



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

October 3, 2016

Mr. Ken J. Peters
Senior Vice President and
Chief Nuclear Officer
Attention: Regulatory Affairs
Luminant Generation Company LLC
P.O. Box 1002
Glen Rose, TX 76043

SUBJECT: COMANCHE PEAK NUCLEAR POWER PLANT, UNIT NOS. 1 AND 2 AND
INDEPENDENT SPENT FUEL STORAGE INSTALLATION
FACILITY - ISSUANCE OF CONFORMING AMENDMENTS RE: TRANSFER OF
LICENSES (CAC NOS. MF8398 AND MF8399)

Dear Mr. Peters:

By order dated May 6, 2016 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML16096A266), the U.S. Nuclear Regulatory Commission (NRC or the Commission) approved the transfer of Facility Operating License (FOL) Nos. NPF-87 and NPF-89 for Comanche Peak Nuclear Power Plant, Unit Nos. 1 and 2 (CPNPP), and the general license for the independent spent fuel storage installation (ISFSI) facility from the current holder, Luminant Generation Company LLC (the licensee), to Comanche Peak Power Company LLC (CP PowerCo), as owner, and TEX Operations Company LLC (TEX OpCo), as operator. The transfer of the licenses includes elements of both a direct and indirect transfer. The order was published in the *Federal Register* on May 23, 2016 (81 FR 32350).

The transferee entity names in the order dated May 6, 2016, were placeholders because the final names for the future to-be-formed companies had not been selected at the time. By letter dated September 16, 2016 (ADAMS Accession No. ML16263A292), the licensee notified the NRC of the October 3, 2016, targeted closing date for the license transfer and informed the NRC of the names of the new owner and operator of CPNPP and the ISFSI facility. By letter dated September 21, 2016 (ADAMS Accession No. ML16266A403), the licensee provided the final legal entity names for the new licensees and their affiliates, the names of the principal officers and directors for each of the companies, and the revised conforming license amendment pages for FOL Nos. NPF-87 and NPF-89 to reflect the final names. Subsequently, by letter dated September 29, 2016 (ADAMS Accession No. ML16274A430), the licensee provided satisfactory documentary evidence of the appropriate amount of insurance required by Title 10 of the *Code of Federal Regulations* (10 CFR), Part 140 and 10 CFR 50.54(w).

Accordingly, the Commission has issued the enclosed Amendment Nos. 167 for FOL Nos. NPF-87 and NPF-89 for CPNPP. The conforming amendments reflect the direct transfer of ownership and the indirect transfer of control of the licenses pursuant to 10 CFR 50.80, "Transfer of licenses," and 50.90, "Application for amendment of license, construction permit, or

K. Peters

- 2 -

early site permit," and subject to the conditions described therein. The safety evaluation supporting the license transfer and the conforming amendments was enclosed with the order issued on May 6, 2016.

Enclosure 3 contains three signed originals of Amendment No. 13 to Indemnity Agreement No. B-96, which is required in connection with the transfer of the licenses. Please sign one original and return it to the NRC's Document Control Desk as proof of acceptance. Please sign the other two originals and keep for your records.

The Notice of Issuance will be included in the Commission's next biweekly *Federal Register* notice.

Sincerely,

A handwritten signature in black ink, appearing to read 'M. Watford', written in a cursive style.

Margaret M. Watford, Project Manager
Plant Licensing Branch IV-1
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-445 and 50-446

Enclosures:

1. Amendment No.167 to NPF-87
2. Amendment No.167 to NPF-89
3. Amendment No. 13 to Indemnity Agreement No. B-96

cc: Listserv



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

LUMINANT GENERATION COMPANY LLC
COMANCHE PEAK NUCLEAR POWER PLANT, UNIT NO. 1
DOCKET NO. 50-445
AMENDMENT TO FACILITY OPERATING LICENSE

Amendment No. 167
License No. NPF-87

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for amendment by Luminant Generation Company LLC dated November 12, 2015, as supplemented by letters dated December 9, 2015, and March 14, March 29, April 7, April 20, August 16, September 16, September 21, and September 29, 2016, 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, as amended, 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 license amendment will not be inimical to the common defense and security or to the health and safety of the public; and
 - E. The issuance of this amendment is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied.

2. Accordingly, the license is amended as indicated in the attachment to this license amendment.
3. The license amendment is effective as of its date of issuance and shall be implemented within 7 days from the date of issuance.

FOR THE NUCLEAR REGULATORY COMMISSION

A handwritten signature in black ink, appearing to read 'W. M. Dean', with a long horizontal line extending to the right.

