



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

June 28, 2022

Kenneth W. Robuck
President and Chief Executive Officer
EnergySolutions, LLC
121 West Trade Street, Suite 2700
Charlotte, NC 28202

Daniel G. Stoddard
President and Chief Nuclear Officer
Dominion Energy Kewaunee, Inc.
5000 Dominion Blvd
Glen Allen, VA 23060

SUBJECT: KEWAUNEE POWER STATION – ISSUANCE OF CONFORMING LICENSE
AMENDMENT REGARDING INDIRECT TRANSFER OF LICENSE FROM
DOMINION ENERGY KEWAUNEE, INC. TO KEWAUNEE SOLUTIONS, INC.
(EPID L-2021-LLO-0002)

Dear Kenneth Robuck and Daniel Stoddard:

By order dated March 31, 2022 (Agencywide Documents Access and Management System (ADAMS) Accession No. [ML22014A387](#)), the U.S. Nuclear Regulatory Commission (NRC) approved the indirect transfer of Renewed Facility Operating License No. DPR-43 for the Kewaunee Power Station (KPS) and the general license for the KPS independent spent fuel storage installation, held by Dominion Energy Kewaunee, Inc. (DEK), to Kewaunee Solutions, Inc. (Kewaunee Solutions) and approved a draft conforming license amendment to reflect the indirect license transfer.

This action was taken pursuant to Title 10 of the *Code of Federal Regulations* (10 CFR) Section 50.80, "Transfer of licenses," Section 72.50, "Transfer of license," and Section 50.90, "Application for amendment of license, construction permit, or early site permit," to reflect the change in licensed authority for the KPS site. The transfer assigns control of the licenses from DEK's parent entity, Dominion Nuclear Projects, Inc. (Dominion), to EnergySolutions, LLC (EnergySolutions) and reflects, concurrent with the transfer, the planned name change from DEK to Kewaunee Solutions. The order was effective on March 31, 2022, and was published in the *Federal Register* (FR) on June 23, 2022 (87 FR 37535).

In accordance with the order, Kewaunee Solutions will continue to hold title to and ownership of any real estate encompassing the KPS site, any improvements to the site, and the spent nuclear fuel. Kewaunee Solutions will have responsibility for all licensed activity at the KPS site, including responsibility under the license to complete decommissioning pursuant to the NRC's regulations. Kewaunee Solutions will operate under new management and be a wholly owned subsidiary of EnergySolutions.

By letter dated June 21, 2022 ([ML22172A245](#)), DEK and EnergySolutions notified the NRC that all required regulatory approvals of the indirect license transfer have been received and that the closing of the transfer is expected to occur on or about June 28, 2022.

By letter dated June 24, 2022 ([ML22175A097](#)), EnergySolutions provided to the NRC evidence that: (1) an amendment to the KPS Amended and Restated Qualified Nuclear Decommissioning Trust Agreement will be executed effective as of the closing date documenting the creation of a new account with a balance of \$7 million; (2) a parent company support agreement will be executed at closing that, if a settlement agreement with the U.S. Department of Energy (DOE) on DOE reimbursements for spent fuel management expenses is not entered into by January 1, 2024, EnergySolutions will obtain a performance bond, effective January 1, 2024, that will be renewed annually and that, combined with the aggregated decommissioning trust funds, will be sufficient to cover radiological decommissioning and spent fuel management costs at KPS at all times; and (3) EnergySolutions will obtain by closing the performance bond(s) as required pursuant to Section 5.14 of the Share Purchase Agreement dated as of May 6, 2021, by and between EnergySolutions and Dominion. This satisfies Condition (1) of the order dated March 31, 2022, and is consistent with the conforming license amendment to reflect the indirect license transfer.

