



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

November 18, 2021

Ms. Andrea L. Sterdis
Vice President, Regulatory &
Environmental Affairs
Holtec Decommissioning International, LLC
Krishna P. Singh Technology Campus
1 Holtec Blvd.
Camden, NJ 08104

SUBJECT: PALISADES NUCLEAR PLANT – ENVIRONMENTAL ASSESSMENT AND
FINDING OF NO SIGNIFICANT IMPACT RELATED TO THE USE OF THE
NUCLEAR DECOMMISSIONING TRUST FOR SPENT FUEL MANAGEMENT
AND SITE RESTORATION ACTIVITIES (EPID L-2020-LLE-0240)

Dear Ms. Sterdis:

Enclosed is a copy of the Environmental Assessment and Finding of No Significant Impact related to your exemption request dated December 23, 2020. The proposed action would exempt Holtec Decommissioning International, LLC from specific requirements of Sections 50.82(a)(8)(i)(A) and 50.75(h)(1)(iv) of Title 10 of the *Code of Federal Regulations* related to the use of funds from the Palisades Nuclear Plant (PNP) nuclear decommissioning trust for spent fuel management and site restoration activities for PNP.

The Environmental Assessment and Finding of No Significant Impact is being forwarded to the Office of the Federal Register for publication.

Sincerely,

/RA/

Scott P. Wall, Senior Project Manager
Plant Licensing Branch III
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-255

Enclosure:
Environmental Assessment and Finding
of No Significant Impact

cc: Listserv

ENCLOSURE

ENVIRONMENTAL ASSESSMENT AND FINDING OF NO
SIGNIFICANT IMPACT

HOLTEC DECOMMISSIONING INTERNATIONAL, LLC

PALISADES NUCLEAR PLANT

DOCKET NO. 50-255

NUCLEAR REGULATORY COMMISSION

[Docket No. 50-255; NRC-2021-0206]

Holtec Decommissioning International, LLC

Palisades Nuclear Plant

AGENCY: Nuclear Regulatory Commission.

ACTION: Environmental assessment and finding of no significant impact; issuance.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC) is considering issuance of an exemption in response to the December 23, 2020, request from Holtec Decommissioning International, LLC (HDI) related Palisades Nuclear Plant (PNP), located in Van Buren County, Michigan. The exemption would permit HDI to use funds from the PNP nuclear decommissioning trust (NDT) for spent fuel management and site restoration activities for PNP. The exemption would also allow such withdrawals without prior notification to the NRC. The NRC staff is issuing an environmental assessment (EA) and finding of no significant impact (FONSI) associated with the proposed exemption.

DATES: The EA and FONSI referenced in this document are available on **[INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]**.

ADDRESSES: Please refer to Docket ID **NRC-2021-0206** when contacting the NRC about the availability of information regarding this document. You may obtain publicly available information related to this document using any of the following methods:

- **Federal Rulemaking Website:** Go to <https://www.regulations.gov> and search for Docket ID **NRC-2021-0206**. Address questions about Dockets IDs in Regulations.gov to Stacy Schumann; telephone: 301-415-0624; email:

Stacy.Schumann@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 email to PDR.Resource@nrc.gov. For the convenience of the reader, the ADAMS accession numbers are provided in a table in the **AVAILABILITY OF DOCUMENTS** section of this document.

- **NRC's PDR:** You may examine and purchase copies of public documents, by appointment, at NRC's PDR, Room P1 B35, One White Flint North, 11555 Rockville Pike, Rockville, Maryland 20852. 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 8:00 a.m. and 4:00 p.m. (ET), Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: Scott P. Wall, Office of Nuclear Reactor Regulation, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001; telephone: 301-415-2855; email: Scott.Wall@nrc.gov.

