



NUCLEAR REGULATORY COMMISSION

[Docket No. 50-255; NRC-2024-0076]

Holtec Decommissioning International, LLC and Holtec Palisades, LLC;

Palisades Nuclear Plant; Draft Environmental Assessment and Draft Finding of No Significant Impact

AGENCY: Nuclear Regulatory Commission.

ACTION: Request for comment.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) is issuing for public comment a draft environmental assessment (EA) and draft finding of no significant impact (FONSI) evaluating the environmental impacts from proposed Federal actions related to reauthorizing power operations at the Palisades Nuclear Plant (Palisades). Specifically, the NRC is considering an exemption request, a license transfer request, and license amendment requests (LARs) to support reauthorizing power operation under the NRC license. The U.S. Department of Energy (DOE), Loan Programs Office (LPO), is a cooperating agency on the draft EA. DOE LPO's proposed action is to provide Federal financial support (a loan guarantee) for refueling and resumption of power generation activities at Palisades.

DATES: Submit comments by **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]**. Comments received after this date will be considered if it is practical to do so, but the NRC is able to ensure consideration only for comments received on or before this date.

ADDRESSES: You may submit comments by any of the following methods; however, the NRC encourages electronic comment submission through the Federal rulemaking website:

- **Federal rulemaking website:** Go to <https://regulations.gov> and search for Docket ID **NRC-2024-0076**. Address questions about Docket IDs in Regulations.gov to Stacy Schumann; telephone: 301-415-0624; email: Stacy.Schumann@nrc.gov. For

technical questions, contact the individuals listed in the “For Further Information Contact” section of this document.

- **Email:** Comments may be submitted to the NRC electronically using the email address: PalisadesRestartEnvironmental@nrc.gov.

- **Mail comments to:** Office of Administration, Mail Stop: TWFN-7-A60M, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, ATTN: Program Management, Announcements and Editing Staff.

For additional direction on obtaining information and submitting comments, see “Obtaining Information and Submitting Comments” in the **SUPPLEMENTARY INFORMATION** section of this document.

FOR FURTHER INFORMATION CONTACT: Mary Richmond, telephone: 301-415-7218; email: Mary.Richmond@nrc.gov and Laura Willingham, telephone: 301-415-0857; email: Laura.Willingham@nrc.gov. Both are staff of the Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001.

SUPPLEMENTARY INFORMATION:

I. Obtaining Information and Submitting Comments

A. Obtaining Information

Please refer to Docket ID **NRC-2024-0076** when contacting the NRC about the availability of information for this action. You may obtain publicly available information related to this action by any of the following methods:

- **Federal Rulemaking Website:** Go to <https://regulations.gov> and search for Docket ID **NRC-2024-0076**.

- **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, at 301-415-4737, or by email to PDR.Resource@nrc.gov. For the convenience of the

reader, instructions about obtaining materials referenced in this document are provided in the “Availability of Documents” section.

- **NRC's PDR:** The PDR, where you may examine and order copies of publicly available documents, is open by appointment. 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 a.m. and 4 p.m. eastern time (ET), Monday through Friday, except Federal holidays.

- **Public Library:** A copy of the draft EA and draft FONSI is available for public review at the following public library locations: South Haven Memorial Library, 314 Broadway Street, South Haven, MI 49090 and St. Joseph/Maud Preston Palenske Memorial Library, 500 Market Street, St. Joseph, MI 49085.

- **NRC Public Project website:** The draft EA and draft FONSI along with information regarding Palisades, including licensing, operation, decommissioning, and potential restart is available at <https://www.nrc.gov/info-finder/reactors/pali.html>.

B. Submitting Comments

The NRC encourages electronic comment submission through any of the methods outlined in the **ADDRESSES** section of this document. Please include Docket ID **NRC-2024-0076** in your comment submission.

The NRC cautions you not to include identifying or contact information that you do not want to be publicly disclosed in your comment submission. The NRC will post all comment submissions at <https://www.regulations.gov> as well as enter the comment submissions into ADAMS. The NRC does not routinely edit comment submissions to remove identifying or contact information.