William M. Dean, Director
Office of Nuclear Reactor Regulation

Attachment:
Changes to the Facility Operating
License No. NPF-87

Date of Issuance: October 3, 2016



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

LUMINANT GENERATION COMPANY LLC
COMANCHE PEAK NUCLEAR POWER PLANT, UNIT NO. 2
DOCKET NO. 50-446
AMENDMENT TO FACILITY OPERATING LICENSE

Amendment No. 167
License No. NPF-89

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for amendment by Luminant Generation Company LLC dated November 12, 2015, as supplemented by letters dated December 9, 2015, and March 14, March 29, April 7, April 20, August 16, September 16, September 21, and September 29, 2016, 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, as amended, 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 license 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.

Enclosure 2

2. Accordingly, the license is amended as indicated in the attachment to this license amendment.
3. The license amendment is effective as of its date of issuance and shall be implemented within 7 days from the date of issuance.

FOR THE NUCLEAR REGULATORY COMMISSION

A handwritten signature in black ink, appearing to read 'W M Dean', with a long horizontal flourish extending to the right.

William M. Dean, Director
Office of Nuclear Reactor Regulation

Attachment:
Changes to the Facility Operating
License No. NPF-89

Date of Issuance: October 3, 2016

ATTACHMENT TO LICENSE AMENDMENT NO. 167
TO FACILITY OPERATING LICENSE NO. NPF-87
AND AMENDMENT NO. 167
TO FACILITY OPERATING LICENSE NO. NPF-89
COMANCHE PEAK NUCLEAR POWER PLANT, UNIT NOS. 1 AND 2
DOCKET NOS. 50-445 AND 50-446

Replace the following pages of the Facility Operating License Nos. NPF-87 and NPF-89, and Appendix B, Environmental Protection Plan, with the attached revised pages. The revised pages are identified by amendment number and contain marginal lines indicating the areas of change.

Facility Operating License No. NPF-87

REMOVE

INSERT

1 through 9

1 through 9

Facility Operating License No. NPF-89

REMOVE

INSERT

1 through 8

1 through 8

Appendix B, Environmental Protection Plan

REMOVE

INSERT

Cover page

Cover page



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

COMANCHE PEAK POWER COMPANY LLC

AND TEX OPERATIONS COMPANY LLC

DOCKET NO. 50-445

COMANCHE PEAK NUCLEAR POWER PLANT, UNIT NO. 1

FACILITY OPERATING LICENSE

License No. NPF-87

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for a license filed by TEX Operations Company LLC ("TEX OpCo"), acting on its own behalf and for Comanche Peak Power Company LLC ("CP PowerCo"), hereinafter individually (licensee) as appropriate, or together (licensees), complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's regulations set forth in 10 CFR Chapter I, and all required notifications to other agencies or bodies have been duly made;
 - B. Construction of the Comanche Peak Nuclear Power Plant, Unit No. 1 (the facility), has been substantially completed in conformity with Construction Permit No. CPPR-126 and the application, as amended, the provisions of the Act, and the regulations of the Commission;
 - C. The facility will operate in conformity with the application, as amended, the provisions of the Act, and the regulations of the Commission (except as exempted from compliance in Section 2.D below);
 - D. There is reasonable assurance: (i) that the activities authorized by this operating license can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the Commission's regulations set forth in 10 CFR Chapter I, except as exempted from compliance in Section 2.D below;

- E. TEX OpCo is technically qualified to engage in the activities authorized by this operating license in accordance with the Commission's regulations set forth in 10 CFR Chapter I;
 - F. CP PowerCo has satisfied the applicable provisions of 10 CFR 140, "Financial Protection Requirements and Indemnity Agreements," of the Commission's regulations;
 - G. The issuance of this license will not be inimical to the common defense and security or to the health and safety of the public;
 - H. After weighing the environmental, economic, technical, and other benefits of the facility against environmental and other costs and considering available alternatives, the issuance of Facility Operating License No. NPF-87 subject to the conditions for protection of the environment set forth herein, is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied; and
 - I. The receipt, possession, and use of source, byproduct, and special nuclear material as authorized by this license will be in accordance with the Commission's regulations in 10 CFR Parts 30, 40, and 70, except that an exemption to the provisions of 70.24 is granted as described in paragraph 2.D below.
2. Based on the foregoing findings regarding this facility, Facility Operating License No. NPF-87 is hereby issued to the licensee, to read as follows:
- A. This license applies to the Comanche Peak Nuclear Power Plant, Unit No. 1, a pressurized-water nuclear reactor and associated equipment (the facility), owned by the licensee. The facility is located on Squaw Creek Reservoir in Somervell County, Texas about 5 miles north-northwest of Glen Rose, Texas, and about 40 miles southwest of Fort Worth in north-central Texas and is described in the licensee's Final Safety Analysis Report, as supplemented and amended, and the licensee's Environmental Report, as supplemented and amended.
 - B. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses:
 - (1) Pursuant to Section 103 of the Act and 10 CFR Part 50, "Domestic Licensing and Production and Utilization Facilities," TEX OpCo to possess, use, and operate the facility at the designated location in Somervell County, Texas in accordance with the procedures and limitations set forth in this license;
 - (2) CP PowerCo, pursuant to 10 CFR Part 50, to possess the facility at the designated location in Somervell County, Texas in accordance with the procedures and limitations set forth in this license;

