

NUCLEAR REGULATORY COMMISSION

[Docket Nos. 50-155, 50-255, 72-007, and 72-043; NRC-2021-0211]

In the Matter of Entergy Nuclear Operations, Inc.

Entergy Nuclear Palisades, LLC

Holtec International and Holtec Decommissioning International, LLC

Big Rock Point Plant and Palisades Nuclear Plant

AGENCY: Nuclear Regulatory Commission.

ACTION: Transfer of licenses; order.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) is issuing an order approving the transfer of Renewed Facility Operating License No. DPR-20 for the Palisades Nuclear Plant (Palisades), the general license for the Palisades Independent Spent Fuel Storage Installation (ISFSI), Facility Operating License No. DPR-6 for Big Rock Point Plant (Big Rock Point), and the general license for the Big Rock Point ISFSI (referred to collectively as the Sites and the licenses) to a Holtec International (Holtec) subsidiary to be known as Holtec Palisades, LLC (Holtec Palisades). The order also approves the transfer of operating authority from the currently licensed operator, Entergy Nuclear Operations, Inc. (ENOI), to Holtec Decommissioning International, LLC (HDI). The NRC is also issuing draft conforming amendments to the facility operating licenses for administrative purposes to reflect the transfer of the licenses from ENOI to HDI and the planned name change for Entergy Nuclear Palisades, LLC to Holtec Palisades.

DATES: The order was issued on December 13, 2021, and is effective for 1 year.

ADDRESSES: Please refer to Docket ID **NRC-2021-0211** when contacting the NRC about the availability of information regarding this document. You may obtain publicly available information related to this document by using any of the following methods:

- **Federal Rulemaking Website:** Go to <https://www.regulations.gov> and search for Docket ID **NRC-2021-0211**. Address questions about Dockets IDs in Regulations.gov to Stacy Schumann; telephone: 301-415-0624; email: Stacy.Schumann@nrc.gov. For technical questions, contact the individual listed in the **FOR FURTHER INFORMATION CONTACT** section of this document.

- **NRC's Agencywide Documents Access and Management System (ADAMS):** You may obtain publicly available documents online in the ADAMS Public Documents collection at <https://www.nrc.gov/reading-rm/adams.html>. To begin the search, select "Begin Web-based ADAMS Search." For problems with ADAMS, please contact the NRC's Public Document Room (PDR) reference staff at 1-800-397-4209, 301-415-4737, or by email to PDR.Resource@nrc.gov. The license transfer order, the NRC safety evaluation supporting the staff's findings, and the draft conforming license amendments are available in ADAMS under Package Accession No. ML21292A155.

- **NRC's PDR:** You may examine and purchase copies of public documents, by appointment, at the NRC's PDR, Room P1 B35, One White Flint North, 11555 Rockville Pike, Rockville, Maryland 20852. To make an appointment to visit the PDR, please send an email to PDR.Resource@nrc.gov or call 1-800-397-4209 or 301-415-4737, between 8:00 a.m. and 4:00 p.m. (ET), Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: Scott P. Wall, Office of Nuclear Reactor Regulation, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001; telephone: 301-415-2855; email: Scott.Wall@nrc.gov.

SUPPLEMENTARY INFORMATION: The text of the order is attached.

Dated: December 13, 2021.

For the Nuclear Regulatory Commission.

/RA/

Scott P. Wall, Senior Project Manager,
Plant Licensing Branch III,
Division of Operating Reactor Licensing,
Office of Nuclear Reactor Regulation.

Attachment – Order Approving Transfer of Licenses and Draft Conforming Administrative License Amendments

UNITED STATES OF AMERICA

NUCLEAR REGULATORY COMMISSION

In the Matter of)	
)	
Entergy Nuclear Operations, Inc.)	
Entergy Nuclear Palisades, LLC)	
)	
Big Rock Point Plant and ISFSI)	Docket Nos. 50-155, 50-255, 72-
007,)	
Palisades Nuclear Plant and ISFSI)	and 72-043
EA-21-158)	License Nos. DPR-6 and DPR-20
)	

ORDER APPROVING TRANSFER OF LICENSES
AND DRAFT CONFORMING ADMINISTRATIVE LICENSE AMENDMENTS

I.

Entergy Nuclear Operations, Inc. (ENOI) and Entergy Nuclear Palisades, LLC (ENP) are the holders of the U.S. Nuclear Regulatory Commission (NRC, the Commission) Facility Operating License No. DPR-6 for Big Rock Point Plant (Big Rock Point), Renewed Facility Operating License No. DPR-20 for Palisades Nuclear Plant (Palisades), and the general licenses for the Big Rock Point and the Palisades independent spent fuel storage installations (ISFSIs) (collectively, the Sites and the licenses). Big Rock Point permanently ceased operations on August 29, 1997, and ENOI has certified to the NRC its decision to permanently cease operations at Palisades no later than May 31, 2022. Big Rock Point is located in Hayes, Michigan, in Charlevoix County, on the northern shore of Michigan’s Lower Peninsula. Palisades is located in Covert, Michigan, in Van Buren County, on the eastern shore of Lake Michigan.

