



March 30, 2022

ES-2022-003

10 CFR 50.80
10 CFR 72.50
10 CFR 110.50(d)
10 CFR 30.34(b)

U.S. Nuclear Regulatory Commission
Attention: Document Control Desk
Washington, DC 20555

SUBJECT: Response to NRC Request for Additional Information dated March 28, 2022

Application for Order Approving Indirect Transfer of Control of: License Nos. DPR-39 and DPR-48 (Docket Nos. 50-295, 50-304 and 72-1037) (Zion); License No. DPR-73 (Docket No. 50-320) (TMI-2); License No. DPR-45 (Docket Nos. 50-409 and 72-046) (La Crosse); Radioactive Materials License No. 39-35044-01 (Docket Nos. 030-39013, 030-38619) Export Licenses XW010 (Docket No. 11005620) and XW018 (Docket No. 11005897)

In response to a March 28, 2022 request for additional information (the RAI), EnergySolutions, LLC submits the following information regarding the above-referenced Application for Nuclear Regulatory Commission (NRC) approval of an indirect transfer of control of the subject licenses (Accession No. ML21344A114, referred to as the EnergySolutions indirect license transfer).

The Application noted that EnergySolutions is separately seeking NRC consent to a transfer of control of the licenses for the shutdown Kewaunee Power Station (KPS) and the associated independent spent fuel storage installation (ISFSI), through a license transfer application submitted on May 10, 2021 by EnergySolutions and Dominion Energy Kewaunee, Inc. (DEK) (Accession No. ML21131A141, referred to as the KPS license transfer). Footnote 1 of the Application stated:

Once the KPS transaction is complete, the license for KPS will be controlled by [EnergySolutions] through a wholly owned subsidiary as described in the May 10, 2021 application. Should the KPS transfer be completed prior to the NRC's action on this proposed indirect transfer, [EnergySolutions] will promptly supplement this application to reflect that change.

At this time, the KPS transaction remains subject to an ongoing review by the Public Service Commission of Wisconsin (PSCW) in Docket No. 9812-EI-100. The PSCW has completed hearings, and briefings by the parties in that proceeding were completed on March 28, 2022. A decision by the PSCW is anticipated by May 2022. Therefore, the KPS license transfer will

M006

NMSS26
r NMSS

likely be consummated after completion of the EnergySolutions indirect license transfer, which the NRC anticipates approving by April 29, 2022.

In addition, the Application (at footnote 2) noted that if the transfer of control of the Zion Nuclear Power Station (ZNPS) licenses from EnergySolutions' subsidiary ZionSolutions, LLC back to Exelon Generation Company, LLC (or its renamed successor) were to occur prior to closing of the EnergySolutions indirect license transfer, EnergySolutions would promptly supplement the Application to reflect that change. The transfer back of the ZNPS licenses was authorized by NRC order dated November 26, 2019, as extended by order dated August 30, 2021 (Accession No. ML21229A027). At this time, work related to final status surveys is still in progress at ZNPS.

In response to the RAI, EnergySolutions hereby supplements the Application as follows:

Confirmation: EnergySolutions confirms that the contents of its Application and its responses to Requests for Additional Information will apply equally and in the same manner to Facility Operating License No. DPR-43 for KPS if EnergySolutions acquires the holder of that license. Specifically, the technical, financial and ownership qualifications of the proposed indirect transferee are not different in any way as they relate to Facility Operating License No. DPR-43 for KPS than to the other licenses identified above.

Additional Information on KPS: KPS is a permanently shutdown plant located in Carlton, Wisconsin. Transfer of all spent nuclear fuel to the KPS ISFSI was completed in 2017. KPS is currently owned and operated by Dominion Energy Kewaunee, Inc. Upon completion of the KPS license transfer, Dominion Energy Kewaunee, Inc. will become a wholly owned subsidiary of EnergySolutions. Dominion Energy Kewaunee, Inc. will then change its name to Kewaunee Solutions, Inc. (Kewaunee Solutions) and will continue to be the owner and operator of KPS.

