

SAFETY EVALUATION BY THE OFFICE OF NUCLEAR REACTOR REGULATION  
RELATED TO AMENDMENT NO. 192 TO FACILITY OPERATING LICENSE NO. DPR-39  
AND AMENDMENT NO. 179 TO FACILITY OPERATING LICENSE NO. DPR-48  
EXELON GENERATION COMPANY, LLC  
ZION NUCLEAR POWER STATION, UNITS 1 AND 2  
DOCKET NOS. 50-295 AND 50-304

1.0 INTRODUCTION

By letter dated July 24, 2018 (Agencywide Documents Access and Management System [ADAMS] Accession No. ML18211A303), as supplemented by letters dated January 21, 2019 (ADAMS Accession No. ML19028A175) and February 8, 2019 (ADAMS Accession No. ML19043A673), ZionSolutions, LLC (ZS) and Exelon Generation Company, LLC (EGC) (collectively, the applicants) requested, pursuant to Section 184 of the Atomic Energy Act of 1954, as amended (AEA), and Section 50.80, "Transfer of licenses," of Title 10 of the *Code of Federal Regulations* (10 CFR), that the U.S. Nuclear Regulatory Commission (NRC, the Commission) consent to the transfer to EGC of Facility Operating License Nos. DPR-39 and DPR-48 for the Zion Nuclear Power Station (ZNPS), Units 1 and 2, respectively, currently held by ZS. Specifically, the applicants requested that the NRC consent to the transfer of ZS's authorities and responsibilities under the licenses to EGC so as to implement ZS's transfer to EGC of the assets comprising the ZNPS (with the exception of the real estate encompassing the ZNPS site, 345 KV switchyard, certain other improvements, and the spent nuclear fuel and the Greater than Class C (GTCC) waste, title to all of which were retained by EGC at the time of the prior transfer of the licenses from EGC to ZS). The applicants also requested the NRC's prior written consent and issuance of conforming amendments to the licenses pursuant to 10 CFR 50.80 and 10 CFR 50.90, "Application for amendment of license, construction permit, or early site permit."

Notice of the application was published in the *Federal Register* (FR) on September 24, 2018 (83 FR 48343). The supplemental letters dated January 21, 2019 and February 8, 2019, provided additional information that clarified the application, did not expand the scope of the application as originally noticed, and did not change the NRC staff's no significant hazards consideration determination.

2.0 BACKGROUND

ZNPS Units 1 and 2 were both Westinghouse 3250 MWt pressurized-water reactors. Unit 1 was granted an operating license on October 19, 1973 and was shut down on February 21, 1997. Unit 2 was granted an operating license on November 14, 1973 and was shut down on September 19, 1996.

In February 1998, pursuant to 10 CFR 50.82(a)(1)(i), the ZNPS licensee certified to the NRC that as of February 13, 1998, operations had permanently ceased at ZNPS and subsequently certified pursuant to 10 CFR 50.82(a)(1)(ii) that all fuel had been permanently removed from the units' reactor vessels (ADAMS Accession Nos. ML15232A492 and ML15232A487). Pursuant to

10 CFR 50.82(a)(2), operations or emplacement of fuel into the reactor vessels at ZNPS are no longer authorized under the licenses. On February 14, 2000, pursuant to 10 CFR 50.82(a)(4)(i), the ZNPS licensee submitted a Post-Shutdown Decommissioning Activities Report (PSDAR) for the ZNPS (ADAMS Accession No. ML003685879). On January 25, 2008, the applicants submitted an application to transfer the ZNPS licenses from EGC to ZS for the purpose of expedited decommissioning (ADAMS Accession No. ML080310521). In support of this license transfer application, an amended PSDAR was submitted to the NRC in accordance with 10 CFR 50.82(a)(7) (ADAMS Accession No. ML080840398). The NRC consented to the license transfer on May 4, 2009 (ADAMS Accession No. ML090930037). Spent fuel transfer from the Spent Fuel Pool (SFP) to the Independent Spent Fuel Storage Installation (ISFSI) was completed on January 10, 2015. Currently, the ZNPS site is in the final stages of radiological decommissioning, environmental remediation, and site restoration. The applicants anticipate that the "End State Conditions" for exercising the "Put Option" sale of ZNPS from ZS back to EGC will be completed prior to December 30, 2019. End State Conditions for exercise of the Put Option are described in the Asset Sale Agreement (ASA) in enclosure 1 to the January 25, 2008 license transfer application.

