

## **NRR-DMPSPEm Resource**

---

**From:** Wall, Scott  
**Sent:** Thursday, March 21, 2019 3:14 PM  
**To:** Couture III, Philip  
**Cc:** Byrne, Robert M ; Powers, Michael J; Miner, Peter; Halter, Mandy  
**Subject:** RAI - Pilgrim - Application for Order Consenting to Direct and Indirect Transfers of Control of Licenses and Approving Conforming License Amendment (EPID: L-2018-LL0-0003)

Mr. Couture:

By letter dated November 16, 2018 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML 18320A031 ), as supplemented by letter dated November 16, 2018 (ADAMS Accession ML18320A040), Entergy Nuclear Operations, Inc. (ENOI), on behalf of itself and Entergy Nuclear Generation Company (ENGC) (to be known as Holtec Pilgrim, LLC), Holtec International (Holtec), and Holtec Decommissioning International, LLC (HDI) (together, "Applicants"), requested that the U.S. Nuclear Regulatory Commission (NRC) consent to: (1) the indirect transfer of control of the Renewed Facility Operating License No. DPR-35 for the Pilgrim Nuclear Power Station (Pilgrim), as well as the general license for the Pilgrim Independent Spent Fuel Storage Installation (ISFSI) (collectively the "Licenses"), to Holtec; and (2) the direct transfer of ENOI's operating authority (i.e., its authority to conduct licensed activities at Pilgrim) to HDI. In addition, the Applicants requested that the NRC approve a conforming administrative amendment to the Licenses to reflect the proposed direct transfer of the Licenses from ENOI to HDI; a planned name change for ENGC from ENGC to Holtec Pilgrim, LLC; and deletion of certain license conditions to reflect satisfaction and termination of all ENGC obligations after the license transfer and equity sale. In addition, HDI submitted an exemption request, as an enclosure to the letter dated November 16, 2018, to allow HDI to use of a portion of the nuclear decommissioning trust for spent fuel management and site restoration costs.

Based on the NRC staff's initial review of the license transfer request, the following request for additional information (RAI) is required to facilitate completion of the staff's technical review.

The enclosure to this email provides the RAI. On March 6, 2019, the draft RAI question was sent to you to ensure that they were understandable, the regulatory bases for the question were clear, and to determine if the information was previously docketed. On March 18, 2019, a clarifying teleconference was held at which time Entergy agreed to respond to the RAI within 30 days of the date of this email.

If you have any questions, please contact me at 301-415-2855 or via e-mail at [Scott.Wall@nrc.gov](mailto:Scott.Wall@nrc.gov).

**Scott P. Wall, LSS BB, BSP**  
Senior Project Manager  
Special Projects and Process Branch  
Division of Operating Reactor Licensing  
Office of Nuclear Reactor Regulation  
301.415.2855  
[Scott.Wall@nrc.gov](mailto:Scott.Wall@nrc.gov)

Docket No. 50-293

Enclosure:  
Request for Additional Information

---

**RAI-IRAB-1**

## REQUEST FOR ADDITIONAL INFORMATION

### LICENSE TRANSFER REQUEST

#### ENTERGY NUCLEAR OPERATIONS, INC.

#### PILGRIM NUCLEAR POWER STATION

### Background

By letter dated November 16, 2018 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML 18320A031 ), as supplemented by letter dated November 16, 2018 (ADAMS Accession ML18320A040), Entergy Nuclear Operations, Inc. (ENOI), on behalf of itself and Entergy Nuclear Generation Company (ENGC) (to be known as Holtec Pilgrim, LLC), Holtec International (Holtec), and Holtec Decommissioning International, LLC (HDI) (together, "Applicants"), requested that the U.S. Nuclear Regulatory Commission (NRC) consent to: (1) the indirect transfer of control of the Renewed Facility Operating License No. DPR-35 for the Pilgrim Nuclear Power Station (Pilgrim), as well as the general license for the Pilgrim Independent Spent Fuel Storage Installation (ISFSI) (collectively the "Licenses"), to Holtec; and (2) the direct transfer of ENOI's operating authority (i.e., its authority to conduct licensed activities at Pilgrim) to HDI. In addition, the Applicants requested that the NRC approve a conforming administrative amendment to the Licenses to reflect the proposed direct transfer of the Licenses from ENOI to HDI; a planned name change for ENGC from ENGC to Holtec Pilgrim, LLC; and deletion of certain license conditions to reflect satisfaction and termination of all ENGC obligations after the license transfer and equity sale. In addition, HDI submitted an exemption request, as an enclosure to the letter dated November 16, 2018, to allow HDI to use of a portion of the nuclear decommissioning trust for spent fuel management and site restoration costs.

### Applicable Regulation and Guidance

Title 10 of the *Code of Federal Regulations* (10 CFR), Section 50.80(b) states, in part: (1) An application for transfer of a license shall include: (i) For a construction permit or operating license under this part, as much of the information described in §§50.33 and 50.34 of this part with respect to the identity and technical and financial qualifications of the proposed transferee as would be required by those sections if the application were for an initial license."

