me just tell you that Yucca
Mountain is crisscrossed with earthquake faults. It's surrounded by volcanic -- you know, by volcanoes -- some of the youngest in the country -- the Lathrop Wells cinder cones. And this is where we're doing all of our research and all of our focus -- you know, what we're going to do with this nuclear waste.

Now, the issue is is that we believe and -- that you should be able to raise this issue of nuclear waste within the context of building more reactors. But currently -- the current NRC process says that we are not allowed to raise that because of what they call the nuclear waste confidence decision. And that decision was made by rule-making with the U.S. Nuclear Regulatory Commission that said someday somewhere somebody somehow is going to figure out what to do with, you know, right now 55,000 metric tons. You add more reactors -- it's going to be up to 100,000 metric tons, 120,000 metric tons. And right now the only place we're looking at is to send it off to a seismologically and volcanically active area. And it's not for sure that it's going to happen. Right now the Yucca Mountain process is falling apart.
And, in fact, there is no confidence.

So the environmental scoping process that we're talking about here -- if this is an open process, if it is a democratic process, if it is a process with integrity we believe it should allow us to raise the issue of how your reactor, if you choose to call it your reactor, will impact future generations and places that are having their whole process -- it looks more like a political mugging than it is an environmental impact statement.

Now, I want to close with just one other point because it affects the national security of our country, which is something that we all should be concerned about, whether we are for or whether we are against nuclear power.

This current process should afford us an ability to access South Texas 1 and 2 and 3 and 4 for aircraft impact hazards analysis. Right now the U.S. Nuclear Regulatory Commission is saying that an aircraft -- and it doesn't have to be a commercial aircraft, friends. It can be a twin-engine Cessna loaded with C-4 and shaped charge.

We want that analysis to be done for
South Texas 1 and 2, 3 and 4, and every other reactor in this country. We believe that our -- we're owed it because national security in a post-9/11 world is a paramount subject.

And we should take off the blinders and realize that it is part of the democratic process to allow us to say -- you know, to present evidence -- to present documents. And I'll tell you, the documents are there. NRC has the documents -- the documents that say that South Texas 1 and 2 were not constructed nor designed nor evaluated for aircraft hazard. That just came back into the public document room as a result of the NRC's own rule making.

And another document -- that -- by the way, that document was done by Aragon National Lab. And another document that just came into the public document room that was -- you know, relates to the NRC's own analysis of what should be going into making Units 3 and 4 more terrorist resistant -- that document has just come back into the U.S. public document room.

And we should be afforded an opportunity -- you should be afforded an opportunity
to look at it in the context of licensing more reactors in this country. Thank you.

MR. CAMERON: Thank you very much, Paul.

D.C. Dunham.

MS. DUNHAM: Good morning. I'm D.C. Dunham, and I'm the executive director for Bay City Community Development Corporation. And as an economic developer many of us only get an opportunity like this kind of expansion once in a lifetime. So it's really important that we take advantage of this opportunity. And many of us have already started doing that. We've turned a eyesore into a great asset. We've begun developing subdivisions. We have new spec houses going up. Matter of fact, building permits are up 250 percent since the announcement.

We've started recruiting retail stores, and sales tax is up over 30 percent. We've developed a new associates degree program. We've formed an alliance with educators and industries. We've had career fairs and job fairs. We've increased scholarships and on-the-job training programs.

But let me digress a moment and talk
about that eyesore, which is my pride and joy, and education, which is my passion. That eyesore that I'm talking about is the old K-Mart building -- not the old, old K-Mart building, but the old K-Mart building on 60 South. And if you're not familiar with what I'm talking about you obviously don't live in Matagorda County because it's been an eyesore to this community for over 15 years.

But we took a derelict big box and turned it in to a great asset in this community. We've got the unit 3 and 4 headquarters on one side of the building. And on the other side we've got a training facility that houses Wharton County Junior College. And in the middle is a great park environment -- an atrium that allows our business partners and our students to mingle and share ideas.

And we presently have 162 students, which is three times the amount of students we had a year ago in that facility. And they're preparing for the new jobs that are being created just across the hall.

That new workforce development initiative is a huge strength for our community. Which brings me to my passion -- education. With
this announcement we had the opportunity to bring together industry and educators and solve a really huge problem. But it was a good problem, especially for this community that has had traditionally double-digit unemployment. Our problem wasn't how are we going to meet the demands of our local industries' needs for all of the jobs that are going to be created.

So we formed an alliance with all of the large industries -- not just STP -- but all of our large industries in Matagorda County. We brought in all four of our I.S.D.s -- we have four high schools in Matagorda County -- and the community colleges throughout the region, as well as the four-year colleges. And we brought in our government folks -- our government partners -- from the federal government all the way down to our local officials.

And we began working on this issue.

Within just a matter of months we developed the idea of coming up with power technology, which is an associate degree program that's being taught to our students today.

The Mid Coast Industry Education Alliance is still meeting today -- we meet
quarterly. And we continue to talk about ways that we can make Matagorda County a great place for our young adults to live and raise their families and to have good paying jobs in Matagorda County, again, creating a great strength for our community.

So I'd like to challenge you to join me in embracing this opportunity. And I'll mention Mitch Thames -- he hasn't spoke tonight -- I don't know if he will. But between he and I, no matter what your passion or your interest is, I'm sure we have a committee that I'd welcome you to serve on. Thank you.

MR. CAMERON: Thank you very much, D.C. Mitch, did you want to talk again tonight? Okay. Come on up.

MR. THAMES: I am the Bay City Chamber of Commerce president. Are you kidding? Do I want to talk again? I am almost as bad as a politician -- no offense to the politicians still left in the room. Sorry, Sheriff. I apologize.

My name is Mitch Thames. I am the president of the Bay City Chamber of Commerce and Agriculture, and I'm telling you I've got one of the best jobs in this county because I get to sell this
We talked a lot about the environment today. Well, let me tell you a little bit. We've got a river that flows fresh water. We've got two bays and estuaries in the Gulf of Mexico that's saltwater.

The sensitivity of our environment is massive. We did -- we have one -- Mr. Head's right -- we have one. The North American Audubon Christmas bird count -- many, many, many years -- this year -- 236 species of birds in a 15-hour period -- excuse me -- in a 12-hour period in a 15-mile circle. We have -- we are the birding capital of North America. I'm trying to get that word out, so help me.

But I look across the room and I see an awful lot of friends and family, and I appreciate you all coming out. I moved here to Bay City with my wife -- and I'm going to get points because I'm going to introduce her. Carolyn, thank you for coming and supporting me, ma'am.