To satisfy the terms of the Put Option agreement, ZS will complete radiological decommissioning of the ZNPS units and the environmental remediation of the ZNPS site except for the spent nuclear fuel and GTCC wastes, which are currently stored in an ISFSI constructed by ZS and maintained onsite until their final disposition. Pursuant to general licenses provided for in 10 CFR 31.9, 40.21, and 70.20, EGC retained title to this material and the ultimate disposition of this material will be provided for under the terms of EGC's Standard Contract for Disposal of Spent Nuclear Fuel and/or High Level Waste with the U.S. Department of Energy (DOE) (Standard Contract No. DE-CR01-83NE44372, dated June 17, 1983).

EGC's previous sale of the ZNPS units to ZS was structured so that, on or about the date of closing of the ASA, EGC transferred the funds in the ZNPS units' Qualified Decommissioning Funds and Non-Qualified Decommissioning Funds to Qualified and Non-Qualified Decommissioning Funds established by ZS, segregated from its assets and outside its administrative control, in accordance with the requirements of 10 CFR 50.75(e)(1). The terms of the ASA required that ZS perform radiological decommissioning, environmental remediation, and other activities relating to the ZNPS units such that certain defined contractual conditions were met. The applicants anticipate that all contractual conditions will be met no later than December 30, 2019. Any decommissioning funds remaining at the time of the Put Option closing date will be transferred back to EGC in accordance with the terms of the Put Option agreement.

The applicants request administrative amendments to the licenses and the Permanently Defueled Technical Specifications (PDTs) necessary to reflect the proposed license transfer. The applicants do not seek approval of any physical changes to the ZNPS units or any change to their defueled status. The applicants state that administrative changes to documents other than the licenses and the PDTs will be necessary upon completing the transfer of the licenses. Changes to documents such as the Defueled Safety Analysis Report (DSAR), Physical Security Plan, and Emergency Plan will be made in a timely fashion during periodic updates required by NRC regulations, such as 10 CFR 50.71(e). Changes to other documents, such as procedures, drawings, and manuals will be made in accordance with internal processes applicable to those documents.

The purpose of the transfer of the licenses from ZS back to EGC is to permit the Put Option sale agreement, as defined in the ASA, following the completion of radiological decommissioning of

the ZNPS units and the environmental remediation of the ZNPS site. The transfer of the licenses is necessary to allow EGC to assume responsibility for the remaining licensee activities associated with ISFSI operation and maintenance.

EGC currently retains title to, among other things, the real estate comprising the ZNPS site and all spent nuclear fuel and GTCC waste. ZS as the current licensee is responsible for the spent nuclear fuel and GTCC waste until their removal from the site and, thereafter, decommissioning of the ISFSI. However, as discussed in the license transfer application, it is the intent of ZS and EGC as provided in the ASA to seek NRC approval to transfer the ISFSI with the spent nuclear fuel and GTCC waste back to EGC at the time ZS applies to the NRC for partial site release to reduce the footprint of the site to the area of the ISFSI. EGC has retained the obligation for the ultimate disposition of the spent nuclear fuel and the GTCC waste in the ISFSI and the decommissioning of the ISFSI.

### 3.0 REGULATORY EVALUATION

The proposed transaction described in the application constitutes a direct transfer of control of ZNPS from ZS to EGC, requiring prior NRC approval. For direct transfers of control of a license, the NRC must find that the proposed transferee is qualified to be the holder of the license and that transfer of the license is otherwise consistent with applicable provisions of law, NRC regulations, and orders issued by the NRC.

The request for approval of the direct transfer of control of the ZNPS licenses as described above, and as discussed in this safety evaluation, is made pursuant to 10 CFR 50.80, which states, in part:

No license for a production or utilization facility..., or any right thereunder, shall be transferred, assigned, or in any manner disposed of, either voluntarily or involuntarily, directly or indirectly, through transfer of control of the license to any person, unless the Commission gives its consent in writing.