- (3) TEX OpCo, pursuant to the Act and 10 CFR Part 70, to receive, possess, and use at any time, special nuclear material as reactor fuel, in accordance with the limitations for storage and amounts required for reactor operation, and described in the Final Safety Analysis Report, as supplemented and amended;
- (4) TEX OpCo, pursuant to the Act and 10 CFR Parts 30, 40 and 70, to receive, possess, and use, at any time, any byproduct, source, and special nuclear material as sealed neutron sources for reactor startup, sealed sources for reactor instrumentation and radiation monitoring equipment calibration, and as fission detectors in amounts as required;
- (5) TEX OpCo, pursuant to the Act and 10 CFR Parts 30, 40 and 70, to receive, possess, and use in amounts as required, any byproduct, source, and 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) TEX OpCo, pursuant to the Act and 10 CFR Parts 30, 40 and 70, to possess, but not separate, such byproduct and special nuclear materials as may be produced by the operation of the facility.

C. This license shall be deemed to contain and is subject to the conditions specified in the Commission's regulations set forth in 10 CFR Chapter I 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

TEX OpCo is authorized to operate the facility at reactor core power levels not in excess of 3458 megawatts thermal through Cycle 13 and 3612 megawatts thermal starting with Cycle 14 in accordance with the conditions specified herein.

(2) Technical Specifications and Environmental Protection Plan

The Technical Specifications contained in Appendix A as revised through Amendment No. 165 and the Environmental Protection Plan contained in Appendix B, are hereby incorporated into this license. TEX OpCo shall operate the facility in accordance with the Technical Specifications and the Environmental Protection Plan.

(3) Antitrust Conditions

DELETED

(4) License Transfer

The CP PowerCo Decommissioning Master Trust Agreement for the facility at the time the license transfers are effected and thereafter, is subject to the following:

(a) DELETED

(b) DELETED

(c) The appropriate section of the decommissioning trust agreement must state that investments made in trust by the trustee, investment advisor, or anyone else directing the investments made in the trusts shall adhere to investment guidelines established by the PUCT (e.g., 16 Texas Administration Code 25.301);

(d) DELETED

(e) DELETED

(5) License Transfer

CP PowerCo shall provide decommissioning funding assurance, to be held in a decommissioning trust for the facility upon the direct transfer of the facility license to CP PowerCo, in an amount equal to or greater than the balance in the facility decommissioning trusts immediately prior to the transfer. In addition, CP PowerCo shall ensure that all contractual arrangements referred to in the application for approval of the transfer of the facility license to CP PowerCo, to obtain necessary decommissioning funds for the facility through a non-bypassable charge are executed and will be maintained until the decommissioning trusts are fully funded, or shall ensure that other mechanisms that provide equivalent assurance of decommissioning funding in accordance with the Commission's regulations are maintained.

(6) License Transfer

DELETED

(7) License Transfer

CP PowerCo agrees to provide the Director, Office of Nuclear Reactor Regulation, a copy of any application, at the time it is filed, to transfer (excluding grants of security interests or liens) from CP PowerCo to its proposed parent, or to any other affiliated company, facilities for the production of electric energy having a depreciated book value exceeding ten percent (10%) of such licensee's consolidated net utility plant, as recorded on CP PowerCo's book of accounts.

(8) Mitigation Strategy License Condition

The licensee shall develop and maintain strategies for addressing large fires and explosions and that include the following key areas:

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

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

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

(9) License Transfer

TEX OpCo, the parent company of CP PowerCo, shall enter into the \$300 million support agreement as described in the November 12, 2015 application for license transfer, with CP PowerCo, no later than the time the proposed license transfer occurs. CP PowerCo shall take no action to cause TEX OpCo, or its successors and assigns, to void, cancel, or modify the support agreement or cause it to fail to perform, or impair its performance under the support agreement, without the prior written consent of the NRC. The support agreement may not be amended or modified without 30 days prior written notice to the Director of the Office of Nuclear Reactor Regulation or his designee. An executed copy of the support agreement shall be submitted to the NRC no later than 30 days after the completion of the proposed transactions and the license transfers. CP PowerCo shall inform the NRC in writing anytime it draws upon the support agreement.

