

UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION

COMMISSIONERS:

Stephen G. Burns, Chairman  
Kristine L. Svinicki  
William C. Ostendorff  
Jeff Baran

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In the Matter of )	
)	
PPL SUSQUEHANNA, LLC )	Docket Nos. 50-387, 50-388,
)	72-28
(Susquehanna Steam Electric Station, )	
Units 1 and 2) )	
_____ )	

CLI-15-08

**MEMORANDUM AND ORDER**

This proceeding stems from PPL Susquehanna, LLC's (PPL Susquehanna) application for NRC approval of a license transfer and conforming license amendments.<sup>1</sup> PPL Susquehanna requests approval of an indirect transfer of control of the operating licenses for the Susquehanna Steam Electric Station Units 1 and 2 and of the general license for the plant's Independent Spent Fuel Storage Installation (ISFSI). The requested transaction would transfer

<sup>1</sup> See Rausch, Timothy S., PPL Susquehanna, letter to Document Control Desk, U.S. Nuclear Regulatory Commission (July 11, 2014) (ADAMS accession no. ML14195A115) (Cover Letter), enclosing Application for Order Approving Indirect Transfer of Control of Facility Operating License Nos. NPF-14 and NPF-22 and Conforming Amendments (July 11, 2014) (ML14195A113) (Application). The Staff approved the transfer of licenses and conforming amendments on April 10, 2015. See Whited, Jeffrey A., letter to Timothy S. Rausch, PPL Susquehanna, "Order Approving Transfer of Licenses and Conforming Amendments Related to the Susquehanna Steam Electric Station, Units 1 and 2 (TAC Nos. MF4426 and MF4427)" (Apr. 10, 2015) (ADAMS package no. ML15057A230).

PPL Susquehanna's interests in the licenses from its current ultimate parent, PPL Corporation, to a new, publicly-listed, ultimate parent, Talen Energy Corporation.<sup>2</sup> Today we consider Mr. Douglas B. Ritter's petition for a hearing and to intervene in the license transfer.<sup>3</sup> As we outline below, Mr. Ritter's petition does not include an admissible contention for hearing. We therefore deny the petition and terminate this adjudication.

## I. BACKGROUND

PPL Susquehanna owns a ninety-percent undivided ownership interest in each of the Susquehanna Steam Electric Station units, and is the sole operator of both units.<sup>4</sup> Allegheny Electric Cooperative, Inc. (Allegheny) owns the remaining ten percent interest in each unit and is a non-operating co-licensee.<sup>5</sup> In an application dated July 11, 2014, PPL Susquehanna requested NRC approval of an indirect transfer of control of operating licenses NPF-14 and NPF-22 for Susquehanna Steam Electric Station, Units 1 and 2, and of the general license for the plant's ISFSI. PPL Susquehanna submitted its request pursuant to section 184 of the Atomic Energy Act of 1954, as amended,<sup>6</sup> 10 C.F.R. § 50.80(a), and 10 C.F.R. § 72.50(a), all of which require written NRC consent for direct or indirect license transfer.

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<sup>2</sup> Cover Letter at 1.

<sup>3</sup> *Douglas B. Ritter's Request for a Public Hearing on the Application for Approval of the Indirect License Transfer of Susquehanna Steam Electric Station, Units 1 and 2* (Oct. 24, 2014) (Petition).

<sup>4</sup> See Application at 1.

<sup>5</sup> *Id.* The proposed license transfer does not involve Allegheny and Allegheny does not plan to request a hearing or otherwise intervene in the adjudicatory proceeding. See Huang, William S., Attorney for Allegheny, letter to Annette L. Vietti-Cook, Secretary of the Commission, NRC (Oct. 15, 2014) (ML14308A592).

<sup>6</sup> See 42 U.S.C. § 2234 (providing, among other things, that "[n]o license granted [under this section] shall be transferred . . . 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 this chapter, and shall give its consent in writing").