In addition, the regulations in 10 CFR 50.80(b) and (c) apply. Section 50.80(b)(1)(i) of 10 CFR states that an application for a license transfer shall include as much of the information described in 10 CFR 50.33, "Contents of applications; general information," and 10 CFR 50.34, "Contents of applications; technical information," 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, that:

...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 50.33(f) of 10 CFR states, in part, that:

Except for an electric utility applicant for a license to operate a utilization facility of the type described in § 50.21(b) or § 50.22, [each application shall state] information sufficient to demonstrate to the Commission the financial qualification

of the applicant to carry out, in accordance with regulations in this chapter, the activities for which the permit or license is sought.

Section 50.2, "Definitions," of 10 CFR states, in part, that an electric utility means:

[A]ny entity that generates or distributes electricity and which recovers the cost of this electricity, either directly or indirectly, through rates established by the entity itself or by a separate regulatory authority.

The NRC staff applies the guidance in NUREG-1577, Revision 1, "Standard Review Plan on Power Reactor Licensee Financial Qualifications and Decommissioning Funding Assurance," dated March 1999 (ADAMS Accession No. ML013330264), to evaluate the financial qualifications of applicants to carry out the activities for which the permit or license is sought.

In addition, 10 CFR 50.33(k)(1) requires that applicants provide the information described in 10 CFR 50.75, "Reporting and recordkeeping for decommissioning planning," indicating how reasonable assurance will be provided that funds will be available to decommission the facility.

Section 50.54(bb) of 10 CFR requires, in part, a licensee to submit, for NRC review and preliminary approval, the program by which the licensee intends to manage and provide funding for the management of all irradiated fuel at the reactor following permanent cessation of operation of the reactor until title to the irradiated fuel and possession of the fuel is transferred to DOE for its ultimate disposal in a repository.

In addressing foreign ownership, control, or domination (FOCD) issues, Sections 103d and 104d of the AEA provide, in relevant parts, that no license may be issued to the following:

[A]ny corporation or other entity if the Commission knows or has reason to believe it is owned, controlled, or dominated by an alien, a foreign corporation, or a foreign government.

The NRC's regulation at 10 CFR 50.38, "Ineligibility of certain applicants," is the regulatory provision that implements this statutory language. The NRC staff evaluates license transfer applications in a manner that is consistent with the guidance provided in the NRC Standard Review Plan (SRP) on FOCD, published in the *Federal Register* (FR) on September 28, 1999, to determine whether the proposed transferee is owned, controlled, or dominated by an alien, a foreign corporation, or a foreign government (64 FR 52355).

The NRC staff also reviews information that relates to nuclear onsite property damage insurance requirements under 10 CFR 50.54(w) and the Price-Anderson insurance and indemnity requirements under Section 170 of the AEA and 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements."

As applicable to the request to transfer the ZNPS licenses from ZS to EGC, the NRC staff also used the following additional regulations and guidance during the technical and financial qualifications evaluations of the transfer to evaluate whether the qualifications of ZNPS's previous licensee (i.e., EGC) would be affected by the proposed transfer: (1) 10 CFR 50.40(b), "Common standards"; (2) NUREG-0800, "Standard Review Plan for the Review of Safety Analysis Reports for Nuclear Power Plants – LWR [Light-Water Reactor] Edition," Section 13.1.1, Revision 6, "Management and Technical Support Organization" (ADAMS Accession No. ML15005A449); (3) NUREG-0800, Sections 13.1.2 - 13.1.3, Revision 7, "Operating

Organization” (ADAMS Accession No. ML15007A296); (4) Regulatory Guide 1.8, Revision 3, “Qualification and Training of Personnel for Nuclear Power Plants” (ADAMS Accession No. ML003706932); and (5) American Nuclear Society/American National Standards Institute (ANS/ANSI) 3.1-1993, “Selection, Qualification, and Training of Personnel for Nuclear Power Plants.” The purpose of this evaluation is to ensure that the proposed corporate management is involved with, informed of, and dedicated to the safe maintenance and decommissioning of ZNPS and that adequate technical and financial resources will be provided to support these activities.