If you are requesting or aggregating comments from other persons for submission to the NRC, then you should inform those persons not to include identifying or contact information that they do not want to be publicly disclosed in their comment submission. Your request should state that the NRC does not routinely edit comment

submissions to remove such information before making the comment submissions available to the public or entering the comment into ADAMS.

II. Introduction

Palisades consists of a single pressurized-water reactor designed by Combustion Engineering (with a turbine-generator designed by Westinghouse) and is located in Covert Township, Michigan, along the shoreline of Lake Michigan. Originally licensed for operation on March 24, 1971, the NRC issued a renewed facility operating license (RFOL) for Palisades on January 17, 2007, with the renewed operating license term expiring on March 24, 2031.

After more than 40 years of commercial operation, Palisades permanently ceased operations on May 20, 2022. On June 13, 2022, Entergy Nuclear Operations, Inc., the licensee who operated the facility prior to transfer of the Palisades license to Holtec Decommissioning International, LLC (HDI) and Holtec Palisades, LLC, submitted the certifications for permanent cessation of operations and permanent removal of fuel from the reactor vessel in accordance with paragraph 50.82(a)(1) of title 10 of the *Code of Federal Regulations* (10 CFR). When the NRC docketed the certifications, Palisades' RFOL No. DPR-20 no longer authorized operation of the reactor, or emplacement or retention of fuel into the reactor vessel, as provided by 10 CFR 50.82(a)(2).

To return Palisades to power operations, HDI has submitted (1) a request for an exemption from the requirement in 10 CFR 50.82(a)(2) that prohibits operation of the Palisades reactor, or emplacement or retention of fuel into the reactor vessel; (2) a request for a license transfer from HDI (currently responsible for decommissioning activities at Palisades) to Palisades Energy, LLC (which would be authorized to operate the reactor); and (3) four LARs. These requests, along with the NRC determinations that these requests were acceptable for review, are listed in Section III of this notice. If all the requests are granted, Palisades Energy, LLC, would be allowed to place fuel into the reactor vessel and resume power operations through March 24, 2031, which is the end of the renewed facility operating license term under Palisades RFOL No. DPR-20.

Two notices of opportunity to request a hearing and petition for leave to intervene (89 FR 64486 and 89 FR 64493) were published in the *Federal Register* on August 7, 2024. The first opportunity covered four LARs from HDI, filed between December 2023 and May 2024, that would restore aspects of the Palisades license to those required for an operating reactor. The second opportunity covered a December 6, 2023, request to transfer operating authority under the Palisades license from HDI to Palisades Energy, LLC.

The NRC staff has prepared a draft EA and draft FONSI documenting its environmental review of the potential licensing and regulatory approvals. Based on the environmental review, the NRC has made a preliminary determination that the proposed actions would not significantly affect the quality of the human environment. Therefore, the NRC staff has made a preliminary determination that it will not prepare an environmental impact statement (EIS) and that a draft FONSI appears warranted.

The staff will consider comments on the draft EA and draft FONSI over a 30-day public comment period from Federal, State, local, and Tribal officials, and members of the public. After consideration of these public comments, the NRC staff will make a final determination as to whether preparation of an EIS is necessary or whether a FONSI can be issued for the licensing and regulatory approvals for Palisades.

The environmental review included fulfillment of the NRC obligations related to Section 106 of the National Historic Preservation Act (NHPA) of 1966, as amended, (54 U.S.C. 300101, et seq.). The regulations in 36 CFR 800.8, "Coordination with the National Environmental Policy Act," allow agencies to use their National Environmental Policy Act of 1969 (42 U.S.C. 4321, et seq.) process to fulfill the requirements of Section 106 of the NHPA. Therefore, pursuant to 36 CFR 800.8(c), the NRC used its process for the preparation of the EA on the proposed actions to comply with Section 106 of the NHPA in lieu of the procedures set forth at 36 CFR 800.3 through 800.6.

