November 5, 2014

Before the United States of America Nuclear Regulatory Commission

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Eric Joseph Epstein's Testimony on Behalf of Three Mile Island Alert, Inc.

Re: PPL's Application for Approval of the Indirect License Transfer of Susquehanna Steam Electric Station, Unit 1 & Unit 2, Facility Operating License No's. NPF-14 & NPF-22; NRC Docket No's. 50-387, 50-388 & 72-28

Secretary
United States Nuclear Regulatory Commission
U.S. Nuclear Regulatory Commission
Document Control Desk
Washington, DC 20555-0001

Dear Secretary:

Enclosed please find for filing an original of Eric Joseph Epstein's Comments on Behalf of Three Mile Island Alert, Inc., Re: PPL's Application for Approval of the Indirect License Transfer of Susquehanna Steam Electric Station, Units 1 and 2 Facility Operating License No's. NPF-14 and NPF-22; NRC Docket No's. 50-387, 50-388, and 72-28.

Respectfully submitted,

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I. History.

The Nuclear Regulatory Commission ("NRC") convened a Pre-Submittal Meeting with PPL Susquehanna ("PPL"), Limited Liability Corporation, Regarding Future Submittal for a License Transfer Amendment for the Susquehanna Steam Electric Station ("SSES"), Units 1 and 2 on July 2, 2014.

The meeting featured PPL Susquehanna, LLC's plans and schedule regarding a future submittal of a license transfer amendment request. PPL Susquehanna and Riverstone Holdings, LLC, have announced a definitive agreement to combine their merchant power generation businesses into a new stand-alone, publicly listed Independent Power Producer that, following closing, will be called Talen Energy Corporation.

However, based on PPL's Submittal entitled "Completing the Transformation: PPL Energy Supply to Combine with Riverstone Generation Business to form Talen Energy Corporation" dated July 10, 2014, and Susquehanna Steam Electric Station's Request for Order Approving Indirect Transfer of Control and Conforming License Amendments submitted to the NRC on July 11, 2014 (Dockets 50-387, 50-399 and 72-28) it is clear the the application is fatally flawed.

PPL's Application for Approval of Indirect License Transfers has caused the NRC to contact the Susquehanna Steam Electric Station and place a Request for Additional Information Re: Request for Order Approving Indirect Transfer of Control and Conforming License Amendments (Tac Nos. MF4426 and MF4427) on October 10, 2014.

The NRC's request for "Additional Information for License Transfer Applications" also demonstrates that the plan is fatally flawed, and requires a thorough and transparent hearing to address numerous outstanding issues associated with safe operation of Susquehanna Steam Electric Station.

The core issues identified in PPL's deficient Application include: 1) The potential for adverse impact on the Susquehanna Steam Electric Station; 2) Further erosion of managerial or technical qualifications of nuclear units on the NRC's poor performing list; 3) Financial guarantees and qualifications of Talen Energy's as the owner and operator of the Susquehanna Steam Electric Station; 4) Inability to pay for nuclear decommissioning and radioactive waste isolation.

II. Introduction.

Three Mile Island Alert Inc. ("TMIA" or "TMI-Alert") has numerous members that reside in the Susquehanna Steam Electric Station's proximity and throughout the Susquehanna River Valley. These members have concrete and particularized interests that will be directly affected by this proceeding.

TMI-Alert is a safe-energy organization based in Harrisburg, Pennsylvania and founded in 1977. TMIA monitors Peach Bottom, Susquehanna, and Three Mile Island nuclear generating stations. TMIA has enjoyed widespread public and political support in its role as a watchdog of nuclear power production. In the spring of 1987 and spring of 2004, TMIA was recognized by the Pennsylvania House of Representatives for community service.

The City of Harrisburg and the United States' Senate formally applauded TMIA's efforts on behalf of the community in 1997 and 2002.

