



341 White Pond Drive
Akron, Ohio 44320

David B. Hamilton
Sr. Vice President & Chief Nuclear Officer

330-436-1360

February 20, 2020
L-19-291

10 CFR 50.80
10 CFR 50.90
10 CFR 72.50

U.S. Nuclear Regulatory Commission
Attention: Document Control Desk
Washington, D.C. 20555

SUBJECT:

Beaver Valley Power Station, Unit Nos. 1 and 2
Docket No. 50-334, License No. DPR-66
Docket No. 50-412, License No. NPF-73
Beaver Valley Power Station, Unit Nos. 1 and 2, ISFSI
Docket No. 72-1043

Davis-Besse Nuclear Power Station, Unit No. 1
Docket No. 50-346, License No. NPF-3
Davis-Besse Nuclear Power Station, Unit No. 1 ISFSI
Docket No. 72-14

Perry Nuclear Power Plant, Unit No. 1
Docket No. 50-440, License No. NPF-58
Perry Nuclear Power Plant, Unit No. 1 ISFSI
Docket No. 72-69

Notification of the Completion of Conditions of the Order, Receipt of Regulatory Approvals, and Planned Closing Date of the Transfer (EPID-L-2019-LLM-0000)

By letter dated December 2, 2019 (Accession No. ML19193A002), the Nuclear Regulatory Commission (NRC) issued an Order approving the transfer of control of the Beaver Valley Power Station, Unit Nos. 1 and 2 (BVPS); Davis-Besse Nuclear Power Station, Unit No. 1 (DBNPS); and Perry Nuclear Power Plant, Unit No. 1 (PNPP); and their respective generally licensed spent fuel storage installation facilities (ISFSIs) (collectively referred to as the facilities).

Specifically, the Order approved a direct transfer of operating authority for the facilities from FirstEnergy Nuclear Operating Company (FENOC) to Energy Harbor Nuclear Corp.; a direct transfer of ownership of the facilities from FirstEnergy Nuclear Generation, LLC to Energy Harbor Nuclear Generation LLC; and an indirect transfer of ownership of the facilities from FirstEnergy Corp. and FirstEnergy Solutions Corp. to Energy Harbor Corp.

Beaver Valley Power Station, Unit Nos. 1 and 2
Beaver Valley Power Station ISFSI
Davis-Besse Nuclear Power Station, Unit No. 1
Davis-Besse Nuclear Power Station ISFSI
Perry Nuclear Power Plant, Unit No. 1
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The Order includes requirements to complete the following actions:

- Provide satisfactory documentary evidence to the Director of the NRC Office of Nuclear Reactor Regulation that, as of the date of the license transfer, the licensees reflected in the amended licenses have obtained the appropriate amount of insurance required of a licensee under 10 CFR Part 140 and 10 CFR 50.54(w).
- On or by the closing date of the license transfer transaction, take the necessary steps to ensure that the provisional trust agreement submitted on September 25, 2019, to address the shortfall identified for BVPS, Unit 1 is implemented and maintained consistent with the safety evaluation supporting this Order.
- After receipt of all required regulatory approvals of the proposed transfer actions, inform the Director of the Office of Nuclear Reactor Regulation in writing of such receipt no later than 5 business days prior to the date of the closing of the transfer.

The documentary evidence of insurance is attached. This satisfies the first requirement.

A deposit of \$55 million was made into a provisional decommissioning trust for BVPS, Unit 1 as described in the letters dated May 31, 2019, August 29, 2019, and September 25, 2019. This activity is consistent with the safety evaluation supporting this Order. Therefore, the second requirement has been satisfied, as well as completing Commitment 1 of the May 31, 2019 letter.

This submittal provides the 5 business day notification that the regulatory approvals required, in accordance with the Plan of Reorganization for the transfer of the Facilities, have been received. As a result, consistent with the Order, the closing date of the transfer will be no earlier than February 27, 2020, satisfying the third requirement.

The NRC will be kept informed of updates to the planned closing date of the transfer.

Upon completion of the license transfer, Energy Harbor Nuclear Corp. will adopt and endorse the outstanding commitments, licensing actions, applications, and similar items on the aforementioned docket numbers. Energy Harbor Nuclear Corp. requests NRC continuation of the regulatory reviews and actions on these items.

Beaver Valley Power Station, Unit Nos. 1 and 2
Beaver Valley Power Station ISFSI
Davis-Besse Nuclear Power Station, Unit No. 1
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There are no new regulatory commitments contained in this letter. If there are any questions or if additional information is required, please contact Mr. Thomas A. Lentz, Manager, Nuclear Licensing and Regulatory Affairs, at (330) 315-6810.

I declare under penalty of perjury that the foregoing is true and correct. Executed on February 20, 2020.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Hamilton", with a stylized flourish at the end.