Finally, with respect to the requested conforming license amendments, 10 CFR 50.90 states, in part, that whenever a holder of a license desires to amend the license, an application for an amendment must be filed with the Commission fully describing the changes desired and following as far as applicable the form prescribed for original applications. Pursuant to 10 CFR 2.1315, “Generic determination regarding license amendments to reflect transfers,” where administrative license amendments are necessary to reflect an approved license transfer, such amendments will be included in the order that approves the license transfer and any challenge to the administrative license amendment is limited to the question of whether the license amendment accurately reflects the approved transfer.

#### 4.0 FINANCIAL EVALUATION

##### 4.1 Financial Qualifications of EGC

EGC is a wholly owned subsidiary of Exelon Corporation (Exelon), a utility services holding company. The letter dated February 8, 2019, provides general corporate information regarding EGC and Exelon.

EGC does not meet the 10 CFR 50.2 definition of electric utility and, therefore, pursuant to 10 CFR 50.33(f), the applicants must provide information sufficient to demonstrate the financial qualification of EGC to carry out the activities for which the ZNPS licenses are sought. The applicants state that, “Because EGC is no longer authorized under the 10 CFR Part 50 licenses to operate or load fuel pursuant to the terms of 10 CFR 50.82(a)(2), EGC will not conduct any of the operations contemplated by the financial qualifications provisions of 10 CFR 50.33(f)(2), but rather all of its licensed activities will involve possession of radioactive material in connection with maintaining the ISFSI, and completing the decommissioning of the ISFSI following transfer of all irradiated fuel.” The applicants further state that, “Upon license transfer approval, EGC will assume responsibilities for managing the stored fuel and GTCC waste and provide funding for the management of all irradiated nuclear fuel at ZNPS until title ... and possession of the fuel is transferred to the Secretary of Energy.”

The NRC staff recognizes that there are no longer operational costs associated with a reactor facility once decommissioning of the reactor facility is complete; however, there are costs associated with ISFSI operations and maintenance (i.e., spent fuel management). Therefore, 10 CFR 50.33(f)(2) requires that the applicants submit information that demonstrates that the transferee possesses or has reasonable assurance of obtaining the funds necessary to cover these costs.

In 2010, at the time of transferring the ZNPS licenses to ZS, EGC retained \$25 million in its Non-Qualified Decommissioning Trust Fund (ISFSI Trust Fund) for spent fuel management and ISFSI decommissioning following the completion of site decommissioning and the return of the

licenses to EGC. The proposed license transfer would not result in a change in ownership of the ISFSI Trust Fund. As stated in the license transfer application, EGC also has a settlement agreement with the DOE under which the United States Government has agreed to reimburse EGC for certain costs incurred attributable to DOE's failure to meet its contractual obligations for the transfer of spent fuel from ZNPS and other EGG nuclear plants. The letter dated February 8, 2019, states that the total assets in the ISFSI Trust Fund are \$60.6 million, of which are allocated for spent fuel management. EGC stated that it plans to pay for spent fuel management costs from its operating revenues and the decommissioning trust fund assets not required for radiological decommissioning of the ISFSI. EGC has an investment grade credit rating and provided supplemental information to demonstrate that it is financially qualified to safely operate and maintain the ISFSI.

Based on the above, the applicants have provided information sufficient to demonstrate that EGC is financially qualified to manage the ZNPS spent fuel. Therefore, the staff finds that the proposed license transfer satisfies 10 CFR 50.80 with respect to financial qualifications.

#### 4.2 Decommissioning Funding Assurance

Pursuant to 10 CFR 50.82(a)(2), the ZNPS licenses no longer authorize operating or the loading of fuel. Also, pursuant to the ASA, radiological decommissioning of the ZNPS units will be completed prior to the transfer of the licenses from ZS to EGC. Therefore, the only decommissioning obligation that will remain will be ISFSI decommissioning.

10 CFR 50.82(a)(8)(i) states that decommissioning trust funds may be used by licensees if: (a) the withdrawals are for expenses for legitimate decommissioning activities consistent with the definition of decommissioning in 10 CFR 50.2; (b) the expenditure would not reduce the value of the decommissioning trust below an amount necessary to place and maintain the reactor in a safe storage condition if unforeseen conditions or expenses should arise; and (c) the withdrawals would not inhibit the ability of the licensee to complete funding of any shortfalls in the decommissioning trust needed to ensure the availability of funds to ultimately release the site and terminate the license.

