

SAFETY EVALUATION REPORT
PROPOSED CHANGE OF CONTROL FOR BYPRODUCT MATERIALS LICENSE
NUMBER 13-15544-01, PSI Energy, Inc. (now Duke Energy Indiana, Inc.)

DATE: 10/23/2013
DOCKET NO.: 030-09317
LICENSE NO.: 13-15544-01
LICENSEE: PSI Energy, Inc. (now Duke Energy Indiana, Inc.)
1000 East Main Street
Plainfield, Indiana 46168

TECHNICAL REVIEWER: Bryan A. Parker

BAP 10/24/13

SUMMARY AND CONCLUSIONS

PSI Energy, Inc. is authorized by NRC License 13-15544-01 for the possession and use of byproduct material for purpose of density measurements of materials using fixed gauges. The U. S. Nuclear Regulatory Commission (NRC) staff noted during a review of a license renewal request indirect license transfer had occurred that resulted in a merger between Cinergy Corp. and Duke Energy Corp. PSI Energy, Inc., which had been a wholly-owned subsidiary of Cinergy Corp., became a wholly-owned subsidiary of Duke Energy Corp. on October 1, 2006. The indirect transfer of control is described in Agency Documents Access and Management System (ADAMS) accession numbers ML13241A250 and ML13241A266.

The transfer of control information was reviewed by NRC staff for indirect change in control of a 10 CFR Part 30 license using the guidance in NUREG 1556, Volume 15, "Consolidated Guidance About Materials Licenses - Guidance About Changes of Control and About Bankruptcy Involving Byproduct, Source, or Special Nuclear Materials Licenses," dated November 2000. The NRC staff finds that the information submitted by PSI Energy, Inc. sufficiently describes and documents the transaction and commitments made by Duke Energy Indiana, Inc. and PSI Energy, Inc.

As required by 10 CFR 30.34 and section 184 of the Atomic Energy Act of 1954, as amended (the Act), NRC staff has reviewed the application and finds that the change in control is in accordance with the Act. The staff finds that Duke Energy Indiana, Inc. remains qualified to use byproduct material for the purpose requested, and will continue to have the equipment, facilities, and procedures needed to protect public health and safety, and promotes the security of licensed material.

SAFETY AND SECURITY REVIEW

According to data obtained from the NRC's Web-Based Licensing System (WBL), PSI Energy, Inc. has been an NRC licensee since April 16, 1973. The NRC conducted routine inspections of PSI Energy, Inc. on May 17, 2006, and July 28, 2011, and, in both cases, no violations were identified. The commitments made by Duke Energy Indiana, In and PSI Energy, Inc. state that Duke Energy Indiana, Inc., License No. 13-15544-01:

- A. did not change the radiation safety officer listed in the NRC license;
- B. did not change the personnel involved in licensed activities;
- C. did not change the locations, facilities, and equipment authorized in the NRC license;
- D. did not change the radiation safety program authorized in the NRC license; and
- E. maintained regulatory required surveillance records and decommissioning records.

Duke Energy owns and operates nuclear power plants within the U. S. and has other materials licenses as well. Therefore, for security purposes, Duke Energy Indiana, In is considered a known entity following the guidance provided by the NRC's Office of Federal and State Materials and Environmental Management Programs (FSME) "Checklist to provide a basis for confidence that radioactive materials will be used as specified on the license", September 3, 2008 revision. The purpose of this checklist is for the NRC to obtain reasonable assurance from new license applicants or NRC licensees transferring control of licensed activities that the licensed material will be used for its intended purpose and not for malevolent use.

Duke Energy Indiana, Inc. is not required to have decommissioning financial assurance based on the types and amount of material authorized in License No. 13-15544-01.

REGULATORY FRAMEWORK

PSI Energy, Inc., License No. **13-15544-01**, was issued under 10 CFR Part 30, Rules of General Applicability to Domestic Licensing of Byproduct Material. The Commission is required by 10 CFR 30.34 to determine if the change of control is in accordance with the provisions of the Act and give its consent in writing.

10 CFR 30.34(b) states: "No license issued or granted pursuant to the regulations in this part and parts 31 through 36, and 39 nor any right under a license shall be transferred, assigned or in any manner disposed of, either voluntarily or involuntarily, directly or indirectly, through transfer of control of any license to any person, unless the Commission shall, after securing full information, find that the transfer is in accordance with the provisions of the Act and shall give its consent in writing."

As previously indicated, the staff evaluation is based on guidance in NUREG-1556, Volume 15. As discussed in NUREG-I 556, Volume 15, NRC is generally using the term "change of control" rather than the statutory term "transfer" to describe the variety of events that could require prior notification and written consent of the NRC. The central issue is whether the authority over the license has changed. PSI Energy, Inc. described an indirect change of control resulting from a planned merger between Cinergy Corp. and Duke Energy Corp. and, as such, the transfer requires NRC consent.

DESCRIPTION OF TRANSACTION

The transaction is described in ADAMS accession numbers ML13241A250 and ML13241A266. After completion of the merger, Duke Energy Indiana, Inc. continued as the licensee and remains in control of all licensed activities under Materials License No. 13-15544-01. The NRC

staff finds that the information submitted provides a complete and clear description of the transaction, and is consistent with the guidance provided in Appendix F of NUREG-1556, Volume 15.

TRANSFeree'S COMMITMENT TO ABIDE BY THE TRANSFEROR'S COMMITMENTS

The NRC staff finds that the information submitted by PSI Energy, Inc. sufficiently describes and documents the commitments made by Duke Energy Indiana, In and PSI Energy, Inc., and is consistent with the guidance in NUREG-1556, Volume 15.

ENVIRONMENTAL REVIEW

An environmental assessment for this action is not required since this action is categorically excluded under 10 CFR 51.22(c)(14)(xi).

CONCLUSION

The staff has reviewed the information submitted with regard to an indirect change of control of Materials License No. 13-15544-01 and approves the application pursuant to 10 CFR 30.34(b).

The submitted information sufficiently describes the transaction; documents the understanding of the license and commitments; demonstrates that personnel have the experience and training to properly implement and maintain the license and that they will maintain the existing records; And, in the future, will abide by all existing commitments to the license, consistent with the guidance in NUREG-1556, Volume 15.

Therefore, the staff concludes that the change in control did not alter the previous findings, made under 10 CFR Part 30, that licensed operations will not be inimical to the common defense and security, or to the health and safety of the public.