Eric Joseph Epstein is the Chairman of TMI-Alert. He has served as either Spokesperson or Chairman of the organization for 30 consecutive years. Mr. Epstein has advocated for rate relief on behalf of TMIA as a result of the construction and licensing of the Susquehanna Steam Electric Station for over 25 years. Additionally, Mr. Epstein has litigated economic, rate structure and nuclear issues relating to the Susquehanna Electric Station, electric deregulation and post-deregulation economic impacts.

Epstein has been acknowledged as an expert witness before the Pennsylvania Public Utility Commission. (1) Epstein's expertise relates to rate structure and rate payer equity, consumer education, economic development, job retention and tax structure, nuclear fuel cost adjustments, and nuclear decommissioning cost recovery. (2)

Mr. Epstein is a PPL shareholder in good standing since September 1987. Epstein is currently enrolled in the Dividend Reinvestment Plan, and his most recent accretion occurred on October, 2014.

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1 PA PUC, Public Meeting held July 14, 2005, A-110550F0160 Joint Application of PECO Energy Company and Public Service Electric and Gas Company for Approval of the Merger of Public Service Enterprise Group Incorporated with and into Exelon Corporation.

Opinion and Order "... On careful review of the pleadings, we acknowledge Epstein's expertise in the areas of nuclear decommissioning, nuclear waste isolation, nuclear economics, nuclear safety, universal service, and community investment. *See* Epstein Protest, para. 10."

2 As such, Mr. Epstein reserves the right to prepare and submit expert testimony in the Present proceeding. Vitae of Eric Joseph Epstein available upon request.

III. Timelines.

On October 6, 2014 in the Federal Register, the NRC published an opportunity for a hearing and comments relating to the application filed by PPL Susquehanna, LLC on July 11, 2014. "The application seeks NRC approval of the indirect transfer of NPF–14 and NPF–22 for Susquehanna Steam Electric Station, Units 1 and 2 ("SSES"), as well as the general license for the SSES Independent Spent Fuel Storage Installation, from the current holder, PPL Corporation to Talen Energy Corporation. The NRC is also considering amending the combined licenses for administrative purposes to reflect the proposed transfer." (Vol. 79, No., 193, p. 60192).

The Federal Register Notice stated, "Within 30 days from the date of publication of this notice, persons may submit written comments regarding the license transfer application, as provided for in 10 CFR 2.1305. The Commission will consider and, if appropriate, respond to these comments, but such comments will not otherwise constitute part of the decisional record. Comments should be submitted as described in the ADDRESSES section of this document. (FR, p. 60193.)

"...Comments must be filed by November 5, 2014". (FR, p. 60193.)

The enclosed testimony filed on behalf of Three Mile Island Alert regarding the proposed Indirect License Transfer of Susquehanna Steam Electric Station, Units 1 and 2 - Request For Order Approving Indirect Transfer of Control and Conforming License Amendments (Tac Nos. MF4426 and MF4427) has been filed in a timely manner.

IV: Issues.

A. No plan for low-level radioactive waste storage.

The proposed license transfer fails to demonstrate that the site has the capability to store Class B and C low level radioactive waste ("LLRW") during the entire operating life of the plant and beyond in the event Barnwell remains closed to PPL, Clive, Utah operated by Energy Solutions "no longer becomes cost effective," (PPL Annual Report) or no other waste disposal options are developed or available.

In light of the current lack of a licensed offsite disposal facility; and the uncertainty of whether a new disposal facility will become available during the license term, Talen Energy must describe how they will store Class B and C waste onsite, and the environmental consequences of extended onsite storage.

Talen Energy's application is deficient by omission. It and fails to offer a r plan for the disposal of Class B and C low level radioactive waste.

PPL plans to send low-level radioactive waste to the Clive, Utah facility. The remainder of the Class B and Class waste will be stored on-site. PPL stated that "in the event the Clive site closes or other emergent disposal options become unavailable or are no longer-cost effective, low level radioactive waste will be stored onsite at Susquehanna...PPL Susquehanna cannot predict the future availability of disposal at such facilities." (PPL Annual Report)

The closure of the LLRW facility at Barnwell has significantly limited available waste disposal options. Talen Energy must offer a plan that details how it will safely manage LLRW during the operational life of the plant, and for an indefinite period of time following cessation of operations. Those details have been omitted in the license transfer application.

