



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

June 1, 2016

Ms. Barbara A. Nick
President and Chief Executive Officer
Dairyland Power Cooperative
3200 East Avenue South
P.O. Box 817
La Crosse, WI 54602-0817

Mr. John Sauger
Executive Vice President
Chief Nuclear Officer Reactor D & D
EnergySolutions
2701 Deborah Avenue
Zion, IL 60099

SUBJECT: LA CROSSE BOILING WATER REACTOR – ISSUANCE OF CONFORMING AMENDMENT REGARDING DIRECT TRANSFER OF POSSESSION ONLY LICENSE FROM THE DAIRYLAND POWER COOPERATIVE TO LACROSSESOLUTIONS, LLC (CAC NO. L53096)

Dear Ms. Nick and Mr. Sauger:

By Order dated May 20, 2016, the U.S. Nuclear Regulatory Commission (NRC) approved the direct transfer of Possession Only License No. DPR-45 for the La Crosse Boiling Water Reactor (LACBWR), held by the Dairyland Power Cooperative (DPC), to LaCrosseSolutions, LLC (LS), and approved a conforming amendment, pursuant to Title 10 of the *Code of Federal Regulations* (10 CFR), Sections 50.80 and 50.90, to reflect the change. The transfer assigns DPC's licensed possession, maintenance, and decommissioning authorities for LACBWR to LS in order to implement expedited decommissioning at the LACBWR site. The Order will be published in the *Federal Register* on June 2, 2016.

By letter dated May 25, 2016, LS notified the NRC of the June 1, 2016, closing date for the license transfer. Proof that the insurance required by 10 CFR 140.12 and 10 CFR 50.54(w) had been obtained was received by letters to the NRC dated May 17 and May 18, 2016. The American Nuclear Insurers letter of May 17, 2016, the Nuclear Risk Insurers letter of May 18, 2016, and the LS letter of May 25, 2016, satisfied the conditions required by the Order relative to insurance and indemnity coverage.

Accordingly, the NRC has issued the enclosed Amendment No. 74 to Possession Only License No. DPR-45 for LACBWR (Enclosure 1). This conforming amendment reflects the transfer of the license from DPC to LS. The safety evaluation supporting the conforming amendment was enclosed with the Order issued on May 20, 2016.

Enclosure 2 contains four signed originals of Amendment No. 8 to Indemnity Agreement No. B-62, which is required in connection with the transfer of the license. Please sign all four and keep three of these originals for your records. Return one signed original to the NRC for proof of acceptance.

B. Nick

- 2 -

The Notice of Issuance will be included in the Commission's next biweekly *Federal Register* notice. Should you have any questions concerning this action, please contact me at (301) 415-3178 or via e-mail at marlayna.vaaler@nrc.gov.

Sincerely,

/RA/

Marlayna Vaaler, Project Manager
Reactor Decommissioning Branch
Division of Decommissioning, Uranium Recovery,
and Waste Programs
Office of Nuclear Material Safety
and Safeguards

Docket Nos.: 50-409 and 72-046
License No.: DPR-45

Enclosures:

1. Amendment No. 74 to
Possession Only License No. DPR-45
2. Amendment No. 8 to
Indemnity Agreement No. B-62

cc w/enclosures: La Crosse Boiling Water
Reactor Service List

B. Nick

- 2 -

The Notice of Issuance will be included in the Commission's next biweekly *Federal Register* notice. Should you have any questions concerning this action, please contact me at (301) 415-3178 or via e-mail at marlayna.vaaler@nrc.gov.