SUPPLEMENTARY INFORMATION:

I. Introduction

The NRC is considering issuance of an exemption from sections 50.82(a)(8)(i)(A) and 50.75(h)(1)(iv) of title 10 of the *Code of Federal Regulations* (10 CFR) to HDI for Renewed Facility Operating License No. DPR-20 for PNP, located in Van Buren County, Michigan. HDI requested the exemption by letter dated December 23, 2020. The exemption would permit HDI to use funds from the PNP NDT for spent fuel management

and site restoration activities for PNP in the same manner that funds from the NDT are used under 10 CFR 50.82(a)(8) for decommissioning activities. HDI submitted the exemption request based on its analysis of the expected PNP decommissioning costs, spent fuel management costs, and site restoration costs, as provided in the PNP Post-Shutdown Decommissioning Activities Report (PSDAR) submitted by HDI to the NRC on December 23, 2020.

By letter dated December 23, 2020, Entergy Nuclear Operations, Inc. (ENOI), on behalf of itself, Entergy Nuclear Palisades, LLC (ENP), Holtec International (Holtec), and HDI, requested that the NRC consent to (1) the indirect transfer of control of Renewed Facility Operating License No. DPR-20 for PNP, the general license for the PNP Independent Spent Fuel Storage Installation (ISFSI), Facility Operating License No. DPR-6 for Big Rock Point Plant (Big Rock Point), and the general license for the Big Rock Point ISFSI (referred to collectively as the Sites and the licenses) to Holtec; and (2) the transfer of ENOI's operating authority (i.e., its authority to conduct licensed activities at the Sites) to HDI. The requested exemption from 10 CFR 50.82(a)(8)(i)(A) and 50.75(h)(1)(iv) would only apply following an NRC approval of this license transfer application and the consummation of the transfer transaction.

In accordance with 10 CFR 51.21, the NRC prepared the following EA that analyzes the environmental impacts of the proposed action. Based on the results of this EA, which are provided in Section II of this document, and in accordance with 10 CFR 51.31(a), the NRC has determined not to prepare an environmental impact statement for the proposed action and is issuing a FONSI.

II. Environmental Assessment

Description of the Proposed Action

The proposed action would partially exempt HDI from the requirements set forth in 10 CFR 50.82(a)(8)(i)(A) and 10 CFR 50.75(h)(1)(iv). Specifically, the proposed action would allow HDI to use funds from the PNP NDT for spent fuel management and site restoration activities not associated with radiological decommissioning activities and would exempt HDI from the requirement for prior notification to the NRC for these withdrawals.

The proposed action is in accordance with HDI's application dated December 23, 2020.

Need for the Proposed Action

By letter dated January 4, 2017, as supplemented by letters dated September 28, 2017, and October 19, 2017, ENOI submitted notification to the NRC indicating that it would permanently cease power operations at PNP no later than May 31, 2022.

As required by 10 CFR 50.82(a)(8)(i)(A), decommissioning trust funds may be used by the licensee if the withdrawals are for legitimate decommissioning activity expenses, consistent with the definition of decommissioning in 10 CFR 50.2. This definition addresses radiological decommissioning and does not include activities associated with spent fuel management or site restoration. Similarly, the requirements of 10 CFR 50.75(h)(1)(iv) restrict the use of decommissioning trust fund disbursements (other than for ordinary and incidental expenses) to decommissioning expenses until final decommissioning has been completed. Therefore, exemption from 10 CFR 50.82(a)(8)(i)(A) and 10 CFR 50.75(h)(1)(iv) is needed to allow HDI to use funds from the PNP NDT for spent fuel management and site restoration activities for PNP.

HDI stated that Table 1 of the exemption request demonstrates that the PNP NDT contains the funds needed to cover the estimated costs of PNP radiological decommissioning, as well as spent fuel management and site restoration activities. The adequacy of funds in the PNP NDT to cover the costs of activities associated with spent fuel management, site restoration, and radiological decommissioning through license termination is supported by the HDI PNP PSDAR. HDI stated that it needs access to the funds in the PNP NDT in excess of those needed for radiological decommissioning to support spent fuel management and site restoration activities not associated with radiological decommissioning.

