



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

November 13, 2009

Mr. Christopher R. Costanzo
Vice President
Duane Arnold Energy Center
3277 DAEC Road
Palo, IA 52324-9785

SUBJECT: DUANE ARNOLD ENERGY CENTER - ISSUANCE OF AMENDMENT
PERTAINING TO NAME CHANGE OF LICENSEE AND CO-OWNER
(TAC NO. ME1171)

Dear Mr. Costanzo:

The U.S. Nuclear Regulatory Commission has issued the enclosed Amendment No. 275 to Facility Operating License No. DPR-49 for the Duane Arnold Energy Center (DAEC, the licensee). This amendment changes the name of the Licensee and Co-Owner in response to your application dated April 17, 2009 (Agencywide Documents Access and Management System Accession No. ML091180401).

The amendment changes the legal name of the Licensee and Co-owner from "FPL Energy Duane Arnold, LLC" to "NextEra Energy Duane Arnold, LLC."

A copy of our safety evaluation is also enclosed. Notice of Issuance will be included in the Commission's biweekly *Federal Register* notice.

Sincerely,

A handwritten signature in cursive script that reads "Karl Feintuch".

Karl Feintuch, Project Manager
Plant Licensing Branch III-1
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket No. 50-331

Enclosures:

1. Amendment No. 275 to DPR-49
2. Safety Evaluation

cc w/encls: Distribution via Listserv



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

FPL ENERGY DUANE ARNOLD, LLC

DOCKET NO. 50-331

DUANE ARNOLD ENERGY CENTER

AMENDMENT TO FACILITY OPERATING LICENSE

Amendment No. 275
License No. DPR-49

1. The U.S. Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for amendment by FPL Energy Duane Arnold, LLC dated April 17, 2009, complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations set forth in 10 CFR Chapter I;
 - B. The facility will operate in conformity with the application, the provisions of the Act, and the rules and regulations of the Commission;
 - C. There is reasonable assurance (i) that the activities authorized by this amendment can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the Commission's regulations;
 - D. The issuance of this amendment will not be inimical to the common defense and security or to the health and safety of the public; and
 - E. The issuance of this amendment is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied.

2. Accordingly, the license is amended by changes to the Technical Specifications as indicated in the attachment to this license amendment and paragraph 2.C.(2) of Facility Operating License No. DPR-49 is hereby amended to read as follows:

(2) Technical Specifications

The Technical Specifications contained in Appendix A, as revised through Amendment No. 275, are hereby incorporated in the license. NextEra Energy Duane Arnold, LLC, shall operate the facility in accordance with the Technical Specifications.

3. This license amendment is effective as of its date of issuance and shall be implemented within 30 days.

FOR THE NUCLEAR REGULATORY COMMISSION



Robert J. Pascarelli, Branch Chief
Plant Licensing Branch III-1
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Attachments:

1. License Pages
2. Appendix B - Additional Conditions

Date of Issuance: November 13, 2009

ATTACHMENT TO LICENSE AMENDMENT NO. 275

FACILITY OPERATING LICENSE NO. DPR-49

DOCKET NO. 50-331

Replace the following pages of Facility Operating License No. DPR-49 with the attached revised pages. The revised pages are identified by amendment number and contain a marginal line indicating the areas of change.

Remove

1
2
3
4
5

Insert

1
2
3
4
5

Replace the following pages of Appendix B, Additional Conditions with the attached revised pages as indicated. The revised pages are identified by amendment number and contain marginal lines indicating the areas of change.

Remove

Appendix B, page 1
Appendix B, page 2

Insert

Appendix B, page 1
Appendix B, page 2

NEXTERA ENERGY DUANE ARNOLD, LLC
CENTRAL IOWA POWER COOPERATIVE
CORN BELT POWER COOPERATIVE
DOCKET 50-331
DUANE ARNOLD ENERGY CENTER
FACILITY OPERATING LICENSE