Following the subject transfer of control of the licenses, all of the directors of CP PowerCo and TEX OpCo who can vote on activities governed by the CPNPP license and all of the officers of CP PowerCo and TEX OpCo with direct responsibility for activities governed by the CPNPP license shall (1) be U.S. citizens and not appointed by a foreign entity and (2) have exclusive authority to ensure and shall ensure that the business and activities of TEX OpCo and CP PowerCo with respect to the CPNPP license is at all times conducted in a manner consistent with the public health and safety and common defense and security of the United States. This condition may be amended upon application by either licensee and approval by the Director of the Office of Nuclear Reactor Regulation.

- D. The following exemptions are authorized by law and will not endanger life or property or the common defense and security. Certain special circumstances are present and these exemptions are otherwise in the public interest. Therefore, these exemptions are hereby granted pursuant to 10 CFR 50.12.
 - (1) The facility requires a technical exemption from the requirements of 10 CFR Part 50, Appendix J, Section III.D.2(b)(ii). The justification for this exemption is contained in Section 6.2.5 of Supplement 22 to the Safety Evaluation Report dated January 1990. The staff's environmental assessment was published on November 14, 1989 (54 FR 47430).

Therefore, pursuant to 10 CFR 50.12(a)(1), and 10 CFR 50.12(a)(2)(ii) and (iii), the Comanche Peak Nuclear Power Plant, Unit 1 is hereby granted an exemption from the cited requirement and instead, is required to perform the overall air lock leak test at pressure P_a prior to establishing containment integrity if air lock maintenance has been performed that could affect the air lock sealing capability.

- (2) The facility was previously granted an exemption from the criticality monitoring requirements of 10 CFR 70.24 (see Materials License No. SNM-1912 dated December 1, 1988 and Section 9.1.1 of Supplement 22 to the Safety Evaluation Report dated January 1990). The staff's environmental assessment was published on November 14, 1989 (54 FR 47432). The Comanche Peak Nuclear Power Plant, Unit 1 is hereby exempted from the criticality monitoring provisions of 10 CFR 70.24 as applied to fuel assemblies held under this license.
- (3) The facility requires a temporary exemption from the scheduler requirements of 10 CFR 50.33(k) and 10 CFR 50.75. The justification for this exemption is contained in Section 20.6 of Supplement 22 to the Safety Evaluation Report dated January 1990. The staff's environmental assessment was published on November 14, 1989 (54 FR 47431). Therefore, pursuant to 10 CFR 50.12(a)(1), 50.12(a)(2)(iii) and 50.12(a)(2)(v), the Comanche Peak Nuclear Power Plant, Unit 1 is hereby granted a temporary exemption from the scheduler requirements of 10 CFR 50.33(k) and 10 CFR 50.75 and is required to submit a decommissioning funding report for Comanche Peak Nuclear Power Plant, Unit 1 on or before July 26, 1990.

E. DELETED

F. In order to ensure that CP PowerCo will exercise the authority as the surface landowner in a timely manner and that the requirements of 10 CFR Part 100.3 (a) are satisfied, this license is subject to the additional conditions specified below: (Section 2.1.1, SER)

- (1) For that portion of the exclusion area which is within 2250 ft of any seismic Category I building or within 2800 ft of either reactor containment building, CP PowerCo must prohibit the exploration and/or exercise of subsurface mineral rights, and if the subsurface mineral rights owners attempt to exercise their rights within this area, CP PowerCo must immediately institute immediately effective condemnation proceedings to obtain the mineral rights in this area.
- (2) For the unowned subsurface mineral rights within the exclusion area not covered in item (1), CP PowerCo will prohibit the exploration and/or exercise of mineral rights until and unless CP PowerCo and the owners of the mineral rights enter into an agreement which gives CP PowerCo absolute authority to determine all activities – including times of arrival and locations of personnel and the authority to remove personnel and equipment – in event of emergency. If the mineral rights owners attempt to exercise their rights within this area without first entering into such an agreement, CP PowerCo must institute immediately effective condemnation proceedings to obtain the mineral rights in this area.

- (3) CP PowerCo shall promptly notify the NRC of any attempts by subsurface mineral rights owners to exercise mineral rights, including any legal proceeding initiated by mineral rights owners against CP PowerCo.