The requirements of 10 CFR 50.75(h)(1)(iv) further provide that, except for withdrawals being made under 10 CFR 50.82(a)(8) or for payments of ordinary administrative costs and other incidental expenses of the NDT in connection with the operation of the NDT, no disbursement may be made from the NDT without written notice to the NRC at least 30 working days in advance. Therefore, an exemption from 10 CFR 50.75(h)(1)(iv) is also needed to allow HDI to use funds from the PNP NDT for spent fuel management and site restoration activities without prior NRC notification.

In summary, by letter dated December 23, 2020, HDI requested an exemption to allow PNP NDT withdrawals, without prior written notification to the NRC, for spent fuel management and site restoration activities for PNP.

Environmental Impacts of the Proposed Action

The proposed action involves an exemption from regulatory requirements that are of a financial or administrative nature and that do not have an impact on the environment. Before the NRC could approve the proposed action, it would have to conclude that there is reasonable assurance that adequate funds are available in the NDT to complete all activities associated with radiological decommissioning as well as

spent fuel management and site restoration. Therefore, there would be no decrease in safety associated with the use of the NDT to also fund activities associated with spent fuel management and site restoration. Section 50.82(a)(8)(v) of 10 CFR requires a licensee to submit a financial assurance status report annually between the time of submitting its site-specific decommissioning cost estimate and submitting its final radiation survey and demonstrating that residual radioactivity has been reduced to a level that permits termination of its license. Section 50.82(a)(8)(vi) of 10 CFR requires that if the sum of the balance of any remaining decommissioning funds, plus expected rate of return, plus any other financial surety mechanism does not cover the estimated cost to complete radiological decommissioning, additional financial assurance must be provided to cover the cost of completion. These annual reports provide a means for the NRC to continually monitor the adequacy of available funding. Since the exemption would allow HDI to use funds from the PNP NDT that are in excess of those required for radiological decommissioning, the adequacy of the funds dedicated for radiological decommissioning would not be affected by the proposed exemption. Therefore, there is reasonable assurance that there would be no environmental impact due to lack of adequate funding for radiological decommissioning.

The proposed action would not significantly increase the probability or consequences of radiological accidents. The proposed action has no direct radiological impacts. There would be no change to the types or amounts of radiological effluents that may be released; therefore, there would be no change in occupational or public radiation exposure from the proposed action. There are no materials or chemicals introduced into the plant that could affect the characteristics or types of effluents released offsite. In addition, the method of operation of waste processing systems would not be affected by the exemption. The proposed action would not result in

changes to the design basis requirements of structures, systems, and components (SSCs) that function to limit or monitor the release of effluents. All the SSCs associated with limiting the release of effluents would continue to be able to perform their functions. Moreover, no changes would be made to plant buildings or the site property from the proposed action. Therefore, there are no significant radiological environmental impacts associated with the proposed action.

With regard to potential non-radiological impacts, the proposed action would have no direct impacts on land use or water resources, including terrestrial and aquatic biota, as it involves no new construction or modification of plant operational systems. There would be no changes to the quality or quantity of non-radiological effluents and no changes to the plant's National Pollutant Discharge Elimination System permits would be needed. In addition, there would be no noticeable effect on socioeconomic conditions in the region, no environment justice impacts, no air quality impacts, and no impacts to historic and cultural resources from the proposed action. Therefore, there are no significant non-radiological environmental impacts associated with the proposed action.

Accordingly, the NRC concludes that there are no significant environmental impacts associated with the proposed action.

Environmental Impacts of the Alternatives to the Proposed Action

As an alternative to the proposed action, the NRC staff considered denial of the proposed action (i.e., the "no-action" alternative). Denial of the proposed action would result in no change in current environmental impacts. The environmental impacts of the proposed action and the alternative action are similar.

Alternative Use of Resources

There are no unresolved conflicts concerning alternative uses of available resources under the proposed action.