Pursuant to 10 CFR 72.30(c), at intervals not to exceed 3 years, the decommissioning funding plan (DFP) required to be submitted by 10 CFR 72.30(b) must be resubmitted with adjustments as necessary to account for changes in costs and the extent of contamination. The DFP must update the information submitted with the original or prior approved plan. In addition, the DFP must specifically consider the effect of the following events on decommissioning costs: (1) spills of radioactive material producing additional residual radioactivity in onsite subsurface material; (2) facility modifications; (3) changes in authorized possession limits; and (4) actual remediation costs that exceed the previous cost estimate.

The 2008 amended PSDAR included an updated decommissioning cost estimate (DCE), which considered the requirements of 10 CFR 72.30(c). In their letter dated February 8, 2019, the applicants provided a narrative on each requirement. In sum, the applicants explained that no changes in any of the factors listed in 10 CFR 72.30(c)(1)-(4) have occurred to warrant revision of the previously submitted DCE. Based on its review of the applicants' submittal, the staff finds that the DCE is based on reasonable costs of a third-party contractor, including an adequate contingency factor, and on reasonable and documented assumptions.

EGC currently uses the prepayment method (i.e., putting funds into a trust account) as its assurance instrument for its ISFSI decommissioning. The NRC staff reviewed the DFP Update submitted by EGC, including the updated DCE and the method of assuring funds for decommissioning, in accordance with 10 CFR 72.30(c) and NUREG-1757, Vol. 3, Rev. 1, “Consolidated Decommissioning Guidance” (ADAMS Accession No. ML12048A683). As discussed above, in 2010, at the time of transferring the ZNPS licenses to ZS, EGC retained \$25 million in its ISFSI Trust Fund. On October 17, 2016, EGC submitted the ISFSI Decommissioning Funding Plan (ADAMS Accession No. ML16291A505). In addition, because the ZNPS is a general licensed ISFSI under 10 CFR Part 50, excess funds from the decommissioning trust fund may be used for ISFSI decommissioning expenses.

Based on its review, the NRC staff determined that the information provided contained the information required by 10 CFR 72.30(c) and that the applicants have provided reasonable assurance that funds will be available to EGC to decommission the ZNPS ISFSI. In accordance with 10 CFR 72.30(b), financial assurance for decommissioning the ISFSI has been provided in an amount that equals or exceeds the cost estimate for ISFSI decommissioning, as demonstrated in the table below. Therefore, the staff finds that the proposed license transfer satisfies 10 CFR 50.80 with respect to decommissioning funding assurance.

**Zion Nuclear Power Station - ISFSI Only - Decommissioning Financial Assurance Summary**

Total Trust Fund Assets as of December 31, 2018, (2018 dollars) (Thousands \$)	Trust Fund Assets Allocated for ISFSI Decommissioning, (2018 dollars) (Thousands \$)	Annual Contributions	Parent Company Guarantee	Part 72.30 Site Specific Decommissioning Cost, (2018 dollars) (Thousands \$)	Method of Assurance
\$60,551	\$12,909	\$0	\$0	\$17,030 [\$65 (in 2032) + \$16,965 (2033)]	10 CFR 72.30(e)(1)

#### 4.3 Standard Contract for Disposal of Spent Nuclear Fuel

EGC currently retains ownership of the spent nuclear fuel and will keep in effect its Standard Contract for Disposal of Spent Nuclear Fuel and/or High Level Waste with DOE for the disposal of spent nuclear fuel to be performed by DOE (“Standard Contract”) and will retain all rights and obligations under that contract. Standard Contract No. DE-CR01-83NE44372, dated June 17, 1983, was entered into by Commonwealth Edison Company (ComEd) and the United States of America, represented by DOE, and assigned to EGC by ComEd on January 31, 2001, to govern spent nuclear fuel previously generated and being generated at various nuclear power plants owned and operated by EGC. EGC’s continued ownership of the ZNPS spent nuclear fuel and retention of the associated title is authorized under general licenses granted for the ownership, but not possession, of spent fuel pursuant to 10 CFR 72.6(b) and the general licenses for byproduct, source, and special nuclear material granted pursuant to 10 CFR 31.9, “General license to own byproduct material,” 10 CFR 40.21, “General license to receive title to source or byproduct material,” and 10 CFR 70.20, “General license to own special nuclear material,” respectively. EGC’s financial responsibilities related to the ZNPS spent nuclear fuel and ISFSI will remain unchanged following the proposed transfer of control of the licenses from ZS to EGC.

