



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

April 25, 2022

OFFICE OF NUCLEAR MATERIAL SAFETY AND SAFEGUARDS
NOTIFICATION OF SIGNIFICANT LICENSING ACTION

LICENSEE: EnergySolutions, LLC

- Facility Operating License Nos. DPR-39 and DPR-48 for Zion Nuclear Power Station (Zion), Units 1 and 2, respectively, and the general license for the Zion independent spent fuel storage installation (ISFSI), Docket Nos. 50-295, 50-304, and 72-1037, respectively;
- Possession Only License No. DPR-73 for Three Mile Island Nuclear Station, Unit 2, Docket No. 50-320;
- Possession Only License No. DPR-45 for La Crosse Boiling Water Reactor (La Crosse) and the general license for the La Crosse ISFSI, Docket Nos. 50-409 and 72-046, respectively;
- Renewed Facility Operating License No. DPR-43 for Kewaunee Power Station (KPS) and the general license for the KPS ISFSI, Docket Nos. 50-305 and 72-064, respectively;
- Radioactive Materials License No. 39-35044-01, Docket No. 030-39013;
- Export Licenses XW010/04 and XW018/01, Docket Nos. 11005620 and 11005897, respectively.

SUBJECT: PROPOSED ISSUANCE OF AN ORDER APPROVING A LICENSE TRANSFER APPLICATION FOR WHICH A HEARING HAS BEEN REQUESTED

This is to inform the Commission that an order will be issued on or about May 2, 2022, to EnergySolutions, LLC (EnergySolutions, the Applicant) approving the indirect transfer of the above licenses (collectively, the Licenses) to the extent that they may be held by the Applicant or its wholly owned subsidiaries at the time of the indirect transfer. This action is being taken in response to an application dated December 7, 2021 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML21344A114), as supplemented by letters dated March 30, 2022, and April 18, 2022 (ADAMS Accession Nos. ML22091A275 and MLML22110A030, respectively). The supplemental letters clarified that since there are pending

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U.S. Nuclear Regulatory Commission (NRC) orders approving the transfer of the Zion licenses from the Applicant's subsidiary, ZionSolutions, LLC, to Exelon Generation Company, LLC (ADAMS Accession No. ML21229A027) and the transfer of the La Crosse licenses from the Applicant's subsidiary, LaCrosseSolutions, LLC, to Dairyland Power Cooperative (ADAMS Accession No. ML21228A107) and since there is a pending NRC order approving the transfer of the KPS licenses from Dominion Nuclear Projects, Inc. to EnergySolutions (ADAMS Accession No. ML22014A387), any order approving the proposed indirect license transfer should include approval of the transfer of control of the Zion, La Crosse, and KPS licenses even though they may not be held by the Applicant or its subsidiaries at the time of the proposed indirect license transfer. The letters also proposed that any order approving the indirect license transfer be subject to conditions to address these circumstances.

The Applicant requested that the NRC consent to the indirect transfer of control of the Licenses that would result from a stock purchase agreement dated November 16, 2021, involving the current principal shareholders of the corporate parent company of the Applicant and other investors.

The Applicant is a wholly owned subsidiary of EnergySolutions Finance Holdings, LLC, which is a privately held company whose shares are directly owned by EnergySolutions, Inc., which in turn is a privately held company whose shares are directly owned by Rockwell Holdco, Inc. (Rockwell).

Rockwell is currently approximately 58 percent owned primarily by a number of affiliated passive investment funds controlled by Energy Capital Partners GP II, LP, a limited partnership organized under the laws of the State of Delaware. Energy Capital Partners GP II, LP is in turn controlled by Energy Capital Partners II, LLC, a limited liability company organized under the laws of the State of Delaware. For ease of reference, these entities will be referred to collectively as "ECP."

Rockwell is also approximately 40 percent owned by passive investment funds controlled by TriArtisan ES Partners, LLC. TriArtisan ES Partners, LLC is in turn controlled by TriArtisan ES MM LLC, which is in turn managed by TriArtisan Capital Advisors LLC, a Delaware limited liability company based in New York, New York (collectively, TriArtisan Entities). All the TriArtisan Entities are limited liability companies organized under the laws of the State of Delaware and are controlled by two U.S. citizens.

According to the application, the purpose of the stock purchase agreement is for a passive investment fund established by the TriArtisan Entities known as TriArtisan ES Partners II LP to acquire most of the existing majority shareholder interest held by ECP, as well as most of the current TriArtisan Entities' shares. As a result, TriArtisan ES Partners II LP and the TriArtisan Entities would own an approximate 88 percent majority interest in, and have governance control over, Rockwell, the corporate parent company of the Applicant.

On January 21, 2022, the NRC published a notice of consideration of approval of the application in the *Federal Register* (87 FR 3372). The supplemental letter dated March 30, 2022, provided additional information that expanded the scope of the application as originally noticed and, therefore, the NRC published a notice of consideration of approval of the application, as supplemented, in the *Federal Register* on April 8, 2022 (87 FR 20889). The supplemental letter dated April 18, 2022, provided additional information that clarified the application and did not expand the scope of the application as noticed. The notices provided an opportunity to comment, request a hearing, and petition for leave to intervene on the application. One request

for a hearing on the application was filed by Eric Epstein, on behalf of himself, on February 10, 2022 (ADAMS Accession No. ML22041A773). This hearing request is pending before the Commission.

A hearing, if granted, will not be completed prior to the approval of the license transfer application. The order approving the application includes a condition that the approval of the 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. See *Susquehanna Nuclear, LLC* (Susquehanna Steam Electric Station, Units 1 and 2), CLI-17-4, 85 NRC 59, 61 n.5 (2017); *Power Auth. Of the State of N.Y.* (James A. FitzPatrick Nuclear Power Plant), CLI-01-14, 53 NRC 488, 502, 554-55 (2001) (citing *Long Island Lighting Co.* (Shoreham Nuclear Power Station, Unit 1), CLI-92-4, 35 NRC 69, 80 n.7 (1992)). The NRC received no comment submissions on the license transfer application.

NOTE: Information to be added after the order is issued.

Date of issuance of Order: MM/DD/YY

Date of receipt of Order: MM/DD/YY

Date the parties to the proceeding were notified: MM/DD/YY

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APPLICATION FOR WHICH A HEARING HAS BEEN REQUESTED
DATED:

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ADAMS Accession No. ML22102A276

via email

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