Agencies and Persons Consulted

No additional agencies or persons were consulted regarding the environmental impact of the proposed action. On November 5, 2021, the NRC notified the State of Michigan representative of the EA and FONSI. The representative had no comments.

III. Finding of No Significant Impact

The requested exemption from 10 CFR 50.82(a)(8)(i)(A) and 10 CFR 50.75(h)(1)(iv) would allow HDI to use funds from the PNP NDT for spent fuel management and site restoration activities for PNP, without prior written notification to the NRC. The proposed action would not significantly affect plant safety, would not have a significant adverse effect on the probability of an accident occurring, and would not have any significant radiological or non-radiological impacts. The proposed action involves an exemption from requirements that are of a financial or administrative nature and that would not have an impact on the human environment. Consistent with 10 CFR 51.21, the NRC conducted the EA for the proposed action, and this FONSI incorporates by reference the EA included in Section II of this document. Therefore, the NRC concludes that the proposed action will not have significant effects on the quality of the human environment. Accordingly, the NRC has determined not to prepare an environmental impact statement for the proposed action.

Other than HDI's letter dated December 23, 2020, there are no other environmental documents associated with this review.

Previous considerations regarding the environmental impacts of operating PNP are described in NUREG-1437, Supplement 27, "Generic Environmental Impact Statement for License Renewal of Nuclear Plants: Supplement 27 Regarding Palisades Nuclear Plant – Final Report," dated October 2006.

IV. Availability of Documents

The documents identified in the following table are available to interested persons through ADAMS, as indicated.

DOCUMENT DESCRIPTION	ADAMS ACCESSION NO.
Letter from ENOI to NRC, "Certification of Permanent Cessation of Power Operations," dated January 4, 2017	ML17004A062
Letter from ENOI to NRC, "Certification of Permanent Cessation of Power Operations," dated September 28, 2017	ML17271A233
Letter from ENOI to NRC, "Supplement to Certification of Permanent Cessation of Power Operations," dated October 19, 2017	ML17292A032
Letter from HDI to NRC, "Request for Exemptions from 10 CFR 50.82(a)(8)(i)(A) and 10 CFR 50.75(h)(1)(iv)," dated December 23, 2020	ML20358A239
Letter from HDI to NRC, "Post Shutdown Decommissioning Activities Report including Site-Specific Decommissioning Cost Estimate for Palisades Nuclear Plant," dated December 23, 2020	ML20358A232
Letter from ENOI to NRC, "Application for Order Consenting to Transfers of Control of Licenses and Approving Conforming License Amendments," dated December 23, 2020	ML20358A075
NUREG-1437, Supplement 27, "Generic Environmental Impact Statement for License Renewal of Nuclear Plants: Supplement 27 Regarding Palisades Nuclear Plant – Final Report," dated October 2006	ML062710300

Dated: November 22, 2021.

For the Nuclear Regulatory Commission.

/RA/

Scott P. Wall, Senior Project Manager,
Plant Licensing Branch III,
Division of Operating Reactor Licensing,
Office of Nuclear Reactor Regulation.

SUBJECT: PALISADES NUCLEAR PLANT – ENVIRONMENTAL ASSESSMENT AND FINDING OF NO SIGNIFICANT IMPACT RELATED TO THE USE OF THE NUCLEAR DECOMMISSIONING TRUST FOR SPENT FUEL MANAGEMENT AND SITE RESTORATION ACTIVITIES (EPID L-2020-LLE-0240) DATED NOVEMBER 18, 2021

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ADAMS Accession Nos.: ML21285A279 (Letter) ML21285A280 (FRN)

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NAME	SWall	SRohrer	RElliott
DATE	10/12/2021	10/13/2021	10/18/2021
OFFICE	NMSS/DUWP/RDB/BC	OGC – NLO	NRR/DORL/LPL3/BC
NAME	BWatson	JWachutka	NSalgado
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OFFICE	NRR/DORL/LPL3/PM		
NAME	SWall		
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