The license transfer involves a series of transactions. PPL Susquehanna's current ultimate parent, PPL Corporation, intends to spin off PPL Energy Supply, LLC (Energy Supply), which holds domestic competitive generation assets, including PPL Susquehanna.<sup>7</sup> Additional transactions include the creation of and changes to intermediate holding companies, with Energy Supply ultimately becoming a direct subsidiary of a new intermediate parent, Talen Energy Holdings, Inc., which in turn would become a direct subsidiary of a new, publicly-owned ultimate parent, Talen Energy Corporation.<sup>8</sup> Consequently, Talen Energy Corporation—as the new ultimate parent—would acquire PPL Corporation's ninety percent ownership interest in the two Susquehanna units.<sup>9</sup> Licensee PPL Susquehanna would “become indirectly controlled by two new entities”: Talen Energy Corporation and Talen Energy Holdings, Inc.<sup>10</sup> As part of the transfer application, PPL Susquehanna additionally requested conforming amendments to the Susquehanna plant's operating licenses.<sup>11</sup>

The license transfer application specifies that PPL Susquehanna would continue as the licensed sole operator of the two units.<sup>12</sup> The application further states that the transfer will not involve changes to the station units, their licensing bases, their “day-to-day management and operation,” or “the principal officers, managers or staff of PPL Susquehanna.”<sup>13</sup> And the application represents that there will be no change to the technical qualifications or procedures

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<sup>7</sup> See Application at 1; see *also* Susquehanna Steam Electric Station, Units 1 and 2; Consideration of Approval of Transfer of Licenses and Conforming Amendments, 79 Fed. Reg. 60,192, 60,193 (Oct. 6, 2014) (Federal Register Notice).

<sup>8</sup> *Id.*; see *also* Application at 2-3 (outlining additional steps and entities involved).

<sup>9</sup> See Federal Register Notice, 79 Fed. Reg. at 60,193.

<sup>10</sup> See Application at 3.

<sup>11</sup> See *id.* at 3-4.

<sup>12</sup> See *id.* at 10; Cover Letter at 1.

<sup>13</sup> See Cover Letter at 1; see *also* Application at 10.

of PPL Susquehanna and “no change in its ownership interest or that of Allegheny Electric Cooperative, Inc.”<sup>14</sup>

In response to the *Federal Register* notice of opportunity to request a hearing, Mr. Douglas B. Ritter filed a petition for a public hearing and to intervene, submitting three contentions.<sup>15</sup> PPL Susquehanna opposes Mr. Ritter’s request on grounds of timeliness, standing, and contention admissibility.<sup>16</sup>

Mr. Ritter filed no reply, other than to provide additional information regarding the timeliness of his petition. In a filing titled “Letter of Clarification,” he described various efforts made prior to the petition filing deadline to obtain assistance from NRC personnel regarding our electronic filing requirements.<sup>17</sup> Mr. Ritter mailed his petition on the date of the filing deadline, but failed to file electronically on time. In view of his representations, we find that Mr. Ritter made repeated good-faith efforts to comply with our filing requirements and had reasonable ground to believe that he had done so.<sup>18</sup> Under the circumstances here, we accept the petition for consideration. Below we address Mr. Ritter’s contentions.<sup>19</sup>

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<sup>14</sup> See Cover Letter at 1; Application at 10. The application additionally states that although PPL Susquehanna’s “corporate existence will not change,” the corporation would be renamed Susquehanna Nuclear, LLC, on completion of the transaction. See Application at 3 n.5; see *also* Cover Letter at 2.

<sup>15</sup> Petition, *supra* note 3.

<sup>16</sup> See *PPL Susquehanna’s Answer Opposing Douglas B. Ritter’s Request for Hearing Regarding the Indirect Transfer of Control of Susquehanna Licenses* (Nov. 24, 2014) at 4-24 (PPL Susquehanna Answer).

<sup>17</sup> See *Letter of Clarification* (Dec. 22, 2014).

<sup>18</sup> See *e.g., id.* at 3 (describing that he was advised by an NRC Staff member to request an exemption from electronic filing in his mailed petition).

