



[7590-01-P]

NUCLEAR REGULATORY COMMISSION

[Docket Nos. 50-387, 50-388, and 72-28; NRC-2016-0187]

In the Matter of Susquehanna Nuclear, LLC;

Susquehanna Steam Electric Station, Units 1 and 2;

Order Approving Indirect Transfer of Facility Operating Licenses

AGENCY: Nuclear Regulatory Commission.

ACTION: Indirect transfer of licenses; order.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) is issuing an order approving an application filed by Susquehanna Nuclear, LLC (Susquehanna Nuclear), on behalf of itself and Riverstone Holdings, LLC (Riverstone), on June 29, 2016, as supplemented by letter dated November 14, 2016. The application sought NRC approval of the indirect transfer of Susquehanna Nuclear's interests in Renewed Facility Operating License Nos. NPF-14 and NPF-22 for the Susquehanna Steam Electric Station, Units 1 and 2 (SSES), respectively, as well as the general license for the SSES Independent Spent Fuel Storage Installation (ISFSI), from the ultimate parent, Talen Energy Corporation (Talen), to Riverstone. The NRC's approval of the indirect license transfer is subject to certain conditions, which are described in the order. The order is effective upon issuance.

DATES: The order was issued on November 30, 2016, and is effective for one year.

ADDRESSES: Please refer to Docket ID **NRC-2016-0187** when contacting the NRC about the availability of information regarding this document. You may obtain publicly-available information related to this document using any of the following methods:

- **Federal Rulemaking Web Site:** Go to <http://www.regulations.gov> and search for Docket ID **NRC-2016-0187**. Address questions about NRC dockets to Carol Gallagher; telephone: 301-415-3463; e-mail: Carol.Gallagher@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 <http://www.nrc.gov/reading-rm/adams.html>. To begin the search, select "[ADAMS Public Documents](#)" and then 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 e-mail to pdr.resource@nrc.gov. For the convenience of the reader, the ADAMS accession numbers for documents related to this action are provided in a table in the "Availability of Documents" section of this document.

- **NRC's PDR:** You may examine and purchase copies of public documents at the NRC's PDR, Room O1-F21, One White Flint North, 11555 Rockville Pike, Rockville, Maryland 20852.

FOR FURTHER INFORMATION CONTACT: Tanya E. Hood, Office of Nuclear Reactor Regulation, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001; telephone: 301-415-1387; e-mail: Tanya.Hood@nrc.gov.

SUPPLEMENTARY INFORMATION:

I. Order

The text of the order is attached.

II. Availability of Documents

Documents related to this action, including the indirect license transfer application and other supporting documentation, are available to interested persons as indicated.

Document	ADAMS Accession Nos.
Letter from Susquehanna Nuclear, LLC to the U.S. Nuclear Regulatory Commission, "Susquehanna Steam Electric Station Request for Order Approving Indirect Transfer of Control PLA-7500," dated June 29, 2016	ML16181A414 (package)
Letter from Susquehanna Nuclear, LLC to the U.S. Nuclear Regulatory Commission, "Susquehanna Steam Electric Station Supplemental Information Relating to Proposed License Transfer PLA-7538," dated November 14, 2016	ML16320A436
E-mail from Tanya Hood to Susquehanna Nuclear, LLC; Susquehanna Steam Electric Station, Units 1 and 2, Acceptance of Requested Licensing Action Re: Request for Order Approving Indirect Transfer of Control, dated July 29, 2016	ML16211A356
Letter from the U.S. Nuclear Regulatory Commission to Susquehanna Nuclear, LLC; Susquehanna Steam Electric Station, Units 1 and 2 - Request For Withholding Information from Public Disclosure (CAC Nos. MF8056 and MF8057), dated August 26, 2016	ML16215A008
Letter from the U.S. Nuclear Regulatory Commission to Susquehanna Nuclear, LLC, Re: Susquehanna Steam Electric Station, Units 1 and 2 - Notice of Consideration of Approval of Transfer of Licenses and Opportunity for a Hearing, and Petition for Leave to Intervene; Order (CAC Nos. MF8056 and MF8057), dated September 16, 2016	ML16239A424
Federal Register notice dated September 28, 2016; Susquehanna Nuclear, LLC; Susquehanna Steam Electric Station, Units 1 and 2; Consideration of Indirect License Transfer published on October 4, 2016 (81 FR 68462)	ML16243A388
E-mail from Sabatini Monatesti to the U.S. Nuclear Regulatory Commission, dated October 11, 2016	ML16312A431
U.S. Nuclear Regulatory Commission Staff Response to Request for Access to Sensitive Unclassified Non-Safeguards Information Related to the Application for Indirect Transfer of the Susquehanna Steam Electric Station, dated October 20, 2016	ML16294A385

