



Crystal River Nuclear Plant  
15760 W. Power Line Street  
Crystal River, FL 34428  
Docket 50-302  
Docket 72-1035  
Operating License No. DPR-72

10 CFR 50.80  
10 CFR 50.90  
10 CFR 72.50

January 17, 2020  
3F0120-01

U.S. Nuclear Regulatory Commission  
Attn: Document Control Desk  
Washington, DC 20555-0001

Subject: Supplemental Information in Support of Crystal River Unit 3 (CR3)  
License Transfer Application – FOCD Negation Action Plan

References: Letter, Duke Energy Florida, LLC to USNRC, "Application for Order  
Consenting to Direct Transfer of Control of Licenses and Approving  
Conforming License Amendment", dated June 14, 2019 (ADAMS  
Accession No. ML19170A194)

Dear Mr. Hickman:

On behalf of itself and ADP CR3, LLC (ADP CR3), Duke Energy Florida, LLC submits the following Supplemental Information in support of the review of the above referenced license transfer application (LTA) for the transfer of Facility Operating License No. DPR-72 for the Crystal River Unit 3 Nuclear Generating Plant (CR-3) (the Facility License) and the associated general license for the CR-3 Independent Spent Fuel Storage Installation (ISFSI) (the Licenses) to possess, maintain, and decommission CR-3 and the ISFSI (collectively, the CR-3 Facility). The LTA requests approval to transfer the authority under the Licenses to possess, maintain and decommission the CR3 Facility from Duke Energy Florida, LLC to ADP CR3.

The LTA explains that ADP CR3 is a wholly owned subsidiary of Accelerated Decommissioning Partners, LLC (ADP), which is 75% owned and controlled by NorthStar Group Services, Inc. (NorthStar). NorthStar is a Delaware corporation that is owned and controlled by U.S. citizens. The other non-controlling 25% interest in ADP is owned by Orano Decommissioning Holdings, which is owned by Orano USA LLC, which is owned by Orano SA, a French Société Anonyme, which is majority owned by the French State.

Given that the CR3 Facility is no longer a production or utilization facility, and based upon the fact that ADP is under U.S. control, the LTA stated that foreign, ownership, control or domination (FOCD) negation action measures are not necessary. ADP continues to

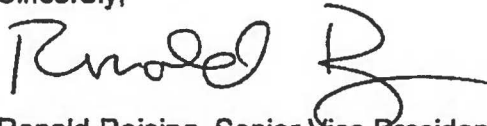
believe that no NRC imposed FOCD negation measures are required. However, NorthStar and Orano anticipated that FOCD negation could be raised as an issue for ADP, because its business is to acquire Part 50 licenses, and the FOCD restrictions in 10 CFR 50.38 apply to such licenses. Thus, when ADP was formed, NorthStar and Orano included FOCD negation measures in Section 11.4 of the Limited Liability Agreement of Accelerated Decommissioning Partners, LLC dated February 7, 2017 (the ADP LLC Agreement).

The terms of Section 11.4 assure that NorthStar has exclusive authority to decide matters relating to nuclear safety or security, and the ability to appoint any Chief Executive Officer or Chief Nuclear Officer. These measures assure U.S. control of ADP for purposes of FOCD compliance, and fully negate any potential for FOCD over the Licenses. In addition, ADP CR3 has now developed a Negation Action Plan addressing FOCD (attached). This plan augments and implements the governance provisions of the ADP LLC Agreement. ADP CR3 will implement this plan upon acceptance by the NRC staff.

This correspondence contains no new regulatory commitments of DEF.

I declare under penalty of perjury that the foregoing regarding DEF is true and correct.  
Executed on January 14, 2020.

Sincerely,

A handwritten signature in black ink, appearing to read "Ronald Reising", followed by a long horizontal flourish.

Ronald Reising, Senior Vice President  
Operations Support

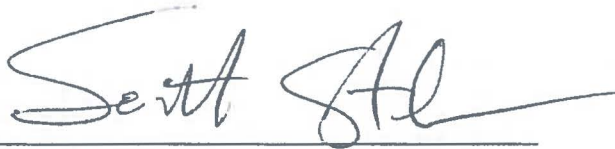
Enclosure: ADP CR-3, LLC Negation Action Plan

NMSS Project Manager  
Regional Administrator, Region I  
State of Florida

STATE OF Connecticut )  
COUNTY OF Fairfield ) SS. Trumbull

Scott E. State, being duly sworn according to law deposes and says:

I am Chief Executive Officer, NorthStar Group Services, Inc. and Accelerated Decommissioning Partners, LLC (ADP), and as such, I am familiar with the contents of this correspondence and the attachments thereto concerning the Crystal River Unit 3, Nuclear Generating Plant and the matters set forth therein regarding ADP and its affiliated companies are true and correct to the best of my knowledge, information and belief.