But I'll tell you, we came to Bay City -- we chose to come to this community. We chose to move our family here. We chose it because
of the opportunities available for us. We have
world-class fishing -- deep-sea fishing, freshwater
fishing, also fishing out of the bay. We have some
of the best water fowl hunting known to man --
unbelievable. We have folks coming in from all over
Maryland and all over coming to hunt right here in
Matagorda County.

But I'll tell you this, it's not always
been so pretty. Common ground is a good thing, but
I'll tell you this. Common ground with double-digit
unemployment -- 14 to 17 percent unemployment and an
economy flat, if not declining, is not right.

And we for years asked, when is somebody
going to come and help us. Well, they didn't come.
And all of these suggestions from all over the
place that we've heard today didn't come until we
rolled our shirt sleeves up and went to work
building this community. We've now got a single-
digit unemployment rate here.

We do have a college that our kids are
being able to attend. Our kids do not have to go
out of town for a high-paying job, and that's our
goal. We can educate them here and we can employ
them here. Because I'm selfish I want my
And so as we talk about common ground I do appreciate it. And I've loved listening to a lot of the -- a lot of what's been brought up here today. But I'm telling you, common ground means we are going to have to take care of ourselves, and we are going to have to attract the industry. And Units 3 and 4 give us the opportunity for our kids to work for more than $6.00 an hour and try to raise a family and try to buy a house.

You can't do it, folks. We have got to have high-paying jobs -- not just 3 and 4 -- that's just the beginning -- that was Christmas. We have got to build this community an industry at a time. And that's what you're here to hear.

And I certainly thank you so much for your attendance and this process. And thank you so much for visiting Matagorda County. Thank you.

MR. CAMERON: Thank you, Mitch. We'll go to Karen Hadden and -- at this point. And then William Warner and Jimmy McCauley. This is Karen Hadden.

MS. HADDEN: Good evening. I'm Karen Hadden. I'm the director of the SEED Coalition.
We're working for clean air and clean energy throughout the state of Texas.

I'd like to respond to a couple of comments and raise a few issues. One is that economic development is, of course, great. Who could argue that? But I want to point out that it can come in many ways -- that a community can seek it out.

This area has offshore wind, and there is a small town mayor in west Texas named Sherry Phillips. I heard her say the same things -- that when wind energy came to their community for the first time their kids could come home. They could live and work in the community. They could run cattle underneath the wind turbines. That's a possibility for this community as well. And I urge NRG [sic] to seriously consider that path.

I spoke earlier -- well, first of all, I'd like to mention that officially I would like to request a public meeting regarding the safety review because that is not happening at present, and the safety review is not finalized.

I'd also like to request additional scoping meetings regarding the environmental report.
There are many people I know of in Austin who could not make this trip who would like to comment in person. There are people in San Antonio and Houston as well. I would urge you to set up scoping meetings in those communities for this environmental report.

I spoke to Mr. Barrs earlier and, again, was informed that the safety review is not complete. And even so we as citizens are being asked to have contentions ready in just 20 days. Something tells me that that safety review will not be done during that time. How can we read it, analyze it, get experts, and prepare a case?

That is not right. It is not valid. This -- and other reports -- the safety review and the final environmental impact statement should be finished before the licensee procedure goes forward and before citizens have to raise their contentions.

I think that FEMA should be present for a safety hearing and the Department of Homeland Security. And I would like to hear how all of those agencies are, in fact, working together to assure safety. This is no small thing to have a construction site next to an operating nuclear
plant. It deserves close scrutiny.

One reason -- a really important issue.

There's something called the Design Criteria Document, and that's called the DCD. I started looking at this license application online and I found a whole section that said incorporated by reference in the DCD. It took a long time to find out what was a DCD. And then when I tried to call and get answers I couldn't get them.

Tonight I was informed by Mr. Kallan that that document is available. Unfortunately it is available only in Washington, D.C. in the reading room of the Nuclear Regulatory Commission. That is a document that we need. That is the design criteria for the two advanced boiling water reactors that NRG [sic] wants to build here. That is a document that we need in our hands to effectively be able to write contentions to submit them in a timely manner.

Why does this matter? By the way, they've had this design for ten years. And it seems that by now it could have been put into electronic version and be up on the Adam system. It's way late. Right now we have to talk to the public
document office and see what they can do. We may have to pay thousands of dollars to even get a copy.

Today is February 5. Our contentions have to be submitted in 20 days. I would like to officially ask when will the DCD be available. The licensing procedure should be halted immediately until that is available.

In section 5.4.1 of the environmental report there is a section of radiological impact and exposure pathways. Here is says -- and I will quote -- Radioactive liquids and gasses would be discharged to the environment during normal operation of STP 3 and 4. The released quantities have been estimated in Tables 12.2-20 for the gasses and Table 12.2-22 for liquids of the AVWR DCD.

So the documents containing the quantities of radioactive material that would be released during normal operations are not yet available to the public. They would require a trip to Washington, D.C., a hefty budget, a whole lot of copying. If somebody can please give me a copy of the DCD I would take it. But that information is not currently available to the public other than in
Washington, D.C.

They discussed the maximally exposed individual. Please, if you would, expand this section to include impact on all age groups. It should be women and children, young children, pregnant women, not just adult males. In some sections there was analysis of children, and that's good. But the impact should be done for all categories for all types of impacts.

There was data that said water downstream is not used for drinking water or irrigation. Please analyze the impacts, however, because there is wildlife in the area and breeding grounds in the wetlands. We need to have added explanations of what the data means. There is some data provided in here, but no context given to what it means.

Gaseous pathways are analyzed in terms of 50 miles, in terms of exposure to ground and air, and inhalation. Then there's a reference to radiation shielding, but no explanation. I would like the document to include exactly what is meant by radiation shielding -- how does it work, why does it work, what does it mean.
There's a conservation estimate of 2.5 milligrams per year at the site boundary. They come up with a total body exposure to the maximally exposed individual per year of .35 milligrams per unit. So if you double that you're talking about .70 milligrams per year. But we need to bear in mind this would now be four units and cumulative impacts need to be addressed throughout.

Several times the study just simply concludes that these exposure limits would be small -- in capital letters small. Please give us some context. What is the criteria for small? What do you mean? And why are they small?

It refers to the fact that gamma and beta emitters are typically part of the normally released radionucleids of power plants. Again, the impacts to biota are considered small. Please explain.

The occupational radiation doses are listed as 197.8 person-rem for the two units per year. This is over 200 times, by my calculations, of what the average exposure would be. And if you double that, workers at the plant may be getting very high levels of radiation. Cumulative impacts
must be analyzed.

Later there is a comment that 1.9 fatal cancers would occur from the annual fuel cycle. Please add information about the day-to-day operations as well.

And thank you for your time. And I'm sorry about my voice. Thank you.