Establishment of Atomic Safety and Licensing Board, dated October 26, 2016	ML16300A413
NON-PROPRIETARY - Safety Evaluation by the Office of Nuclear Reactor Regulation Related to Indirect Transfer of Renewed Facility Operating Licenses from Talen Energy Corporation to Riverstone Holdings, LLC, Re: Susquehanna Steam Electric Station, Units 1 and 2, dated November 30, 2016	ML16320A080
U.S. Nuclear Regulatory Commission Letter with Order Approving Indirect Transfer of Licenses Related to Susquehanna Steam Electric Station, Units 1 and 2 (CAC Nos. MF8056 and MF8057), dated November 30, 2016	ML16320A078

Dated at Rockville, Maryland, this 6th day of December, 2016.

For the Nuclear Regulatory Commission.

Tanya E. Hood, Project Manager,
Plant Licensing Branch I-2,
Division of Operating Reactor Licensing,
Office of Nuclear Reactor Regulation.

Attachment - Order Approving Indirect Transfer of Facility Operating Licenses

**In the Matter of Susquehanna Nuclear, LLC;
Susquehanna Steam Electric Station, Units 1 and 2;
Order Approving Indirect Transfer of Facility Operating Licenses
[Docket Nos. 50-387, 50-388, and 72-28; NRC-2016-0187]
(EFFECTIVE UPON ISSUANCE)**

I.

Susquehanna Nuclear, LLC (Susquehanna Nuclear, or the applicant) and Allegheny Electric Cooperative, Inc. (Allegheny), are the holders of Renewed Facility Operating License Nos. NPF-14 and NPF-22, and the general license for the Independent Spent Fuel Storage Installation (ISFSI), which authorize the possession, use, and operation of the Susquehanna Steam Electric Station (SSES or the facility), Units 1 and 2, including the SSES ISFSI. The facility and its ISFSI are located in Luzerne County, Pennsylvania.

II.

By letter dated June 29, 2016, as supplemented by letter dated November 14, 2016, Susquehanna Nuclear, on behalf of itself and Riverstone Holdings, LLC (Riverstone), submitted an application to the U.S. Nuclear Regulatory Commission (NRC or the Commission), pursuant to Title 10 of the *Code of Federal Regulations* (10 CFR) Section 50.80 (10 CFR 50.80), requesting approval of the indirect transfer of control of Susquehanna Nuclear's interests in Renewed Facility Operating License Nos. NPF-14 and NPF-22, as well as the general license for the SSES ISFSI. Future reference to SSES, Units 1 and 2 include

the general license for the SSES ISFSI. Susquehanna Nuclear is licensed as the sole operator and has a 90 percent undivided ownership interest in SSES, Units 1 and 2. The proposed indirect transfer of licenses does not involve Allegheny, the other (10 percent) owner of the units and a nonoperating licensee for SSES, Units 1 and 2.

The indirect transfer of control results from the ultimate parent of Susquehanna Nuclear's interests in the licenses, Talen Energy Corporation (Talen), becoming wholly owned by the portfolio companies of Riverstone, which currently holds 35 percent in the aggregate of the outstanding common stock of Talen. As a result, all of the common stock of Talen will become privately held by affiliates of Riverstone, and Susquehanna Nuclear will become indirectly controlled by the portfolio companies of Riverstone.

The proposed indirect transfer of control will result in no change to the role of Susquehanna Nuclear as the licensed operator of the units, no change to its technical qualifications, and no change to its ownership interest or that of Allegheny. No changes will be made to the units or their licensing bases as a result of the transfer, and the transfer will not involve any changes to the principal officers, managers, or staff of Susquehanna Nuclear or to the day-to-day management and operations of the units.