\_\_\_\_\_  
Scott E. State

Subscribed and Sworn to before me

this 14th day of January, 2020

  
\_\_\_\_\_  
Notary Public of

**JEAN S. NAGY**  
**NOTARY PUBLIC**  
MY COMMISSION EXPIRES 10/31/2023

## **ADP CR-3, LLC NEGATION ACTION PLAN**

### **I. INTRODUCTION**

- a. The following Negation Action Plan (the Plan) provides requirements and guidance to ensure negation of potential foreign ownership, control or domination (FOCD) over the Facility Operating License No. DPR-72 for the Crystal River Unit 3 Nuclear Generating Plant (CR-3) (the Facility License) and the associated general license for the CR-3 Independent Spent Fuel Storage Installation (ISFSI) (the Licenses) to possess, maintain, and decommission CR-3 and the ISFSI (collectively, the CR-3 Facility). The Licenses have been issued by the U.S. Nuclear Regulatory Commission (NRC) and are subject to the FOCD restrictions set forth in 10 CFR 50.38. This Plan implements measures to fully negate FOCD with respect to matters involving the nuclear safety and security of CR-3 throughout the decommissioning of the CR-3 Facility. The same measures negate potential foreign influence.
- b. This Plan describes the controls implemented to assure that the governance of ADP CR3, LLC (ADP CR3) and licensed activities undertaken by ADP CR3 are not subject to FOCD within the meaning of 10 CFR 50.38 and Section 103.d of the Atomic Energy Act of 1954, as amended (Section 103.d of the Act) (collectively the FOCD requirements).
- c. Upon transfer of the Licenses to ADP CR3, ADP CR3 will be responsible for the maintenance and decommissioning of the CR-3 Facility. ADP CR3 is a wholly owned subsidiary of Accelerated Decommissioning Partners, LLC (ADP), which is a joint venture of NorthStar Group Services, Inc. (NorthStar) (75%) and Orano Decommissioning Holdings LLC (Orano) (25%). Orano is owned by Orano USA LLC, which was formerly known as AREVA Nuclear Materials, LLC. Orano USA LLC, is owned by Orano SA, a French Société Anonyme,<sup>1</sup> which is majority owned by the French State.
- d. This Plan has been developed using the guidance provided by the NRC's "Final Standard Review Plan on Foreign Ownership, Control, or Domination," 64 FR 52355 (September 28, 1999) (FOCD SRP). Defense in depth is provided through a number of measures in order to ensure that there is U.S. control over matters relating to nuclear safety and security. These measures effectively negate the risk that Orano or its parent companies might exercise control, domination, or influence over matters that are required to be under U.S. control pursuant to the terms of 10 CFR 50.38.
- e. The negation measures are implemented primarily through the terms of the Limited Liability Agreement of Accelerated Decommissioning Partners, LLC dated February 7, 2017 (the ADP LLC Agreement). Additional requirements and further

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<sup>1</sup> A Société Anonyme is a public limited company similar to a corporation under U.S. law.

details regarding implementation of the negation measures are included in this Plan.

- f. Upon acceptance of this Plan, changes to this Plan may only be made upon the recommendation of ADP CR3's CEO and approval by NorthStar. However, any proposed change that would result in a decrease in the effectiveness of this Plan will not be implemented without the prior approval of the NRC.
- g. The FOCD negation measures described in this Plan have been implemented in the ADP LLC Agreement, which provides for the governance of ADP. ADP CR3 will provide NRC with 30 days prior written notice before implementing any material changes to the FOCD negation measures in the ADP LLC Agreement.