David B. Hamilton

Attachment:
Documentary Evidence of Insurance

cc: Director, Nuclear Reactor Regulation
Director, Nuclear Material Safety and Safeguards
NRC Region I Administrator
NRC Region III Administrator
NRC Project Manager - FENOC Fleet
NRC Resident Inspector - Beaver Valley Power Station
NRC Resident Inspector - Davis-Besse Nuclear Power Station
NRC Resident Inspector - Perry Nuclear Power Plant
Director BRP/DEP
Site Representative BRP/DEP
Branch Chief, Ohio Emergency Management Agency, State of Ohio (NRC
Liaison)
Utility Radiological Safety Board

Attachment
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Documentary Evidence of Insurance
(Five pages follow)



Nuclear Electric Insurance Limited
1201 N Market St
Suite 1100
Wilmington, DE 19801
USA

office + 302 888 3000 fax + 302 888 3007

February 20, 2020

Ms. Mai Henderson
U.S. Nuclear Regulatory Commission
OWFN - 07C2A
Washington, DC 20555-001

Re: FirstEnergy Corporation – License Transfer to Energy Harbor Nuclear Generation, LLC

Dear Ms. Henderson:

This letter confirms that Nuclear Electric Insurance Limited will continue to issue Primary Property and Decontamination Liability Insurance Policies for Beaver Valley Power Station, Units 1, 2, and ISFSI, Davis-Besse Nuclear Power Station, Unit 1 and ISFSI, and Perry Nuclear Power Plant, Unit 1 and ISFSI, to FirstEnergy Nuclear Generation, LLC (FENGen) as the owner of 100% of the aforementioned power stations.

Based on our understanding that 100% ownership of the aforementioned power stations will be retained with FENGen (which will be renamed Energy Harbor Nuclear Generation LLC), Nuclear Electric Insurance Limited will continue to provide this coverage for the sites for the Member (FENGen) as it emerges from bankruptcy pursuant to the Eighth Amended Joint Plan of Reorganization (the Bankruptcy Reorganization Plan) filed with the Bankruptcy Court on October 11, 2019, and the Revised Eighth Amended Plan filed with the Bankruptcy Court on October 14, 2019, and confirmed by the Bankruptcy Court on October 16, 2019.

The limits on the above referenced policies will satisfy the NRC required minimum insurance limit of \$1.06 billion for these sites.

This commitment to write Primary Property and Decontamination Liability Insurance Policies for Beaver Valley Power Station, Units 1, 2, and ISFSI, Davis-Besse Nuclear Power Station, Unit 1 and ISFSI, and Perry Nuclear Power Plant, Unit 1 and ISFSI, on an ongoing basis remains valid through March 31, 2020. If the NRC license transfer or FENGen's emergence from bankruptcy takes place after that date, or should the approved bankruptcy plan be materially modified, NEIL will review the circumstances before re-stating our commitment to provide coverage.

NEIL reserves all its rights under the terms, conditions and exclusions of the applicable Insurance Policies. Neither this letter nor any action taken by or on behalf of NEIL in connection with this matter is intended to constitute or be construed as a waiver of any terms, conditions or exclusions of said Insurance Policies under applicable law or in equity.

Sincerely,

A handwritten signature in black ink, appearing to read "B. Sassi", written over a white background.

Bruce A. Sassi
President and CEO

BAS/kjf

cc: Peter Nadel (FirstEnergy Corporation)
Audrey Noll (FirstEnergy Corporation)
Tim Farward (Marsh)

Kate Fowler (NEIL)
Ken Manne (NEIL)
Peter Cavanaugh (NEIL)



UNDERWRITING DEPARTMENT
Jim Palaia, Vice President

February 20, 2020

ATTN: Document Control Desk
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

***Re: FirstEnergy Nuclear Generation, LLC and FirstEnergy Nuclear Operating Company -
Beaver Valley, Perry, and Davis Besse Nuclear Power Stations – License Transfer to Energy
Harbor Nuclear Generation LLC and Energy Harbor Nuclear Corp.***

To Whom It May Concern:

This letter confirms that American Nuclear Insurers will write nuclear liability insurance for Energy Harbor Nuclear Generation LLC and Energy Harbor Nuclear Corp. As of the transaction close date, expected to be on or before March 31, 2020 we will amend the policies and certificates for the Beaver Valley, Perry, and Davis Besse nuclear plants as follows:

Beaver Valley:

- a. Facility Form Policy No. NF-0226: ANI will amend the named insured to reflect “Energy Harbor Nuclear Generation LLC and Energy Harbor Nuclear Corp.” in lieu of “FirstEnergy Nuclear Generation, LLC and FirstEnergy Nuclear Operating Company”.
 - The Operator of the facility will be amended to read, “Energy Harbor Nuclear Corp.” in lieu of “FirstEnergy Nuclear Operating Company”.
- b. Master Worker Certificate No. NW-0603: ANI will amend the named insured to reflect “Energy Harbor Nuclear Generation LLC and Energy Harbor Nuclear Corp.” in lieu of “FirstEnergy Nuclear Generation, LLC and FirstEnergy Nuclear Operating Company”.
 - The Operator of the Facility will be amended to read, “Energy Harbor Nuclear Corp.” in lieu of “FirstEnergy Nuclear Operating Company”.
- c. SFP Certificate No. N-0058: ANI will amend the named insured to reflect “Energy Harbor Nuclear Generation LLC and Energy Harbor Nuclear Corp.” in lieu of “FirstEnergy Nuclear Generation, LLC and FirstEnergy Nuclear Operating

Company.” Energy Harbor Nuclear Generation LLC and Energy Harbor Nuclear Corp. are assuming all past and future liabilities of FirstEnergy Nuclear Generation, LLC and FirstEnergy Nuclear Operating Company for the payment of retrospective premiums.

- d. SFP Certificate No. N-0110: ANI will amend the named insured to reflect “Energy Harbor Nuclear Generation LLC and Energy Harbor Nuclear Corp.” in lieu of “FirstEnergy Nuclear Generation, LLC and FirstEnergy Nuclear Operating Company.” Energy Harbor Nuclear Generation LLC and Energy Harbor Nuclear Corp. are assuming all past and future liabilities of FirstEnergy Nuclear Generation, LLC and FirstEnergy Nuclear Operating Company for the payment of retrospective premiums.

Perry:

- a. Facility Form Policy No. NF-0291: ANI will amend the named insured to reflect “Energy Harbor Nuclear Generation LLC and Energy Harbor Nuclear Corp.” in lieu of “FirstEnergy Nuclear Generation, LLC and FirstEnergy Nuclear Operating Company”.
 - The Operator of the facility will be amended to read, “Energy Harbor Nuclear Corp.” in lieu of “FirstEnergy Nuclear Operating Company”.
- b. Master Worker Certificate No. NW-0644: ANI will amend the named insured to reflect “Energy Harbor Nuclear Generation LLC and Energy Harbor Nuclear Corp.” in lieu of “FirstEnergy Nuclear Generation, LLC and FirstEnergy Nuclear Operating Company”.
 - The Operator of the Facility will be amended to read, “Energy Harbor Nuclear Corp.” in lieu of “FirstEnergy Nuclear Operating Company”.
- c. SFP Certificate No. N-0102: ANI will amend the named insured to reflect “Energy Harbor Nuclear Generation LLC and Energy Harbor Nuclear Corp.” in lieu of “FirstEnergy Nuclear Generation, LLC and FirstEnergy Nuclear Operating Company.” Energy Harbor Nuclear Generation LLC and Energy Harbor Nuclear Corp. are assuming all past and future liabilities of FirstEnergy Nuclear

Generation, LLC and FirstEnergy Nuclear Operating Company for the payment of retrospective premiums.

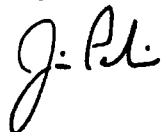
Davis Besse:

- a. Facility Form Policy No. NF-0236: ANI will amend the named insured to reflect “Energy Harbor Nuclear Generation LLC and Energy Harbor Nuclear Corp.” in lieu of “FirstEnergy Nuclear Generation, LLC and FirstEnergy Nuclear Operating Company”.
 - The Operator of the facility will be amended to read, “Energy Harbor Nuclear Corp.” in lieu of “FirstEnergy Nuclear Operating Company”.
- b. Master Worker Certificate No. NW-0608: ANI will amend the named insured to reflect “Energy Harbor Nuclear Generation LLC and Energy Harbor Nuclear Corp.” in lieu of “FirstEnergy Nuclear Generation, LLC and FirstEnergy Nuclear Operating Company”.
 - The Operator of the Facility will be amended to read, “Energy Harbor Nuclear Corp.” in lieu of “FirstEnergy Nuclear Operating Company”.
- c. SFP Certificate No. N-0061: ANI will amend the named insured to reflect “Energy Harbor Nuclear Generation LLC and Energy Harbor Nuclear Corp.” in lieu of “FirstEnergy Nuclear Generation, LLC and FirstEnergy Nuclear Operating Company.” Energy Harbor Nuclear Generation LLC and Energy Harbor Nuclear Corp. are assuming all past and future liabilities of FirstEnergy Nuclear Generation, LLC and FirstEnergy Nuclear Operating Company for the payment of retrospective premiums.

The commitment to write insurance for Energy Harbor Nuclear Generation LLC and Energy Harbor Nuclear Corp. remains valid thru March 31, 2020. In the event the closing of the transaction occurs after this date, ANI will review the existing circumstances prior to reinstating our commitment to provide insurance.

Please do not hesitate to contact me should you have any questions.

Regards,

A handwritten signature in black ink, appearing to read "J. Palaia". The signature is written in a cursive, flowing style.

Jim Palaia
Vice President, Underwriting

C: Mr. Tim Farward, Marsh