## 5.0 FOREIGN OWNERSHIP, CONTROL, OR DOMINATION

As stated in previous licensing documents and in the application for the ZNPS license transfer, EGC is not owned, controlled, or dominated by an alien, a foreign corporation, or a foreign government. EGC is a wholly owned subsidiary of Exelon, a U.S. utility services holding company. Exelon's securities are widely held and publicly traded on the New York Stock Exchange (NYSE: EXC). Section 13(d) of the Securities Exchange Act of 1934, 15 U.S.C. 78m(d), as amended, requires that a person or entity that owns or controls more than five percent of the securities of a company must file notice with the U.S. Securities and Exchange Commission (SEC). Based upon filings with the SEC, EGC is not aware of any alien, foreign corporation, or foreign government that holds or may hold more than five percent of the securities of Exelon. In its letter dated February 8, 2019, EGC also provided the general corporate information required by 10 CFR 50.33(d)(3) regarding EGC and its parent company, Exelon.

Based on this information and independent open-source analysis, the NRC staff concludes that it does not know or have reason to believe that EGC or Exelon are owned, controlled, or dominated by an alien, a foreign corporation, or a foreign government. Therefore, EGC meets the FOCD requirement of 10 CFR 50.38.

## 6.0 ANTITRUST CONSIDERATION

The AEA does not require or authorize antitrust reviews of post-operating license transfer applications. Kansas Gas and Electric Co., et al. (Wolf Creek Generating Station, Unit 1), CLI-99-19, 49 NRC 441 (1999). The application postdates the issuance of the operating licenses for the units under consideration in this safety evaluation and, therefore, no antitrust review is required or authorized. Additionally, the subject licenses do not contain any antitrust conditions. Therefore, there are no antitrust issues to be considered in connection with the conforming license amendments.

## 7.0 NUCLEAR INSURANCE AND INDEMNITY

Pursuant to the requirements of the Price-Anderson Act (Section 170 of the AEA) and the NRC's implementing regulations in 10 CFR Part 140, the current indemnity agreement must be modified to reflect that, after the proposed direct license transfer takes effect, EGC will be the licensee of the facility.

Consistent with NRC practice, the NRC staff will require EGC to provide and maintain onsite property insurance as specified in 10 CFR 50.54(w), "Conditions of licenses." EGC is also required to provide evidence that it has obtained the appropriate amount of insurance in accordance with 10 CFR 140.11(a)(4), consistent with the exemptions previously issued to ZNPS for insurance coverage, which will be effective concurrent with the date of the license transfer and amended indemnity agreement. Therefore, the Order approving the transfer will be conditioned as follows:

Prior to the consummation of the license transfer from ZS to EGC, EGC shall provide satisfactory documentary evidence to the Director of the Office of Nuclear Material Safety and Safeguards at the NRC that it has obtained or continues to possess the appropriate amount of insurance required of a licensee under 10 CFR part 140 and 10 CFR 50.54(w), consistent with the exemptions issued to ZNPS on December 21, 1999.

Based on the above, the NRC staff concludes that the proposed direct license transfer, as conditioned, satisfies the nuclear insurance and indemnity requirements of 10 CFR Part 140 and 10 CFR Part 50.

## 8.0 TECHNICAL EVALUATION

EGC is the largest licensed nuclear operator in the United States. It currently owns or co-owns, directly or through a co-owned subsidiary, and operates, through ownership or under contract, fourteen nuclear plants consisting of twenty-three units. EGC stores its spent fuel on site at plants in spent fuel storage pools and dry casks consistent with federal regulations. EGC has a qualified corporate structure capable of maintaining safe storage of the spent fuel located at the ZNPS ISFSI. EGC has extensive experience in the storage of spent fuel in a manner consistent with the fuel storage at the Zion ISFSI. ZS has established operational, emergency planning, security, quality assurance, and training programs for the Zion ISFSI consistent with NRC regulations. ZS has coordinated transition activities with EGC to ensure an effective transfer of ISFSI security and emergency preparedness responsibilities upon NRC approval of the transfer of the licenses to EGC.