## **II. GOVERNANCE OF ADP AND ADP CR-3**

- a. ADP CR3 is a single Member managed limited liability company that is managed by ADP. As such, ADP controls the actions taken by ADP CR3. ADP is managed by its Members, NorthStar and Orano through their Member Representatives. The NorthStar Member Representative, a U.S. citizen, votes 75% and exercises control over the management of ADP's day-to-day business affairs and decision-making (including that of ADP's wholly owned subsidiaries), except for certain actions reserved for "Special Member Approval" that require unanimous approval. In any event, the terms of the ADP LLC Agreement provide that NorthStar has the exclusive right to exercise ADP's authority over the matters that are required to be under U.S. control pursuant to the restrictions of 10 CFR 50.38, which includes matters undertaken by ADP CR3. This is provided for in Section 11.4 of the ADP LLC Agreement, which states as follows:

### **11.4 Foreign Ownership, Control, and Domination Negation Action Plan**

*(a) For the purpose of compliance with FOCD Requirements, NorthStar shall have the exclusive authority to approve the following actions, and the Company shall not, and the Members, Officers and agents acting on the Company's behalf shall not, approve or take any of the following actions without obtaining the approval of NorthStar:*

- (i) any matter that, in view of U.S. laws or regulations, requires or makes it reasonably necessary to assure U.S. control;*
- (ii) any matter relating to nuclear safety, security or reliability, including the following matters:*
  - (1) implementation or compliance with any NRC generic letter, bulletin, order, confirmatory order or similar requirement issued by the NRC;*
  - (2) prevention or mitigation of a nuclear event or incident or the unauthorized release of radioactive material;*

- (3) *placement or restoration of the plant in a safe condition following any nuclear event or incident;*
- (4) *compliance with the Atomic Energy Act of 1954 (as in effect from time to time), the Energy Reorganization Act of 1974 (as in effect from time to time), or any NRC rule;*
- (5) *obtaining of, or compliance with, any specific license issued by the NRC and its technical specifications;*
- (6) *conformance with a specific Final Safety Analysis Report, or other licensing basis document; and*
- (7) *implementation of security plans and procedures, control of security information, administration of access to controlled security information, and compliance with government clearance requirements regarding access to restricted data;*
- (iii) *any other issue reasonably determined by NorthStar, in its prudent exercise of discretion, to be an exigent nuclear safety, security or reliability issue; and*
- (iv) *appointment of any Chief Executive Officer and Chief Nuclear Officer, and any successor thereof.*
- (b) *If and to the extent that under Applicable Law, including as a result changes to any FOCD Requirements or FOCD Guidance (including the NRC's anticipated issuance of a new Regulatory Guide and Standard Review Plan regarding FOCD Requirements) NorthStar is not required to have exclusive authority to approve any of the actions in Section 11.4(a), then the Members agree to amend Section 11.4(a) in order to eliminate such action to the extent no longer required by Applicable Law, provided that*
  - (i) after such amendment Section 11.4(a) complies with Applicable Law, including FOCD Requirements, and*
  - (ii) such amendment is approved by the NRC if then required by Applicable Law, including FOCD Requirements.*
- b. NorthStar is not now, and will not in the future become, owned, controlled, or dominated by any alien, foreign corporation, or foreign government as contemplated in the FOCD Requirements and NRC guidance concerning the implementation thereof. Furthermore, the NorthStar Member Representative, and any CEO or CNO of ADP or ADP CR-3 appointed by NorthStar to serve in such office, will be a U.S. citizen.

- c. In order to underscore the special role of the NorthStar Member Representative in assuring U.S. control is exercised to comply with NRC requirements, the NorthStar Member Representative will execute a certificate acknowledging the protective measures undertaken by ADP, as reflected in this Plan and the ADP LLC Agreement. The certificate provides as follows:

#### **Certificate Regarding FOCD**

By execution of this Certificate, I acknowledge the protective measures that have been taken by Accelerated Decommissioning Partners, LLC (ADP) through adoption and implementation of the provisions of Section 11.4 of its Limited Liability Company Agreement ("ADP LLC Agreement"), in order to protect against and negate the potential of any foreign ownership, control or domination (FOCD) of ADP or its subsidiaries within the meaning of 10 CFR 50.38.

I further acknowledge that I have a special role to assure that actions taken by ADP and its subsidiaries be in compliance with the ADP LLC Agreement, and acknowledge that the United States Government has placed its reliance on me as a United States citizen to exercise my best efforts in performing this special role. I will report any FOCD or foreign influence issue to the NRC.