



NUCLEAR REGULATORY COMMISSION

[Docket Nos. 50-003, 50-247, 50-286, and 72-051; NRC-2020-0021]

In the Matter of Entergy Nuclear Operations, Inc.; Entergy Nuclear Indian Point 2, LLC; Entergy Nuclear Indian Point 3, LLC; Holtec International and Holtec Decommissioning International, LLC; Indian Point Nuclear Generating Unit Nos 1, 2, and 3

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 Provisional Operating License No. DPR-5 for Indian Point Nuclear Generating Station, Unit No. 1 (IP1); Renewed Facility Operating License Nos. DPR-26 and DPR-64 for Indian Point Nuclear Generating Unit Nos. 2 and 3, respectively, (collectively, with IP1, the Indian Point Energy Center (IPEC)); and the general license for the IPEC independent spent fuel storage installation to Holtec International (Holtec) subsidiaries. The Holtec subsidiaries would be known as Holtec Indian Point 2, LLC (Holtec IP2) and Holtec Indian Point 3, LLC (Holtec IP3). 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 conforming amendments for 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 Indian Point 2, LLC and Entergy Nuclear Indian Point 3, LLC to Holtec IP2 and Holtec IP3, respectively.

DATES: The Order was issued on November 23, 2020, and is effective for 1 year.

ADDRESSES: Please refer to Docket ID **NRC-2020-0021** 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 Web Site:** Go to <https://www.regulations.gov> and search for Docket ID **NRC-2020-0021**. Address questions about Docket IDs in Regulations.gov to Jennifer Borges; telephone: 301-287-9127; e-mail: Jennifer.Borges@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 e-mail to pdr.resource@nrc.gov. The license transfer Order, the NRC safety evaluation supporting the staff's findings, and the conforming license amendments are available in ADAMS Package Accession No. ML19170A147.

- **Attention:** The PDR, where you may examine and order copies of public documents, is currently closed. You may submit your request to the PDR via e-mail at PDR.Resource@nrc.gov or call 1-800-397-4209 between 8:00 a.m. and 4:00 p.m. (EST), Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: Richard V. Guzman, Office of Nuclear Reactor Regulation, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001; telephone: 301-415-1030, e-mail: Richard.Guzman@nrc.gov.

SUPPLEMENTARY INFORMATION: The text of the Order is attached.

Dated: November 23, 2020.

For the Nuclear Regulatory Commission.

Richard V. Guzman,

Senior Project Manager,

Plant Licensing Branch I,

Division of Operator Reactor Licensing,

Office of Nuclear Reactor Regulation.

Attachment – Order Approving Transfer of Licenses and Approving Conforming Amendments

UNITED STATES OF AMERICA

NUCLEAR REGULATORY COMMISSION

In the Matter of)	
)	
Entergy Nuclear Operations, Inc.)	
Entergy Nuclear Indian Point 2, LLC)	
Entergy Nuclear Indian Point 3, LLC)	
)	
Indian Point Nuclear Generating Station,)	Docket Nos. 50-003, 50-247,
Unit Nos. 1, 2, and 3 and ISFSI)	50-286, and 72-051
EA-20-142)	License Nos. DPR-5, DPR-26, and
)	DPR-64
)	

ORDER APPROVING TRANSFER OF LICENSES
AND DRAFT CONFORMING ADMINISTRATIVE LICENSE AMENDMENTS

I.

Entergy Nuclear Operations, Inc. (ENOI); Entergy Nuclear Indian Point 2, LLC; and Entergy Nuclear Indian Point 3, LLC are the holders of the U.S. Nuclear Regulatory Commission (NRC, the Commission) Provisional Operating License No. DPR-5 for Indian Point Nuclear Generating Station, Unit No. 1 (IP1); Renewed Facility Operating License Nos. DPR-26 and DPR-64 for Indian Point Nuclear Generating Station, Unit Nos. 2 and 3, respectively (IP2 and IP3) (collectively, with IP1, the Indian Point Energy Center (IPEC)); and the general license for the IPEC independent spent fuel storage installation (ISFSI) (collectively, the IPEC licenses). IP1 permanently ceased operations on October 31, 1974; IP2 permanently ceased operations on April 30, 2020; and ENOI has certified to the NRC its decision to permanently cease operations at IP3 by April 30, 2021. The IPEC is located in Buchanan, New York, in Westchester County, on the east bank of the Hudson River.

II.

