



Indian Point Energy Center

NRC License Transfer Application

Pre-Submittal Meeting

17 October 2019

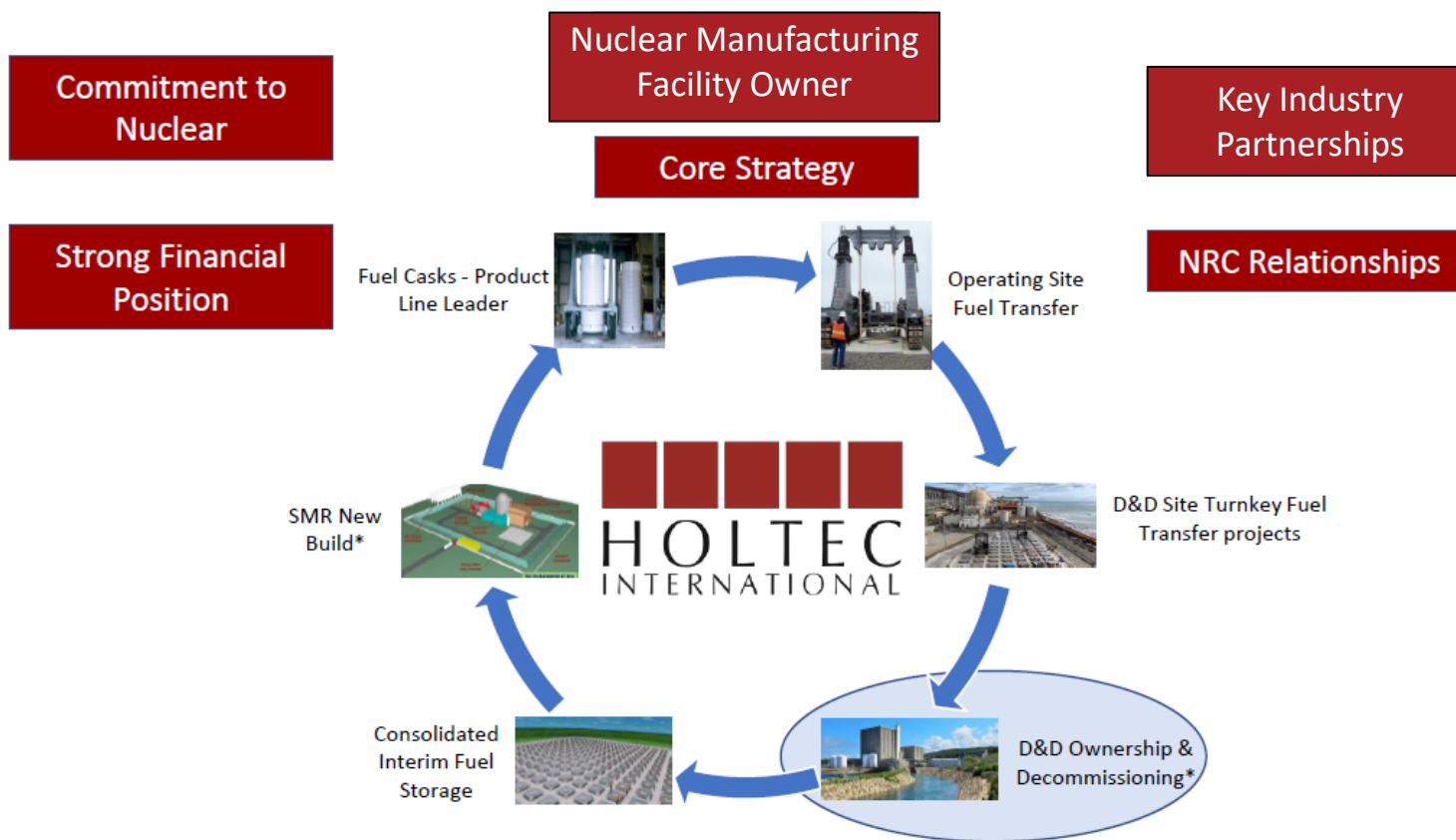
Update on IPEC Status

- Current staffing level: ~875 utility and security employees
- **Unit 2 to permanently cease operations by April 30, 2020**
- **Unit 3 to permanently cease operations by April 30, 2021**
- Anticipate permanently defueling reactor within ~30 days post-shutdown
- Entergy expects to select more than 300 Decommissioning Organization employees from incumbent staff and transition prior to transaction closing
- Target filing Entergy's PSDAR/DCE and related submittals in November 2019
- Ongoing commitment to open and transparent communications with:
 - NY State
 - Local stakeholders
 - Employees