- G. TEX OpCo shall implement and maintain in effect all provisions of the approved fire protection program as described in the Final Safety Analysis Report through Amendment 78 and as approved in the SER (NUREG-0797) and its supplements through SSER 24, subject to the following provision:
 - TEX OpCo may make changes to the approved fire protection program without prior approval of the Commission only if those changes would not adversely affect the ability to achieve and maintain safe shutdown in the event of a fire.

- H. TEX OpCo shall fully implement and maintain in effect all provisions of the physical security, guard training and qualification, and safeguards contingency plans, previously approved by the Commission, and all amendments made pursuant to the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The plans, which contain safeguards information protected under 10 CFR 73.21, are entitled: "Comanche Peak Steam Electric Station Physical Security Plan" with revisions submitted through May 15, 2006, with limited approvals as provided for in the Safety Evaluation by the Office of Nuclear Reactor Regulation dated December 5, 2000; "Comanche Peak Steam Electric Station Security Training and Qualification Plan" with revisions submitted through May 15, 2006; and "Comanche Peak Steam Electric Station Safeguards Contingency Plan" with revisions submitted through May 15, 2006. TEX OpCo shall fully implement and maintain in effect all provisions of the Commission-approved cyber security plan (CSP), including changes made pursuant to the authority of 10 CFR 50.90 and 10 CFR 50.54(p). TEX OpCo's CSP was approved by License Amendment No. 155, as supplemented by a change approved by License Amendment 163.

- I. CP PowerCo shall have and maintain financial protection of such type and in such amounts as the Commission shall require in accordance with Section 170 of the Atomic Energy Act of 1954, as amended, to cover public liability claims.

- J. NOT USED

- K. This license is effective as of the date of issuance and shall expire at Midnight on February 8, 2030.

FOR THE NUCLEAR REGULATORY COMMISSION

original signed by:

Thomas E. Murley, Director
Office of Nuclear Reactor Regulation

Attachments/Appendices:

1. Appendix A – Technical Specifications (NUREG-1399)
2. Appendix B – Environmental Protection Plan
3. Appendix C – Antitrust Conditions

Date of Issuance: April 17, 1990



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

COMANCHE PEAK POWER COMPANY LLC

AND TEX OPERATIONS COMPANY LLC

DOCKET NO. 50-446

COMANCHE PEAK NUCLEAR POWER PLANT, UNIT NO. 2

FACILITY OPERATING LICENSE

License No. NPF-89

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for a license filed by TEX Operations Company LLC ("TEX OpCo"), acting on its own behalf and for Comanche Peak Power Company LLC ("CP PowerCo"), hereinafter individually (licensee) as appropriate, or together (licensees), complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's regulations set forth in 10 CFR Chapter I, and all required notifications to other agencies or bodies have been duly made;
 - B. Construction of the Comanche Peak Nuclear Power Plant, Unit No. 2 (the facility), has been substantially completed in conformity with Construction Permit No. CPPR-127 and the application, as amended, the provisions of the Act, and the regulations of the Commission;
 - C. The facility will operate in conformity with the application, as amended, the provisions of the Act, and the regulations of the Commission (except as exempted from compliance in Section 2.D below);
 - D. There is reasonable assurance: (i) that the activities authorized by this operating license can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the Commission's regulations set forth in 10 CFR Chapter I, except as exempted from compliance in Section 2.D. below;
 - E. TEX OpCo is technically qualified to engage in the activities authorized by this operating license in accordance with the Commission's regulations set forth in 10 CFR Chapter I;

- F. CP PowerCo has satisfied the applicable provisions of 10 CFR 140, "Financial Protection Requirements and Indemnity Agreements," of the Commission's regulations;
 - G. The issuance of this license will not be inimical to the common defense and security or to the health and safety of the public;
 - H. After weighing the environmental, economic, technical, and other benefits of the facility against environmental and other costs and considering available alternatives, the issuance of Facility Operating License No. NPF-89 subject to the conditions for protection of the environment set forth herein, is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied; and
 - I. The receipt, possession, and use of source, byproduct, and special nuclear material as authorized by this license will be in accordance with the Commission's regulations in 10 CFR Parts 30, 40, and 70, except that an exemption to the provisions of 70.24 is granted as described in paragraph 2.D below.
2. Pursuant to approval by the Nuclear Regulatory Commission at a meeting on April 6, 1993, the License for Fuel Loading and Low Power Testing, License No. NPF-88, issued on February 2, 1993, is superseded by Facility Operating License No. NPF-89 hereby issued to the licensee, to read as follows:
- A. This license applies to the Comanche Peak Nuclear Power Plant, Unit No. 2, a pressurized-water nuclear reactor and associated equipment (the facility), owned by the licensee. The facility is located on Squaw Creek Reservoir in Somervell County, Texas about 5 miles north-northwest of Glen Rose, Texas, and about 40 miles southwest of Fort Worth in north-central Texas and is described in the licensee's Final Safety Analysis Report, as supplemented and amended, and the licensee's Environmental Report, as supplemented and amended.
 - B. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses:
 - (1) Pursuant to Section 103 of the Act and 10 CFR Part 50, "Domestic Licensing of Production and Utilization Facilities," TEX OpCo to possess, use, and operate the facility at the designated location in Somervell County, Texas in accordance with the procedures and limitations set forth in this license;
 - (2) CP PowerCo, pursuant to 10 CFR Part 50, to possess the facility at the designated location in Somervell County, Texas in accordance with the procedures and limitations set forth in this license;