Sincerely,

/RA/

Marlayna Vaaler, Project Manager
Reactor Decommissioning Branch
Division of Decommissioning, Uranium Recovery,
and Waste Programs
Office of Nuclear Material Safety
and Safeguards

Docket Nos.: 50-409 and 72-046
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Enclosures:

- 3. Amendment No. 74 to
Possession Only License No. DPR-45
- 4. Amendment No. 8 to
Indemnity Agreement No. B-62

cc w/enclosures: La Crosse Boiling Water
Reactor Service List

DISTRIBUTION: PUBLIC DCD R/F MKunowski, RIII MDusaniwskyj, NRR
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ADAMS Accession No. ML16123A095

OFFICE	NMSS/RDB/PM	NMSS/DUWP/LA	NRR/IFIB/BC	OGC – NLO	NMSS/RDB/BC
NAME	MVaaler	CHolston	ABowers*	JWachutka*	BWatson
DATE	05/3/2016	05/3/2016	05/3/2016	05/11/2016	06/01/2016

OFFICIAL RECORD COPY

La Crosse Boiling Water Reactor Service List:

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

DAIRYLAND POWER COOPERATIVE

DOCKET NO. 50-409

LA CROSSE BOILING WATER REACTOR

AMENDMENT TO POSSESSION ONLY LICENSE

Amendment No. 74
License No. DPR-45

1. The U.S. Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for amendment by the Dairyland Power Cooperative, dated October 8, 2015, as supplemented by letter dated December 15, 2015, 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, Possession Only License No. DPR-45 is hereby amended as follows:

The top line of the heading of the license is hereby amended to add "LaCrosseSolutions, LLC" above "Dairyland Power Cooperative."

Section 1.A. is hereby amended to read as follows: "The application for amendment filed by the Dairyland Power Cooperative (the owner) dated April 10, 1996, complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act),

Enclosure 1

and the Commission's rules and regulations set forth in 10 CFR Chapter I; the NRC subsequently approved the transfer of licensed responsibility for the La Crosse Boiling Water Reactor (herein "the facility" or "LACBWR") to LaCrosseSolutions, LLC (Solutions) on May 20, 2016;¹"

A footnote is hereby added to Section 1.A. to read as follows: "Solutions is authorized to act for Dairyland Power Cooperative and has exclusive responsibility and control over the physical possession, maintenance, and decommissioning of the facility."

Section 1.E. is hereby amended to read as follows: "Solutions is technically and financially qualified to engage in the activities authorized by this possession only license in accordance with the rules and regulations of the Commission;"

Section 1.F. is hereby amended to read as follows: "The owner has satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements," of the Commission's regulations;"

Section 2. is hereby amended to read as follows: "Possession Only License (POL) No. DPR-45, issued to Solutions and Dairyland Power Cooperative (collectively, the licensee) is hereby amended to read as follows:"

Section 2.A. is hereby amended to read as follows: "This license applies to the La Crosse Boiling Water Reactor (herein "the facility" or "LACBWR"), which is possessed, maintained, and decommissioned by Solutions, and owned by the Dairyland Power Cooperative (DPC). LACBWR was formerly owned by the Atomic Energy Commission (AEC) and operated by DPC under the provisions of an AEC contract and Provisional Operating Authorization No. DPRA-6, issued on October 31, 1969 (Docket No. 115-5). The facility is located in Vernon County, Wisconsin on the east bank of the Mississippi River, approximately one mile south of Genoa, Wisconsin and is described in the Safeguards Report for Operating Authorization (hereinafter Safety Analysis Report) filed by the Allis-Chalmers Manufacturing Company, and subsequently converted to Provisional Operating License No. DPR-45 (Docket No. 50-409). By Amendment No. 63, dated August 18, 1988, the license was changed to Possession Only License No. DPR 45."