<sup>19</sup> Because Mr. Ritter’s contentions all fall far short of our contention admissibility standards, we need not address his standing to intervene.

## II. DISCUSSION

### A. Contention Admissibility Standards

Petitions to intervene must “set forth with particularity” the contentions a petitioner seeks to have litigated in a hearing.<sup>20</sup> Requirements for an admissible contention are found in 10 C.F.R. § 2.309(f)(i)-(vi) and were described in detail in the notice of opportunity for hearing.<sup>21</sup> As we have long emphasized, our contention rule is “strict by design.”<sup>22</sup> Contention admissibility requirements seek “to ensure that NRC hearings ‘serve the purpose for which they are intended: to adjudicate genuine, substantive safety and environmental issues placed in contention by qualified intervenors.’”<sup>23</sup> While our contention rule is strict, it reflects a deliberate effort to prevent the major adjudicatory delays caused in the past by ill-defined or poorly supported contentions that were admitted for hearing although “based on little more than speculation.”<sup>24</sup> To warrant an adjudicatory hearing contentions need to have “some reasonably specific factual or legal basis.”<sup>25</sup>

Under our rules, a petitioner must explain the basis for each proffered contention by stating alleged facts or expert opinions that support the petitioner’s position and on which the

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<sup>20</sup> 10 C.F.R. § 2.309(f); see 10 C.F.R. § 2.1300 (providing that the provisions of 10 C.F.R. Part 2, Subpart M, together with the generally applicable intervention provisions in 10 C.F.R. Part 2, Subpart C, govern adjudicatory proceedings on a license transfer application).

<sup>21</sup> See Federal Register Notice, 79 Fed. Reg. at 60,194.

<sup>22</sup> See, e.g., *Dominion Nuclear Connecticut, Inc.* (Millstone Nuclear Power Station, Units 2 and 3), CLI-01-24, 54 NRC 349, 358 (2001).

<sup>23</sup> See *Dominion Nuclear Connecticut, Inc.* (Millstone Nuclear Power Station, Unit 2), CLI-03-14, 58 NRC 207, 213 (2003) (quoting *Duke Energy Corp.* (Oconee Nuclear Station, Units 1, 2 and 3), CLI-99-11, 49 NRC 328, 334 (1999)).

<sup>24</sup> See *Oconee*, CLI-99-11, 49 NRC at 334.

<sup>25</sup> See *Millstone*, CLI-03-14, 58 NRC at 213 (citation omitted).

petitioner intends to rely in litigating the contention at hearing.<sup>26</sup> To be admissible, the issue raised must fall within the scope of the proceeding and be material to the findings that the NRC must make.<sup>27</sup> A contention, therefore, must provide sufficient information to show a genuine dispute with the applicant on a material issue of law or fact.<sup>28</sup> As such, the contention should refer to the “portions of the application” that the petitioner disputes along with the supporting reasons for each dispute; or, if the petitioner believes that an application fails altogether to contain information required by law, the petitioner must identify each failure and provide supporting reasons for the petitioner’s belief.<sup>29</sup>

**B. Contention 1 – Decommissioning Funding**

In Contention 1, Mr. Ritter claims that “Decommissioning Funding Assurance will be adversely affected by the proposed Indirect License Transfers” and that “the future Talen Energy Corporation’s decommissioning savings levels at Susquehanna will be inadequate.”<sup>30</sup> Contention 1 lacks factual or legal support and does not identify a genuine dispute with the application on a material issue of fact or law.

A license transfer applicant must show reasonable assurance of sufficient funds to decommission the facility.<sup>31</sup> Our decommissioning funding rule in 10 C.F.R. § 50.75, to which Mr. Ritter cites, specifies formulas (based on reactor type and power level) for determining the minimum dollar amounts required to demonstrate reasonable assurance of decommissioning

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<sup>26</sup> 10 C.F.R. § 2.309(f)(ii), (v).

<sup>27</sup> *Id.* § 2.309(f)(iii)-(iv).