MR. CAMERON: I just want to emphasize for the record that there were three requests made that are within the province of the staff -- the public meeting on safety side issues, scoping meetings in San Antonio and Austin, and the availability of the DCD document.

And I would just like to remind all those folks who are thinking of intervention here is that it would be best not only to make that request here, but to send a letter to the Commission with your reasons for that since they're the only ones that can make that decision. Did you want to add something, Paul?

MR. KALLAN: Yes. In terms of public scoping meetings, they're usually volunteer meetings. They're not -- I mean, the NRC goes out of its way to have these public meetings to educate
the public in the local area.

So we try to have -- I mean, it's resource intensive, and that's the reason why we have it close to the proposed site. So that's one of the reasons we don't have them in San Antonio; we're having them close to this area.

MR. CAMERON: Okay. Thank you, Paul, for providing that rationale for why we have it here. And that may be -- it's going to be confined here. But I think that there is a request that you're going to have to take home and evaluate before you decide. Go ahead. Is it Mr. Warner?

William Warner?

MR. WAGNER: Wagner.

MR. CAMERON: Okay. How about Jimmy McCauley? Jimmy, that's you coming up. No?

MR. WAGNER: Wagner.

MR. CAMERON: Oh, okay. Sorry.

(Pause.)

MR. CAMERON: In fact, do you want to just use this?

MR. WAGNER: Yes, that's fine.

MR. CAMERON: All right.

MR. WAGNER: Thank you. In keeping with
what this thing is supposed to be about -- scoping
the environmental report -- I am addressing you. I
am not addressing the public at large. I represent
no one but myself.

The things that I am concerned about are
the true environment surrounding the plant. What I
saw when I read the existing environmental report is
something that looks 30 years old. That is not
today's environment.

One thing that jumped off the page at me
was the emphasis on Matagorda County and anything to
the north and east. That is not where things are
happening. They are happening to the south and to
the west. And I'll get into that in a minute.

I think we have some very definite
problems with the seismic analysis. We are having
adjacent gas storage -- both natural gas and
liquified natural gas -- just over the county line
to the west that is being built. Both of these
things provide external hazards to the site and
should be evaluated for both their direct and their
seismic implications.

We did not see anything that had to do
with coincidental unit problems. If we have a
problem on Unit 1 and 2 during construction on 3 and 4 what's going to happen about that? If we have a problem on 3 and 4 during the operation of Unit 1 and 2 and it affects Unit 1 and 2, what will happen with that?

This works very strongly in things like low-pressure turbines coming apart. They just rebuilt the low-pressure turbines. Why? They obviously weren't really happy with its performance at that point, and that was done as a preventive measure.

On a boiling water reactor there is always a chance of a gas explosion. The disassociation of water and hydrogen appearing in the air ejectors on the turbine gives you the ability to have a pretty sophisticated explosion on the gas unit.

We may have a problem with soil subsidence. Not too far away from the existing site, on the other side of Highway 60, there is an old Texas Gulf sulphur site at Gulf. Sulphur was mined out of there for many, many years. The site was finally abandoned. The company moved north out of the county in the area between Highway 60 and
Bowling.

About five years after I moved down here in 1983, that highway fell down into the ground -- a sinkhole. That was caused by that sulphur mining that was going on at a place called Newgulf. Is this a possibility for the old Gulf site? Would this offer some compromise to the ultimate heat sink or cooling pond?

We also have a problem with injection wells. I live on the south end of town. Less than six blocks from my house is a very high level waste injection well. Now, we all know about 1987 or `88 the Perry plant in Ohio suffered a seismic event from an injection well that was approximately 30 miles to the southeast. We need to analyze for that.

In the wonderful world of knowledge that we now have after the movie called Charlie Wilson's War, where he was furnishing weaponry to the mujahadin to remove the Russians from the north end of Afghanistan, the one that got all the interest was the missile -- the hand-launched missile from the ground. The one that didn't get as much notoriety was the introduction of geosatellite
targeting for an ordinary mortar.

What this brings up is a security problem. The security problem is acute in that having Deputy Dawg and Barney Fife out there looking to suppress some sort of armed force is old hat. This is the 21st century. We don't even have to get close. We know that. We know that all too well. With a simple mortar and GPS targeting, they were able to hit first time every time.

Now, what's the target? The target is very simple: 20 years' worth of spent fuel. That's not in a hard building; that's in a tin building. It doesn't make any difference whether you get it really complete; all you have to do is hit it once and you've got a mess. And the mess will be enough to take care of the site for quite a while.

Same topic: security. Design basis accident, loss of offsite power. If you look where the power lines run, they run parallel to Buckeye Road up some eight miles to State Highway 35 from the site. According to the COLA, they plan on duplicating some of those lines.

In 1968 in Baraboo, Wisconsin, two dissident students from the University of Wisconsin
took out a substation. It took them about five years to figure out even who did it, but it was done very easily. They did it with a wrench. They went out and took the tower apart and let the wind take the rest of it.

This was nowhere near the 500 KV that's on that line leading out of that plant. If you want to cut a big extension cord, it don't take a world of hurt to do it. That needs to be analyzed.

They have a giant cooling pond out there. Depending on which part of that COLA you read, they're either going to use cooling towers -- four-strap cooling towers on Units 3 and 4 or they're going to use the cooling pond itself. I'm not sure which one it is.

But in either case one of the ways to defeat that plant is to make the cooling pond go away. The same things that I talked about with spent fuel pools and mortars.

And this lady that was just on before me talked about airplanes, and so did the gentleman. If you take that wall down, it's all over. You know that, I know that, we need to analyze for that.

Speaking about the cooling link, what
part of makeup requirements are going to be for both
instances or decide which one you're going to use
and tell us that one.

        Are there going to be temperature
limits? We're living in a world where
climatological change is causing warming -- global
warming. We know the sea level is rising. It's
already bothering the Chinese. It's not bothering
us yet, but it will.

        Now, what's causing it isn't a concern
here. The mere fact that it's happening -- and it
needs to be analyzed. We're talking about a grand
total of about 60 years. We need to look at that.

        We need to figure out whether we're
going to preserve that estuary or whether we're
going to let it go to hell. Right now I understand
that at the intake for the cooling plate we're
getting brackish water. The original design was
that they were not to remove enough water such that
there was back-flow to cause saltwater in at the
inlet station.

        It appears it's happening regardless of
whether they pump or don't pump. This says there's
been a change in the basic environmental impact
statement. That needs to be analyzed for.

There are a number of river studies going on right now, not the least of which by the Lower Colorado River Authority, who is in charge of this particular chunk of water.