Section 2.B. is hereby amended to read as follows: "Subject to the conditions and requirements incorporated herein, the Commission hereby licenses:"

Section 2.B.(1) is hereby amended to read as follows: "Solutions, pursuant to Section 104b of the Act and 10 CFR Part 50, "Domestic Licensing of Production and Utilization Facilities," to possess, maintain, and decommission the facility at the designated location in accordance with the procedures and limitations set forth in this license;"

Section 2.B.(2) is hereby amended to read as follows: "Dairyland Power Cooperative, pursuant to Section 104b of the Act and 10 CFR Part 50, to possess the facility at the designated location in accordance with the procedures and limitations set forth in this license;"

Section 2.B.(3) is hereby amended to read as follows: "Solutions, pursuant to the Act and 10 CFR Part 70, "Domestic Licensing of Special Nuclear Material," to possess at any time special nuclear material used as reactor fuel, in accordance with the limitations for storage, as described in Section 2.2 FUEL STORAGE of Appendix A to this license;"

Section 2.B.(4) is hereby amended to read as follows: "Solutions, 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 or gamma sources for reactor instrumentation and radiation monitoring equipment calibration, and as fission detectors in amounts as required;"

Section 2.B.(5) is hereby amended to read as follows: "Solutions, 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 with radioactive apparatus or components; and"

Section 2.B.(6) is hereby added to read as follows: "Solutions, pursuant to the Act and 10 CFR Parts 30 and 70 to possess, but not separate, such byproduct and special nuclear materials as were produced by the prior operation of the facility."

3. This license amendment is effective at the time the proposed direct license transfer is completed and shall be implemented within 30 days from that date.

FOR THE U.S. NUCLEAR REGULATORY COMMISSION

/RA/

Andrea L. Kock, Deputy Director
Division of Decommissioning, Uranium Recovery
and Waste Programs
Office of Nuclear Material Safety and Safeguards

Attachment:
Changes to Possession
Only License DPR-45

Date of Issuance: June 1, 2016

ATTACHMENT TO LICENSE AMENDMENT NO. 74

TO POSSESSION ONLY LICENSE NO. DPR-45

DOCKET NO. 50-409

Replace the following pages of the Possession Only License No. DPR-45 with the attached revised pages. The revised pages are identified by amendment number and contain marginal lines indicating the areas of change.

Possession Only License No. DPR-45

REMOVE

License Page 1
License Page 2
License Page 3
License Page 4

INSERT

License Page 1
License Page 2
License Page 3
License Page 4



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

LACROSSESOLUTIONS, LLC

DAIRYLAND POWER COOPERATIVE

DOCKET NO. 50-409

LA CROSSE BOILING WATER REACTOR

AMENDMENT TO POSSESSION ONLY LICENSE

Amendment No. 74
License No. DPR-45

1. The U.S. Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for amendment filed by the Dairyland Power Cooperative (the owner) dated April 10, 1996, 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; the NRC subsequently approved the transfer of licensed responsibility for the La Crosse Boiling Water Reactor (herein "the facility" or "LACBWR") to LaCrosseSolutions, LLC (Solutions) on May 20, 2016;¹
 - B. Construction of the La Crosse Boiling Water Reactor has been substantially completed in conformity with Construction Authorization No. CAPR-5, the application, the provisions of the Act and the rules and regulation of the Commission;
 - C. The facility will be maintained in conformity with the application, 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 possession only 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. Solutions is technically and financially qualified to engage in the activities authorized by this possession only license in accordance with the rules and regulations of the Commission;

¹ Solutions is authorized to act for Dairyland Power Cooperative and has exclusive responsibility and control over the physical possession, maintenance, and decommissioning of the facility.

