



June 12, 2020
TMI-20-020

10 CFR 50.80
10 CFR 50.90

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

SUBJECT: Response to Request for Additional Information Related to Application for Order
Approving License Transfer and Conforming Amendments

Three Mile Island, Unit 2
NRC Possession Only License No. DPR-73
NRC Docket No. 50-320

References: 1) Letter TMI-19-112 from Halnon, G.H. (GPU Nuclear, Inc.) and Sauger, J
(EnergySolutions) "Application for Order Approving License Transfer and
Conforming License Amendments," (ML10325C600) dated November 12, 2019

2) U.S. Nuclear Regulatory Commission Electronic Mail Request from Theodore
Smith to Michael Casey – TMI-2 Financial Review Concerns dated June 4, 2020
and supplement June 5, 2020.

By letter dated November 12, 2019 (Reference 1), GPU Nuclear, Inc. ("GPU Nuclear"),
Metropolitan Edison Company, Jersey Central Power & Light Company, and Pennsylvania
Electric Company (collectively referred to as the "FirstEnergy Companies") and TMI-2 Solutions,
LLC ("TMI-2 Solutions") (together with the FirstEnergy Companies, the "Applicants") submitted
an application requesting that the U.S. Nuclear Regulatory Commission ("NRC") consent to the
transfer of the Possession Only License No. DPR-73 ("License") for Three Mile Island Nuclear
Station, Unit 2 ("TMI-2") from the FirstEnergy Companies to TMI-2 Solutions. TMI-2 Solutions is
an indirect wholly owned subsidiary of EnergySolutions.

In electronic mail dated June 4 and 5, 2020 (Reference 2), the NRC issued a request for
information (RAI) containing three concerns for which the NRC has requested formal responses.

Attachment 1 of this letter provides GPU Nuclear and EnergySolutions formal responses to the
request for additional information.

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In accordance with 10 CFR 50.91(b)(1), a copy of this submittal has been sent to the Commonwealth of Pennsylvania.

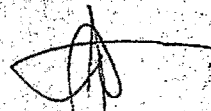
There are no regulatory commitments contained in this letter. If there are any questions, or if additional information is required, please contact Mr. Michael Casey, GPU Nuclear Responsible Engineer TMI-2 at (330) 472-8589.

I declare under penalty of perjury that the foregoing is true and correct.
Executed on June 12, 2020.

Sincerely,



Gregory H. Hainon
President and Chief Nuclear Officer
GPU Nuclear, Inc.



John Sauger
President and Chief Nuclear Officer
TMI-2 Solutions, LLC

Attachments:

Attachment 1 - Response to NRC Request for Additional Information

cc with Attachment:

NRC Project Manager
NRC Region I Administrator
NRC Lead Inspector

Director, Bureau of Radiation Protection,
Department of Environmental Protection, Commonwealth of
Pennsylvania

Chief, Division of Nuclear Safety, Bureau of Radiation Protection,
Department of Environmental Protection, Commonwealth of
Pennsylvania

Chairman, Board of County Commissioners, Dauphin County

Chairman, Board of Supervisors of Londonderry Township

ATTACHMENT 1 TO TMI-20-020

RESPONSE TO NRC REQUEST FOR ADDITIONAL INFORMATION

THREE MILE ISLAND NUCLEAR STATION, UNIT 2

NRC POSSESSION ONLY LICENSE NO. DPR-73

RESPONSE TO NRC REQUEST FOR ADDITIONAL INFORMATION (RAI) RELATED
TO APPLICATION FOR ORDER APPROVING LICENSE TRANSFER AND
CORRESPONDING AMENDMENTS

NRC Question 1

By letter dated November 12, 2019 (Agencywide Documents Access and Management System (ADAMS Accession No. ML19325C600)) submitted by GPU Nuclear, Inc. (GPUN), acting for itself and for the Metropolitan Edison Company, Jersey Central Power and Light Company, and the Pennsylvania Electric Company, (collectively the FirstEnergy Companies), requested U.S. Nuclear Regulatory Commission (NRC) approval of the direct transfer from the FirstEnergy Companies to TMI-2 Solutions. GPUN requested the NRC approval pursuant to Sections 184 of the Atomic Energy Act of 1954, as amended (AEA), "Inalienability of Licenses," and Title 10 of the Code of Federal Regulations (10 CFR) 50.80, "Transfer of Licenses," 10 CFR 72.50, "Transfer of Licenses," and 10 CFR 50.90, "Application for amendment of license, construction permit or early site permit." Information provided for NRC analysis in the request includes a Nuclear Decommissioning Trust (NDT) fund balance as of December 31, 2019 (ADAMS Accession No. ML20079D788). However, due to the ongoing Coronavirus Disease 2019 (COVID-19) public health emergency (PHE), the NRC staff requires additional information to make an informed finding on the license transfer application (LTA). Beginning in January 2020, volatility in global markets began to increase due to the COVID-19 PHE, with major disruptions in U.S. markets beginning in late February. Due to the COVID-19 PHE and its ongoing effects on markets, the value of nuclear decommissioning trust (NDT) fund balances may have fluctuated significantly in recent months. According to the LTA, the TMI-2 NDT is the source of funds for decommissioning TMI-2.

GPU Nuclear and EnergySolutions Response to Question 1

The impact of the COVID-19 PHE market volatility on the TMI-2 NDT has been minimal, as demonstrated by the values provided to question 2 below. In preparation for signing the sales contract in 2019, FirstEnergy ensured its investment strategy for the NDT was conservative.

NRC Question 2

To verify that there is reasonable assurance that funds will be available for decommissioning TMI-2, provide the value of the TMI-2 NDT balance designated for TMI-2 decommissioning responsibilities, as of June 1, 2020. Additionally, provide the highest NDT balance, the lowest NDT balance, and average balance, between December 31, 2019 and June 1, 2020.

GPU Nuclear and Energy Solutions Response to Question 2

The value of the TMI-2 NDT balance designated for TMI-2 decommissioning responsibilities, as of June 1, 2020 is \$901,447,763.28. Historical reporting is limited to month-end closing trust amounts. The highest value for the period of December 31, 2019 through June 1, 2020 was \$902,877,716.28 reported on February 29, 2020. The lowest value for the same period was \$891,757,434.11 reported on March 31, 2020. The average value for the period of December 31, 2019 through June 1, 2020 was \$898,886,912.14.

NRC Question 3

Also, we note that the cash flow provided in the LTA is from 2019 – 2037. Confirm whether the proposed licensee intends to extend decommissioning activities by one more year or if the work estimated for 2019 has been completed. If a change is needed for the dates please provide an updated cash flow analysis.

GPU Nuclear and Energy Solutions Response to Question 3

TMI-2 Solutions does not intend to extend the decommissioning work. The limited work estimated for 2019 is ongoing and the schedule allows enough room to compress the work into 2020 and complete TMI-2 decommissioning in 2037, as planned.