This issue is squarely within the scope of this proceeding.

The Commission has no "waste confidence rule" in play for low-level radioactive waste and stated, "we do not rule out that, in a future...proceeding, a petitioner could proffer an application-specific contention suitable for litigation on the subject of onsite storage of low level radioactive waste...[t]he questions of the safety and environmental impacts of onsite low-level waste storage are, in our view, largely site specific and design-specific, and appropriately decided in an individual licensing proceeding, provided the litigants proffer properly framed and supported contentions." (3)

This issue is material because in order receive to a license to operate a nuclear reactor the applicant must demonstrate how low-level waste will be safely disposed of during the operation of the SSES.

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3 US NRC ASLBP, In the Matter of Calvert Cliffs 3 Nuclear Project, LLC and Unistar Nuclear Operating Services, LLC (COL) Docket No. 52--16-COL, ASLBP No. 09-874--02-COL-BDO1, Memorandum and Order, March h 24, 2009, p. 65.

Talen Energy's "no plan" option relies on speculation, the magical "elimination" of waste generation, and an unsubstantiated hope that a disposal site will be developed by an unidentified vendor at an undisclosed site in the future.

PPL enclosed no supporting evidence to demonstrate it had the capability and capacity to store low level waste. Certainly a Company with PPL's resources can prepare and provide a plan with empirical evidence to demonstrate how it will isolate and dispose of radioactive waste.

PPL has failed to demonstrate that Susquehanna has the capability to store Class B and C low level waste during the entire operating life of the plant and beyond in the event Barnwell remains closed to PPL, Clive, Utah "no longer becomes cost effective", or no other waste disposal options are developed or available.

The Application fails to provide a plan of action to dispose of the low level radioactive waste. This omission and lack of supporting factual data to support a realistic storage alternative, constitute deficiencies in the Application, indicating a genuine dispute exists as to a material issue of law or fact.

B. Financial qualifications.

Prior to deregulation, nuclear applicants which were "financially challenged" were able to establish "reasonable assurance" they could raise money through capital markets precisely because the applicant was a public "electric utility."

Since the advent of electric deregulation, the NRC can no longer presume favorable rate decisions by any utility commission. Nor can the Commission presume rate tariffs will supplant financial chasms created by limited liability corporations. The NRC should recognize that the Indirect Transfer is an opportunity for the Commission to supplant anachronistic presumptions, e.g., New England Coalition on Nuclear Pollution v. U.S. NRC (1978, CA1) (582 F2d 87, 8 ELR 20707, 51 ALR Fed 451) with fresh case law that recognizes a radically changed public utility landscape. The NRC must compel PPL, Talen and Riverstone, a newly formed corporate applicant, to prove they possess the requisite financial wherewithal to service nuclear obligations without penalizing the host communities surrounding the SSES.

Under 10 C.F.R. § 50.33(f) & (k), the owner and operator of a nuclear power facility must demonstrate that it has the financial qualification to carry out the activities authorized by the operating license for the facility, including the capacity to pay costs associated with the personnel and equipment needed to safely operate the facility, its reactor, and its spent fuel pool and casks.

Mr. Epstein respectfully requests that as part of this proceeding, NRC examine the revenue attributable to Susquehanna Steam Electric Station power, the interconnection among Riverstone Holdings, LLC and Talen Energy Company and associated business entities, and anticipated costs for facility operations, repairs, spent fuel storage and decommissioning.

Because Talen Energy Corporation will operate the SSES as an independent power producer, NRC must consider the financial and operational interrelationships between PPL Energy Supply, Riverstone Generation Business and Talen Energy Corporation and other family subsidiaries that market the electric power generated by these reactors. This inquiry should include an examination of the assets, revenue streams, and obligations between and among these subsidiaries. As PPL files a consolidated financial statement with the U.S. Securities and Exchange Commission, information related to the assets, revenue streams and obligations of specific PPL subsidiaries are not publicly available. That information must be obtained by the NRC from PPL.