Transaction Overview

- Equity Purchase and Sale Agreement executed for the sale of the subsidiaries that own Units 1, 2, and 3 to Holtec subsidiary Nuclear Asset Management Company, LLC
 - Post-sale, the subsidiaries will be renamed Holtec Indian Point 2, LLC (Holtec IP2) and Holtec Indian Point 3, LLC (Holtec IP3)
 - Holtec Decommissioning International, LLC (HDI) will become licensed operator
 - HDI will contract with Comprehensive Decommissioning International, LLC (CDI) to serve as the Decommissioning General Contractor
- Holtec IP2/IP3 will own:
 - Indian Point site, including associated assets (primarily the Indian Point Nuclear Decommissioning Trusts (NDTs)) and liabilities (primarily the decommissioning obligation)
 - Title to spent nuclear fuel and DOE Standard Contract
- Indian Point Decommissioning Organization employees at the time of transaction closing will be offered positions with CDI
- Transaction closing dependent upon several conditions, including NRC license transfer approval

Holtec Nuclear Stewardship



Investing in Nuclear is an integral part of Holtec's long-term strategy

Holtec Decommissioning Fleet Strategy

Establish, Implement & Advance Industry Decommissioning
Improving Safety, Cost and Efficiency

“Fleet-Based” Approach

Based on nuclear industry fleet model

Maximize standardization

Drive lessons learned across sites

Allow for cross site reviews and challenges in key areas by experienced personnel

Drive technological innovation to enhance safety and efficiency

Qualified and Experienced Personnel

HDI/CDI leadership depth of experience in plant operations and decommissioning

Integrate site organization familiar with plant operations and safety standards

Utilize experienced industry vendors for specialty work

Availability of both Holtec and SNC-Lavalin experienced personnel

Procedures & Processes

Adopt NRC-approved site programs, processes and procedures

Maintain compliance with site license & NRC regulations

Maintain, protect & control spent nuclear fuel

Oversight to ensure proper implementation

Holtec Team

- Spent fuel management and nuclear services
- Entergy Fleet spent fuel cask/storage vendor



Provide resources and oversight to support the safe, compliant operation of the acquired sites

- Licensed operator for all decommissioning sites in the Holtec fleet, including IPEC

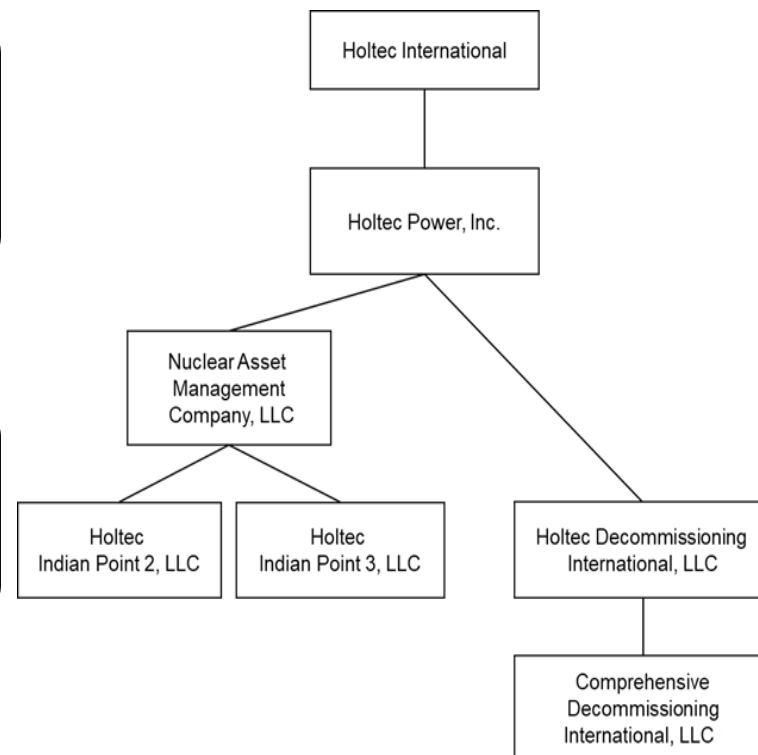


Wholly-owned Holtec subsidiary

- Extensive decommissioning project experience
- Decommissioning General Contractor (DGC) for the Holtec fleet including iPEC