License No. DPR-49

1. The Atomic Energy Commission (the Commission) having found that:
 - A. The application for license filed by FPL Energy Duane Arnold, LLC,* Central Iowa Power Cooperative and Corn Belt Power Cooperative (the licensees) complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations set forth in 10 CFR Chapter I and all required notifications to other agencies or bodies have been duly made;
 - B. Construction of the Duane Arnold Energy Center (facility) has been substantially completed in conformity with Construction Permit No. DPPR-70; the application, as amended; the provisions of the Act; and the rules and regulations of the Commission;
 - C. The facility will operate in conformity with the application, as amended; the provisions of the Act; and the rules and regulations of the Commission;
 - D. There is reasonable assurance: (i) that the activities authorized by this operating license can be conducted without endangering the health and safety of the public; and (ii) that such activities will be conducted in compliance with the rules and regulations of the Commission;
 - E. NextEra Energy Duane Arnold, LLC is technically qualified and NextEra Energy Duane Arnold, LLC, Central Iowa Power Cooperative and Corn Belt Power Cooperative are financially qualified to engage in the activities authorized by this operating license in accordance with the rules and regulations of the Commission;
 - F. The licensees have satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements," of the Commission's regulations;

^{*}On April 16, 2009, the name "FPL Energy Duane Arnold, LLC" was changed to "NextEra Energy Duane Arnold, LLC."

- G. The issuance of this operating license will not be inimical to the common defense and security or to the health and safety of the public;
 - H. After weighing the environmental, economic, technical, and other benefits of the facility against environmental costs and considering available alternatives, the issuance of Facility Operating License No. DPR-49 is in accordance with 10 CFR Part 50, Appendix D, of the Commission's regulations and all applicable requirements of said Appendix D have been satisfied;
 - I. The receipt, possession, and use of source, by-product and special nuclear material as authorized by this license will be in accordance with the Commission's regulations in 10 CFR Part 30 and 70, including 10 CFR Section 30.33, 70.23 and 70.31.
2. Facility Operating License No. DPR-49 is hereby issued to NextEra Energy Duane Arnold, LLC, Central Iowa Power Cooperative (CIPCO) and Corn Belt Power Cooperative (Corn Belt) to read as follows:
- A. This license applies to the Duane Arnold Energy Center, a boiling water reactor and associated equipment (the facility), owned by NextEra Energy Duane Arnold, LLC, Central Iowa Power Cooperative and Corn Belt Power Cooperative and operated by NextEra Energy Duane Arnold, LLC. The facility is located on NextEra Energy Duane Arnold, LLC's, Central Iowa Power Cooperative's and Corn Belt Power Cooperative's site near Palo in Linn County, Iowa. This site consists of approximately 500 acres adjacent to the Cedar River and is described in the "Final Safety Analysis Report" as supplemented and amended (Amendments 1 through 14) and the Environmental Report as supplemented and amended (Supplements 1 through 5).
 - B. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses:
 - (1) NextEra Energy Duane Arnold, LLC, pursuant to Section 104b of the Act and 10 CFR Part 50, "Licensing of Production and Utilization Facilities," to possess, use and operate the facility; and CIPCO and Corn Belt to possess the facility at the designated location in Linn County, Iowa, in accordance with the procedures and limitations set forth in this license;

- 2.B.(2) NextEra Energy Duane Arnold, LLC, pursuant to the Act and 10 CFR Part 70, to receive, possess and use at any time special nuclear material as reactor fuel, in accordance with the limitations for storage and amounts required for reactor operation, as described in the Updated Final Safety Analysis Report, as supplemented and amended as of June 1992 and as supplemented by letters dated March 26, 1993, and November 17, 2000.
 - 2.B.(3) NextEra Energy Duane Arnold, LLC, pursuant to the Act and 10 CFR Parts 30, 40 and 70, to receive, possess and use at any time any byproduct, source and special nuclear material as sealed neutron sources for reactor startup, sealed sources for reactor instrumentation and radiation monitoring equipment calibration, and as fission detectors in amounts as required;
 - 2.B.(4) NextEra Energy Duane Arnold, LLC, pursuant to the Act and 10 CFR Parts 30, 40 and 70, to receive, possess and use in amounts as required any byproduct, source or special nuclear material without restriction to chemical or physical form, for sample analysis or instrument calibration or associated radioactive apparatus components;
 - 2.B.(5) NextEra Energy Duane Arnold, LLC, pursuant to the Act and 10 CFR Parts 30 and 70, to possess, but not to separate, such byproduct and special nuclear materials as may be produced by the operation of the facility.
- C. This license shall be deemed to contain and is subject to the conditions specified in the following Commission regulations in 10 CFR Chapter I; Part 20, Section 30.34 of Part 30, Section 40.41 of Part 40, Sections 50.54 and 50.59 of Part 50, and Section 70.32 of Part 70; is subject to all applicable provisions of the Act and to the rules, regulations, and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified or incorporated below:

Maximum Power Level

- 2.C.(1) NextEra Energy Duane Arnold, LLC is authorized to operate the Duane Arnold Energy Center at steady state reactor core power levels not in excess of 1912 megawatts (thermal).