Also going on is what's known as LCRA-SAWS, or the San Antonio Water System. Now, that's not close. It's up near Interstate -- or U.S. Highway 59 between Wharton and El Campo. But they're going to build a large reservoir that's going to feed the city of San Antonio from the Colorado River. This is a large open body of potable water that is in a possible patch for any radioactive release from the site. It needs to be analyzed as part of the environmental report.

In the old days we used to have a PSAR, a preliminary safety analysis report. Now we don't have that. Now we have an FSAR. How on earth can anybody call that thing final. It's totally incomplete at this time. We don't have to fib to each other. It's not done. It's not even close. Okay. We need to extend the comment period because the information is not there.

The other part of this that's a real
hard spot with me because I am an old reactor operator is it is totally inappropriate to license operation on a woefully incomplete safety analysis report. I don't know how the devil you guys ever came to that conclusion, but that needs to be looked at seriously.

Get real on security. This is the 21st century. This is not World War II; we're not doing M-5. We're not doing, you know, storm the Bastille.

We now know -- and September 11 brought it home very strong and very positively -- nobody has to confront anybody.

I tried to make these points earlier. I'm hoping I'm making it now. Physical confrontation at the site is neither required nor desirable to achieve the objections of terror; you don't have to do it.

MR. CAMERON: This is all very valuable information for us to hear, Mr. Wagner, and I know that you're probably not going to send in written comments. We want to hear it. I just ask you to try to, you know --

MR. WAGNER: I'm almost done.

MR. CAMERON: Okay. Thank you.
MR. WAGNER: I take lousy notes. Where will the terrorist materials come from to perform these things? They're already here. Where's the delivery method? It's already here. We know that. We know that all too well. We know it doesn't take much.

And when we had four of these guys in a row sitting up in the middle of the coastal plain within takeoff full-fuel distance of Houston, San Antonio, Corpus Christi, Austin, it doesn't take much more than a village idiot to figure out that this is an easy mark -- a real easy mark. Is that's not part of the environmental impact, it sure the devil ought to be.

In the end this is all about money: who's got it, who doesn't have it. Part of the problem is we know who's got it, and it ain't us. It's big oil; it's big oil suppliers; it's our big buddy trading partner to the very far west.

And yet we have this thing that says we won't have foreign ownership. Well, I'd like to know how you're going to do it without it. And I'd like to see the justification for that in the environmental impact statement.
Is a blind eye being turned in deference to some political agenda and in violation of the Atomic Energy Act? Or do we just hope it goes away?

We get no cost figures out of that COLA -- none. Everything is proprietary. That's nonsense. I can get cost figures on ones that they haven't even put applications in on. And in some cases they've already decided it costs too much. The one thing that would kill this -- and it won't be guys like me -- is money. And if we don't know what's going on we'll never know, will we? Thank you.

MR. CAMERON: Thank you very much, Mr. Wagner. We have a few speakers -- Jimmy McCauley, Ernest Opella. We still need to hear from Dr. Hefner and from Owen Bludau. And this is Jimmy McCauley.

MR. McCAULEY: Hello. I'm a fisherman, a father. I'm also an INC technician out there at STP. I've been and out of that plant since 2003. I've worked in the industry of electrical electronics -- chemical offshore for four years and served a little time in the Navy.

That is the safest facility I've ever
been in my life. I've been around the world three times. I've seen a lot of different things in different places. It works. They have contingency plans for most of it. The rest of it you all can figure out. Thank you.

MR. CAMERON: Thank you. Thank you very much. And this is Ernest Opella.

MR. OPELLA: For some of you who know me, I'm not going to speak longer than Mr. Wagner. My name is Ernest Opella. I chose Bay City as my home 47 years ago. I have a vested interest invested in Matagorda County. I raised a family here -- four children. One of my daughters is here -- living here. I have my business here. I have my home in Bay City. All my financial resources are tied up in Bay City.

I have many friends in Bay City, throughout the county. I'm concerned about them and their well-being. I feel that the Bay City plant has been operated safely, and I support the addition of Units 3 and 4.

But I would like to go back on something that the mayor said. As I look around the room here, I don't see too many people that was in Bay
City 28 years ago when the National Regulatory Agency met at the old service center.

But I was there. I was there representing the people of Bay City. I was representing the city council. I was the mayor of Bay City then. The city council passed a resolution supporting the plant: its construction, its operation.

We had full faith in the integrity of the plant, the people that were going to run it, and the owners of the plant. Well, that hasn't changed any.

The mayor of Bay City told you a few minutes ago he's ready in our backyard. We said that 28 years ago and we're repeating that again today. So I urge the NRC to speedy licensing and approve this plant. And thank you.

MR. CAMERON: Thank you, Mr. Opella. Dr. Hefner. And then we'll go to Mr. Bludau and then to Mark McVernon and Joe Sheppard.

DR. HEFNER: Thank you, sir. My name is Jim Hefner. I'm the site doctor out at STP. I've been coming down here for 16 years now, gotten to know most of the folks out there; feel like I'm part
of the family.

One statement that was made earlier referenced exposure to cancer. It's an old subject. We've all heard it many times. And I want to do what I can now to put it to rest.

Sixteen years ago when I joined the staff out at STP, I had similar concerns and did some research and then relaxed, because I realized it was a very small possibility. But in the last 16 years multiple studies have come to fruition, and I think it's etched in stone now. I think we can put this to rest. Let me quit quivering here; I'm not a good speaker. But I do want to share this. It's important for you to know.

The National Academy of Sciences, National Cancer Institute put together multiple studies. The NEI has put this fact sheet together -- and there's a copy of this on the way out. Please help yourself. A whole bunch of long-term studies that have concluded unequivocally now that living near a nuclear facility will not increase your incidence for cancer. It just won't happen.

Anecdotally we've got a whole community
here that will tell you that they're not worried about it and it hasn't happened. Now, this is national stuff; this is international stuff. And it's good science; it's solid. You can find a lot of flaky stuff on the internet. This is gold standard research, and it's real, so relax.

Let's look at little closely -- or more closely at the local impact. This is a study that's also available in the back when you leave. Please help yourself. Two Rice professors were asked to analyze the cancer death rate in Matagorda County. Statisticians, Ph.D., full professors -- one of them an adjunct professor at M.D. Anderson Hospital -- these folks know numbers, they know cancer -- one a Ph.D. environmental engineer. They concluded the same as the national and international studies. Living in the shadow of a nuclear facility will not increase the cancer death rate.

So I hope we can finally put this to rest. There's enough to talk about here, and this subject just keeps coming up. And maybe it will finally go away. So I'll be available afterwards if you want to ask me any questions. Thank you.
MR. CAMERON: Thank you, Dr. Hefner. And Owen is coming up.