Such an examination should be conducted in a transparent manner, and the NRC should detail and explain to the community how the financial ability of these entities will safely operate, maintain and decommission the Susquehanna Steam Electric Station.

C. Plant design.

The Susquehanna Steam Electric Station reactors employ a boiling water reactor design ("BWR") and have Mark 2 containment that need capital improvements. In March 5 and 9, 1992 - PP&L received $55 million in a settlement with General Electric over the Mark II containment structure. ("Electric Utility Week" and "Nucleonics Week.")

The NRC's assessment of the financial qualifications of PPL and Riverstone should examine the cost of future Fukushima improvements at the Susquehanna Steam Electric Station.

On July 30, 1992, federal regulators announced that a safety mechanism used by the SSES might fail to alert operators about a drop in the water level - a condition which could lead to a nuclear accident.

On October 1, 1993 - during an NRC presentation - nuclear engineers David Lochbaum and Donald Prevatte, postulated that failure in spent fuel pool cooling could possibly lead to safety-related equipment failure and a full core meltdown at the Susquehanna Steam Electric Station

A retired power reactor does not produce income. PPL's flawed plant design and poor operating history suggest the SSES will be prematurely retired. The NRC's assessment of the financial qualifications of Talen Energy should address the Company's current and future ability to finance maintenance costs, operation expenses and radioactive isolation.

D. The NRC is obligated to ensure any corporate organization has adequate funding to decommission a nuclear generation station: 10 C.F.R. § 50.75 requires the owner and operator of such a facility to demonstrate that they have sufficient funds to properly decommission the facility.

PPL's nuclear trust funds are already on shaky ground, and PPL's marriage to Riverstone further undermines the Company's ability to ensure financial guarantees.

On May 24, 2011 the NRC wrote to Mr. Timothy S. Rausch, Senior Vice President and Chief Nuclear Officer, PPL Susquehanna, LLC:

By letter dated March 31,2011, PPL Susquehanna LLC, Inc. (PPL) submitted "NRC Decommissioning Funding Status Report, December 31, 2010" for the Susquehanna Steam Electric Station, Units 1 and 2.

The Nuclear Regulatory Commission staff has been reviewing the submittal and has determined that additional information is needed to complete its review.

RAI #1: Citation for real rate of returns: Provide the citation (e.g., an Order by the rate-regulatory authority) by the regulatory entity that allows for the assumptions used regarding rates of escalation in decommissioning costs, rate of earnings on decommissioning funds and rates of other assumed costs in your DFS report.

"PPL Susquehanna LLC is no longer under the jurisdiction of a rate making authority..." (PPL, June 22, 2011)

RAI #2: After-tax decommissioning funds as of December 31,2010: Indicate if the amount of decommissioning funds identified within the DFS Report is the after-tax amount of funds accumulated through December 31, 2010. If not, provide the after-tax amount of decommissioning funds accumulated through December 31,2010.

"PPL paid all applicable federal, state, and local taxes on trust fund activities directly front the fund balance including assets held as of December 31, 2010." (PPL, June 22, 2011)

PPL's corporate filings warn of chronic underfunding and financial uncertainty relating to their nuclear decommissioning trust funds.

"At December 31, 2011 AROs totaling $497 million were recorded on the balance sheet, of which $13 million is included as "other current liabilities." Of the total amount of $282 million, 59% relates to the nuclear decommissioning ARO. The most significant assumptions surrounding AROs are the forecasted retirement costs, the discount rates, and the inflation rates. A variance in any of these could have a significant impact on the ARO liabilities." (Annual Report, 2011, p. 53.)"

"The accrued nuclear decommissioning obligation was $292 million and $270 million at December 31, 2010 and 2011, and is included in "Asset Retirement Obligations" on the Balance Sheets. The fair value of investments that are legally restricted for the decommissioning of the Susquehanna nuclear plant was $640 million and $618 million on December 31, 2011 and 2010 and is included in "Nuclear decommissioning trust funds" on the balance sheets." (Annual Report, 2011, pp. 211-212).

