



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

January 31, 2025

Austin Lowes, Chairperson
Sault Ste. Marie Tribe of Chippewa Indians
523 Ashmun Street
Sault Ste. Marie, MI 49783

SUBJECT: SECTION 106 CONSULTATION AND NOTIFICATION OF THE ISSUANCE OF THE DRAFT ENVIRONMENTAL ASSESSMENT AND DRAFT FINDING OF NO SIGNIFICANT IMPACT FOR HOLTEC DECOMMISSIONING INTERNATIONAL, LLC'S LICENSING AND REGULATORY REQUESTS FOR REAUTHORIZATION OF POWER OPERATIONS AT PALISADES NUCLEAR PLANT (EPID NUMBER: L-2024-LNE-0003) (DOCKET NUMBER: 50-0255)

Dear Chairperson Austin Lowes:

In a letter dated July 1, 2024, (Agencywide Documents Access and Management System (ADAMS) Accession No. [ML24183A149](#)), the U.S. Nuclear Regulatory Commission (NRC) notified your office that it is conducting an environmental review for a series of licensing and regulatory requests submitted by Holtec Decommissioning International, LLC (HDI) that, if approved, would collectively support reauthorizing power operations at the Palisades Nuclear Plant (Palisades). These requests are the proposed actions before the NRC and include an exemption request, a license transfer request, and license amendment requests. The NRC is the lead Federal agency for the environmental review under the National Environmental Policy Act of 1969, as amended (NEPA), and for Section 106 consultation under the National Historic Preservation Act of 1966, as amended (NHPA), with the U.S. Department of Energy (DOE) Loan Programs Office (LPO) serving as a cooperating agency on the environmental review and Section 106 consultation. DOE LPO's proposed action, pursuant to its authority under Title 17 of the Energy Policy Act of 2005, as amended, is consideration of providing Federal financial assistance (a loan guarantee) to HDI for the resumption of power operations at Palisades.

To keep consulting parties informed and in accordance with the NRC's Principles of Good Regulation, the NRC and DOE LPO staff have performed the following activities:

- Conducted a virtual Tribal information meeting on July 16, 2024, during the scoping period;
- Conducted a Tribal site visit, with virtual participation, at Palisades on September 11, 2024 (a summary of the visit and presentation slides were transmitted to Tribes on October 31, 2024);
- Conducted a site visit with the Michigan State Historic Preservation Office (SHPO) on September 12, 2024 (a draft meeting summary of the visit was transmitted to the SHPO on October 4, 2024);
- Distributed HDI's archaeological report to consulting Tribes on October 2, 2024; and
- Sent letters to consulting Tribes defining the area of potential effects (APE) for the Palisades review on November 4, 2024.

In addition, HDI distributed Palisades cultural resource management procedures on November 4, 2024.

In accordance with Title 36 of the *Code of Federal Regulations* (36 CFR) Part 800, "Protection of Historic Properties," Section 800.8(c), "Use of the NEPA process for section 106 purposes," the NRC is using the NEPA process to comply with Section 106 of the NHPA in lieu of the procedures set forth in 36 CFR 800.3 through 800.6. As part of this review, the NRC and DOE LPO staff have completed a draft environmental assessment (EA) and draft finding of no significant impact (FONSI), "*Draft Environmental Assessment and Draft Finding of No Significant Impact for the Palisades Nuclear Plant Reauthorization of Power Operations Project*" (ADAMS Accession No. [ML24353A157](https://www.federalregister.gov/)). The associated *Federal Register* notice was published on January 31, 2025, and is available at <https://www.federalregister.gov/>. The draft EA and draft FONSI are also available on the NRC's website at <https://www.nrc.gov/info-finder/reactors/pali.html#pali-1>.

The purpose of this letter is to notify your office of the issuance of the draft EA and draft FONSI, including a NHPA Section 106 effects determination for the undertaking. This letter also serves to continue the NRC and DOE LPO's NHPA Section 106 consultation and to invite you to review and comment on the preliminary determinations provided in the draft EA and draft FONSI.

Section 3.8 of the draft EA contains a description of historic and cultural resources and historic properties identified in the direct and indirect APE, discusses impacts to these resources from activities associated with the preparation for and resumption of power operations, and provides the NRC and DOE LPO's preliminary determination. Appendices D, E, and I provide, respectively, an overview of consulting parties, a record of consultation correspondence, and a narrative summary of Section 106 consultation including additional historic photographs that provide context to the impact conclusions and preliminary determinations identified in the draft EA and draft FONSI.

The NRC and DOE LPO's preliminary determination under Section 106 of the NHPA, is this undertaking will have no historic properties affected as no historic properties have been identified in the APE and activities associated with the resumption of power operations are limited to previously disturbed areas. Additionally, no historic and cultural resources have been identified within the APE. Therefore, there will be no significant impacts under NEPA to historic and cultural resources at Palisades. This preliminary determination is based on: (1) the analysis and findings of NRC and DOE LPO's independent environmental review documented in the draft EA; (2) ongoing consultation with Federal, State, Tribal, and local agencies; (3) environmental documentation submitted by HDI; and (4) the consideration of public scoping comments.

Pursuant to 36 CFR 800.8(c), the NRC, as the lead Federal agency, invites your office to submit any comments, or concerns on the draft EA and draft FONSI during the 30-day comment period, which ends on March 3, 2025. Comments can be submitted by the following methods:

1. Emailing PalisadesRestartEnvironmental@nrc.gov;
2. Going to <https://regulations.gov> and searching for Docket ID NRC-2024-0076; or
3. Mailing comments to the Office of Administration, Mail Stop: TWFN-7-A60M, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, ATTN: Program Management, Announcements and Editing Staff.

Alternatively, comments can be sent directly to Jennifer Davis or Mary Richmond (contact information below).

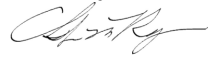
After consideration of public comments received on the draft EA, as well as information received through consultation, the NRC and DOE LPO staff will prepare a final EA and final FONSI unless the staff determines that the proposed actions would have a significant impact on the

human environment, in which case the staff would proceed to prepare an environmental impact statement. If it is determined that a final EA and final FONSI should be issued, it is expected that they would be published in June 2025.

Additionally, the NRC will hold an informational meeting with Federally recognized Tribal governments on February 11, 2025, from 2:00 p.m. to 4:00 p.m. ET, to provide an overview of the draft EA and draft FONSI. This meeting is not open to the public and is intended to afford Tribal representatives an opportunity to discuss with NRC and DOE LPO staff the draft EA and draft FONSI and to ask questions. This meeting will not be recorded or transcribed. Information for this meeting, including an agenda, will be provided in a separate communication.

If you have any questions concerning the NRC's Section 106 environmental review, please contact Staff Archaeologist Jennifer Davis by phone at 301-415-3835 or via email at Jennifer.Davis@nrc.gov, or Environmental Project Manager Mary Richmond by phone at 301-415-7218 or via email at Mary.Richmond@nrc.gov.

Sincerely,



Signed by Regan, Christopher
on 01/31/25

Christopher M. Regan, Director
Division of Rulemaking, Environmental,
and Financial Support
Office of Nuclear Material Safety
and Safeguards

Docket No. 50-0255

cc: GovDelivery

Emma Donmyer
Repatriation and Historic Preservation Specialist
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DATED: January 31, 2025

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ADAMS Package Accession No.: ML25007A003

***via email**

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