

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

In the Matter of)	
)	
ENERGY <i>SOLUTIONS</i> , LLC)	
)	
(Zion Nuclear Power Station, Units 1 and 2,)	Docket Nos. 50-295, 50-304, 72-1037,
and the Associated Independent Spent)	50-320, 50-409, 72-046, 50-305, 72-64,
Fuel Storage Installation; Three Mile)	030-39013, 11005620, and 11005897
Island Nuclear Station, Unit 2; La Crosse)	
Boiling Water Reactor, and the Associated)	License Nos. DPR-39, DPR-48, DPR-73,
Independent Spent Fuel Storage)	DPR-45, DPR-43, 39-35044-01, XW010/04,
Installation; Kewaunee Power Station, and)	and XW018/01
the Associated Independent Spent Fuel)	
Storage Installation; Radioactive)	
Materials License; and Export Licenses)	
EA-22-024)	

ORDER APPROVING INDIRECT TRANSFER OF LICENSES

I.

This order pertains to the following licenses held, or potentially held during the effectiveness of this order, by Energy*Solutions*, LLC (Energy*Solutions*, the Applicant) or its wholly-owned subsidiaries (collectively, the Licenses):

- Facility Operating License Nos. DPR-39 and DPR-48 for Zion Nuclear Power Station (ZNPS), Units 1 and 2, respectively, and the general license for the ZNPS independent spent fuel storage installation (ISFSI) located in Zion, Illinois. The ZNPS licenses are currently held by the Applicant's licensed subsidiary, Zion*Solutions*, LLC, a wholly-owned special purpose subsidiary under the Applicant, for the purpose of decommissioning the site. However, there is a pending U.S. Nuclear Regulatory Commission (NRC, the Commission) order approving the transfer of the ZNPS licenses from Zion*Solutions*, LLC to Exelon Generation Company, LLC (Agencywide Documents Access and Management System (ADAMS) Accession No. ML21229A027).

- Possession Only License No. DPR-73 for Three Mile Island Nuclear Station, Unit 2 (TMI-2) located near Middletown, Pennsylvania. The TMI-2 facility and site are owned and operated by the Applicant's licensed subsidiary, TMI-2 Solutions, LLC, a wholly-owned special purpose subsidiary under the Applicant, for the purpose of decommissioning the site.
- Possession Only License No. DPR-45 for La Crosse Boiling Water Reactor (LACBWR), located on the east bank of the Mississippi River in Vernon County, Wisconsin, and the general license for the LACBWR ISFSI. The LACBWR licenses are currently held by LaCrosseSolutions, LLC, a wholly-owned special purpose subsidiary under the Applicant, for the purpose of decommissioning the site. However, there is a pending NRC order approving the transfer of the LACBWR licenses from LaCrosseSolutions, LLC to Dairyland Power Cooperative (ADAMS Accession No. ML21228A107).
- Renewed Facility Operating License No. DPR-43 for Kewaunee Power Station (KPS), located in the Town of Carlton along the coast of Lake Michigan in Kewaunee County, Wisconsin, and the general license for the KPS ISFSI. The KPS licenses are currently indirectly held by Dominion Nuclear Projects, Inc.; however, there is a pending NRC order approving the transfer of the KPS licenses from Dominion Nuclear Projects, Inc. to EnergySolutions (ADAMS Accession No. ML22014A387).
- Radioactive Materials License No. 39-35044-01 for use at temporary job sites to support a variety of possible work scope activities at those sites.
- Export License XW010/04 for return of radioactive waste to Canada.
- Export License XW018/01 for return of radioactive waste to Germany.

II.

By application dated December 7, 2021, as supplemented by letters dated March 30, 2022, and April 18, 2022 (ADAMS Accession Nos. ML21344A114, ML22091A275, and ML22110A030, respectively), the Applicant, on behalf of itself and its wholly-owned subsidiaries, requested that the NRC consent to the indirect transfer of control of the Licenses, to the extent that the Licenses may be held by the Applicant or its wholly owned subsidiaries at the time of the indirect transfer, pursuant to Section 184 of the Atomic Energy Act of 1954, as amended (the Act), and Title 10 of the *Code of Federal Regulations* (10 CFR) Sections 30.34(b), 50.80, 72.50, and 110.50(d).

Specifically, the Applicant requested that the NRC consent to the indirect transfer of control of the Licenses to support a proposed stock purchase transaction involving the current principal shareholders of the corporate parent company of the Applicant and other investors. The Applicant is a wholly-owned subsidiary of EnergySolutions Finance Holdings, LLC, which is a privately held company whose shares are directly owned by EnergySolutions, Inc., which in turn is a privately held company whose shares are directly owned by Rockwell Holdco, Inc. (Rockwell).

Rockwell is approximately 58 percent owned primarily by a number of affiliated passive investment funds controlled by Energy Capital Partners GP II, LP (collectively, the ECP II Partnerships). The ECP II Partnerships are each controlled by Energy Capital Partners GP II, LP as general partner. The general partner in turn is controlled by Energy Capital Partners II, LLC. Collectively, these entities are referred to as "ECP." Rockwell is also approximately 40 percent owned by passive investment funds controlled by TriArtisan ES Partners, LLC. TriArtisan ES Partners, LLC is in turn controlled by TriArtisan ES MM LLC, which is in turn

managed by TriArtisan Capital Advisors LLC. Collectively, these entities are referred to as the “TriArtisan Entities.”