For the reasons discussed in the Application, the EnergySolutions indirect license transfer will have no material impact on the technical and financial qualifications of EnergySolutions' Licensed Subsidiaries, which would include Kewaunee Solutions in the event the KPS license transfer were completed prior to the EnergySolutions indirect license transfer. The Licensed Subsidiaries including Kewaunee Solutions will remain responsible for carrying out their responsibilities for activities under the respective licenses for decommissioning and spent fuel management. There are no planned changes in the technical organizations, the programs, processes and procedures, or other operations as a result of the proposed change in upstream ownership. There are no planned changes in existing financial qualification arrangements for the Licensed Subsidiaries, including Kewaunee Solutions, for decommissioning funding assurance and spent nuclear fuel management and funding. There are also no planned changes in existing nuclear insurance for the facilities as applicable under 10 CFR Part 140 for nuclear liability insurance and the associated NRC indemnity agreement, as well as 10 CFR 50.54(w) for onsite nuclear property damage insurance. Finally, as described in the Application and the application for the KPS license transfer, consistent with the requirements of Sections 103d and 104d of the Atomic Energy Act of 1954 (AEA) and NRC regulations at 10 CFR 50.38, EnergySolutions is not owned, controlled, or dominated by a foreign entity or person. Thus the

Licensed Subsidiaries, including as applicable Kewaunee Solutions, will not be subject to impermissible foreign ownership, control, or domination (FOCD) within the meaning of the AEA following completion of the EnergySolutions indirect license transfer.

Request: EnergySolutions requests that the NRC include in its approval order for the EnergySolutions indirect license transfer certain conditional approvals related to the KPS and ZNPS license transfers. Specifically, with respect to the KPS license transfer, the order approving the EnergySolutions indirect license transfer should include approval of the transfer of control of the KPS licenses even though they are not yet held by Kewaunee Solutions, for the same reasons, and on the basis of the same submissions supporting the approval of the EnergySolutions indirect license transfer of the other licenses identified above, said approval being subject to a condition that would provide substantially as follows:

If EnergySolutions does not indirectly hold Facility Operating License No. DPR-43 for KPS and the general license for the KPS ISFSI at the time of closing of the EnergySolutions indirect license transfer, then these licenses shall not be transferred as part of the EnergySolutions indirect license transfer.

With respect to the ZNPS licenses, the order approving the EnergySolutions indirect license transfer should include approval of the transfer of control of the ZNPS licenses, subject to a condition that would provide substantially as follows:

If EnergySolutions does not indirectly hold Facility Operating License Nos. DPR-39 and DPR-48 for ZNPS and the general license for the ZNPS ISFSI at the time of closing of the EnergySolutions indirect license transfer, then these licenses shall not be transferred as part of the EnergySolutions indirect license transfer.

Should you have any questions or require additional information, please contact Gerard P. van Noordennen, Senior Vice President Regulatory Affairs, at 860-462-9707.

I declare under penalty of perjury that the foregoing is true and correct. Executed on the 30th day of March 2022.

Sincerely,



Russell G. Workman
General Counsel and Corporate Secretary
EnergySolutions, LLC

cc:

Regional Administrator - NRC Region I

Regional Administrator - NRC Region III U.S. NRC Project Manager – Kewaunee Power Station

U.S. NRC Project Manager – Kewaunee Power Station

U.S. NRC Project Manager - Three Mile Island Unit-2

U.S. NRC Project Manager - Zion Nuclear Power Station

U.S. NRC Project Manager - La Crosse Boiling Water Reactor

Illinois Emergency Management Agency - Division of Nuclear Safety

PA Nuclear Safety Division, Bureau of Radiation Protection, Department of Environmental Protection

PA Decommissioning and Environmental Surveillance Division, Bureau of Radiation Protection , Department of Environmental Protection

Division of Energy Regulation, Wisconsin Public Service Commission

Radiation Protection Section, Bureau of Environmental and Occupational Health, Division of Public Health Wisconsin Department of Health Services