



Crystal River Nuclear Plant
15760 W. Power Line Street
Crystal River, FL 34428
Docket 72-1035
Docket 50-302
Operating License No. DPR-72

10 CFR 50.80
10 CFR 50.90
10 CFR 72.50

March 5, 2020
3F0320-02

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

Subject: Supplemental Information in Support of Crystal River Unit 3 (CR3) License Transfer Application – License Conditions

References: 1. Letter, Duke Energy Florida, LLC to USNRC, "Application for Order Consenting to Direct Transfer of Control of Licenses and Approving Conforming License Amendment", dated June 14, 2019 (ADAMS Accession No. ML19170A194)
2. Letter, Duke Energy Florida, LLC to USNRC, "Supplemental Information in Support of Crystal River Unit 3 (CR3) License Transfer Application – FOCD Negotiation Action Plan," dated January 17, 2020 (ADAMS Accession No. ML20017A216)

Dear Sir:

On behalf of Duke Energy Florida, LLC (DEF) and ADP CR3, LLC (ADP CR3), DEF submits the following Supplemental Information in support of the review of the above referenced license transfer application (LTA) for the transfer of Facility Operating License No. DPR 72 for the Crystal River Unit 3 Nuclear Generating Plant (CR3) (the Facility License) and the associated general license for the CR3 Independent Spent Fuel Storage Installation (ISFSI) (the Licenses) to possess, maintain, and decommission CR3 and the ISFSI (collectively, the CR3 Facility). The LTA requests approval to transfer the authority under the Licenses to possess, maintain and decommission the CR3 Facility from Duke Energy Florida, LLC to ADP CR3.

The attached License Conditions, which are consistent with the information provided in References 1 and 2, are submitted to confirm acceptance of the Conditions for inclusion in the Facility License upon approval of the LTA.

This correspondence contains no new regulatory commitments. If you have any questions regarding this submittal, please contact Mr. Mark Van Sicklen, CR3 Licensing, (352) 501-3045.

I declare under penalty of perjury that the foregoing regarding DEF is true and correct. Executed on March 5, 2020.

Sincerely,

Ronald Reising, Senior Vice President
Operations Support

Attachment: CR3 Operating License DPR-72 License Conditions

NMSS Project Manager
Regional Administrator, Region I
State of Florida

DUKE ENERGY FLORIDA, LLC

**DOCKET NUMBER 50 - 302
DOCKET NUMBER 72 – 1035**

LICENSE NUMBER DPR - 72

ATTACHMENT

FACILITY LICENSE CONDITIONS

1. The financial Support Agreement between NorthStar Group Services, Inc. and ADP CR3, LLC (ADP CR3) and ADP SF1, LLC (ADP SF1) in the amount of \$105 million, and the financial Support Agreement between Orano USA LLC and ADP CR3 and ADP SF1 in the amount of \$35 million, to assure the ability of ADP CR3 and ADP SF1 to pay the expenses of: (i) maintaining and decommissioning the CR-3 facility and ISFSI safely; (ii) protecting the public health and safety; and (iii) meeting NRC requirements, are effective. These Support Agreements may not be voided, canceled, or modified without the prior written consent of the NRC staff. The Director of the Office of Nuclear Material Safety and Safeguards shall be informed, in writing, no later than 10 working days after any funds are provided under the terms of the Support Agreements.
2. ADP CR3 shall establish a Provisional Trust consistent with Section 3.14 of the "Decommissioning Services Agreement by and between Duke Energy Florida, LLC, as Company and ADP CR3, LLC, as Contractor and ADP SF1, LLC, as Buyer Dated as of May 29, 2019" (DSA). The Provisional Trust will be initially funded with \$20 million. ADP CR3 will retain six percent of each invoice for decommissioning services performed and paid from the nuclear decommissioning trust and deposit those amounts into the Provisional Trust to fund and maintain the Provisional Trust at \$50 million until the ISFSI-Only Interim End-State Conditions, as defined in the DSA, are achieved.
3. ADP CR3 shall provide financial assurance in a form and in an amount meeting the requirements of 10 CFR 72.30(e) to the ISFSI Decommissioning Trust established under Section 3.15 of the DSA. The ISFSI Decommissioning Trust shall be established to hold the financial assurance until the End-State Conditions, as defined in the DSA, are achieved.
4. ADP CR3 must ensure that a performance bond is obtained if a settlement agreement with the U.S. Department of Energy (DOE) on DOE reimbursements for spent fuel management expenses is not entered into by January 1, 2025. The performance bond will be effective January 1, 2025, initially in an amount equal to one year's worth of spent fuel management expenses. ADP CR3 will thereafter ensure that a performance bond is maintained for subsequent years, in the amount of the applicable estimated annual expense, until a settlement agreement with the DOE is entered into.
5. ADP CR3 must ensure that:

The NorthStar Group Services, Inc. (NorthStar) Member Representative of Accelerated Decommissioning Partners, LLC (ADP) (NorthStar Member Representative) has the responsibility and exclusive authority to ensure and shall ensure that the business and activities of ADP CR3 and ADP SF1 with respect to the CR3 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.

The NorthStar Member Representative, and any Chief Executive Officer (CEO) or Chief Nuclear Officer (CNO) of ADP or ADP CR3 appointed by NorthStar to serve in such office, shall be a U.S. citizen.

The licensees shall not approve or take any action involving matters necessary to ensure U.S. control without the approval of NorthStar. This includes any matters relating to nuclear safety, security, or reliability, the appointment of any CEO and CNO, and any successor thereof, or any other issue reasonably determined by NorthStar in its prudent exercise of discretion.

Changes to the ADP CR-3, LLC Negation Action Plan may only be made upon recommendation of ADP CR3's CEO and approval by NorthStar. Any proposed change resulting in a decrease in the effectiveness of the plan will not be implemented without prior NRC approval. ADP CR3 will provide the NRC with 30 days prior written notice before the implementation of any material changes to the negation measures in the Limited Liability Agreement of Accelerated Decommissioning Partners, LLC dated February 7, 2017 (ADP LLC Agreement).

If at any time NorthStar is not required to have exclusive authority to approve any of the actions in Section 11.4(a) of the ADP LLC Agreement, any amendments to Section 11.4(a) must comply with applicable law, including FOCD requirements, and must be approved by the NRC.