EGC has described the company experience and expertise for the maintenance and decommissioning of the Zion ISFSI. The NRC staff concludes that, after the transfer of licensed authority from ZS to EGC, EGC will (1) have an acceptable corporate organization; (2) retain an acceptable onsite organization; and (3) have adequate resources to support the safe maintenance and decommissioning of the Zion ISFSI. The applicants' submittal adequately addresses the relevant requirements of 10 CFR 50.40(b) and 10 CFR 50.80. Accordingly, considering the foregoing evaluation, the staff concludes that EGC would be technically qualified to hold the ZNPS Facility Operating License Nos. DPR-39 and DPR-48, and the associated general license to the ZNPS ISFSI.

## 9.0 CONFORMING AMENDMENTS

The applicants requested conforming amendments to Facility Operating License Nos. DPR-39 and DPR-48 for ZNPS. No physical or operating changes to the facility were requested. The proposed conforming amendments reflect the transfer action and the changes in the site description and requirements with the completion of the radiological decommissioning of the ZNPS units. The proposed changes to the licenses include changing the licensee name from "ZionSolutions, LLC" to "Exelon Generation Company, LLC." Additionally, the site description would be revised to reflect that the licensed site is only the Zion ISFSI. These changes involve no safety questions and are administrative in nature; accordingly, they are acceptable. The proposed changes to the PDTS include changing the site description and deleting the prohibition against storing spent fuel in the spent fuel pool. The proposed changes are consistent with the completed decommissioning work including the removal of the spent fuel pool. These changes involve no safety questions and are administrative in nature; accordingly, they are acceptable. Finally, the applicants proposed to delete the remaining two sections in the Environmental Technical Specifications. These sections discuss shoreline erosion and transmission line right of way, both of which only applied to the power plant site and not to the ISFSI. With the completion of the radiological decommissioning of the ZNPS units, these sections have no applicability and, therefore, their deletion is acceptable.

In accordance with the Commission's regulations, the Illinois State official, Kay Foster, Bureau Chief, Nuclear Facility Safety, Illinois Emergency Management Agency, was notified of the

proposed issuance of the amendments on August 30, 2019. The State official had no comments.

The Commission has concluded, based on the considerations discussed above, that: (1) there is reasonable assurance that the health and safety of the public will not be endangered by the proposed action; (2) there is reasonable assurance that such activities will be conducted in compliance with the Commission's regulations; and (3) the issuance of the amendments will not be inimical to the common defense and security or to the health and safety of the public.

#### 10.0 ENVIRONMENTAL CONSIDERATION

The subject application is for approval of a transfer of licenses issued by the NRC and approval of conforming amendments. Accordingly, the actions involved meet the eligibility criteria for categorical exclusion set forth in 10 CFR 51.22(c)(21). Pursuant to 10 CFR 51.22(b), no environmental impact statement or environmental assessment need be prepared in connection with the approval of the license transfer application and conforming license amendments.

#### 11.0 CONCLUSION

Based on the foregoing, and subject to the condition described herein, the NRC staff concludes that EGC is qualified to hold the licenses for the ZNPS, as described in the application, and engage in the continuing operating and maintenance activities associated with the ZNPS ISFSI. The NRC staff further concludes that there are no disqualifying decommissioning funding assurance, foreign ownership, control, or domination, antitrust, or nuclear insurance and indemnity issues associated with the proposed transfer, and that the proposed transfer of the license is otherwise consistent with applicable provisions of law, regulations, and orders issued by the Commission pursuant thereto.

The proposed transaction, as described in the application, for Exelon Generation Company, LLC to hold the licenses for ZNPS and to engage in the continuing operating and maintenance activities associated with the ZNPS ISFSI, will not have adverse impact on the public health and safety.

Principal Contributors: Kosmas Lois NRR/DLP  
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Dated: November 26, 2019