- (3) TEX OpCo, pursuant to the Act and 10 CFR Part 70, to receive, possess, and use at any time, special nuclear material as reactor fuel, in accordance with the limitations for storage and amounts required for reactor operation, and described in the Final Safety Analysis Report, as supplemented and amended;
- (4) TEX OpCo, pursuant to the Act and 10 CFR Parts 30, 40 and 70, to receive, possess, and use, at any time, any byproduct, source, and special nuclear material as sealed neutron sources for reactor startup, sealed sources for reactor instrumentation and radiation monitoring equipment calibration, and as fission detectors in amounts as required;
- (5) TEX OpCo, pursuant to the Act and 10 CFR Parts 30, 40 and 70, to receive, possess, and use in amounts as required, any byproduct, source, and 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) TEX OpCo, pursuant to the Act and 10 CFR Parts 30, 40 and 70, to possess, but not separate, such byproduct and special nuclear materials as may be produced by the operation of the facility.

C. This license shall be deemed to contain and is subject to the conditions specified in the Commission's regulations set forth in 10 CFR Chapter I 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

TEX OpCo is authorized to operate the facility at reactor core power levels not in excess of 3458 megawatts thermal through Cycle 11 and 3612 megawatts thermal starting with Cycle 12 in accordance with the conditions specified herein.

(2) Technical Specifications and Environmental Protection Plan

The Technical Specifications contained in Appendix A as revised through Amendment No. 165 and the Environmental Protection Plan contained in Appendix B, are hereby incorporated into this license. TEX OpCo shall operate the facility in accordance with the Technical Specifications and the Environmental Protection Plan.

(3) Antitrust Conditions

DELETED

(4) License Transfer

The CP PowerCo Decommissioning Master Trust Agreement for the facility at the time the license transfers are effected and thereafter, is subject to the following:

- (a) DELETED
- (b) DELETED
- (c) The appropriate section of the decommissioning trust agreement must state that investments made in trust by the trustee, investment advisor, or anyone else directing the investments made in the trusts shall adhere to investment guidelines established by the PUCT (e.g., 16 Texas Administration Code 25.301);
- (d) DELETED
- (e) DELETED

(5) License Transfer

CP PowerCo shall provide decommissioning funding assurance, to be held in a decommissioning trust for the facility upon the direct transfer of the facility license to CP PowerCo, in an amount equal to or greater than the balance in the facility decommissioning trusts immediately prior to the transfer. In addition, CP PowerCo shall ensure that all contractual arrangements referred to in the application for approval of the transfer of the facility license to CP PowerCo, to obtain necessary decommissioning funds for the facility through a non-bypassable charge are executed and will be maintained until the decommissioning trusts are fully funded, or shall ensure that other mechanisms that provide equivalent assurance of decommissioning funding in accordance with the Commission's regulations are maintained.

(6) License Transfer

DELETED

(7) License Transfer

CP PowerCo agrees to provide the Director, Office of Nuclear Reactor Regulation, a copy of any application, at the time it is filed, to transfer (excluding grants of security interests or liens) from CP PowerCo to its proposed parent, or to any other affiliated company, facilities for the production of electric energy having a depreciated book value exceeding ten percent (10%) of such licensee's consolidated net utility plant, as recorded on CP PowerCo's book of accounts.