(2) Technical Specifications

The Technical Specifications contained in Appendix A, as revised through Amendment No. 275, are hereby incorporated in the license. NextEra Energy Duane Arnold, LLC shall operate the facility in accordance with the Technical Specifications.

- (a) For Surveillance Requirements (SRs) whose acceptance criteria are modified, either directly or indirectly, by the increase in authorized maximum power level in 2.C.(1) above, in accordance with Amendment No. 243 to Facility Operating License DPR-49, those SRs are not required to be performed until their next scheduled performance, which is due at the end of the first surveillance interval that begins on the date the Surveillance was last performed prior to implementation of Amendment No. 243.
- (b) Deleted.

(3) Fire Protection

NextEra Energy Duane Arnold, LLC shall implement and maintain in effect all provisions of the approved fire protection program as described in the Final Safety Analysis Report for the Duane Arnold Energy Center and as approved in the SER dated June 1, 1978, and Supplement dated February 10, 1981, subject to the following provision:

NextEra Energy Duane Arnold, LLC may make changes to the approved fire protection program without prior approval of the Commission only if those changes would not adversely affect the ability to achieve and maintain safe shutdown in the event of a fire.

- (4) The licensee is authorized to operate the Duane Arnold Energy Center following installation of modified safe-ends on the eight primary recirculation system inlet lines which are described in the licensee letter dated July 31, 1978, and supplemented by letter dated December 8, 1978.

(5) Physical Protection

NextEra Energy Duane Arnold, LLC shall fully implement and maintain in effect all provisions of the Commission-approved physical security, training and qualification, and safeguards contingency plans including amendments made pursuant to provisions of the Miscellaneous Amendments and Search Requirements revisions to 10 CFR 73.55 (51 FR 27817 and 27822) and to the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The combined set of plans, which contains Safeguards Information protected under 10 CFR 73.21, is entitled: "Duane Arnold Energy Center Physical Security Plan," submitted by letter dated May 16, 2006.

2.C.(6) Deleted

2.C.(7) Additional Conditions

The Additional Conditions contained in Appendix B, as revised through Amendment No. 260, are hereby incorporated into this license. NextEra Energy Duane Arnold, LLC shall operate the facility in accordance with the Additional Conditions.

2.C.(8) The licensee is authorized to revise the Updated Final Safety Analysis Report by deleting the footnote for Section 9.1.4.4.5 which states: “*The NRC has not endorsed the reactor building crane as single-failure proof (Reference 9),” and by deleting Reference 9 of the references for Section 9.1.

2.C.(9) Mitigation Strategy License Condition

Develop and maintain strategies for addressing large fires and explosions and that include the following key areas:

- (a) Fire fighting response strategy with the following elements:
 - 1. Pre-defined coordinated fire response strategy and guidance
 - 2. Assessment of mutual aid fire fighting assets
 - 3. Designated staging areas for equipment and materials
 - 4. Command and control
 - 5. Training of response personnel

- (b) Operations to mitigate fuel damage considering the following:
 - 1. Protection and use of personnel assets
 - 2. Communications
 - 3. Minimizing fire spread
 - 4. Procedures for implementing integrated fire response strategy
 - 5. Identification of readily-available pre-staged equipment
 - 6. Training on integrated fire response strategy
 - 7. Spent fuel pool mitigation measures

- (c) Actions to minimize release to include consideration of:
 - 1. Water spray scrubbing
 - 2. Dose to onsite responders

2.C.(10) The licensee shall implement and maintain all Actions required by Attachment 2 to NRC Order EA-06-137, issued June 20, 2006, except the last action that requires incorporation of the strategies into the site security plan, contingency plan, emergency plan and/or guard training and qualification plan, as appropriate.