MR. BLUDAU: Good evening. Thank you very much. My name is Owen Bludau. I'm executive director of the Matagorda County Economic Development Corporation. The Corporation is composed of nine agencies -- five are public funding agencies -- the county, the navigation district in Palacios, Port of Bay City authority, the Bay City Community Development Corporation, and the City of Palacios Economic Development Corporation. In addition, there are representatives of the four area Chambers of Commerce on our board.

The focus of the Matagorda County EDC and my job is to bring new economic development to Matagorda County. And this, as D.C. Dunham said, is a chance of a lifetime that most economic developers would dream of. The value of that STP is talking about investing equals the combined -- it exceeds the combined value of the eight largest industrial projects in Texas in the last four years. It exceeds those. So that is big. That is economic development right big.

We welcome 3 and 4. They're good for
the county. STP has made Matagorda County a much
strong economic entity by its presence. It is our
largest private sector employer. Units 3 and 4
would add another 800 jobs. And those jobs, as has
been mentioned before, are going to be opportunities
for our high school graduates, our graduates at
colleges to come back to school -- come back from
school and work here and for people who are
underemployed to improve their education and have
better career opportunities.

As I mentioned earlier this afternoon
STP has been such a good neighbor that we went after
another nuclear power plant, because if one is good,
then two can be better. And we were successful in
recruiting Exelon to Matagorda County initially.
Unfortunately the site did not prove suitable to
their needs and they have gone elsewhere. But that
showed that we are a welcoming and nuclear
supporting community.

We're after STP 3 and 4 for a number of
reasons -- the same thing we were after Exelon for.
We want to attract their employees to live here.
If you can get 3 and 4 -- a major percentage of the
employees of 3 and 4 to live here they're going to
buy homes and cars. They're going to buy their groceries, their retail products. They're going to use the services of our banks, our medical facilities, their insurers, utility companies, and our various service providers.

That's going to help all the existing businesses in the community. It's going to attract more businesses to the community. If we could get 600 of 800 to live here that would generate an additional 1,000 service sector jobs. And that is good economic development.

The temporary construction workers that are going to be here will be over a six-year period. And they will ramp up, they'll have about two years of 4,000 people, then they'll ramp down.

They're not all going to live here. They're not all going to be here at the same time. But a lot of them are going to live here -- a lot of them are going to commute in and out. And while they're living here they're going to be spending their money here. While they are commuting in and out they're going to be buying gasoline and refreshments and spending some of their money here. So that's going to create additional strong
business for our local employers, our local businesses, and it's going to add and attract other businesses.

We saw some of this retail happening already, as was mentioned earlier. We had new retailers coming in in 2007. We had more of them buy -- more retailers buy property in Palacios and Bay City for new facilities. There are new retail facilities under construction because they are anticipating an increased customer base. So this is adding to our employment opportunities and it's adding to the existing tax base, which we all need.

Major -- STP is a major financial supporter to a lot of the activities in the community as has been mentioned -- the community events, the organization of the civic activities. Many of these events, activities, and so forth could not exist without the financial support of STP.

We welcome here because the increased -- addition of 3 and 4 will make them stronger and hopefully increase their contributions and their involvement in the community. But, more importantly, their employees are part of the community. They're our neighbors; they're our
citizens. Individually they provide strong support to our churches, our civic groups to our youth and environmental activities, school districts, educational opportunities, and to the governmental units here.

We are strengthened by the presence of these employers among us. Two of the STP employees serve on my board. They do not serve as members of STP, but as elected members of other organizations that are represented on the board.

We want to see the new employees from 3 and 4 also follow in this same footpath of being involved in the community. We need the new blood, the new ideas, and the new vitality that they can bring. We're an aging community and our organizations are aging. They need new blood and new membership. So they will provide economic benefits to all of us in the county.

As the sheriff mentioned about emergency planning -- and Mayor Morton also mentioned it -- it has an aspect to economic development that often is not perceived. A lot of the business that I'm talking to -- the industries -- have a concern about the Texan fire services -- emergency services. And
when we mention the types of planning that are undertaken in Matagorda County because of the presence of STP that gives them a good comfort level that their needs will be met also and they can participate as a member in this emergency planning and response within the county.

We're well prepared, we're well equipped for nuclear incidents, and we are also just as well prepared and well equipped to respond to hurricanes, tornadoes, floods, and industrial fires.

And we experience the benefits of that two years ago when we had to evacuate for Hurricane Rita. We went through that smoothly and without disruption as compared to what happened out of the Houston area when they were tied up for almost 24 hours or more on the highways getting out. So we have good evacuation plans. We have people well trained to implement those plans.

In summary, I want you to know that Matagorda County is stronger and better community because STP is here. We support the addition of Units 3 and 4. They will add significantly to the economic vitality and the strength of Matagorda County. Thank you.
MR. CAMERON: Thank you very much, Owen.

We do have one -- we have three speakers left. We have Ed Dykes. Ed is -- are you here? Here is he. And then we're going to go to Mark McVernon and then to Joe Sheppard.

MR. DYKES: I would like to talk to you a bit about nuclear power, nuclear energy, and the environment. I've had the privilege of working with some people who were at the dawn of the nuclear age -- people who were involved in the Manhattan Project and then in the commercial business.

One of the tones of the meeting seems to be that somehow this is dancing with the devil; that we're going to get all this economic progress, that somehow or another we're taking a huge risk in doing this. And we've heard a lot of people come up and say, Well, I like nuclear energy because of the money it's going to bring in here. And I think some of the other people caught on to that. Well, you guys are just willing to sell your souls.

Well, let's look at what the objective is. We want to be able to pay our electric bills and send our children to college at the same time. That's the end goal. And while we're at it, we want
to continue to fish in the Colorado River and now in
the Gulf of Mexico.

Now, how many people have ever come face
to face with nuclear medicine and have had a slurry
pumped into your system and then had doctors image

Now, there's a little interesting fact I
want you to consider. The number of curies that
were pumped into our body equals the total number of
curies that STP 1 and 2 emit to the environment
every year. Okay? Does that put things a little
bit in perspective?

Does anybody know how much uranium there
is in the oceans of the world? Anybody? There's
four-and-a-half billion tons of uranium in the
oceans of the world. Now, that four-and-a-half
billion tons of uranium came from the maybe five
hundred billion tons of uranium that's in the mantle
of the earth.

Now, who here thinks that man's activity
is capable of making any more than an insignificant
increase in this environmental load? She does.
Okay. We have one person who believes that.

Now -- and that's -- oh, two. Okay.
Now, once again, we get into the old thing of risk perception concerning the environment and human activity. The average environmental radiative load in the United States of America -- the background radiation level is approximately 100 millirem, and the average American gets about 10 millirem of exposure through medical things a year. That's 110 millirem.