<sup>28</sup> *Id.* § 2.309(f)(vi).

<sup>29</sup> *Id.*

<sup>30</sup> See Petition at 8.

<sup>31</sup> See 10 C.F.R. §§ 50.33(k)(1), 50.75, 50.80(b)(i).

funding.<sup>32</sup> But Mr. Ritter does not contest—or even reference—any of the decommissioning funding description in the application.<sup>33</sup> He does not suggest how the license transfer might lead to a shortfall or otherwise adversely affect decommissioning funding.

The application, for example, states that PPL Susquehanna’s current decommissioning funding “will remain in effect” and “will not be affected by the proposed indirect license transfer.”<sup>34</sup> Financial assurance for decommissioning Susquehanna is based on the “prepayment method,” authorized under our rules.<sup>35</sup> Specifically, the application describes a “nuclear decommissioning master trust established by PPL Susquehanna” that is “segregated from the licensee’s assets and outside its administrative control.”<sup>36</sup> The application specifies the current market values of the investments held in the master trust for each of the two units.<sup>37</sup> The application goes on to outline the “minimum amount of decommissioning funds estimated to be required” under 10 C.F.R. § 50.75 for each Susquehanna unit.<sup>38</sup> It additionally estimates the cost for decommissioning the ISFSI, based on a site-specific study.<sup>39</sup> And finally, the application provides specific calculations intended to show that the credited value of the decommissioning trusts will exceed the NRC’s minimum requirement for decommissioning

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<sup>32</sup> See *id.* § 50.75(c).

<sup>33</sup> See Application at 13-14.

<sup>34</sup> See *id.* at 13.

<sup>35</sup> See *id.*; 10 C.F.R. § 50.75(e)(1)(i).

<sup>36</sup> See Application at 13.

<sup>37</sup> See *id.* (specifying market values of investments as of December 31, 2013).

<sup>38</sup> *Id.* at 13-14; see also Attachment 6 to Application (Decommissioning Funding Assurance).

<sup>39</sup> Application at 14.

funding assurance.<sup>40</sup> Mr. Ritter challenges none of this information. In short, he does not raise a genuine dispute with the applicant on its decommissioning funding assurance.<sup>41</sup>

Nor is Contention 1 otherwise supported. No alleged facts or expert opinion back the claim that “PPL’s nuclear trust funds” are “on shaky ground.”<sup>42</sup> Mr. Ritter quotes passages from PPL Corporation’s 2011 and 2013 annual reports but does not explain how any of these passages challenge the adequacy of the decommissioning funding description in the application. Mr. Ritter also refers to an NRC Request for Additional Information (RAI) sent to the applicant.<sup>43</sup> As Mr. Ritter notes, the RAI “requests additional financial data from PPL.”<sup>44</sup> But Mr. Ritter does not describe how the RAI supports his claim that the decommissioning funds will be inadequate.

RAIs are a “routine means” for the Staff to ask for clarification or additional corroborating information from an applicant.<sup>45</sup> They reflect follow-up questions, an ongoing dialogue between Staff and applicant.<sup>46</sup> Rarely will pointing to an RAI, without more, suffice as support for an admissible contention.<sup>47</sup> Moreover, the RAI does not concern decommissioning funding.

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<sup>40</sup> See *id.* at 13-14. The application assumes and credits real earnings of two percent up to the time of permanent cessation of operations. See *id.* at 14; see also 10 C.F.R. § 50.75(e)(1)(i).

<sup>41</sup> Mr. Ritter states that while “publicly available information is severely limited, the information that is available, which is outlined in this submission, raises sufficient questions to merit an NRC examination of this issue.” See Petition at 8. But as we noted, even the non-proprietary version of the application provides specific decommissioning funding information for each unit.

<sup>42</sup> Petition at 9.

<sup>43</sup> *Id.* (referencing Request for Additional Information (RAI), attached to Whited, Jeffrey A., NRC, letter to Timothy S. Rausch, PPL Susquehanna (Oct. 9, 2014) (ML14268A531)).

