

From: Lingam, Siva
Sent: Tuesday, April 13, 2021 12:56 PM
To: Matthew.Cox@aps.com
Cc: Dixon-Herrity, Jennifer; Turtill, Richard; Cowdrey, Christian; McKirgan, John; Wertz, Trent; McCarthy, Steve; Ki, DaBin; Green, Brian; Davis, Desiree; Michael.Dilorenzo@aps.com; Thomas.N.Weber@aps.com; james.schichtl@epelectric.com; amanda.wallace@jpmorgan.com; Warnement, Robert W
Subject: Palo Verde 1, 2, and 3 - Acceptance Review for Indirect Transfer of Control of Licenses Pursuant to 10 CFR 50.80 and 10 CFR 72.50 (EPID L-2021-LLM-0002)

By letter dated March 18, 2021 (Agencywide Documents Access and Management System Accession No. ML21077A256), El Paso Electric Company (EPE) requested the U.S. Nuclear Regulatory Commission (NRC) for approval of the indirect transfer of control of licenses pursuant to Title 10 of the *Code of Federal Regulations* (10 CFR), Part 50, Section 50.80, "Transfer of licenses," and 10 CFR 72, Section 72.50, "Transfer of license," for Palo Verde Nuclear Generating Station, Units 1, 2, and 3 (Palo Verde) and Palo Verde Independent Spent Fuel Storage Installation (ISFSI).

EPE currently owns a 15.8 percent tenant-in-common interest in, and holds possession-only rights in the NRC licenses. The proposed indirect transfer of control of EPE's possession only non-operating interests in Renewed Facility Operating License Nos. NPF-41, NPF-51 and NPF-74 for the Palo Verde Units 1, 2, and 3, as well as the general license for the Palo Verde ISFSI is necessary as a result of the acquisition of an approximately 33.3% membership interest in IIF US Holding 2 GP, LLC ("IIF US 2 GP")—the general partner of IIF US Holding 2 LP ("IIF US 2")—by a private individual, Anne Cleary (a U.S. citizen, the "Owner" together with EPE, the "Applicants") subsequent to the retirement and relinquishment of an approximately 33.3% IIF US 2 GP membership interest held by Dennis Clarke (a U.S. citizen). Arizona Public Service Company (APS) owns a 29.1 percent tenant in common interest and holds both operating and possession rights in the NRC licenses. Further, APS operates, and would continue to operate, each of the Palo Verde units and the ISFSI pursuant to the operating rights granted to it under the license of each Palo Verde unit.

The purpose of this e-mail is to provide the results of the NRC staff's acceptance review of the above request. The acceptance review was performed to determine if there is sufficient technical information in scope and depth to allow the NRC staff to complete its detailed technical review. The acceptance review is also intended to identify whether the application has any readily apparent information insufficiencies in its characterization of the regulatory requirements or the licensing basis of the plant.

The NRC staff has reviewed your application and concluded that it does provide technical information in sufficient detail to enable the NRC staff to complete its detailed technical review and make an independent assessment regarding the acceptability of the proposed request in terms of regulatory requirements and the protection of public health and safety and the environment. Given the lesser scope and depth of the acceptance review as compared to the detailed technical review, there may be instances in which issues that impact the NRC staff's ability to complete the detailed technical review are identified despite completion of an adequate acceptance review. You will be advised of any further information needed to support the NRC staff's detailed technical review by separate correspondence.

Based on the information provided in your submittal, the NRC staff has estimated that this licensing request will take approximately 375 hours to complete. The NRC staff expects to complete this review

approximately by March 31, 2022, or earlier. If there are emergent complexities or challenges in our review that would cause changes to the initial forecasted completion date or significant changes in the forecasted hours, the reasons for the changes, along with the new estimates, will be communicated during the routine interactions with the assigned project manager. These estimates are based on the NRC staff's initial review of the application and they could change, due to several factors including requests for additional information, or unanticipated addition of scope to the review.

If you have any questions, please contact me at (301) 415-1564.

Siva P. Lingam
U.S. Nuclear Regulatory Commission
Project Manager
Palo Verde Nuclear Generating Station, Units 1, 2, and 3
Grand Gulf Nuclear Station
Entergy Fleet
Location: O-9E22; Mail Stop: O-9E03
Telephone: 301-415-1564
E-mail address: Siva.Lingam@nrc.gov

Hearing Identifier: NRR_DRMA
Email Number: 1122

Mail Envelope Properties (SJ0PR09MB6109BF287C6B6936F70CDFDFF64F9)

Subject: Palo Verde 1, 2, and 3 - Acceptance Review for Indirect Transfer of Control of Licenses Pursuant to 10 CFR 50.80 and 10 CFR 72.50 (EPID L-2021-LLM-0002)
Sent Date: 4/13/2021 12:56:19 PM
Received Date: 4/13/2021 12:56:19 PM
From: Lingam, Siva

Created By: Siva.Lingam@nrc.gov

Recipients:

"Dixon-Herrity, Jennifer" <Jennifer.Dixon-Herrity@nrc.gov>
Tracking Status: None
"Turtill, Richard" <Richard.Turtill@nrc.gov>
Tracking Status: None
"Cowdrey, Christian" <Christian.Cowdrey@nrc.gov>
Tracking Status: None
"McKirgan, John" <John.McKirgan@nrc.gov>
Tracking Status: None
"Wertz, Trent" <Trent.Wertz@nrc.gov>
Tracking Status: None
"McCarthy, Steve" <Steve.McCarthy@nrc.gov>
Tracking Status: None
"Ki, DaBin" <DaBin.kl@nrc.gov>
Tracking Status: None
"Green, Brian" <Brian.Green@nrc.gov>
Tracking Status: None
"Davis, Desiree" <Desiree.Davis@nrc.gov>
Tracking Status: None
"Michael.Dilorenzo@aps.com" <Michael.Dilorenzo@aps.com>
Tracking Status: None
"Thomas.N.Weber@aps.com" <Thomas.N.Weber@aps.com>
Tracking Status: None
"james.schichtl@epelectric.com" <james.schichtl@epelectric.com>
Tracking Status: None
"amanda.wallace@jpmorgan.com" <amanda.wallace@jpmorgan.com>
Tracking Status: None
"Warnement, Robert W" <Robert.Warnement@skadden.com>
Tracking Status: None
"Matthew.Cox@aps.com" <Matthew.Cox@aps.com>
Tracking Status: None

Post Office: SJ0PR09MB6109.namprd09.prod.outlook.com

Files	Size	Date & Time
MESSAGE	4220	4/13/2021 12:56:19 PM

Options

Priority: Normal
Return Notification: No
Reply Requested: No

Sensitivity:
Expiration Date:

Normal