



December 9, 2020

TMI2-2020-005

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

Three Mile Island, Unit 2
NRC Possession Only License No. DPR-73
NRC Docket No. 50-320

Subject: Receipt of Regulatory Approvals and Insurance Coverage, and Notice of Closing Date for Three Mile Island Unit 2 Transfer

References:

1. Letter from USNRC to Halnon, G.H. (GPU Nuclear, Inc.), "Three Mile Island Nuclear Station, Unit No. 2 – Order Approving Transfer of License from the FirstEnergy Companies to TMI-2 Solutions, LLC and Draft Conforming Administrative License Amendment (EPID L-2019-LLA-0257)," dated December 2, 2020
2. Letter from W. J. Dircks (NRC) to J. S. Herbein (Metropolitan Edison Company), [*No Subject*], dated February 25, 1982 (Refer to ADAMS Accession No. ML19141A211, page 55)
3. Letter from Michael T. Masnik (NRC) to T. G. Broughton (GPU Nuclear Corporation), "Exemption from the Requirements of 10 CFR 140.11(a)(4) for the Three Mile Island Nuclear Station, Unit 2 (TMI-2) (TAC No. M88362)," dated July 29, 1994 (ADAMS Accession No. 9408050260 (Legacy Library)) [or General Public Utilities Nuclear Corp., Three Mile Island Nuclear Station, Unit 2, Exemption, dated August 8, 1994 (59 Federal Register 40380)]
4. Letter TMI-19-112 from Halnon, G.H. (GPU Nuclear, Inc.) and Sauger J. (TMI-2 Solutions LLC), "Application for Order Approving License Transfer and Conforming License Amendments" (ML19325C600), dated November 12, 2019.

In accordance with the U.S. Nuclear Regulatory Commission (NRC) order approving the transfer of the Three Mile Island Nuclear Station, Unit 2 (TMI-2) license and conforming amendment (Reference 1), TMI-2 Solutions, LLC (TMI-2 Solutions) is providing the Director of the Office of Nuclear Material Safety and Safeguards (NMSS) notification that TMI-2 Solutions has (i) received all required regulatory approvals; (ii) satisfied the requirement to obtain the appropriate amount of insurance required of a licensee under 10 CFR 140 and 10 CFR 50.54(w), consistent with the exemptions issued to TMI-2 on February 25, 1982 (Reference 2) and on July 29, 1994 (Reference 3); and (iii) established a closing date for the transaction.¹

¹ This notice is provided by TMI-2 Solutions on behalf of itself and the current owners and operator of TMI-2: GPU Nuclear, Inc.; Metropolitan Edison Company; Jersey Central Power & Light Company; and Pennsylvania Electric Company (collectively referred to as the "FirstEnergy Companies") (together with TMI-2 Solutions the "Applicants").

Regulatory Approvals: As discussed in the application for license transfer (Reference 4), beyond NRC approval the Applicants also required approval from the New Jersey Board of Public Utilities (BPU) for the transfer of the state-regulated TMI-2 assets to TMI-2 Solutions, and a private letter ruling from the Internal Revenue Service (IRS) concerning the transfer of nuclear decommissioning trust funds from the FirstEnergy Companies to TMI-2 Solutions. IRS confirmation was provided on August 6, 2020 and received by TMI-2 Solutions on August 11, 2020. BPU approval was issued on December 2, 2020 and received the same day.

Insurance: As discussed in the application for license transfer (Reference 4), TMI-2 Solutions will acquire the FirstEnergy Companies' rights to third party nuclear liability protection under the American Nuclear Insurers (ANI) Facility Form policy for the Three Mile Island Nuclear Generating Station site in accordance with previously approved exemptions. Prior to closing, TMI-2 Solutions would acquire on-site nuclear property insurance coverage from an appropriate provider in accordance with previously approved exemptions.

The enclosed letters from ANI and Nuclear Electric Insurance Limited (NEIL) (Enclosure 1 and Enclosure 2 respectively), provide proof of adequate nuclear liability coverage and onsite property damage coverage. ANI and NEIL commit to add TMI-2 Solutions to the respective policies at the time the license transfer becomes effective. ANI further commits to add TMI-2 Solutions to the current Master Worker Certification policy in effect for the Three Mile Island site. This notification of insurance coverage satisfies the approval condition described in the NRC order.

Closing Date: In addition to the above, in accordance with the NRC order approving the transfer of the TMI-2 license and conforming amendment (Reference 1), TMI-2 Solutions is notifying NMSS that implementation of the license transfer is scheduled to occur on December 18, 2020.

If there are any questions regarding this notification, please contact me at (860) 462-9707.