PPL's 2013 Annual Report painted yet another gloomy outlook, "To the extent that the actual cost for decommissioning exceeds the amounts in the nuclear decommissioning trust funds, PPL Susquehanna would be obligated to pick up 90% of the shortfall..."

"The NRC requires that nuclear decommissioning trusts be managed by independent managers, with discretion to buy and sell securities in the trusts. As a result, PPL and PPL Energy Supply have been unable to demonstrate the ability to hold an impaired asset security until it recovers its value, therefore, unrealized losses in equity securities for all periods presented, represent-other-than-temporary impairment that requires a current period charge to earnings. " (Annual Report, 2013, pp. 221.)

It is critical for public confidence and the NRC's regulatory credibility that the agency investigate and report its findings regarding the financial structures as they pertain to the ability of Talen Energy and its corporate subsidiaries to safely operate, maintain, and decommission the Susquehanna Steam Electric Station.

Such an examination should be conducted in a transparent manner, and the NRC should detail and explain how the financial ability of these entities will safely operate, maintain and decommission the SSES.

E. The Susquehanna Steam Electric Station is a poorly performing nuclear generating station that requires additional NRC oversight.

PPL has struggled to operate the Susquehanna Steam Electric Station in a safe and reliable manner form 2010-2015 as documented by the Commission's inspection and a special supplemental inspections, which has placed both plants in a degraded cornerstone column.

The NRC has documented PPL's sliding operating performance; including; but not limited to: chronic procedural deficiencies, unplanned scrams, impaired personnel, station flooding and a record of degraded cornerstones that continue to erode margins of safety at the Susquehanna Steam Electric Station.

• **September 1, 2011**: The NRC completed its mid-cycle performance of Susquehanna Units 1 and 2. The NRC determined that the performance of Unit 1 during the most recent quarter ending June 30, 2011, was within the "degraded cornerstone column" of its oversight process.

• **May 7, 2012** : The NRC issued a report dealing with a supplemental inspection at the Unit 1 reactor from February 13 through March 2, 2012. The report said the plant had not made "sufficient progress on the procedure quality upgrade project for the internal flooding event for the NRC to evaluate its effectiveness."

The internal flooding event was previously discussed in the NRC reports issued in November 12, 2010, and September 1, 2011. The incident occurred on July 16, 2010, resulting in 1 million gallons of water 12 feet deep in the Unit 1 main condenser bay. The flooding caused a shutdown of the reactor for about 20 days. It was attributed to inadequate procedures in the maintenance and operation of the main condenser water boxes and circulating water system.

The incident was part of the unplanned scrams affecting the plant. Others occurred on April 22 and May 14 of 2010, and Jan. 25, 2011.

The NRC report said PPL performed a comprehensive evaluation relating to the scrams. "Two of the four unplanned scrams were caused by inadequate performance of maintenance, and the remaining two scrams occurred during the testing of a new Integrated Control System," the report said.

In addition, the report said PPL determined that the primary causes for the unplanned scrams were "less than adequate risk-informed decision making; less than adequate problem identification and resolution, including use of the Corrective Action Process; operating experience and cause analysis; less than adequate procedure quality use and adherence; maintenance performance that was not adequate; and management oversight that provided less than adequate enforcement of standards and expectations."

Regarding the July 16, 2010, flooding event, the NRC report noted PPL completed three root cause evaluations. "The inspectors determined that PPL failed to adequately address extent of condition and extent of cause for the white finding," the NRC said. "The inspection team concluded that the corrective actions taken for extent of cause were narrow because torque checks of selected flanges of other plant equipment were not included ... Consequently, the NRC was not able to effectively evaluate the robustness, adequacy and effectiveness of future actions to address extent of condition and extent of cause, including procedure quality improvements."

As a result, the NRC said the white finding will remain open to verify that "the concerns of extent of condition and extent of cause of inadequate procedures used to torque gasketed flanges are appropriately assessed and that adequate corrective actions are identified and implemented; and to verify the effectiveness of the station's procedure quality upgrade project."