II.

ENOI, on behalf of itself, ENP, Holtec International (Holtec), and Holtec Decommissioning International, LLC (HDI) (collectively, the Applicants), requested that the NRC consent to the transfer of control of the licenses to a Holtec subsidiary to be known as Holtec Palisades, LLC (Holtec Palisades). The application, dated December 23, 2020 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML20358A075), as supplemented by information in letters from HDI dated December 23, 2020, December 23, 2020, and October 29, 2021 (ADAMS Accession Nos. ML20358A232, ML20358A239, and ML21302A064, respectively), made the request under Section 184, "Inalienability of Licenses," of the Atomic Energy Act of 1954, as amended (AEA), and Title 10 of the *Code of Federal Regulations* (10 CFR) Section 50.80, "Transfer of licenses," and 10 CFR 72.50, "Transfer of license." The Applicants also requested that the NRC consent to the transfer of ENOI's operating authority (i.e., its authority to conduct licensed activities at Big Rock Point and Palisades) to HDI. Finally, the Applicants requested that the NRC approve conforming administrative amendments to the licenses to reflect the proposed license transfer and the planned name change from ENP to Holtec Palisades in accordance with 10 CFR 50.90, "Application for amendment of license, construction permit, or early site permit."

Upon an NRC approval of the license transfer application and the consummation of the proposed transfer transaction, Holtec Palisades would be the licensed owner for Big Rock Point and Palisades. Holtec Palisades would also own each site's associated assets and real estate, including the Palisades decommissioning trust fund (DTF), title to spent nuclear fuel, and rights under the terms of the Standard Contract for Disposal of Spent Nuclear Fuel and/or High-Level Radioactive Waste with the U.S. Department of

Energy. A wholly-owned subsidiary of Holtec, Nuclear Asset Management Company, LLC, would acquire all equity interests in the parent companies owning the Sites and would emerge as the direct parent company owner of Holtec Palisades.

Holtec Palisades would enter into an operating agreement for decommissioning services with HDI, which would act as its agent, and Holtec Palisades would pay for HDI's decommissioning, spent fuel management, and site restoration costs incurred at Big Rock Point and Palisades; HDI would be the licensed operator for Big Rock Point and Palisades. HDI would assume responsibility for compliance with NRC regulations and the current licensing bases, including regulatory commitments that exist at the consummation of the proposed transfer transaction, and would implement any changes under applicable regulatory requirements and practices. Comprehensive Decommissioning International, LLC, a general contractor to HDI, would perform day-to-day activities at Big Rock Point and Palisades, including decommissioning activities, under a general contractor agreement between it and HDI, subject to HDI's direct oversight and control as the licensed operator.

Nuclear Asset Management Company, LLC and HDI would be direct, wholly-owned subsidiaries of Holtec Power, Inc., which is a direct, wholly-owned subsidiary of Holtec.

On February 4, 2021, the NRC published in the *Federal Register* (86 FR 8225) the notice of consideration of approval of the license transfer application and of conforming amendments to the licenses to reflect the proposed transfer. This notice provided an opportunity to request a hearing within 20 days and an opportunity to comment within 30 days.

In response, separate hearing requests were filed by: (1) the State of Michigan (ADAMS Accession No. ML21055A888); (2) the Environmental Law and Policy Center

(ADAMS Accession No. ML21055A914); (3) Beyond Nuclear, Michigan Safe Energy Future, and Don't Waste Michigan (ADAMS Accession No. ML21055A953); and (4) Mark Muhich (ADAMS Accession No. ML21083A134). These hearing requests are pending before the Commission. The NRC also received public comments on the license transfer application, the general topics of which are provided in the NRC staff's safety evaluation of the application. The NRC staff reviewed the hearing requests and comment submissions and considered them as part of its evaluation of the application.

The letter from HDI, dated December 23, 2020, requested, in support of the license transfer application, an exemption from 10 CFR 50.82(a)(8)(i)(A) and 10 CFR 50.75(h)(1)(iv) to allow the use of funds from the Palisades DTF for spent fuel management and site restoration activities at Palisades and to allow disbursements from the Palisades DTF for these activities to be made without prior notice, similar to withdrawals in accordance with 10 CFR 50.82(a)(8). Separate from this order, the NRC staff reviewed and approved the exemption request (ADAMS Accession No. ML21286A581). The staff is issuing its approval of the exemption request concurrent with its approval of the license transfer application; the exemption is effective immediately but will only apply to Holtec Palisades and HDI if and when the proposed transfer transaction is consummated.