Section 50.80(c) of 10 CFR states, in part: "...the Commission will approve an application for the transfer of a license, if the Commission determines: (1) That the proposed transferee is qualified to be the holder of the license; and (2) That transfer of the license is otherwise consistent with applicable provisions of law, regulations, and orders issued by the Commission pursuant thereto."

Section 10 CFR 50.40 of 10 CFR states, in part: "In determining that a construction permit or operating license in this part [...] will be issued to an applicant, the Commission will be guided by the following considerations: [...] (b) The applicant for construction permit, operating license, [...] is technically and financially qualified to engage in the proposed activities in accordance with the regulations in this chapter."

NUREG-0800, "Standard Review Plan for the Review of Safety Analysis Reports for Nuclear Power Plants: LWR Edition," Chapter 13, "Conduct of Operations," Section 13.1.1, "Management and Technical Support Organization," Revision 6, Section I, "Areas of Review," states, in part: "The objective of this review is to ensure that the corporate management is involved with, informed of, and dedicated to the safe [...] operation of the nuclear plant. In addition, the review is to ensure that sufficient resources have been, are being, and will continue to be provided to adequately accomplish these objectives."

### Issue

By letter dated November 16, 2018 (Agencywide Documents Access and Management System (ADAMS) Accession Number ML18320A165), Entergy Nuclear Generation Company, Inc. ("ENOI"), on behalf of itself and Entergy Nuclear Generation Company ("ENGCO"), Holtec International ("Holtec"), and Holtec Decommissioning International, LLC ("HDI") submitted an application for order approving the indirect transfer of control of the operating license for the Pilgrim Nuclear Power Station ("Pilgrim") to Holtec, and the direct transfer of ENOI's operating authority to HDI, to the U.S. Nuclear Regulatory Commission (NRC) for approval. Attachment 1 to the abovementioned letter, Section 1, "Introduction," states, in part, that "HDI was formed by Holtec to operate and decommission all Holtec-owned decommissioning nuclear power plant sites, including Pilgrim. HDI's mission is to assume licensed operator responsibilities for decommissioning nuclear power plants that Holtec acquires including Pilgrim."

By letter dated August 31, 2018 (ADAMS Accession Number ML18243A488), Exelon Generation Company, LLC ("Exelon Generation"), Oyster Creek Environmental Protection ("OCEP"), LLC, and HDI, submitted an application for order approving direct transfer of the operating license for Oyster Creek Nuclear Generating Station from Exelon Generation to OCEP as the licensed owner and to HDI as the licensed operator, for NRC's approval. The application stated that HDI, as licensed operator, will provide the overall management of decommissioning activities at Oyster Creek.

#### RAI-IRAB-1

Should both license transfers be approved, HDI will be responsible for conducting licensed activities at two sites simultaneously (Pilgrim and Oyster Creek), including possession and disposition of radioactive material, maintenance of the facilities in a safe condition (including storage, control, and maintenance of the spent fuel), decommissioning and decontamination of the facilities, and maintenance of the Independent Spent Fuel Storage Installations until they can be decommissioned. Provide additional information that justifies that HDI's management and technical support organization will have sufficient resources (i.e. corporate structure, management and technical support organization staff capacities, internal procedures, etc.) to conduct licensed activities at multiple sites.

**Hearing Identifier:** NRR\_DMPS  
**Email Number:** 887

**Mail Envelope Properties** (BN6PR09MB14272DC113A1B497082045F392420)

**Subject:** RAI - Pilgrim - Application for Order Consenting to Direct and Indirect Transfers of Control of Licenses and Approving Conforming License Amendment (EPID: L-2018-LL0-0003)  
**Sent Date:** 3/21/2019 3:13:45 PM  
**Received Date:** 3/21/2019 3:13:00 PM  
**From:** Wall, Scott

**Created By:** Scott.Wall@nrc.gov

**Recipients:**

"Byrne, Robert M " <rbyrne@entergy.com>  
Tracking Status: None  
"Powers, Michael J" <mpower1@entergy.com>  
Tracking Status: None  
"Miner, Peter" <pminer@entergy.com>  
Tracking Status: None  
"Halter, Mandy" <mhalter@entergy.com>  
Tracking Status: None  
"Couture III, Philip " <pcoutur@entergy.com>  
Tracking Status: None

**Post Office:** BN6PR09MB1427.namprd09.prod.outlook.com

<b>Files</b>	<b>Size</b>	<b>Date &amp; Time</b>
MESSAGE	8835	3/21/2019 3:13:00 PM

**Options**

**Priority:** Standard  
**Return Notification:** No  
**Reply Requested:** No  
**Sensitivity:** Normal  
**Expiration Date:**  
**Recipients Received:**