Now, worldwide -- I'm going to say some stuff that's really going to scare you. And you people who are afraid of radiation, you better plug your ears right now. And I suggest the young lady at the front of the room here leave, because this is going to scare the pants off of you.

Just in India -- there's a vast province in India -- in western India where the average background radiation is approximately 1,400 millirem a year, which is 14 times what the background radiation level is here. Some of the regions have 7,000 millirem, and human beings have lived there for over 100,000 years. and none of them have three eyes.

Now, how can this be? They are living in a nuclear disaster area -- in an area with...
radiation levels equivalent to a vast nuclear
disaster over a gigantic region far in excess of
Chernobyl. I shouldn't be saying Chernobyl, because
these STP guys are probably tightening up right here
talking about that particular little topic.

But there's another interesting little fact about that. Let's just look at the disaster
there from a plant that was no design, that has no containment associated with it, a fully trained
operational staff, most of whom had just come over from coal fire plants -- they had no particular nuclear training.

Who knows how many people have died today from Chernobyl? How many? Who knows that number? Take a guess. Somebody tell me. How many have died? MALE VOICE: If you want to go to the Ukranian Health Ministry, it's about 36,000.

MR. DYKES: The Ukranian Health Ministry, which you can look up on the web, says 56.

MR. CAMERON: Ed, this is like having the Ed Dykes show here.

MR. DYKES: Okay.

MR. CAMERON: You know.

MR. DYKES: I apologize. Okay. I'll
finish up here. Okay. Interestingly enough, nuclear reactors remove radiation from the environment. This is probably going to come as a startling little fact for you, but think about this.

The isotopes that you put in the reactor are long-lived isotopes -- radioactive isotopes. Reactors convert them to short-lived radioactive isotopes that die off much more quickly. When you're through at the end of the day, there is a lower radiation load on the environment because of the presence of nuclear reactors.

A coal fire power plant spits out more than four times as much radiation as the average nuclear plant does because of contaminants in the coal. In fact, you could generate more power from coal by removing uranium from it and thorium and burning it in nuclear power plants. There's less environmental damage. The EPA estimates that 30,000 Americans die prematurely every year from the effluent from coal-fired power plants.

We can also talk about alternative power and how there's no disposal plant for solar collectors. It might surprise a lot of you to understand that the incredible chemical mix that's
in solar panels, including arsenic. The burden on
the environment with arsenic, which, by the way, has
an infinite half-time -- not a 100,000 years, but
infinite.

    Well, anyway, we can go on for --
anybody wants to talk about that some more,
particularly those -- the opposing side and the
young lady in the front, may talk to me at length.
I will stay until 5:00 a.m. in the morning if
necessary. Thank you.

    MR. CAMERON: Thank you very much. I
missed Mr. Singleton, who's going to talk, and I
promised Mr. McCormick that he could have --

    MS. SINGLETON: You can't give me the
last word.

    MR. CAMERON: And then we're going to go
to Mr. McBurnett and Joe Sheppard. Mr. Singleton?

    MR. SINGLETON: I just wanted to share a
short news release with you I just tore off the
wire. A series of catastrophic errors compounded by
instrument malfunctions resulted in the deaths of
absolutely no one at the West Texas wind farm
Thursday. Three sheep were mildly inconvenienced.

    I'd like to talk about acronyms for a
minute because, as opposed to a NIMBY or PIMBY, I'm an NIMEG. I don't -- I want Not In My Electricity Grid. As a partial owner of the plant -- as a 16 percent owner as part of my being a citizen of Austin, I still resent the fact that as recently as a couple of years ago that 16 percent share was 62 percent of my electricity bill. 62 cents of every dollar I paid for electricity was going to retire the debt service for this plant.

One way you can tell this is an informal public hearing and not a legal process, had this been a legal process a lawyer would have jumped up somewhere and said objection. What does all this economic data have to do with the scope of the environmental review, which is what this hearing is all about. Nothing that's been said about the benefits of this plant for Matagorda County or anyone else has anything to do with the purpose of this hearing, which is to talk about the scoping of the environmental review.

The last speaker talked about human impact, and I was reminded -- I've heard Rush Limbaugh on more than one occasion say human beings do not have the power to change the environment.
And then he'll turn right around and blame global warming on cows farting. I never understood that, and I never understood the idea that radiation is good for you.

When we were talking several years about nuclear waste dumping in West Texas there were actually some people that came to the meetings that has spurious statistics to suggest that a little bit of radiation was good for you. They called it Vitamin R. It's ridiculous then; it's ridiculous now.

I just want to make one final point, and that is if you really -- I'm really worried about the large amount of money involved in the push for more nuclear power plants. And I'm afraid that there's a tremendous financial incentive to underreport accidents. And I don't use the NRC's term, which is incidents.

I monitor the event reports on the NRC, and I think this is already happening. There's been a number of things in the last few weeks -- in the last few months that have been underreported, and I suspect it's because of the money involved if people knew how bad the situation was at the nation's
nuclear power plants.

For example, how many of you know that the Vermont Yankee plant suffered a catastrophic failure of one of its cooling towers not long ago and thousands of gallons of water came rushing out? The NRC justified it by saying, Well, it wasn't really safety related. But you can see the pictures on the web. You can see a picture of that on the nukefreeTexas.org website.

The Harris Plant had a train wreck involving nuclear waste. Fortunately it happened on plant grounds. The train hopped the tracks after only a few feet.

But two that are security related from the last six months were the incursion at the Oak Ridge facility, which is not a nuclear power plant but a protected facility in Tennessee. Someone tried to run the gate at three in the morning. They were stopped by security guards, but the guy floored his car and got past the security guards and crashed into a barrier several hundred feet inside the plant.

The crack security team couldn't catch him. He escaped the facility and wandered around
downtown Oak Ridge for a while until he was reported
to the Oak Ridge police. They couldn't catch him
either. This to me sounded like somebody testing
security measures.

There was an even worse one at the Palo
Verde plant a couple of months ago. A plant worker
was stopped at the gates of the plant because the
security guards noticed there was a pipe bomb in the
back of his pickup truck. He was questioned by the
FBI for several days, finally released, and
eventually the event was withdrawn from the NRC
event report site because they determined, Well, he
didn't really mean to blow up the plant. Someone
put a pipe bomb in the bed of his truck. He almost
got inside the nuclear power plant. And eventually
the event report was withdrawn.

If you think nuclear power plant is
safe, I want to challenge you to go daily to
www.NRC.gov and read what's happening at the
nation's power plants. It will frighten the pants
off of you. Thank you.

MR. CAMERON: Thank you. Mr. Singleton
is right. All of that information is available to
the public on the NRC website.
Mr. McCormick? And then Mr. McBurnett.