- F. The owner has satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements," of the Commission's regulations;
 - G. 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 does not involve a significant hazards consideration;
 - H. The receipt, possession, and use of byproduct, source and special nuclear materials as authorized by this license will be in accordance with the Commission's regulations in 10 CFR Parts 30, 40 and 70, including 10 CFR Sections 30.33, 40.32, 70.23 and 70.31; and
 - I. 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. Possession Only License (POL) No. DPR-45, issued to Solutions and Dairyland Power Cooperative (collectively, the licensee) is hereby amended to read as follows:
- A. This license applies to the La Crosse Boiling Water Reactor (herein "the facility" or "LACBWR"), which is possessed, maintained, and decommissioned by Solutions, and owned by the Dairyland Power Cooperative (DPC). LACBWR was formerly owned by the Atomic Energy Commission (AEC) and operated by DPC under the provisions of an AEC contract and Provisional Operating Authorization No. DPRA-6, issued on October 31, 1969 (Docket No. 115-5). The facility is located in Vernon County, Wisconsin on the east bank of the Mississippi River, approximately one mile south of Genoa, Wisconsin and is described in the Safeguards Report for Operating Authorization (hereinafter Safety Analysis Report) filed by the Allis-Chalmers Manufacturing Company, and subsequently converted to Provisional Operating License No. DPR-45 (Docket No. 50-409). By Amendment No. 63, dated August 18, 1988, the license was changed to Possession Only License No. DPR 45.
 - B. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses:
 - (1) Solutions, pursuant to Section 104b of the Act and 10 CFR Part 50, "Domestic Licensing of Production and Utilization Facilities," to possess, maintain, and decommission the facility at the designated location in accordance with the procedures and limitations set forth in this license;
 - (2) Dairyland Power Cooperative, pursuant to Section 104b of the Act and 10 CFR Part 50, to possess the facility at the designated location in accordance with the procedures and limitations set forth in this license;
 - (3) Solutions, pursuant to the Act and 10 CFR Part 70, "Domestic Licensing of Special Nuclear Material," to possess at any time special nuclear material used as reactor fuel, in accordance with the limitations for

storage, as described in Section 2.2 FUEL STORAGE of Appendix A to this license;

- (4) Solutions, 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 or gamma sources for reactor instrumentation and radiation monitoring equipment calibration, and as fission detectors in amounts as required;
- (5) Solutions, 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 with radioactive apparatus or components; and
- (6) Solutions, pursuant to the Act and 10 CFR Parts 30 and 70 to possess, but not separate, such byproduct and special nuclear materials as were produced by the prior 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; and 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:

(1) Maximum Power Level

The licensee is not authorized to operate the reactor. Fuel may not be placed in the reactor vessel.

(2) Technical Specifications

The Technical Specifications contained in Appendix A, as revised through Amendment No: 72, are hereby incorporated in the license. The licensee shall possess and maintain the facility in accordance with the Technical Specifications.

(3) Physical Protection

The licensee shall fully implement and maintain in effect all provisions of the Commission-approved physical security, guard training and qualification, and safeguards contingency plans including amendments made pursuant to provisions of the Miscellaneous Amendments and Search Requirements revision 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 plan, which contains Safeguards Information protected under 10 CFR 73.21, is entitled, "Physical Security Plan for La Crosse Boiling

Water Reactor (LACBWR)," as revised and reflecting exemptions from 10 CFR 73.55 (granted June 20, 2012).

(4) Fire Protection

The licensee shall implement and maintain in effect all provisions of the facility Fire Protection Program as described therein and as approved by the NRC.

The licensee may make changes to the approved Fire Protection Program without prior NRC approval if these changes do not decrease the effectiveness of fire protection for facilities, systems, and equipment which could result in a radiological hazard, taking into account the decommissioning plant conditions and activities.

- D. This Possession only license supersedes and terminates in their entirety changes to the license issued in License Amendments: No. 17, July 27, 1979; No. 56, August 4, 1987; No. 61, May 18, 1988; No. 63, August 18, 1988; No. 66, August 7, 1991; and No. 69, April 11, 1997.
- E. This amended license is effective 30 days from the date of issuance and shall expire at midnight, March 29, 2031.

FOR THE NUCLEAR REGULATORY COMMISSION

Seymour H. Weiss, Director
Non-Power Reactors and Decommissioning
Project Directorate
Division of Reactor Project Management
Office of Nuclear Reactor Regulation

Attachment:
Appendix A - Technical Specifications

Date of Issuance: April 11, 1997

Enclosure 2

Amendment No. 8 to
Indemnity Agreement No. B-62