The indirect transfer arises from a Stock Purchase Agreement (SPA) dated November 16, 2021. Pursuant to the SPA, a passive investment fund established by the TriArtisan Entities, known as TriArtisan ES Partners II LP, will acquire most of the existing majority shareholder interest held by ECP, as well as most of the current TriArtisan Entities’ shares. As a result, TriArtisan ES Partners II LP and the TriArtisan Entities (collectively, TriArtisan) would own a majority shareholder interest of approximately 88 percent and would have governance control over Rockwell.

On January 21, 2022, the NRC published a notice of consideration of approval of the application in the *Federal Register* (87 FR 3372). The supplemental letter dated March 30, 2022, provided additional information that expanded the scope of the application as originally noticed and, therefore, the NRC published a notice of consideration of approval of the application, as supplemented, in the *Federal Register* on April 8, 2022 (87 FR 20889). The supplemental letter dated April 18, 2022, provided additional information that clarified the application and did not expand the scope of the application as noticed. The notices provided an opportunity to comment, request a hearing, and petition for leave to intervene on the application. One request for a hearing on the application was filed by Eric Epstein, on behalf of himself, on February 10, 2022 (ADAMS Accession No. ML22041A773). This hearing request is pending before the Commission. The NRC received no comment submissions on the license transfer application.

In accordance with 10 CFR 50.80, no license for a production or utilization facility, or any right thereunder, shall be transferred, either voluntarily or involuntarily, directly or indirectly, through transfer of control of the license to any person, unless the Commission gives its consent

in writing. In accordance with 10 CFR 72.50, no license or any part included in a license for an ISFSI shall be transferred, either voluntarily or involuntarily, directly or indirectly, through transfer of control of the license to any person, unless the Commission gives its consent in writing. In accordance with 10 CFR 30.34, no license issued or granted pursuant to 10 CFR part 30 nor any right under a license shall be transferred, either voluntarily or involuntarily, directly or indirectly, through transfer of control of any license to any person, unless the Commission shall, after securing full information, find that the transfer is in accordance with the provision of the Act and shall give its consent in writing. In accordance with 10 CFR 110.50, a specific license may be transferred to another person only with the approval of the Commission.

Upon review of the information in the application, as supplemented, and other information before the NRC, and relying upon the representations and agreements contained in the application, the NRC staff has determined that Energy*Solutions* is qualified to hold the Licenses, to the extent described in the application, and that transfer of the Licenses is otherwise consistent with applicable provisions of law, regulations, and orders issued by the Commission pursuant thereto, subject to the conditions set forth below. The NRC staff has also determined that: (1) there is reasonable assurance that the health and safety of the public will not be endangered by operation in the proposed manner, (2) there is reasonable assurance that such activities will be conducted in compliance with the Commission's regulations, and (3) the transfer will not be inimical to the common defense and security or to the health and safety of the public. The findings set forth above are supported by an NRC staff safety evaluation dated May 3, 2022.

III.

Accordingly, pursuant to Sections 161b, 161i, and 184 of the Act, 42 U.S.C. §§ 2201(b), 2201(i), and 2234; and 10 CFR 30.34(b), 50.80, 72.50, and 110.50(d), IT IS HEREBY ORDERED that the application regarding the proposed indirect license transfer is approved, subject to the following conditions:

- 1) The NRC staff's approval of the license transfer is subject to the Commission's authority to rescind, modify, or condition the approved transfer based on the outcome of any post-effectiveness hearing on the license transfer application.
- 2) If *EnergySolutions* does not indirectly hold Facility Operating License Nos. DPR-39 and DPR-48 for ZNPS, Units 1 and 2, respectively, and the general license for the ZNPS ISFSI, at the time of the closing of the proposed indirect license transfer, then the ZNPS licenses shall not be transferred as part of the indirect license transfer.
- 3) If *EnergySolutions* does not indirectly hold Possession Only License No. DPR-45 for LACBWR, and the general license for the LACBWR ISFSI, at the time of the closing of the proposed indirect license transfer, then the LACBWR licenses shall not be transferred as part of the indirect license transfer.
- 4) If *EnergySolutions* does not indirectly hold Renewed Facility Operating License No. DPR-43 for KPS, and the general license for the KPS ISFSI, at the time of the closing of the proposed indirect license transfer, then the KPS licenses shall not be transferred as part of the indirect license transfer.

Should the proposed indirect license transfer not be completed within one year of the date of this order, this order shall become null and void, provided, however, that upon written application and for good cause shown, such date may be extended by order. The conditions of this order may be amended upon application by the Applicant and approval by the NRC.

This order is effective upon issuance.

For further details with respect to this order, see the application dated December 7, 2021, as supplemented by letters dated March 30, 2022, and April 18, 2022, and the associated NRC staff safety evaluation dated May 3, 2022. Publicly available documents created or received at the NRC are accessible electronically through ADAMS in the NRC Library at <https://www.nrc.gov/reading-rm/adams.html>. Persons who do not have access to ADAMS or who encounter problems accessing the documents located in ADAMS, should contact the NRC Public Document Room reference staff by telephone at 1-800-397-4209, or 301-415-4737, or by email to pdr.resource@nrc.gov.

Dated: May 3, 2022

FOR THE NUCLEAR REGULATORY COMMISSION.



Signed by Lubinski, John
on 05/03/22

John W. Lubinski, Director,
Office of Nuclear Material Safety
and Safeguards.