By application dated November 21, 2019 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML19326B953), as supplemented by

information provided in letters from Holtec Decommissioning International, LLC (HDI) dated December 19, 2019; January 17, 2020; February 12, 2020; and August 7, 2020 (ADAMS Accession Nos. ML19354A698, ML20017A290, ML20043C539, and ML20220A666, respectively), ENOI, on behalf of itself; Entergy Nuclear Indian Point 2, LLC; Entergy Nuclear Indian Point 3, LLC; Holtec International (Holtec); and HDI (collectively, the Applicants), requested, pursuant to Section 184, "Inalienability of Licenses," of the Atomic Energy Act of 1954, as amended (AEA), and Sections 50.80, "Transfer of licenses," and 72.50, "Transfer of license," of Title 10 of the *Code of Federal Regulations* (10 CFR), that the NRC consent to the transfer of control of the IPEC licenses to Holtec subsidiaries. The Holtec subsidiaries would be known as Holtec Indian Point 2, LLC (Holtec IP2) and Holtec Indian Point 3, LLC (Holtec IP3). 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 the IPEC) to HDI. Finally, the Applicants requested that the NRC approve conforming administrative amendments to the IPEC licenses to reflect the proposed license transfer and to delete certain license conditions to reflect the satisfaction and termination of certain obligations after the license transfer pursuant to 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 IP2 would be the licensed owner for IP1 and IP2 and Holtec IP3 would be the licensed owner for IP3. Holtec IP2 and Holtec IP3 would also respectively own each unit's associated assets and real estate, including each unit's decommissioning trust fund, title to spent nuclear fuel, and rights pursuant to 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 three units and would emerge as the direct parent company owner of both Holtec IP2 and Holtec IP3.

Holtec IP2 and Holtec IP3 would enter into an operating agreement for decommissioning services with HDI, which would act as their agent, and Holtec IP2 and Holtec IP3 would pay for HDI's decommissioning, spent fuel management, and site restoration costs incurred at the IPEC; HDI would be the licensed operator for the IPEC. HDI would assume responsibility for compliance with NRC regulations and the current licensing basis, 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 the IPEC, including decommissioning activities, pursuant to 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.

The NRC published the notice of consideration of approval of the license transfer application and of consideration of amending the licenses to reflect the proposed transfer in the *Federal Register* on January 23, 2020 (85 FR 3947). This notice provided an opportunity to request a hearing within 20 days and an opportunity to comment within 30 days. The comment period was extended on February 19, 2020 (85 FR 9486), for an additional 30 days.

In response, on February 11, 2020, the Safe Energy Rights Group, Inc. (ADAMS Accession No. ML20042C984) and, on February 12, 2020, the State of New York (ADAMS Accession No. ML20043E118); the Town of Cortlandt, Village of Buchanan, and Hendrick Hudson School District (ADAMS Accession No. ML20043F054); and Riverkeeper, Inc. (ADAMS Accession No. ML20043F530) each filed separate hearing requests. These hearing requests are pending before the Commission. The NRC also received over 400 comment submissions, which the NRC staff listed and summarized in its safety evaluation related to the license transfer application. The staff reviewed the

hearing requests and comment submissions and considered them as part of its evaluation of the application.

The letter from HDI dated February 12, 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 IP1, IP2, and IP3 decommissioning trust funds for spent fuel management and site restoration activities at the IPEC and to allow disbursements from the IP1, IP2, and IP3 decommissioning trust funds 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. ML20309A788). 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 IP2, Holtec IP3, and HDI if and when the proposed transfer transaction is consummated.

Pursuant to 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. 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 IP2, Holtec IP3, and HDI are qualified to be the holders of the IPEC licenses and that the transfer of the IPEC 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 IPEC licenses to reflect the transfer, the NRC staff has determined that:

- (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 health and safety of the public, 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 health and safety of the public.
- (5) The issuance of the amendments is in accordance with 10 CFR Part 51 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 November 23, 2020, which is available at ADAMS Accession No. ML20297A333.

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, is approved, subject to the following conditions:

- (1) At least 2 business days before the planned closing date of the purchase and sale transaction, Holtec shall provide the Directors of the NRC's Office of Nuclear Material Safety and Safeguards (NMSS) and Office of Nuclear Reactor Regulation (NRR) with pre-notification that Holtec IP2 and Holtec IP3 and HDI will enter into a decommissioning operator services agreement that provides for HDI to act as agent for Holtec IP2 and Holtec IP3 and for Holtec IP2 and

Holtec IP3 to pay HDI's costs of post-shutdown operations, including decommissioning and spent fuel management costs.

- (2) Before the closing of the license transfer, Holtec IP2, Holtec IP3, and HDI shall provide the Directors of NMSS and NRR satisfactory documentary evidence that they have obtained the appropriate amount of insurance required of a licensee under 10 CFR 140.11(a)(4) and 10 CFR 50.54(w).
- (3) 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 pre-notification of the planned 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.

This Order is effective upon issuance.

For further details with respect to this Order, see the application dated November 21, 2019, as supplemented by letters dated December 19, 2019; January 17, 2020; February 12, 2020; and August 7, 2020, and the associated NRC staff safety evaluation dated November 23, 2020, 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: November 23, 2020.

FOR THE NUCLEAR REGULATORY
COMMISSION.

John W. Lubinski, Director,
Office of Nuclear Material Safety
and Safeguards.

Ho K. Nieh, Director,
Office of Nuclear Reactor Regulation.

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