III. Summary of Draft Environmental Assessment

Description of the Proposed Action and Need

The NRC's proposed actions are decisions on whether to grant or deny Holtec's interdependent, connected licensing and regulatory requests that, if approved, would collectively support reauthorizing power operations and refueling of the reactor under the existing Palisades' RFOL.

| Document Description | ADAMS Accession No. |
|--|-----------------------------|
| Request for Exemption from Certain Termination of License Requirements of 10 CFR 50.82, dated September 28, 2023; Acceptance Review dated November 3, 2023. | ML23271A140; ML23291A440 |
| Application for Order Consenting to Transfer of Control of License and Approving Conforming License Amendments, dated December 6, 2023; Acceptance Review dated January 16, 2024. | ML23340A161; ML24012A242 |
| Request to Revise Renewed Facility Operating License and Permanently Defueled Technical Specifications to Support Resumption of Power Operations, dated December 14, 2023; Acceptance Review dated January 23, 2024. | ML23348A148; ML24022A117 |
| Request to Revise Selected Permanently Defueled Technical Specifications Technical Specifications to Support Resumption of Power Operations, dated February 9, 2024; Acceptance Review dated March 18, 2024. | ML24040A089; ML24060A221 |
| Request to Revise the Palisades Emergency Plan to Support Resumption of Power Operations, dated May 1, 2024; Acceptance Review dated May 23, 2024. | ML24122C666; ML24141A119 |
| Request to Approve the Biasi Critical Heat Flux Correlation for Use with the Palisades Main Steam Line Break Analysis, dated May 24, 2024; Acceptance Review dated June 18, 2024. | ML24145A145; ML24169A434 |

The NRC's environmental review also encompasses any revisions or supplements to these requests or other regulatory or licensing requests submitted to the NRC that are necessary to reauthorize power operations of Palisades.

The DOE LPO's Federal action is a decision on providing Federal financial assistance for refueling and resumption of power generation activities at Palisades, pursuant to Holtec's loan guarantee agreement with DOE LPO that was issued pursuant to the Energy Policy Act (EPA) of 2005.

The need for the potential approval of the proposed NRC Federal actions, collectively supporting the reauthorization of power operations, is to provide an option that allows for baseload clean energy power generation capability within the term of the Palisades' RFOL to meet current system generating needs. Holtec cites the State of

Michigan's Public Acts of 2023, Act No. 235 (enrolled Senate Bill 271), which establishes a clean energy standard for electric providers to provide at least 80 percent clean energy by 2035 and 100 percent by 2040. Michigan's Act No. 235 defines clean energy as including a system that "Generates electricity or steam without emitting greenhouse gas, including nuclear generation."

The need for DOE's proposed action (Federal financial assistance in the form of a loan guarantee), is to implement DOE's authority under Title XVII of the EPA of 2005, which was reauthorized, amended, and revised by the Inflation Reduction Act of 2022 to create the Energy Infrastructure Reinvestment (EIR) Program (Section 1706). The purpose of the EIR Program is to finance projects and facilities in the United States that retool, repower, repurpose, or replace energy infrastructure that has ceased operations or to enable operating energy infrastructure to avoid, reduce, utilize, or sequester air pollutants or anthropogenic emissions of greenhouse gases (42 U.S.C. 16517(a)(2)).

Environmental Impacts of the Proposed Action

In the draft EA, the NRC staff assessed the potential direct and indirect environmental impacts from the proposed actions associated with the following relevant resource areas: land use and visual resources; meteorology and air quality; surface water resources; groundwater resources and the geologic environment; ecological resources (terrestrial and aquatic); historic and cultural resources; socioeconomics; environmental justice; radiological and nonradiological human health; waste management; uranium fuel cycle and transportation; and postulated accidents. The NRC staff also considered decommissioning impacts, the potential effects of climate change on its evaluation of the environmental impacts of the proposed continued operation of Palisades, and the cumulative effects from past, present, and reasonably foreseeable future actions when combined with the proposed action.

The NRC staff determined that the environmental impacts of the proposed action would be NOT SIGNIFICANT for each potentially affected environmental resource. In addition, the NRC staff determined that the projected effects of climate change would not

alter any of the impact determinations described in the EA. Furthermore, the NRC staff found that there would be no significant cumulative impact to any resource area from the proposed action when added to other past, present, and reasonably foreseeable actions.