<sup>44</sup> *Id.*

<sup>45</sup> See *Oconee*, CLI-99-11, 49 NRC at 336.

<sup>46</sup> *Id.* at 337.

<sup>47</sup> “Petitioners must do more than rest on the mere existence of RAIs as a basis for their contention.” *Id.* at 336. Issuance of an RAI “does not alone establish deficiencies in the

(continued . . .)

Instead, the Staff's questions bear on financial qualifications for meeting plant operating costs, a different license transfer issue altogether.<sup>48</sup> The RAI requests supporting documentation to justify the projected market prices, capacity factors, and operating expenses, and requests a cashflow statement for the period 2015 to 2019.<sup>49</sup> By itself the RAI does not "demonstrate" that the application is "fatally flawed."<sup>50</sup>

Numerous other claims made in support of Contention 1 also appear irrelevant to decommissioning funding assurance.<sup>51</sup> Like the RAI, they apparently go to financial qualifications for meeting plant operating expenses, the focus of Contention 2. Because Mr. Ritter repeats these claims in Contention 2, we address them in the section below.<sup>52</sup> In any event, Contention 1 lacks support and does not raise a genuine material dispute with the application.

**C. Contention 2 – Operating Fund Levels and Operation of Units**

In Contention 2, Mr. Ritter claims that the "continuing operation of both Susquehanna units will be adversely affected by the proposed Indirect License Transfers, and the future Talen Energy Corporation's operating fund levels will be adversely impacted by the proposed license

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application, or that the NRC Staff will go on to find any of the Applicant's clarifications, justifications, or other responses to be unsatisfactory." *Id.*

<sup>48</sup> See 10 C.F.R. § 50.33(f)(2) (requiring the applicant "to submit information that demonstrates the applicant possesses or has reasonable assurance of obtaining the funds necessary to cover estimated operating costs for the period of the license").

<sup>49</sup> See RAI at 2 (listing questions in RAI question 1, (a)-(c)).

<sup>50</sup> See Petition at 4.

<sup>51</sup> See, e.g., *id.* at 8-9 (regarding costs associated with operating, maintaining, repairing, and improving facility, and assets and revenue streams).

<sup>52</sup> See *id.* at 11-12.

transfers.”<sup>53</sup> But again, Mr. Ritter provides neither alleged facts nor expert opinion to support the claims. Nor does he identify any portion of the application that he contests.

Contention 2 largely consists of requests for the NRC to carefully review the proposed license transfer transaction. For example, Mr. Ritter calls for the NRC to examine the plant’s revenue and anticipated costs for facility operations, repairs, spent fuel storage, and decommissioning and to closely review the “assets, revenue streams, and obligations between and among” the “family subsidiaries” involved in the transaction.<sup>54</sup> Mr. Ritter also requests the NRC to “examine the cost of certain and probable future Fukushima improvements at the Susquehanna Steam Electric Station.”<sup>55</sup> He states that the NRC’s review “should address current and future ISFSI maintenance and operation expenses.”<sup>56</sup> None of these requests, however, challenge the application. Therefore, the requests do not raise a genuine dispute with the application. Further, the requests do not provide the necessary legal or factual support for an admissible contention.

Mr. Ritter also does not outline how he expects the license transfer to adversely affect the “continuing operation” of the Susquehanna units, particularly given that the application states that no changes to the “management,” “operations,” or the units themselves are proposed.<sup>57</sup> Instead of addressing the application, Mr. Ritter alludes to safety concerns or views expressed decades ago that have no obvious link to the proposed license transfer. He states, for example, that in July 1993 “federal regulators said that a safety mechanism used by three

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<sup>53</sup> *Id.* at 11.

<sup>54</sup> *See id.* at 12.

<sup>55</sup> Application at 9.

<sup>56</sup> *See* Petition at 12.

<sup>57</sup> *See* Application at 10; Cover Letter at 1.