Approval of the indirect transfer of the renewed facility operating licenses was requested by the applicant. A notice of the request for approval, the opportunity to comment, and the opportunity to request a hearing was published in the *Federal Register* on October 4, 2016 (81 FR 68462). One public comment was received regarding the proposed license transfers. The NRC staff addressed the comment in the Safety Evaluation dated November 30, 2016, supporting this Order. A request for access to sensitive unclassified non-safeguards information (SUNSI) made pursuant to the Order Imposing Procedures for Access to SUNSI for Contention Preparation, included with the *Federal*

Register notice, was received on October 11, 2016, from Mr. Sabatini Monatesti of Berwick, Pennsylvania. On October 20, 2016, the NRC staff denied this access request. On October 24, 2016, Mr. Monatesti appealed the NRC staff's denial of his access request. On November 21, 2016, an Atomic Safety and Licensing Board affirmed the NRC staff's denial.

Pursuant to 10 CFR 50.80, no license, or any right thereunder, shall be transferred, directly or indirectly, through transfer of control of the license, unless the Commission shall give its consent in writing. Upon review of the information in the licensee's application, and other information before the Commission, and relying upon the representations and agreements contained in the application, the NRC staff has determined that the portfolio companies of Riverstone are qualified to hold the ownership interests in the facility previously held by Talen. The NRC staff has also determined that Susquehanna Nuclear remains qualified to hold the operating authority under the licenses, and that the indirect transfer of ownership interests in the facility to Riverstone, as described in the application, is otherwise consistent with the applicable provisions of law, regulations, and orders issued by the Commission, pursuant thereto. The findings set forth above are supported by the NRC Safety Evaluation dated November 30, 2016.

III.

Accordingly, pursuant to Sections 161b, 161i, and 184 of the Atomic Energy Act of 1954, as amended (the Act); 42 USC §§ 2201(b), 2201(i), and 2234; and 10 CFR 50.80, IT IS HEREBY ORDERED that the application regarding the proposed indirect license transfers to the portfolio companies of Riverstone is approved, subject to the following conditions:

1. Susquehanna Nuclear, LLC shall not take any action that would cause Riverstone or any other direct or indirect parent of Susquehanna Nuclear, LLC or other entity,

to void, cancel, or diminish the commitment to fund an extended plant shutdown, as represented in the application for approval of the indirect transfer of the licenses for SSES, Units 1 and 2, as applicable.

2. The transaction will not alter the Support Agreement and the Support Agreement will remain in effect in accordance with license conditions in Appendix C of the SSES licenses.

IT IS FURTHER ORDERED that Susquehanna Nuclear shall inform the Director of the Office of Nuclear Reactor Regulation in writing of the date of closing of the transfer, no later than 2 business days prior to the date of the closing of the indirect transfer. Should the indirect transfer of the licenses not be completed within 1 year of this Order's date of issue, this Order shall become null and void, provided, however, upon written application and for good cause shown, such date may be extended by order.

This Order is effective upon issuance.

For further details with respect to this Order, see the application dated June 29, 2016 (Agencywide Documents Access and Management System (ADAMS) Package Accession No. ML16181A414), as supplemented by letter dated November 14, 2016 (ADAMS Accession No. ML16320A436), and the non-proprietary Safety Evaluation dated November 30, 2016, (ADAMS Accession No. ML16320A080), which are available for public inspection at the Commission's Public Document Room (PDR), located at One White Flint North, Public File Area O1-F21, 11555 Rockville Pike (first floor), Rockville, Maryland. Publicly available documents created or received at the NRC are accessible electronically through ADAMS in the NRC Library at <http://www.nrc.gov/reading-rm/adams.html>. Persons who do not have access to

ADAMS, or who encounter problems in accessing the documents located in ADAMS, should contact the NRC PDR reference staff by telephone at 1-800-397-4209, 301-415-4737, or by e-mail at pdr.resource@nrc.gov.

Dated at Rockville, Maryland this 30th day of November 2016.

FOR THE NUCLEAR REGULATORY COMMISSION

Eric J. Benner, Deputy Director,
Division of Operating Reactor Licensing,
Office of Nuclear Reactor Regulation.

[FR Doc. 2016-29716 Filed: 12/9/2016 8:45 am; Publication Date: 12/12/2016]