In accordance with 10 CFR 50.80, no license for a production or utilization facility, or any right thereunder, shall be transferred, 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 accordance with 10 CFR 72.50, no license or any part included in a license for an ISFSI shall be transferred, 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. Upon review of the information in

the license transfer application, as supplemented, and other information before the Commission, and relying upon the representations and agreements contained in the application, the NRC staff has determined that Holtec Palisades and HDI are qualified to be the holders of the licenses and that the transfer of the licenses, as described in the application, is otherwise consistent with applicable provisions of law, regulations, and orders issued by the Commission pursuant thereto, subject to the conditions set forth below.

Upon review of the application, as supplemented, for conforming administrative amendments to the licenses to reflect the transfer, the NRC staff has determined the following:

- (1) The application for amendments complies with the standards and requirements of the AEA and the Commission's rules and regulations set forth in 10 CFR Chapter I.
- (2) The facility will operate in conformity with the application, the provisions of the AEA, and the rules and regulations of the Commission.
- (3) There is reasonable assurance that the activities authorized by the amendments can be conducted without endangering the public health and safety and that such activities will be conducted in compliance with the Commission's regulations.
- (4) The issuance of the amendments will not be inimical to the common defense and security or to the public health and safety.
- (5) The issuance of the amendments is in accordance with 10 CFR Part 51, "Environmental Protection Regulations for Domestic Licensing and Related Regulatory Functions," of the Commission's regulations and all applicable requirements have been satisfied.

The findings set forth above are supported by an NRC staff safety evaluation dated December 13, 2021, which is available at ADAMS Accession No. ML21292A148.

III.

Accordingly, pursuant to Sections 161b, 161i, and 184 of the AEA; 42 U.S.C. Sections 2201(b), 2201(i), and 2234; and 10 CFR 50.80, 10 CFR 72.50, and 10 CFR 50.90, IT IS HEREBY ORDERED that the license transfer application, as described herein, be approved, subject to the following conditions:

- (1) At least 2 business days before the planned closing date of the purchase and sale transaction, HDI shall provide the Directors of the NRC's Office of Nuclear Material Safety and Safeguards (NMSS) and Office of Nuclear Reactor Regulation (NRR) satisfactory documentary evidence that Holtec Palisades and HDI will enter into a decommissioning operator services agreement that provides for HDI to act as the agent for Holtec Palisades and for Holtec Palisades to pay HDI's costs of post-shutdown operations, including decommissioning and spent fuel management costs.
- (2) At least 2 business days before the planned closing date of the purchase and sale transaction, HDI shall provide the Directors of NMSS and NRR satisfactory documentary evidence that the appropriate amount of insurance required of a licensee under 10 CFR 140.11(a)(4) and 10 CFR 50.54(w) has been obtained.
- (3) At least 2 business days before the planned closing date of the purchase and sale transaction, HDI shall provide the Directors of NMSS and NRR satisfactory documentary evidence that, for the Big Rock Point ISFSI, a fund satisfying the prepayment method of 10 CFR 72.30(e)(1) for decommissioning has been established.

- (4) At least 2 business days before the planned closing date of the purchase and sale transaction, HDI shall provide the Directors of NMSS and NRR satisfactory documentary evidence that, for the Big Rock Point ISFSI, a fund containing one year's worth of estimated operating costs, along with a parent support agreement to continually maintain that fund with one year's worth of estimated operating costs, has been established.
- (5) The NRC staff's approval of this license transfer is subject to the Commission's authority to rescind, modify, or condition the approved transfer based on the outcome of any post-effectiveness hearing on the license transfer application.

IT IS FURTHER ORDERED that, consistent with 10 CFR 2.1315(b), the license amendments that make changes, as indicated in Enclosure 2 to the letter transmitting this order, to reflect the subject license transfer are approved. The amendments shall be issued and made effective at the time the proposed transfer actions are completed.

IT IS FURTHER ORDERED that at least 2 business days before the planned closing date of the purchase and sale transaction, ENOI shall provide the Directors of NMSS and NRR with notice of the planned closing date of the purchase and sale transaction. Should the proposed transfer not be completed within 1 year of the date of this order, this order shall become null and void; provided, however, that upon written application and for good cause shown, such date may be extended by order. The conditions of this order may be amended upon application by the Applicants and approval by the NRC.

This order is effective upon issuance.

For further details with respect to this order, see the application dated December 23, 2020, as supplemented by information in letters from HDI dated December 23, 2020, December 23, 2020, and October 29, 2021, and the associated

NRC staff safety evaluation dated December 13, 2021, which are available for public inspection electronically through ADAMS in the NRC Library at <https://www.nrc.gov/reading-rm/adams.html>. Persons who do not have access to ADAMS or who encounter problems accessing the documents located in ADAMS should contact the NRC Public Document Room reference staff by telephone at 1-800-397-4209 or 301-415-4737 or by e-mail to pdr.resource@nrc.gov.

Dated: December 13, 2021.

FOR THE NUCLEAR REGULATORY
COMMISSION.

/RA/

Shana R. Helton, Director,
Division of Fuel Management,
Office of Nuclear Material Safety
and Safeguards.

/RA/

Michael F. King, Deputy Director,
Office of Nuclear Reactor Regulation.