Pennsylvania power plants,” including the Susquehanna plant, “might fail to alert operators about a drop in the water level—a condition which could lead to a nuclear accident.”<sup>58</sup> He also states that presenters in a 1993 NRC meeting “postulated that failure in spent fuel pool cooling could possibly lead” to “safety-related equipment failure and a full core meltdown.”<sup>59</sup> And he claims that Susquehanna has “containments that need capital improvements” and that the applicant received a \$55 million settlement in 1992 “over the Mark II containment structure.”<sup>60</sup> But Mr. Ritter does not explain how any of these various unrelated claims bear on the challenged license transfer application.

A license transfer proceeding is not the appropriate venue for raising day-to-day operational safety concerns unconnected to the proposed transaction. Rather, it focuses on the impacts of the proposed license transfer. It does not encompass “a full-scale health-and-safety review of a plant.”<sup>61</sup> Through the NRC’s regulatory oversight of operating reactors, all plants are subject to ongoing monitoring and assessment. Any Fukushima-related or other enhancements that might be ordered to improve the safety of the Susquehanna plant, for example, would be subject to the NRC’s routine inspection and enforcement processes. Here, the petition’s unspecific claims regarding statements or events from over twenty years ago do not, in any event, identify any current safety violations or deficiencies at the Susquehanna plant or elsewhere), and also do not identify a deficiency in the license transfer application.<sup>62</sup>

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<sup>58</sup> See Petition at 12.

<sup>59</sup> *Id.*

<sup>60</sup> *Id.*

<sup>61</sup> See, e.g., *Vermont Yankee Nuclear Power Corp. and AmerGen Vermont, LLC* (Vermont Yankee Nuclear Power Station), CLI-00-20, 52 NRC 151, 169 (2000).

<sup>62</sup> To the extent that Mr. Ritter has concerns about current or ongoing safety deficiencies at Susquehanna, he (or any member of the public) can raise such concerns at any time via our 10 C.F.R. § 2.206 petition process.

To the extent that Mr. Ritter suggests that the transfer will lead to insufficient funds to pay for necessary maintenance, operations, or capital improvements, the contention lacks support. Mr. Ritter merely references again the Staff's RAI, claiming that it shows the need for a hearing to address "numerous outstanding issues associated with safe operation and maintenance" of the Susquehanna station.<sup>63</sup> But Mr. Ritter does not identify any part of the RAI that supports this claim. As we stated previously, a generalized reference to a routine request for additional information does not suffice as support for an admissible contention.

While Contention 2 focuses on financial qualifications to operate the Susquehanna plant, Mr. Ritter does not challenge the applicant's estimated future operating funds. As noted above, a license transfer applicant must demonstrate that it possesses or has reasonable assurance of obtaining the funds necessary to cover estimated operation costs for the license period.<sup>64</sup> Here, to show "an adequate source of funds to meet PPL Susquehanna's [90%] share" of Susquehanna's anticipated operating expenses, the application includes projected income statements for a five-year period, from January 1, 2015 to December 31, 2019.<sup>65</sup> Projected revenues are based on sales of energy, capacity, and ancillary services.<sup>66</sup> Projected operating expenses include those for fuel, taxes, depreciation, intercompany charges (overhead), and operation and maintenance.<sup>67</sup> The application also provides two sensitivity analyses, one

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<sup>63</sup> See Petition at 12.

<sup>64</sup> See 10 C.F.R. § 50.33(f)(2).

<sup>65</sup> See Application at 11. Our rules require the applicant to submit estimates for total annual operating costs for each of the first five years of facility operation. 10 C.F.R. § 50.33(f)(2).

<sup>66</sup> See Application at 11-12.