MR. MCCORMICK: Good evening. I'll make this short, as I had a few comments. The more I hear the more comments I have and actually I'm sure everyone does.

But one of the things that strikes me and surely is frightening if you want to talk about frightening things is, you know, this country has numerous facilities that are targets -- priority targets. I venture to say a nuclear plant is not high on that list.

We have the ports -- the Port of Houston -- we have various refineries, chemical plants -- all kinds of facilities that have much more hazardous waste, if you will, and dangers that are certainly not nearly well guarded as a nuclear power facility.

And that is to me much more of a threat than a pipe bomb getting stopped at the gate of a nuclear power plant with primarily and secondary shields that are three feet thick.

I worked at the nuclear power plant for over six years. I was the last three years the lead nuclear engineer for Bechtel Corporation, and I
spent 25 years with that corporation, many of which were spent on various nuclear plants in and around this country and overseas. I venture to say that STP plant is probably, in my estimation, the best that I ever worked on and contributed to.

I'm very proud of that plant, and the engineers and the technicians and the craftsmen that worked on that plant are a testament to the safety record and its recent world records that this plant has set. I don't think anyone can argue with that in terms of its safety record. It speaks for itself.

In terms of going forward in the years to come, obviously we have much to do in the area of disposing of the high level nuclear waste. But I challenge each and every one of us to think about this in relative terms.

The gentleman that just previously talked about the Manhattan Project -- those that are old enough to remember it or certainly have read about it -- that was probably one of the most successful endeavors this country every undertook. It developed the atom bomb, and it prevented probably World War II from two to three more years.
of fighting.

    And that particular project went forward with many, many of the technologies weren't even invented when it got started. That was not a reason for them to not go forward, just because some technology wasn't available at the time. They had enough confidence that they felt that we would muster the energy to develop what was necessary to meet the goal.

    I feel the same way about nuclear waste. That certainly is a major concern, but it's not something we should delay going forward with new construction and wait 20 or 25 years till the technology is developed. We should do it in parallel.

    The rest of the world is leaving us behind in this technology. We used to be the leader. We used to train the entire world in nuclear energy, in the development of these plants, training their people. And now where are we? We haven't done anything in over two decades. We're way, way behind. We need this technology returned to this country. We need our engineers and our scientists to be trained. And this is a good
start right here. I thank you.

MR. CAMERON: Thank you very much, Mr. McCormick.

Mark McBurnett, vice president of regulatory affairs, Texas Nuclear Operating Company.

MR. MCBURNETT: Thank you. I'm Mark McBurnett, vice president of oversight and regulatory affairs with the South Texas Project Nuclear Operating Company.

I'm indeed pleased to be here tonight and have a chance to talk about bringing new reactors to the South Texas Project site and increasing the capacity of the South Texas Project.

It's clearly a strong boost for Matagorda County. It's important for Texans and Texas, for energy independence, and having adequate supplies of electricity, which drives our overall economic engine that keeps our society going.

I have a number of things, and I took a long list as I went through all the different details of each of the talks, and would really love to be able to stand up here and talk another 30 minutes and go through and counterpoint on each one.
of those, but that's not appropriate for this particular session tonight. But there are a few things I'd like to hit just to make sure they're clear.

First, nuclear waste? Yes, we generate high level nuclear waste. We know how to store it. We store it safely. We have the capability to store it safely for as long as we need to store it. Ultimately the federal -- we have a contract with the federal government to take possession of that material and dispose of it. Until they do so, we'll store it and continue to do so in a safe manner. I want point out our waste is not in a tin building; it is a concrete building. The wall is about two feet thick.

Aircraft impact analysis -- concerns about aircraft impact has not been analyzed. Yes, aircraft impact has been analyzed. The nuclear industry performed analysis of aircraft impact in the time shortly after 9/11 -- performed it for all the different designs of containment buildings in the nuclear plants in the United States, of which South Texas is one.

Nuclear Regulatory Commission has also
done similar analysis. Details of those analyses are, of course, safeguards information and can't be discussed in an open forum like this. We'll tell you that the results -- the South Texas containments -- the containment buildings in this country are very robust structures and advocate the ability of withstanding aircraft impacts.

The advanced boiling water design has also been analyzed for aircraft impact. That's been done and will be looked at again as part of the new rule makings on aircraft impact. We are -- ensure that it has the appropriate -- again, it has a very strong containment. And it's -- spent fuel is also stored inside a building which has concrete walls.

Units 3 and 4 security review -- yes, there will be a comprehensive review of Unit 3 and 4 security as part of the design and licensing process to ensure that those measures that are appropriate from the -- that have been implemented in the plants are implemented also on 3 and 4 and takes advantage of the stage of design that we can go back and do things a little bit better than we've done in the operating units just because we have a clean sheet of paper, so to speak.
Worker exposure came up earlier. Advanced boiling water reactors in Japan have an impressive record on low radiation worker exposures. It's lower than what we typically see in this country in any of our plants. They have an impressive record, and we look forward to being able to do this. There's design features in those plants that enable that to happen.

Seismicity -- actually the Texas Gulf Coast -- lowest seismic regions on the earth. We look at what the numbers are. We do a comprehensive analysis that's done to determine what's the potential for a seismic event in this area. And it's extremely low.

However, the advanced boiling water reactor is a certified design. It's a certified design that's meant to be able to basically be put down anywhere in the country. So it's actual seismic design of the advanced boiling water reactors is many times more than will ever be required in South Texas. And it will be built according to the certified designs, so it will meet those higher standards well beyond what we would required if it was just specifically licensed at
South Texas.

Low pressure turbine replacement -- I'm not sure how I get to that as a negative issue. You know, we work hard to identify things in the plant that need to be replaced. We proactively replace them to ensure that those plants run reliably and safely for the long term. We're in it for the long term. We focus a lot of attention on equipment and equipment liability. This is one significant example that demonstrates our willingness to spend a significant amount of money to ensure South Texas runs reliably.

Power lines: Actually South Texas has three different power line corridors leaving the site. The advanced boiling water reactors will also have cross-ties into the Unit 1 and 2 switch yard.

Ponds versus towers: Just to explain, the large cooling pond you see at South Texas, that 7,000-acre reservoir, is used for cooling the main turbine. It's the main heat sink for the plant as the plant is in operation. Provided in Unit 1 and 2 is a pond for providing for emergency cooling should that be required. Unit 3 and 4 will actually have a cooling tower for emergency cooling for what we call
the ultimate heat sink.

Don't think of it -- it's not one of these monster hyperbolic towers like you see in all the pictures that one associates with a nuclear plant. These are small towers, more akin to what you see out behind a large commercial building that provides for air conditioning. I would point out in a boiling water -- a boiling water reactor is a very robust design. Loss of that piece of equipment does not result in a catastrophic event for a boiling water reactor.