• **February 13, 2013**: "From 2004 until June 19, 2012," the NRC report said, "PPL failed to accurately translate design basis requirements to ensure Unit 1 reactor coolant system piping systems met American Society of Mechanical Engineers core requirement to pipe stress analysis calculations ... due to using an incorrect stress intensification factor," the report said. "The weld in question subsequently failed, resulting in pressure boundary leakage in excess of technical specification limits from June 16 to June 18, 2012.

NRC inspectors identified a failure of PPL to submit an event report dealing with electrical power monitoring associated with several Unit 1 reactor protection system breakers on May 8, 2012. The report is to be submitted within 60 days. The report said "PPL personnel had determined that the event was not reportable because it did not result in a loss of safety function or condition prohibited by plant technical specifications."

But the NRC noted that plant licensees must submit an event report for "any event where a single cause or condition caused two independent training of channels to become inoperable in a single system designed to shut down the reactor within 60 days of discovering the event." Despite this, PPL did not submit a report within the allotted time period. The NRC said it was treating the mater as a non-cited violation, and it was entered into PPL's corrective action program.

The other violation involved a failure of PPL to notify authorities within eight hours of a valid actuation of the Unit 2 reactor protection system on Nov. 9, 2012. On that date, Unit 2 at the facility was manually scrammed (shut down) following a failure in the integrated control system and a subsequent lowering of reactor water level.

A few hours after this action, an automatic scram was generated. The NRC said PPL submitted a report within the required four hours of the original scram, but questioned whether PPL operators made a report within the required eight hours after the second scram.

The report also addressed other issues involving notification deficiencies at the plant. The report said PPL staff became an investigation in February 2012 "in response to a series of NRC findings from 2007 to present involving required NRC notifications not being made that affect license conditions of licensed operators." As a result of the review, PPL submitted on July 20, 2012, 10 medical updates to the NRC, four of them permanent changes in medical conditions that were "not submitted in a timely manner as required."

"Over a period of four years, a number of licensed operators developed potentially disqualifying medical conditions that were not property evaluated by PPL" in accordance with requirements, the report said. "In addition, during this same time frame, there were a number of cases (i.e., both historical and current) where PPL potentially failed to notify the NRC of a change in medical condition within 30 days" as required.

Based on the PPL review, the problems "appear to be associated with PPL's failure to properly train and provide oversight for their medical review officer and the Berwick examining physician regarding compliance with the requirements," the NRC report said. "The medical issues identified during this time frame appear to be related to a lack of knowledge and inadequate oversight."

The report added, "The inspectors concluded that PPL's failure to properly identify potentially disqualifying medical conditions resulted in failure to notify the NRC of these changes in medical conditions within 30 days, and in some cases may have affected the operator's ability to comply with operator license conditions that should have been in effect while standing watch. This was a performance deficiency within PPL's ability to foresee and correct and should have been prevented. The NRC has issued conditional individual operator licensees which address the potentially disqualifying conditions for the operators."

The NRC said this was an unresolved issue.

• **March 4, 2013:** In an annual assessment letter for 2012, the NRC said it found that Unit 1 was within the regulatory response column of the NRC's Reactor Oversight Process because of one finding having low to moderate safety significance that was related to an internal flooding event on July 16, 2010. Unit 1 began the assessment period in the Degraded Cornerstone Column due to this finding and due to unplanned shutdowns per 7,000 critical hours. On May 7, 2012, the NRC issued an interim response that closed the finding related to the unplanned scrams, or shutdowns. The other finding was closed in early 2013, moving Unit 1 to the licensee response column.

For Unit 2, the NRC determined during the most recent quarter that the plant was within the licensee response column because all inspection findings had very low safety significance.

The NRC also issued a concern over crosscutting issues, and said this matter will remain open until PPL (the plant licensee) "has demonstrated sustainable performance improvement as evidenced by effective implementation of an appropriate corrective action plan that results in no safety significant findings and a notable reduction in the overall number of inspection findings with the same crosscutting aspect."