<sup>67</sup> See *id.* at 12; "Projected Income Statement and Calculation of Six-Month Fixed Costs" (Redacted, Non-Proprietary) (Attachment 4NP to Application) at 1, 5. PPL Susquehanna states that the projected operation and maintenance costs include those for maintaining the ISFSI. See PPL Susquehanna Answer at 20.

assuming a ten percent reduction in the forecast price of electricity and the other assuming a ten percent reduction in the forecast capacity factor.<sup>68</sup> It further discusses additional measures, such as a new Support Agreement with the prospective ultimate parent, Talen Energy, designed to ensure that PPL Susquehanna will have sufficient funds available to meet its operating expenses.<sup>69</sup>

The application concludes that the anticipated revenues will be adequate to meet anticipated expenses and that with the exception of potential reductions in corporate overhead, the license transfer “does not affect the anticipated revenues or expenses” for the Susquehanna station.<sup>70</sup> Mr. Ritter challenges none of the financial information in the application. He does not suggest how the projected operating funds might prove insufficient to cover maintenance, repairs, capital improvements, or any other costs.

And although the public version of PPL Susquehanna’s application did not contain proprietary financial information, the notice of opportunity for hearing detailed how potential parties could request access to sensitive unclassified information (including proprietary information) if it were needed to “provide the basis and specificity for a proffered contention.”<sup>71</sup> The publicly-available version of the application identified the particular categories of projected revenues and expenses for which specific dollar estimates were being withheld as proprietary.<sup>72</sup> Mr. Ritter had the opportunity to request access to the proprietary information, but did not.<sup>73</sup> Nor

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<sup>68</sup> See Attachment 4NP to Application, at 2-3, 6-7.

<sup>69</sup> See Application at 12-13.

<sup>70</sup> See *id.* at 11.

<sup>71</sup> See Federal Register Notice, 79 Fed. Reg. at 60,195-96.

<sup>72</sup> See Attachment 4NP to Application at 1-8.

<sup>73</sup> Mr. Ritter states that although publicly-available information was “severely limited,” the “available” information was “sufficient” for his hearing request. See Petition at 11.

does his petition address the financial qualifications description outlined in the public version of the application. Contention 2 lacks support and fails to raise a genuine material dispute for hearing.

**D. Contention 3 – Low-Level Waste Storage Capability**

In Contention 3, Mr. Ritter claims that “the proposed license transfers fail to demonstrate that Susquehanna has the capability to store Classes B and C low level radioactive waste (‘LLRW’) throughout its entire operating lifetime.”<sup>74</sup> Specifically, Mr. Ritter claims that the applicant’s “Environmental Report is deficient by omission” because it “fails to offer a realistic plan for disposal” of low-level waste, given the closure of the Barnwell waste disposal facility and “potential economic barriers to disposing of said waste at Energy Solution[s] in Clive, Utah.”<sup>75</sup> He calls for a description of the “environmental consequences of extended onsite storage” or how the applicant “will transfer its Class B and C wastes to another facility for storage.”<sup>76</sup> The contention questions whether the Susquehanna “site has the capability” to store low-level waste during the plant operating life “and beyond” if the Barnwell facility “remains closed” and “no other waste disposal options are developed or available.”<sup>77</sup> Mr. Ritter argues that “the future Talen Energy Corporation” must provide a plan “detail[ing] how it will safely manage low-level waste” during and after the plant operating life.<sup>78</sup> He states that a low-level

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<sup>74</sup> See *id.* at 13.

<sup>75</sup> See *id.* (internal quotation omitted).

<sup>76</sup> See *id.*

<sup>77</sup> *Id.*

<sup>78</sup> See *id.*

waste disposal plan is required for license transfer “pursuant to NEPA [the National Environmental Policy Act] and NRC COLA [combined license application] guidelines.”<sup>79</sup>

Mr. Ritter’s claims in Contention 3 are beyond the scope of this license transfer proceeding, lack support, and do not raise a genuine material dispute with the application. Under our rules, license transfer applications need not include an environmental analysis under NEPA.<sup>80</sup> No Environmental Report is required. Instead of addressing applicable license transfer rules and standards, Mr. Ritter relies on a decision involving a combined license application.<sup>81</sup> Section 50.80 outlines the subject areas license transfer applications must address.<sup>82</sup> Contention 3 does not identify any statutory or regulatory requirement for a license transfer application to include a plan detailing how low-level waste will be handled.