Respectfully,

Gerard P. Van
Noordennen

Gerard P. Van Noordennen
Dec 9 2020 2:09 PM

Gerard van Noordennen
Senior Vice President Regulatory Affairs

Enclosures:

- 1) Letter from Jim Palaia, American Nuclear Insurers, to U.S. Nuclear Regulatory Commission, "Three Mile Island Nuclear Generating Station – Exelon Generation Company, LLC and TMI-2 Solutions, LLC Facility Form Policy No. NF-0220 and Master Worker Certificate NW-0599," dated August 21, 2020
- 2) Letter from Robert Curtis, Nuclear Electric Insurance Limited, to Eric Olvera, U.S. Nuclear Regulatory Commission, "FirstEnergy Corp.-License Transfer to TMI-2 Solutions, LLC," dated September 1, 2020

cc: Director, Nuclear Material Safety and Safeguards
Ted Smith, NRC Project Manager
NRC Region I Administrator
NRC Lead Inspector

TMI-2 Service List

cc:

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Radiation Protection,
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Commonwealth of Pennsylvania

Chairman, Board of County Commissioners,
Dauphin County

Chairman, Board of Supervisors of
Londonderry Township

Enclosure 1

Letter from American Nuclear Insurers



UNDERWRITING DEPARTMENT
Jim Palaia, Vice President

August 21, 2020

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

***Re: Three Mile Island Nuclear Generating Station – Exelon Generation Company, LLC and TMI-2 Solutions, LLC
Facility Form Policy No. NF-0220 and Master Worker Certificate NW-0599***

To Whom It May Concern:

Upon the sale and license transfer of Three Mile Island Unit 2 to TMI-2 Solutions, LLC, this letter confirms that American Nuclear Insurers will continue to write nuclear liability insurance for the Three Mile Island Nuclear Generating Station site. As of the transaction close date, expected to be on or before December 31, 2020, ANI will amend the policy and certificate for the Three Mile Island nuclear power plant as follows:

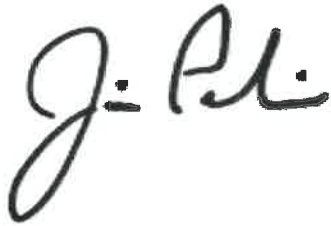
- a. Facility Form Policy No. NF-0220: ANI will amend the named insured to reflect “Exelon Generation Company, LLC and TMI-2 Solutions, LLC” in lieu of “Exelon Generation Company, LLC, Metropolitan Edison Company, Jersey Central Power & Light Company, Pennsylvania Electric Company and GPU Nuclear Inc.”.
 - The Operator of the facility will continue to read, “Exelon Generation Company, LLC”.

- b. Master Worker Certificate No. NW-0599: ANI will amend the named insured to reflect “TMI-2 Solutions, LLC” in lieu of “Metropolitan Edison Company, Jersey Central Power & Light Company, Pennsylvania Electric Company and GPU Nuclear Inc.”.
 - The Operator of the facility will continue to read, “Exelon Generation Company, LLC”.

The commitment to write insurance for Exelon Generation Company, LLC and TMI-2 Solutions, LLC remains valid thru December 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 style with a large, looped initial "J" and a period at the end.

Jim Palaia
Vice President, Underwriting

C: Mr. Tim Farward, Marsh

Enclosure 2

Letter from Nuclear Electric Insurance Limited



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

office + 302 888 3000 fax + 302 888 3007

September 1, 2020

Mr. Eric Olvera
U.S. Nuclear Regulatory Commission
OWFN – 07C2A
Washington, DC 20555-001

Re.: FirstEnergy Corp. – License Transfer to TMI-2 Solutions, LLC

Dear Mr. Olvera:

This letter confirms that Nuclear Electric Insurance Limited is willing write nuclear property insurance for TMI-2 Solutions, LLC as the owner of 100% of the Three Mile Island 2 subject to the payment of premium. A Primary Property and Decontamination Liability Policy will be effective upon close of the transfer of the facility license to own the plant from FirstEnergy Corp.

The combined limits on the above referenced policy will satisfy the NRC required minimum property insurance limit of \$50 million for this site.

This commitment to write nuclear property insurance for TMI-2 Solutions, LLC for a twelve-month policy period remains valid through December 31, 2020. If the asset transfer takes place after that date, we will review the circumstances before re-stating our commitment.

Sincerely,

A handwritten signature in blue ink, appearing to read "Robert Curtis". The signature is fluid and stylized, with a long horizontal stroke at the beginning and a loop at the end.

Robert Curtis
Vice President, Chief Underwriting Officer

cc: Tim Farward (Marsh USA)
John Oehler (NEIL)
Scott Lauchlan (NEIL)
Ken Manne (NEIL)
Peter Cavanaugh (NEIL)