(8) Mitigation Strategy License Condition

The licensee shall develop and maintain strategies for addressing large fires and explosions and that include the following key areas:

(a) Fire fighting response strategy with the following elements:

1. Pre-defined coordinated fire response strategy and guidance
2. Assessment of mutual aid fire fighting assets
3. Designated staging areas for equipment and materials
4. Command and control
5. Training of response personnel

(b) Operations to mitigate fuel damage considering the following:

1. Protection and use of personnel assets
2. Communications
3. Minimizing fire spread
4. Procedures for implementing integrated fire response strategy
5. Identification of readily-available pre-staged equipment
6. Training on integrated fire response strategy
7. Spent fuel pool mitigation measures

(c) Actions to minimize release to include consideration of:

1. Water spray scrubbing
2. Dose to onsite responders

(9) License Transfer

TEX OpCo, the parent company of CP PowerCo, shall enter into the \$300 million support agreement as described in the November 12, 2015 application for license transfer, with CP PowerCo, no later than the time the proposed license transfer occurs. CP PowerCo shall take no action to cause TEX OpCo, or its successors and assigns, to void, cancel, or modify the support agreement or cause it to fail to perform, or impair its performance under the support agreement, without the prior written consent of the NRC. The support agreement may not be amended or modified without 30 days prior written notice to the Director of the Office of Nuclear Reactor Regulation or his designee. An executed copy of the support agreement shall be submitted to the NRC no later than 30 days after the completion of the proposed transactions and the license transfers. CP PowerCo shall inform the NRC in writing anytime it draws upon the support agreement.

Following the subject transfer of control of the licenses, all of the directors of CP PowerCo and TEX OpCo who can vote on activities governed by the CPNPP license and all of the officers of CP PowerCo and TEX OpCo with direct responsibility for activities governed by the CPNPP license shall (1) be U.S. citizens and not appointed by a foreign entity and (2) have exclusive authority to ensure and shall ensure that the business and activities of TEX OpCo and CP PowerCo with respect to the CPNPP license is at all times conducted in a manner consistent with the public health and safety and common defense and security of the United States. This condition may be amended upon application by either licensee and approval by the Director of the Office of Nuclear Reactor Regulation.

D. The following exemptions are authorized by law and will not endanger life or property or the common defense and security. Certain special circumstances are present and these exemptions are otherwise in the public interest. Therefore, these exemptions are hereby granted:

- (1) The facility requires a technical exemption from the requirements of 10 CFR Part 50, Appendix J, Section III.D.2(b)(ii). The justification for this exemption is contained in Section 6.2.5.1 of Supplement 26 to the Safety Evaluation Report dated February 1993. The staff's environmental assessment was published on January 19, 1993 (58 FR 5036). Therefore, pursuant to 10 CFR 50.12(a)(1), 10 CFR 50.12(a)(2)(ii) and (iii), the Comanche Peak Nuclear Power Plant, Unit 2 is hereby granted an exemption from the cited requirement and instead, is required to perform the overall air lock leak test at pressure P_a prior to establishing containment integrity if air lock maintenance has been performed that could affect the air lock sealing capability.

The facility was previously granted exemption from the criticality Monitoring requirements of 10 CFR 70.24 (see Materials License No. SNM-1986 dated April 24, 1989 and Section 9.1.1 of SSER 26 dated February 1993.) The staff's environmental assessment was published on January 19, 1993 (58 FR 5035). The Comanche Peak Nuclear Power Plant, Unit 2 is hereby exempted from the criticality monitoring provisions of 10 CFR 70.24 as applied to fuel assemblies held under this license.

E. DELETED

F. In order to ensure that CP PowerCo will exercise the authority as the surface landowner in a timely manner and that the requirements of 10 CFR 100.3 (a) are satisfied, this license is subject to the additional conditions specified below:
(Section 2.1, SER)

- (1) For that portion of the exclusion area which is within 2250 ft of any seismic Category I building or within 2800 ft of either reactor containment building, CP PowerCo must prohibit the exploration and/or exercise of subsurface mineral rights, and if the subsurface mineral rights owners attempt to exercise their rights within this area, CP PowerCo must immediately institute immediately effective condemnation proceedings to obtain the mineral rights in this area.
- (2) For the unowned subsurface mineral rights within the exclusion area not covered in item (1), CP PowerCo will prohibit the exploration and/or exercise of mineral rights until and unless CP PowerCo and the owners of the mineral rights enter into an agreement which gives CP PowerCo absolute authority to determine all activities - including times of arrival and locations of personnel and the authority to remove personnel and equipment - in event of emergency. If the mineral rights owners attempt to exercise their rights within this area without first entering into such an agreement, CP PowerCo must immediately institute immediately effective condemnation proceedings to obtain the mineral rights in this area.
- (3) CP PowerCo shall promptly notify the NRC of any attempts by subsurface mineral rights owners to exercise mineral rights, including any legal proceeding initiated by mineral rights owners against CP PowerCo.

G. TEX OpCo shall implement and maintain in effect all provisions of the approved fire protection program as described in the Final Safety Analysis Report through Amendment 87 and as approved in the SER (NUREG-0797) and its supplements through SSER 27, subject to the following provision:

TEX OpCo may make changes to the approved fire protection program without prior approval of the Commission only if those changes would not adversely affect the ability to achieve and maintain safe shutdown in the event of a fire.