Nor does the contention suggest how the license transfer might change existing waste disposal plans or options or might decrease the licensee’s current financial or technical qualifications to safely handle and store low-level waste. Our decommissioning funding requirements, for example, encompass the costs of low-level waste burial.<sup>83</sup> But Contention 3 does not address the application’s decommissioning funding assurance discussion. It also does not address the applicant’s projected operating funds—expenses and revenues—or otherwise call into question the licensee’s continued ability to pay for and safely manage activities at the

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<sup>79</sup> See *id.* at 15.

<sup>80</sup> See 10 C.F.R. § 51.22(c)(21) (categorical exclusion for direct and indirect license transfers and associated license amendments).

<sup>81</sup> See Petition at 14 n.1 (citing a Licensing Board decision in the *Calvert Cliffs* combined license proceeding); see also *Progress Energy Florida, Inc.* (Levy County Nuclear Power Plant, Units 1 and 2), CLI-10-2, 71 NRC 27, 46 (2010) (referencing NEPA and 10 C.F.R. Part 52 requirements that do not apply in the license transfer context).

<sup>82</sup> See 10 C.F.R. § 50.80(b)(1)(i), (2).

<sup>83</sup> See *id.* § 50.75(c).

facility, whether related to low-level waste handling or not. As we earlier stressed, a license transfer proceeding focuses on the *impact of the license transfer*, not ongoing operational issues or other concerns unrelated to the transfer.<sup>84</sup> In short, Contention 3 is unsupported and does not raise a genuine dispute with the applicant on a material issue of law or fact.

### III. CONCLUSION

We *deny* the request for hearing and petition to intervene, and *terminate* this proceeding.

IT IS SO ORDERED.

For the Commission

**NRC SEAL**

**/RA/**

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Annette L. Vietti-Cook  
Secretary of the Commission

Dated at Rockville, Maryland  
this 14<sup>th</sup> day of April 2015

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<sup>84</sup> Moreover, PPL Susquehanna stresses that it is a participating company within the Utilities Service Alliance, and “will have access to” the Waste Control Specialists waste disposal facility. See PPL Susquehanna Answer at 23.

UNITED STATES OF AMERICA  
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Susquehanna Steam Electric Station, ) Docket Nos. 50-387-LT, 50-388-LT  
Units 1 and 2 ) and 72-82-LT  
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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing **COMMISSION MEMORANDUM AND ORDER (CLI-15-08)** have been served upon the following persons by Electronic Information Exchange.

U.S. Nuclear Regulatory Commission Office of Commission Appellate Adjudication Mail Stop: O-16C1 Washington, DC 20555-0001  OCAA Mail Center E-mail: <a href="mailto:ocaamail@nrc.gov">ocaamail@nrc.gov</a>	U.S. Nuclear Regulatory Commission Office of the Secretary of the Commission Mail Stop: O-16C1 Washington, DC 20555-0001  Hearing Docket E-mail: <a href="mailto:hearingdocket@nrc.gov">hearingdocket@nrc.gov</a>
Atomic Safety and Licensing Board Panel U.S. Nuclear Regulatory Commission Mail Stop T-3F23 Washington, DC 20555-0001  E. Roy Hawkens E-mail: <a href="mailto:Roy.Hawkens@nrc.gov">Roy.Hawkens@nrc.gov</a>	Pillsbury Winthrop Shaw Pittman LLP 2300 N Street NW Washington, DC 20037-1122 David Lewis, Esq. E-mail: <a href="mailto:david.lewis@pillsburylaw.com">david.lewis@pillsburylaw.com</a>
Douglas B. Ritter 44 Blackberry Lane Berwick, PA 18603 E-mail: <a href="mailto:douglasbritten@gmail.com">douglasbritten@gmail.com</a>	

[Original signed by R. Giitter \_\_\_\_\_]

Dated at Rockville, Maryland  
this 14<sup>th</sup> day of April, 2015