You know, we take our job and our role at South Texas very seriously. I am the individual who's responsible for submittal of the application to the Nuclear Regulatory Commission. We take it very serious to ensure that application met all the requirements that NRC established in the submittal. The fact that it was docketed demonstrates that we met that objective.

I'm also the man in charge of oversight and the quality programs ensuring that the plants are built in accordance with the requirements. I take those roles very seriously. My commitment to the citizens of Matagorda County, my friends and
neighbors, as these plants will be built, built right, and operated well.

MR. CAMERON: Thank you. Next is Joe Sheppard, who's the chief nuclear officer for the South Texas Nuclear Operating Company.

MR. SHEPPARD: Thank you. And thank you for making it with us this long. I appreciate it.

I want to thank the NRC staff for conducting these meetings and these reviews. I want to thank all our neighbors for coming out tonight and spending this time with us. And I want to welcome our visitors. It's important to us that we have this dialogue. I know it's important to the NRC process, but it's also important to us.

I'm a native Texan. I grew up in the shadows of the petrochemical plants in Texas City, Texas. I have a vested interest in the environment.

We are allowed to operate in Matagorda County by virtue of the laws that Congress has passed and the license that has been granted to us by the Nuclear Regulatory Commission. We also know that with that license comes a special trust and that we are responsible to the citizens of Texas and to the citizens of Matagorda County.
And the first responsibility is for safe operations. I think that our record demonstrates our commitment to both safety and the environment. And when I say our commitment I'm talking about the management employees of South Texas Project. But they're also your neighbors, your friends, the people that you deal with day in and day out.

Units 1 and 2 provide clean, reliable power to millions of Texans. Mark talked about the economic engine that we need in Texas. Electricity is the foundation for that economic engine, and we're proud to be part of providing parts of that engine. We also provide millions of dollars of benefits to Matagorda County.

With respect to 3 and 4 we know that Units 1 and 2 and their safe, reliable operation are the enablers to be able to have the possibility of having 3 and 4. And so that redoubles our focus on safe, reliable operations.

Let me speak a minute about greenhouse gasses. Whether you believe that greenhouse gasses are contributing to the climate change or not, I think that it is just common sense that we don't need to have millions and millions of tons of carbon
dioxide dumped into the environment.

We seem to be given what we at the plant call a sucker's choice. Either you have renewables and efficiency or you have nuclear power. The studies that I have read that are done by eminent researchers say that in order to make any kind of significant contribution to the reduction of greenhouse gasses being released into the environment, you need it all. You need efficiency; you need renewables; and you need nuclear power if you want to make any kind of a significant contribution to reducing greenhouse gasses being released into the environment.

We're in favor of efficiency also. Mark talked about replacement of our low pressure turbine rotaries. Replacement of the low pressure turbine rotaries added 140 megawatts onto the grid without any change in our reactor power. That's why we changed out those rotaries, for the efficiency.

So we don't want to make a sucker's choice. If you look at the carbon footprint of the life cycle of the nuclear power's life cycle from the mining of the uranium all the way through the disposal of the waste that carbon footprint is the
equivalent and the same footprint for solar and for wind and for hydro.

Now, that study was done by the Germans, not necessarily known for being friendly to nuclear power. But that was their conclusion: same footprint.

Mark talked a little bit about the advanced boiling water reactor, which is what the proposed technology is for Units 3 and 4. This technology has a long lineage in the United States. The design that has been built in Japan was predicated by 60 years of operations of boiling water reactors in the United States as a evolutionary design from our very best in the United States, the BWR6. And it's better. It's a G.E. design. It's been certified by the Nuclear Regulatory Commission. And it meets all U.S. standards.

We choose the ABWR because of the operating record that it has, but we also chose it because of the record that it has for being constructed on time and on budget.

I had the opportunity to tour two of the advanced boiling water reactors in Japan after the
seismic event that occurred there in July. There was some concern about radiation doses, and Mark talked about the very low doses that are available in those facilities.

I climbed all over that plant. I went under the reactor vessel, normally one of the most dose-intensive parts of any nuclear power plant. At the conclusion of the tour I had received zero millirem. These are very, very well designed and well constructed plants.

At South Texas we strive to be a good corporate citizen. And we're very pleased with the support and the partnership that we have with the local community. And I think you've seen some of the eminence of that tonight. And I appreciate that.

We think that the benefits associated with Units 3 and 4 will be significant for Matagorda County and the surrounding communities. It's not only the jobs -- the 800 permanent jobs and 4,000 construction jobs -- bit the quality of life that we believe the economic impact of Units 3 and 4 will bring to this area.

Already, as D.C. Dunham talked about, is
advanced education that's come to Bay City. And that's due to a partnership between industry, the local community colleges, the local community, and Texas A&M. We have a satellite campus of Wharton Junior College in Bay City. We're teaching courses today that are going to produce associate's degrees, and that is something that didn't exist one year ago.

We prefer to have local talent as part of our workforce, and this is one of the many activities that we have on going on to produce that talent and to have that pipeline into our facility.

At South Texas Project our vision is to improve lives through excellence in energy generation. We believe that we improve the lives of Texans by providing safe, clean, reliable, efficient electrical power to power that economic engine that's so vital to the Texas economy.

We believe we improve the lives of the community by the involvement of our citizens -- of our employees as citizens in the community, by being on the school boards, by being on the city councils, by heading up the charities, by making the investments in the community. And we believe we...
improve the lives of our employees by providing good careers, high wages, good benefits, and a very good work environment.

We're pleased to see you all here tonight. We look forward to the eventual licensing and construction of Units 3 and 4. Thank you very much.

MR. CAMERON: Okay. That's the last speaker at the NRC meeting. Can I just thank you from a facilitator's point of view. That was one of the more interesting comment sessions that I have been to. And I'm going to ask Nilesh, our senior NRC manager, to close the meeting for us.

Nilesh?

MR. CHOKSHI: Yes. I want to thank you again for allowing us to come to your community. And you are really helping us in fulfilling our responsibilities under the NEPA Act.

Not only you came here, but had very active participation. We got comments from the diverse perspective and on the diverse topics. We got comments on the broad policy issues, programmatic and process aspects, and some very specific to our environmental and safety review.
And as I said in the beginning, we are here to listen. You know, it was not our intent to try to instantly react to any of this. We systematically are going to consider all of the comments received, both written, and then we are taking transcript, so we very carefully will evaluate all the different aspects and then consider them in our review.

So thank you for your participating and giving these comments. Thank you.

(Whereupon, at 10:09 p.m., the public hearing was concluded.)