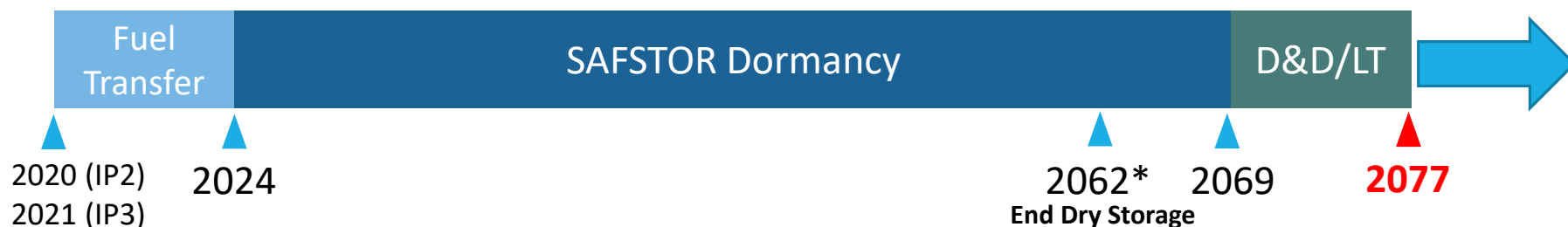


Jointly-owned by Holtec/SNC-Lavalin



Entergy's SAFSTOR vs. Holtec's Accelerated DECON

Entergy's SAFSTOR Timeline - Decommissioning occurs sequentially (Unit 1, 2 then 3)



Holtec's Planned Accelerated DECON Timeline



Accelerates Partial Site Release Enabling Site Re-Purposing from 2077 to 2036

* Assumes DOE Fuel Pick-Up Complete in 2062 for IP2 and IP3

Financial Qualifications

- IPEC NDTs satisfy 10 CFR 50.75(e)(1)(i) as a prepayment method of providing decommissioning financial assurance
 - NDTs (including the IP1 and IP2 Provisional Trust) will be owned by Holtec IP2/IP3
 - NDT balances were approximately \$2.1 billion total as of September 30, 2019
- Projected NDT values at transaction closing will be sufficient to fund the costs of radiological decommissioning, spent fuel management, and site restoration for all three units under the Holtec plan
- LTA will include financial data supporting the adequacy of the NDT funds including the following:
 - Decommissioning, spent fuel management and site restoration costs by category
 - Annualized decommissioning cost estimate with reasonable contingency assumptions
 - Cash flow analysis

NDT values at closing are sufficient to meet the 10 CFR 50.75(e)(1)(i) prepayment method of providing financial assurance

