



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

November 8, 2021

Mr. Thomas P. Rielly
Executive Principal
Vista 360
649 Innsbruck
Libertyville, IL 60048

SUBJECT: EXELON GENERATION NOTICE OF DISBURSEMENT FROM
DECOMMISSIONING TRUSTS FOR ZION UNITS 1 AND 2

Dear Mr. Rielly:

I am responding to your letter dated July 30, 2021, in which you provided feedback regarding a notice of disbursement from the decommissioning trusts for Zion Nuclear Power Station (Zion) Units 1 and 2. As conditioned in the Operating Licenses for Zion Units 1 and 2, and consistent with the Master Terms for the Trust Agreements for the Zion Units 1 and 2 nuclear decommissioning trust, prior to disbursing any funds from the non-qualified decommissioning trust funds to reimburse the decommissioning costs for Zion, the licensee is required to provide thirty days written notice to the U.S. Nuclear Regulatory Commission (NRC). Accordingly, on July 20, 2021, Exelon Generation Company, LLC (EGC) provided a "Notice of Disbursement from Non-Tax Qualified Decommissioning Trusts for Exelon Generation Company LLC's Zion Unit 1 and Unit 2" (Agencywide Documents Access and Management System [ADAMS] Accession No. ML21201A313) for NRC's review and consideration. As part of the NRC-approved licensing action transferring the Zion Unit 1 and 2 Operating Licenses from EGC to ZionSolutions for the purpose of decommissioning the facility, including construction of an independent spent fuel storage installation (ISFSI) and transfer of spent fuel to the ISFSI, EGC retained and segregated \$25 million in its Zion Units 1 and 2 Non-Tax Qualified Decommissioning Trust Fund for the purpose of, among other things, funding the maintenance and decommissioning of the Zion Station ISFSI. The Notice states that the disbursement of \$29,985.37 for each unit, totaling \$59,970.74, will reimburse EGC for decommissioning costs incurred during 2020 for EGC's cost estimates for decommissioning the Zion Station ISFSI, and personnel and environmental monitoring expenses to maintain the ISFSI.

NRC staff reviewed the Notice and found that the Notice met the notification requirements set forth in the Zion Units 1 and 2 Operating Licenses. Furthermore, NRC staff found that ISFSI decommissioning planning and spent fuel management expenses identified in the Notice are legitimate expenses and within the bounds of the available \$25 million segregated for these purposes, as approved in the Zion Units 1 and 2 license transfer. Additionally, NRC staff confirmed that the withdrawal does not negatively impact the availability of funding to radiologically decommission the Zion facility and terminate the licenses. Finally, with respect to the Office of the Inspector General (OIG) audit, OIG-21-A-14, "Audit of the NRC's Oversight of the Adequacy of Decommissioning Trust Funds," the focus of the audit was not Zion-specific, rather it was focused on the decommissioning funding oversight process as a whole. Audits of this nature are routine and do not constitute the necessity for NRC staff to temporarily halt its regulatory oversight duties or impede normal flow of business for licensees.

In accordance with Title 10 of the *Code of Federal Regulations* 2.390, a copy of this letter will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records component of NRC's ADAMS. ADAMS is accessible from the NRC Web site at <https://www.nrc.gov/reading-rm/adams.html>.

If you have any questions regarding this letter, please contact me at 301-415-1335 or via email at Kimberly.Conway@nrc.gov.

Sincerely,



Signed by Conway, Kimberly
on 11/08/21

Kimberly A. Conway, Project Manager
Reactor Decommissioning Branch
Division of Decommissioning, Uranium Recovery,
and Waste Programs
Office of Nuclear Material Safety
and Safeguards

Docket Nos.: 50-295 and 50-304
License No.: DPR-39 and DPR-48

T. Rielly

3

Letter to T. Rielly, Vista 360, from K. Conway, NRC, re: Exelon Notice of Disbursement from Decommissioning Trusts for Zion Units 1 and 2 DATE November 8, 2021

DISTRIBUTION:

ADAMS Accession No.: Ltr ML21302A069

OFFICE	NMSS/DUWP/RDB	NMSS/DUWP/RDB	NMSS/REFS/FAB	NMSS/DUWP/RDB
NAME	KConway <i>KC</i>	BWatson JParrott for <i>JP</i>	FMiller <i>FM</i>	KConway <i>KC</i>
DATE	Oct 29, 2021	Oct 29, 2021	Nov 8, 2021	Nov 8, 2021

OFFICIAL RECORD COPY