



Department of Energy

Washington, DC 20585

July 24, 2026

Lisa D. Jones
Executive Director and State Historic Preservation Officer
468 South Perry Street
P.O. Box 300900
Montgomery, AL 36130

SUBJECT: U.S. Department of Energy, Office of Energy Dominance Financing, Section 106 Consultation, Alabama Power Company, Farley Nuclear Plant Units 1 and 2 Equipment Modernization and Digital Modernization Project, Houston County, Alabama

Dear Mrs. Jones,

Pursuant to its authority under Title XVII of the Energy Policy Act of 2005, as amended, which established a Federal loan guarantee program, the U.S. Department of Energy (DOE) Office of Energy Dominance Financing (EDF) is evaluating whether to provide a Federal loan guarantee to Alabama Power Company (APC, or the Applicant) for the Farley Nuclear Plant (FNP) Units 1 and 2 Equipment Modernization and Digital Modernization Project (the Project) located in Houston County, Alabama.

The purpose of this letter is to formally initiate consultation with the Alabama State Historic Preservation Officer (SHPO) under Section 106 of the National Historic Preservation Act (NHPA) of 1966, as amended (54 United States Code [U.S.C.] 306108), and its implementing regulations, 36 Code of Federal Regulations (CFR) Part 800, "Protection of Historic Properties." This letter presents descriptions of the undertaking, the Area of Potential Effects (APE), and the efforts to identify historic properties, and seeks your concurrence with DOE's Finding of No Historic Properties Affected for this Project.

A map of the Project is included as Attachment 1, and an Alabama Historical Commission (AHC) Review and Consultation Form is included as Attachment 2.

Description of the Undertaking

DOE's action is the issuance of a proposed Federal loan guarantee to the Applicant for undertaking (the Project), which includes seven (7) equipment modernization and digital modernization activities. All Project activities will take place inside the existing facilities within the FNP footprint. No ground disturbing activities (e.g., site clearing, fill, excavation) are anticipated to support any of the proposed Project activities included in the undertaking. No new permanent above-ground construction or alteration to the exterior of the FNP facility is proposed as part of the undertaking. Descriptions of the proposed Project activities are provided below.

Equipment Modernization includes a range of capital upgrades and improvements that are crucial for maintaining the plant's efficiency, reliability, safety, and regulatory compliance. Proposed equipment modernization activities included in the Project are:

1. Unit 1 600V Motor Control Center Replacement
2. Unit 1 & Unit 2 Service Air Compressor Replacement
3. Startup Transformer Replacement
4. Unit 2 Generator Stator Rewind
5. Unit Auxiliary Transformer Replacement
6. Turbine Valve and Actuator Replacements

Digital Modernization includes upgrades to plant analog control systems designed in the 1960s and 1970s with modern digital control systems. These projects are crucial for maintaining the plant's efficiency, safety, and regulatory compliance without interrupting its energy production. Proposed digital modernization activities included in the Project are:

1. Main Control Board Annunciators

Description of the Area of Potential Effects

As defined in the Section 106 regulations (36 CFR § 800.16(d)), the APE is the geographic area or areas within which an undertaking may directly or indirectly cause alterations in the character or use of historic properties, if any such properties exist. The dimensions of the APE are influenced by the scale and nature of an undertaking and may be different for different kinds of effects caused by the undertaking.

The Project's APE includes the area where Project activities will occur within the existing FNP facility. No new laydown yards or access roads are required for the Project. A map of the FNP facility is included as Attachment 1.

Description of Efforts to Identify Historic Properties

Tribal Outreach

In accordance with Section 106, DOE identified federally recognized Native American Indian Tribes (Tribes) that may have an interest in the Project area. DOE has notified the following eight (8) federally recognized Tribes to see if they have an interest in the Project: Alabama-Coushatta Tribe of Texas; Alabama-Quassarte Tribal Town; Choctaw Nation of Oklahoma; Coushatta Tribe of Louisiana; Miccosukee Tribe of Indians; Mississippi Band of Choctaw Indians; Muscogee (Creek) Nation; and Seminole Tribe of Florida.

By separate letter sent concurrently with this submission to the SHPO, DOE EDF has requested Tribal respondents to provide their comments on the undertaking, provide information regarding historic properties of religious or cultural significance to Tribes that may be present in the APE, and to identify any additional Tribes that may share an interest in the Project area so DOE EDF can promptly invite them to consult. DOE EDF will

consider all comments received from Tribes during the 30-day consultation period and will coordinate with the SHPO and other consulting parties, as appropriate, if additional consultation is necessary or requested.

Archaeological and Historic Architectural Resources

The proposed Project activities include replacements and upgrades to existing facility components. As no new ground disturbance is required for the Project, the Project does not have the potential to cause effects on archaeological resources; therefore, an archaeological survey is not warranted for this Section 106 review.

Furthermore, as the Project does not include any proposed new permanent above-ground construction that would alter the exterior of the FNP facility in a manner that could affect the character of the surrounding setting, the Project does not have the potential to cause visual and other non-physical effects on historic properties external to the FNP facility; therefore, a historic architectural survey external to the FNP facility is not warranted for this Section 106 review.

Lastly, the FNP facility has not previously been evaluated for NRHP eligibility, and its potential eligibility status presently remains unknown. DOE EDF is not evaluating the FNP facility or determining its eligibility for the NRHP as part of this Section 106 review because the scope of the undertaking does not have the potential to cause adverse effects. While the Project's replacement of or upgrades to specific internal facility components (the Unit 1 motor control center, Units 1 and 2 air compressors, startup transformer, Unit 2 generator stator, turbine valve and actuator, and main control board annunciators) could potentially alter the design, workmanship, or material fabric of those specific facility components, it is DOE EDF's opinion that those components would not be considered historically significant individually or as contributing elements to the potential historic significance of the FNP facility overall were it to be formally evaluated for the NRHP. Therefore, DOE EDF recommends the NRHP eligibility of the FNP facility should remain "undetermined", and DOE EDF finds that the Project would have no effect on the ability of the FNP facility to convey its potential historic significance.

Requesting your Concurrence and Next Steps

Based on DOE EDF's efforts to identify historic properties and conclusions drawn from this information, DOE EDF is issuing a Finding of No Historic Properties Affected, consistent with 36 CFR § 800.4(d)(1). As part of the Section 106 process, DOE EDF requests the concurrence of the Alabama SHPO on the Finding of No Historic Properties Affected, as well as any comments you may have on the APE or the Project **within thirty (30) days of receipt of this letter**.

In the event of a post-review unanticipated discovery of cultural resources and/or human remains during construction, DOE EDF will determine actions to resolve adverse effects and notify the SHPO, any Tribe that might attach religious and cultural significance to the

affected property, and the Advisory Council on Historic Preservation (ACHP) within 48 hours of the discovery, pursuant to 36 CFR 800.13(b)(3).

We look forward to consulting with your office throughout the Section 106 process. If you have any questions or would like to discuss this project further, please contact me at 202-913-3477 or via email at EDF_Environmental@doe.gov.

Sincerely,

Don Brown
Environmental Project Manager
Office of Energy Dominance Financing

Attachments:

Attachment 1. Project Map

Attachment 2. AHC Project Review and Consultation Form