Technical Qualifications

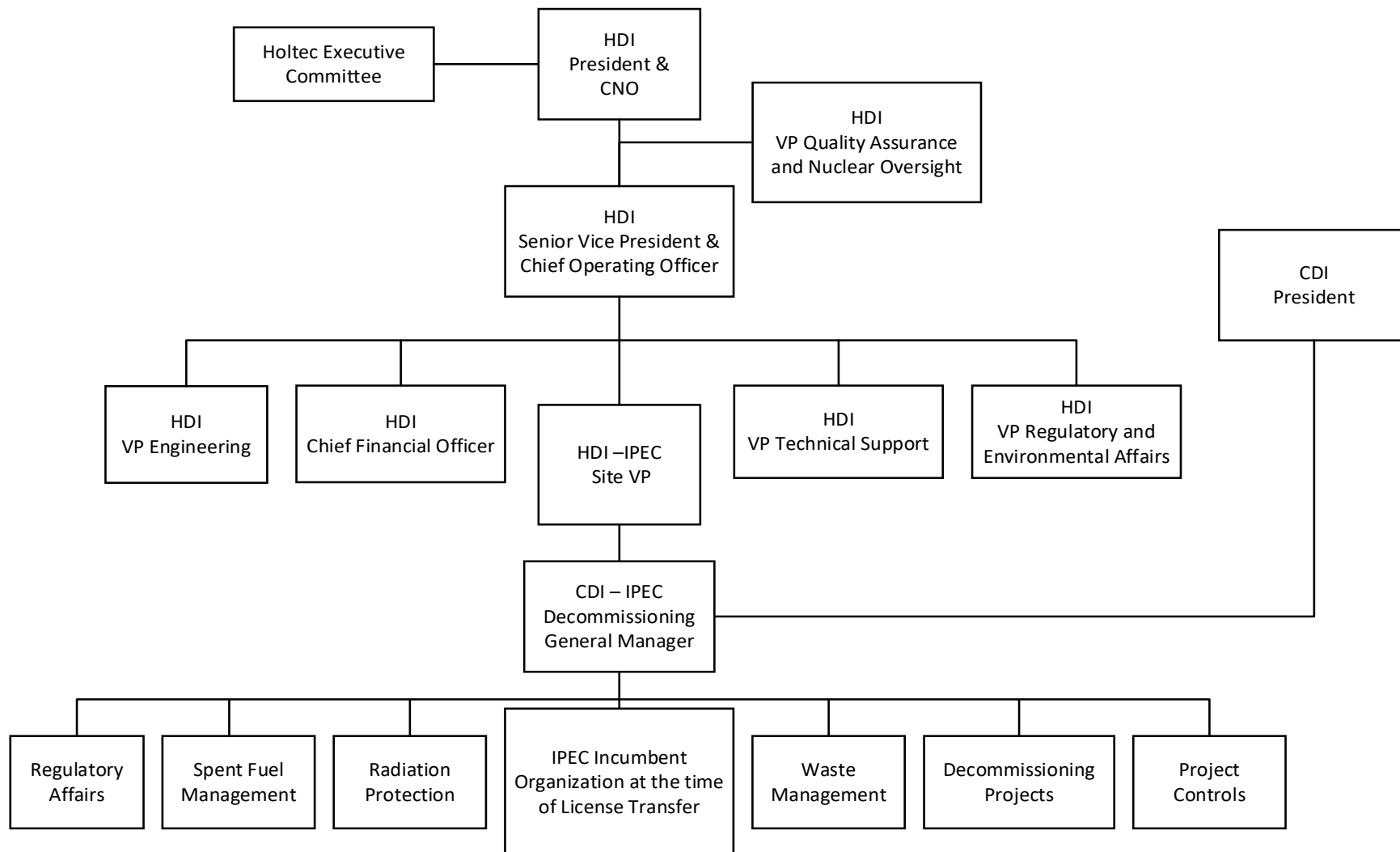
- HDI will integrate existing IPEC knowledge and incumbent staff to support HDI site organization
 - HDI will adopt existing NRC-approved programs, processes and procedures for IPEC
 - Existing IPEC site organization at the time of license transfer will be integrated into the CDI site organization including:
 - Plant Operations
 - Emergency Planning
 - Security
- HDI will have full control and oversight over CDI, including the site organization
- HDI/CDI team will jointly conduct transition readiness assessments with Entergy prior to license transfer

HDI is technically qualified to ensure compliance with the NRC licenses and regulations

Technical Qualifications

- HDI/CDI team possesses extensive experience in nuclear operating, decommissioning, and spent fuel management
- Ability to draw from Holtec's technical resources (R&D, engineering, manufacturing facilities) and experienced personnel to support decommissioning
 - Oyster Creek and Pilgrim experience
 - HDI managed by senior Holtec personnel
 - Draw from existing corporate nuclear programs (e.g.,: QA, project management)
- Ability to draw from CDI's and SNC-Lavalin's technical resources and experience in decommissioning
 - Extensive experience in decommissioning planning, project management and engineering, decommissioning cost estimating, waste management
 - Management team experience on Zion, Magnox, research reactor and other decommissioning projects

HDI Decommissioning Organization



Other License Transfer Requirements

■ Spent Fuel Management

- Holtec IP2/IP3, under Holtec ownership, will own SNF rights and obligations pursuant to DOE standard contracts
- Holtec will be responsible for ISFSI decommissioning
- Spent fuel management activities funded by NDTs, contingent on NRC approval of exemption request to be submitted by Holtec

■ Foreign ownership, control, and domination (FOCD)

- No FOCD issues
- Holtec Board of Directors are all U.S. Citizens
- Holtec and the licensee entities are not owned, controlled or dominated by any foreign person

Other License Transfer Requirements (cont'd)

■ Nuclear Insurance

- Holtec will obtain onsite property damage insurance coverage and offsite nuclear liability coverage as required
- Proof of the coverage will be provided to the NRC prior to license transfer

License Transfer Accelerates Decommissioning

- LTA satisfies NRC requirements/guidance:
 - Technical qualifications
 - Financial qualifications for decommissioning funding
 - Foreign ownership and insurance requirements
- License transfer is in the public interest:
 - Prompt decommissioning of IPEC (~15 years post sale)
 - Utilizes incumbent IPEC employees
 - Potential repurpose of site by the owner
 - Holtec commitment to local community and to be a fair partner

Next Steps: Regulatory Plan

Activity	Target Date
License Transfer Application (joint submittal with Entergy)	November 2019
DECON PSDAR including site-specific DCE	November 2019
Revised Spent Fuel Management Plan	November 2019
Exemption request to use NDT funds for SFM and Site Restoration	November 2019
Request License Transfer Application approval	November 2020