- H. TEX OpCo shall fully implement and maintain in effect all provisions of the physical security, guard training and qualification, and safeguards contingency plans, previously approved by the Commission, and all amendments made pursuant to the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The plans, which contain safeguards information protected under 10 CFR 73.21, are entitled: "Comanche Peak Steam Electric Station Physical Security Plan" with revisions submitted through May 15, 2006, with limited approvals as provided for in the Safety Evaluation by the Office of Nuclear Reactor Regulation dated December 5, 2000; "Comanche Peak Steam Electric Station Security Training and Qualification Plan" with revisions submitted through May 15, 2006; and "Comanche Peak Steam Electric Station Safeguards Contingency Plan" with revisions submitted through May 15, 2006. TEX OpCo shall fully implement and maintain in effect all provisions of the Commission-approved cyber security plan (CSP), including changes made pursuant to the authority of 10 CFR 50.90 and 10 CFR 50.54(p). TEX OpCo's CSP was approved by License Amendment No. 155, as supplemented by a change approved by License Amendment 163.
- I. CP PowerCo shall have and maintain financial protection of such type and in such amounts as the Commission shall require in accordance with Section 170 of the Atomic Energy Act of 1954, as amended, to cover public liability claims.
- J. NOT USED
- K. This license is effective as of the date of issuance and shall expire at Midnight on February 2, 2033.

FOR THE NUCLEAR REGULATORY COMMISSION

Original signed by:

Thomas E. Murley, Director
Office of Nuclear Reactor Regulation

Attachments/Appendices:

- 1. Appendix A - Technical Specifications (NUREG-1468)
- 1. Appendix B - Environmental Protection Plan
- 3. Appendix C - Antitrust Conditions

Date of Issuance: April 6, 1993

APPENDIX B
TO FACILITY OPERATING LICENSE NOS. NPF-87 & NPF-89

COMANCHE PEAK POWER COMPANY LLC
AND TEX OPERATIONS COMPANY LLC
COMANCHE PEAK NUCLEAR POWER PLANT UNITS 1 & 2
DOCKET NOS. 50-445 & 50-446

ENVIRONMENTAL PROTECTION PLAN
(NON RADIOLOGICAL)

ENCLOSURE 3

AMENDMENT NO. 13 TO
INDEMNITY AGREEMENT NO. B-96

In light of the above and prior amendments, Indemnity Agreement No. B-96 is between "Comanche Peak Power Company LLC" and "TEX Operations Company LLC," and the United States Nuclear Regulatory Commission.

FOR THE UNITED STATES NUCLEAR REGULATORY COMMISSION



Anthony Bowers, Chief
Financial Analysis and International Projects Branch
Division of Inspection and Regional Support
Office of Nuclear Reactor Regulation

Accepted _____, 2016

Accepted _____, 2016

By _____
TEX Operations Company LLC

By _____
Comanche Peak Power Company LLC

K. Peters

- 2 -

early site permit,” and subject to the conditions described therein. The safety evaluation supporting the license transfer and the conforming amendments was enclosed with the order issued on May 6, 2016.

Enclosure 3 contains three signed originals of Amendment No. 13 to Indemnity Agreement No. B-96, which is required in connection with the transfer of the licenses. Please sign one original and return it to the NRC’s Document Control Desk as proof of acceptance. Please sign the other two originals and keep for your records.

The Notice of Issuance will be included in the Commission's next biweekly *Federal Register* notice.

Sincerely,

/RA/

Margaret M. Watford, Project Manager
Plant Licensing Branch IV-1
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-445 and 50-446

Enclosures:

1. Amendment No.167 to NPF-87
2. Amendment No.167 to NPF-89
3. Amendment No. 13 to Indemnity Agreement No. B-96

cc: Listserv

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ETabakov, NRR/DIRS/IFIB
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OFFICE	NRR/DORL/LPL4-1/PM	NRR/DORL/LPL4-1/LA	NRR/DIRS/IFIB/BC	OGC (NLO)
NAME	MWatford	JBurkhardt	ABowers (SHarwell for)	JWachutka
DATE	9/23/16	9/22/16	9/23/16	9/23/16
OFFICE	NRR/DORL/LPL4-1/BC	NRR/DORL/D	NRR/D	NRR/DORL/LPL4-1/PM
NAME	RPascarelli	ABoland	WDean	MWatford
DATE	9/23/16	9/26/16	9/30/16	10/03/16

OFFICIAL AGENCY RECORD