D. This license is effective as of the date of issuance and shall expire at midnight February 21, 2014.

APPENDIX B

ADDITIONAL CONDITIONS
OPERATING LICENSE NO. DPR-49

NextEra Energy Duane Arnold, LLC (the term licensee in Appendix B refers to NextEra Energy Duane Arnold, LLC or prior license holders) shall comply with the following conditions on the schedule noted below:

<u>Amendment Number</u>	<u>Additional Conditions</u>	<u>Implementation Date</u>
223	NextEra Energy Duane Arnold, LLC is authorized to relocate certain requirements included in Appendix A to licensee-controlled documents. Implementation of this amendment shall include the relocation of these requirements to the appropriate documents, as described in the licensee's application dated October 30, 1996, as supplemented and consolidated in its March 31, 1998, submittal. These relocations were evaluated in the NRC staff's Safety Evaluation enclosed with this amendment.	This amendment is effective immediately and shall be implemented within 180 days of the date of this amendment.
260 (1)	At the time of the closing of the transfer of the license from Interstate Power and Light Company (IPL) to FPLE Duane Arnold,* IPL shall transfer to FPLE Duane Arnold* IPL's decommissioning funds accumulated as of such time, with a aggregate minimum value of at least \$186 million, and FPLE Duane Arnold* shall deposit such funds in an external decommissioning trust fund established by FPLE Duane Arnold* for DAEC. NextEra Energy Duane Arnold shall take all necessary steps to ensure that this external trust fund is maintained in accordance with the requirements of the order approving the license transfer, NRC regulations, and consistent with the safety evaluation supporting the order. The trust agreement shall be in a form acceptable to the NRC.	This amendment is effective immediately and shall be implemented within 30 days of the date of this amendment.

*On April 16, 2009, the name "FPL Energy Duane Arnold, LLC" was changed to "NextEra Energy Duane Arnold, LLC."

<u>Amendment Number</u>	<u>Additional Conditions</u>	<u>Implementation Date</u>
260 (2)	<p>By the date of closing of the transfer of the 70 percent ownership interest in DAEC from IPL to FPLE Duane Arnold,* FPLE Duane Arnold* shall obtain a parent company guarantee from FPL Group Capital in an initial amount of at least \$75 million (in 2005 dollars) to provide additional decommissioning funding assurance regarding such ownership interest, which guarantee must be in accordance with NRC regulations regarding such documents. Required funding levels shall be recalculated annually and, as necessary, NextEra Energy Duane Arnold shall either obtain appropriate adjustments to the parent guarantee or otherwise provide any additional decommissioning funding assurance necessary for NextEra Energy Duane Arnold to meet NRC requirements under 10 CFR 50.75.</p>	<p>This amendment is effective immediately and shall be implemented within 30 days of the date of this amendment.</p>
260 (3)	<p>NextEra Energy Duane Arnold shall take no action to cause FPL Group Capital, or its successors and assigns, to void, cancel, or modify its \$50 million contingency commitment to NextEra Energy Duane Arnold, as represented in the license transfer application, or cause it to fail or perform or impair its performance under the commitment, or remove or interfere with NextEra Energy Duane Arnold's ability to draw upon the commitment, without the prior written consent from the NRC. An executed copy of the Support Agreement shall be submitted to the NRC no later than 30 days after completion of the license transfer. Also, NextEra Energy Duane Arnold shall inform the NRC in writing any time that it draws upon the \$50 million commitment.</p>	

*On April 16, 2009, the name "FPL Energy Duane Arnold, LLC" was changed to "NextEra Energy Duane Arnold, LLC."



UNITED STATES
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WASHINGTON, D.C. 20555-0001

SAFETY EVALUATION BY THE OFFICE OF NUCLEAR REACTOR REGULATION

RELATED TO AMENDMENT NO. 275 TO FACILITY OPERATING LICENSE NO. DPR-49

FPL ENERGY DUANE ARNOLD, LLC

DUANE ARNOLD ENERGY CENTER

DOCKET NO. 50-331

1.0 INTRODUCTION

By letter dated April 17, 2009 Agencywide Documents Access and Management System (ADAMS) Accession No. ML091180401), the licensee (FPL Energy Duane Arnold, LLC) submitted License Amendment Request No. 09-0242, requesting a change to the Operating License for Duane Arnold Energy Center (DAEC). The proposed change would revise the license to reflect the change in the name of the licensee and co-owner from "FPL Energy Duane Arnold, LLC" to "NextEra Energy Duane Arnold, LLC."