The NRC said this was the fourth consecutive assessment letter documenting "substantive" crosscutting issues.

• **March 4, 2014**: The NRC issued its annual assessment of Units 1 and 2. It determined that Unit 1 "operated in a manner that preserved public health and safety and met all cornerstone objectives." It also determined that Unit 1 was within the "Licensee Response Column" of its oversight process.

As for Unit 2, the NRC determined that performance during the most recent quarter was within the "Degraded Cornerstone Column" of its oversight process. That's because there were two white performance indicators existing from events of unplanned scrams (shutdowns) in the fourth quarter of 2012 that moved Unit 2 from green (least severe) to white (more severe) category in terms of safety significance. While the plant licensee was showing progress in correcting the issue, Unit 2 "had an unplanned scram on Sept. 14, 2013, that resulted in crossing the green to white threshold...This performance indicator result, in conjunction with the earlier white performance indicator, moved Susquehanna Unit 2 to the degraded cornerstone column from the regulatory response column."

VII. Recommendations.

Such an examination should be conducted in a transparent manner and, at the end of the proceeding, the NRC should detail and explain how the financial ability of these entities will safely operate, maintain and decommission the Susquehanna Steam Electric Station.

A sense of fair play and fiduciary obligation necessitate that the NRC provide the following relief and postpone approval of the Indirect License Transfer until all issues documented and identified in TMIA's testimony have been evaluated by the NRC and independently audited.

1) PPL enclosed no supporting evidence to demonstrate it had capability and capacity to store low level waste. Certainly a Company of PPL's resources can prepare and provide a plan with empirical evidence to demonstrate how it will isolate and dispose of radioactive waste.

PPL has failed to demonstrate that Susquehanna has the capability to store Class B and C low level waste during the entire operating life of the plant and beyond in the event Barnwell remains closed to PPL, Clive, Utah "no longer becomes cost effective", or no other waste disposal options are developed or available.

The Application fails to provide a plan of action to dispose of the low level radioactive waste. This omission and lack of supporting factual data to support a realistic storage alternative, constitute deficiencies in the Application , indicating a genuine dispute exists as to a material issue of law or fact.

2) Because Talen Energy Corporation will operate the SSES as an independent power producer, the NRC must evaluate the financial and operational interrelationships between PPL Energy Supply, Rivrestone Generation Business and Talen Energy Corporation and related family subsidiaries that market the electric power generated by these reactors.

This inquiry should include an examination of the assets, revenue streams, and obligations between and among these subsidiaries. As PPL files a consolidated financial statement with the U.S. Securities and Exchange Commission, information related to the assets, revenue streams and obligations of specific PPL subsidiaries are not publicly available. That information must be obtained by the NRC from PPL.

3) A retired nuclear power reactor does not produce income. PPL's flawed plant design and poor operating history suggest the SSES will be prematurely retired. The NRC's assessment of the financial qualifications of Taklen Energy should address current and future maintenance and operational costs as well as retirement and remediation expenses for the Susquehanna Steam Electric Station.

4) It is critical for public confidence and NRC's regulatory credibility that the agency investigate, understand, and report its findings regarding the financial structures as they pertain to the ability of Talen Energy to safely operate, maintain, and decommission the Susquehanna Steam Electric Station.

Such an examination should be conducted in a transparent manner, and the NRC should detail and explain how the financial ability of Talen Energy will safely operate, maintain and decommission the SSES.

5) The NRC should not approve the license transfer until PPL has proven it can operate Unit 1 and Unit 2 outside the degraded cornerstone column for 24 consecutive months.

6) The NRC should convene a public hearing process, and accept comments from community residents living within 50 miles of the Susquehanna Steam Electric Station.

7) The NRC should await shareholder approval for the license transfer. Mr. Epstein will be submitting a shareholder resolution this month asking for the issue to be placed on the ballot for the spring 2015 PPL Annual Shareholder meeting.

Respectfully submitted,

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Dated: November 5, 2014