Environmental Impacts of the Alternatives to the Proposed Action

The NRC staff considered a range of alternatives to the proposed action and the environmental impacts of the alternatives as appropriate. The NRC staff determined that there are no alternatives that meet the need for the proposed action that would be environmentally preferable to the proposed action.

IV. Draft Finding of No Significant Impact

The proposed Federal actions before the NRC are whether to grant requests for an exemption, a license transfer, and license amendments to support reauthorizing Palisades for power operations through the remainder of its licensing term (to March 24, 2031). The NRC staff has conducted an environmental review of these actions and prepared a draft EA. This draft FONSI incorporates by reference the draft EA summarized in Section II of this notice and referenced in Section V of this notice. Based on preliminary determinations in the draft EA that the environmental impacts of the proposed actions would be NOT SIGNIFICANT for each potentially affected resource area, the NRC staff is issuing a draft determination that the proposed Federal actions would not significantly affect the quality of the human environment. Therefore, the NRC staff has made a draft determination that preparation of an EIS is not required for the proposed Federal actions and that a draft FONSI appears warranted.

This draft finding and the related environmental documents referenced throughout the EA are available for public inspection as discussed in the draft EA and Section I of this notice. The NRC's staff's determination is tentative. Before making a final determination, the NRC staff will consider comments received on the draft EA and draft FONSI over a 30-day public comment period from Federal, State, Tribal, and local officials, and members of the public. Once the NRC staff makes a final determination, the NRC will publish the final EA and final FONSI or proceed to prepare an EIS. At the

conclusion of the NRC environmental review, DOE LPO would publish a separate Record of Decision or FONSI, as appropriate.

V. Availability of Documents

The documents listed in the following table are available to interested persons through one or more of the following methods, as indicated.

| Document Description | ADAMS Accession No. / Federal Register Notice |
|--|--|
| Draft Environmental Assessment and Draft Finding of No Significant Impact for the Palisades Nuclear Plant Reauthorization of Power Operations Project, dated January 31, 2025. | ML24353A157 |
| Correspondence to NRC from Holtec, Responses to Requests for Additional Information Regarding the Proposed Reauthorization of Power Operations Under Renewed Facility Operating License Number DPR-020, dated October 4, 2024. | ML24278A027 |
| Correspondence to NRC from Holtec, Responses to Requests for Confirmatory Information, dated September 12, 2024. | ML24260A354 |
| Correspondence to NRC from Holtec, Responses to Requests for Confirmatory Information, dated November 12, 2024. | ML24319A053 |
| Holtec Decommissioning International, LLC, and Holtec Palisades, LLC; Palisades Nuclear Plant; Applications for Amendments to Renewed Facility Operating License Involving Proposed No Significant Hazards Considerations and Order Imposing Procedures for Access to Sensitive Unclassified Non-Safeguards Information and Safeguards Information- License amendment requests; opportunity to comment, request a hearing, and petition for leave to intervene; order, published August 7, 2024. | 89 FR 64486 |
| Holtec Decommissioning International, LLC, Holtec Palisades, LLC, and Palisades Energy, LLC; Palisades Nuclear Plant and the Palisades Independent Spent Fuel Storage Installation; Consideration of Approval of Transfer of Licenses and Conforming Amendment-Application for direct transfer of license; opportunity to comment, request a hearing, and petition for leave to intervene, published August 7, 2024. | 89 FR 64493 |
| Holtec Decommissioning International, LLC, and Holtec Palisades, LLC; Palisades Nuclear Plant; Notice of Intent to Conduct Scoping Process and Prepare an Environmental Assessment, published June 27, 2024. | 89 FR 53659 |

Dated: January 27, 2025.

For the Nuclear Regulatory Commission.

Christopher M. Regan,

Director,

*Division of Rulemaking, Environmental, and Financial Support,
Office of Nuclear Material Safety, and Safeguards.*

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