2.0 REGULATORY EVALUATION

The proposed change to the Operating License for DAEC was submitted to the Nuclear Regulatory Commission (NRC) pursuant to Title 10 of the *Code of Federal Regulations* (10 CFR), Part 50, Section 50.90. The amendment is submitted for the purpose of changing the affected license documents to reflect a name change to NextEra Energy Duane Arnold, LLC.

The proposed change is administrative in nature and involves only a name change. The corporate existence continues uninterrupted, all legal characteristics remain the same and no transfer within the scope of 10 CFR 50.80 will occur with the proposed name change.

3.0 TECHNICAL EVALUATION

On January 7, 2009, FPL Energy, LLC was renamed NextEra Energy Resources, LLC. NextEra Energy Resources, LLC, remains an FPL Group, Inc., company. On April 16, 2009, FPL Energy Duane Arnold, LLC was renamed NextEra Energy Duane Arnold, LLC.

The proposed amendment is for a name change only. The corporate existence continues uninterrupted and all legal characteristics remain the same. Thus, there is no change in the ownership, state of incorporation, registered agent, registered office, directors, officers, rights or liabilities of the corporation, nor is there a change, in the function of the corporation or the way in which it does business.

The corporation's financial responsibility for the facility, including decommissioning, and its sources of funds to support the facility remain the same.

The name change does not impact the corporation's ability to comply with any of its obligations or responsibilities under the Facility Operating License. The proposed change does not alter any technical content of the license or involve any change in the qualifications of the licensee. The name change will have no impact on the design, function, or operation of any plant structures, systems, or components. Limiting Conditions for Operation, Limiting Safety System Settings and Safety Limits specified in the Technical Specifications will not be affected by the name change. Also, the updated final safety analysis will not be materially changed by the proposed name change. The current design basis and licensing basis will remain the same.

Based on the above, the NRC staff finds the proposed change administrative in nature and that it will not affect in any way the safe operation of DAEC. Therefore, the NRC staff finds the proposed change to the license acceptable.

4.0 STATE CONSULTATION

In accordance with the Commission's regulations, the Iowa State official was notified of the proposed issuance of the amendment. The State official had no comments.

5.0 ENVIRONMENTAL CONSIDERATION

The amendment provides for a name change only. Pursuant to 10 CFR 51.21, 51.32 and 51.35 an environmental assessment and finding of no significant impact has been prepared and published in the *Federal Register* on November 13, 2009 (74 FR 58660). Accordingly, based on the environmental assessment, the Commission has determined that the issuance of this amendment will not have a significant effect on the quality of the human environment.

6.0 CONCLUSION

The Commission has concluded, based on the considerations discussed above, that: (1) there is reasonable assurance that the health and safety of the public will not be endangered by the operation in the proposed manner; (2) such activities will be conducted in compliance with the Commission's regulations; and (3) the issuance of the amendment will not be inimical to the common defense and security or to the health and safety of the public.

Principal Contributor: K. Feintuch

Date: November 13, 2009

Mr. Christopher R. Costanzo
Vice President
Duane Arnold Energy Center
3277 DAEC Road
Palo, IA 52324-9785

SUBJECT: DUANE ARNOLD ENERGY CENTER - ISSUANCE OF AMENDMENT
PERTAINING TO NAME CHANGE OF LICENSEE AND CO-OWNER
(TAC NO. ME1171)

Dear Mr. Costanzo:

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A copy of our safety evaluation is also enclosed. Notice of Issuance will be included in the Commission's biweekly *Federal Register* notice.

Sincerely,

/RA/

Karl Feintuch, Project Manager
Plant Licensing Branch III-1
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket No. 50-331

Enclosures:

1. Amendment No. 275 to DPR-49
 2. Safety Evaluation
- cc w/encls: Distribution via Listserv

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ADAMS ACCESSION NO.: ML093030113

OFFICE	NRR/LPL3-1/ PM	NRR/LPL3-1/ LA	NRR/IHPB/BC	OGC/NLO	NRR/LPL3-1/ BC
NAME	KFeintuch	THarris	UShoop (KMartin for)	BMizuno	RPascarelli (PTam for)
DATE	11/04/09	10/30/09	11/06/09	11/10/09	11/13/09

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