By letter dated June 13, 2022 ([ML22166A339](#)), EnergySolutions provided to the NRC proof that the insurance required by subparagraph (a)(4) of 10 CFR 140.11, "Amounts of financial protection for certain reactors," and paragraph (w) of 10 CFR 50.54, "Conditions of licenses," has been obtained. The letter confirmed that American Nuclear Insurers will continue to provide nuclear liability insurance for KPS upon indirect transfer of the license to Kewaunee Solutions. The letter also confirmed that Nuclear Electric Insurance Limited will provide a Nuclear Liability and Decontamination Policy for Kewaunee Solutions. This satisfies Condition (2) of the order dated March 31, 2022.

On June 28, 2022, EnergySolutions informed the NRC staff that the transfer transaction closed on June 28, 2022. Accordingly, the NRC staff is issuing the enclosed Amendment No. 221 to Renewed Facility Operating License No. DPR-43 for KPS (Enclosure 1). This conforming amendment reflects the indirect transfer of the license from DEK to Kewaunee Solutions. The safety evaluation supporting the conforming amendment was enclosed with the order dated March 31, 2022.

This letter also contains a digitally signed copy of Amendment No. 11 to Indemnity Agreement No. B-53 for KPS (Enclosure 2), which is required in connection with the indirect transfer of the license. We request that Kewaunee Solutions sign the amendment, and return one copy including all signatures to the NRC's Document Control Desk as proof of acceptance. Please keep a signed original copy for your records.

The NRC staff notes the following related to the indirect license transfer, as discussed in the safety evaluation supporting the order and conforming license amendment:

- Revision 2 of the KPS Post-Shutdown Decommissioning Activities Report, submitted by EnergySolutions on May 13, 2021 ([ML21145A083](#)), is considered to be in effect now that the indirect license transfer from DEK to Kewaunee Solutions has been consummated, effective June 28, 2022.

- In accordance with a commitment in the letter from DEK and EnergySolutions to the NRC dated October 28, 2021 ([ML21301A177](#)), EnergySolutions will provide an updated Irradiated Fuel Management Plan, in accordance with 10 CFR 50.54(bb), within 90 days of the date of this letter.
- In accordance with a commitment in the letter from DEK and EnergySolutions to the NRC dated March 15, 2022 ([ML22076A065](#)), Kewaunee Solutions will retain in place, and assume responsibility for, the implementation of the current NRC-approved quality assurance program for KPS (i.e., the Dominion Fleet Quality Assurance Program Description). This commitment shall remain in effect until the Kewaunee Solutions Decommissioning Quality Assurance Program for KPS is approved by the NRC and implemented at the site.

In accordance with 10 CFR 2.390, "Public inspections, exemptions, requests for withholding," 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 website at <https://www.nrc.gov/reading-rm/adams.html>.

The Notice of Issuance of the conforming amendment will be included in the Commission's monthly *Federal Register* notice. Should you have any questions concerning this action, please contact me at (301) 415-8534 or by email at Karl.Sturzebecher@nrc.gov.

Sincerely,



Signed by Sturzebecher, Karl
on 06/28/22

Karl J. Sturzebecher, Project Manager
Reactor Decommissioning Branch
Division of Decommissioning, Uranium Recovery,
and Waste Programs
Office of Nuclear Material Safety
and Safeguards

Docket Nos. 50-305 and 72-64
License No. DPR-43

Enclosures:

1. Amendment No. 221 to
Renewed Facility Operating
License No. DPR-43
2. Amendment No. 11 to
Indemnity Agreement No. B-53

cc w/enclosures: Distribution via ListServ

Kewaunee Power Station - Issuance of Conforming License Amendment Regarding Indirect Transfer of License from Dominion Energy Kewaunee, Inc. to Kewaunee Solutions, Inc. DATE June 28, 2022

DISTRIBUTION:

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*** via email**

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DATE	Jun 28, 2022	Jun 28, 2022	Jun 28, 2022	Jun 28, 2022
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DATE	Jun 28, 2022	Jun 28, 2022		

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