

NUCLEAR REGULATORY COMMISSION

[Docket No. 50-255; NRC-2024-0076]

Holtec Decommissioning International, LLC, and Holtec Palisades, LLC;
Palisades Nuclear Plant;

**Notice of Intent to Conduct Scoping Process and Prepare an Environmental
Assessment**

AGENCY: Nuclear Regulatory Commission.

ACTION: Notice; public scoping meeting and request for comment.

SUMMARY: The U.S. Nuclear Regulatory Commission (NRC), as the lead agency, and the U.S. Department of Energy (DOE), Loan Programs Office (LPO), as a cooperating agency, will conduct a scoping process to gather information to prepare an environmental assessment (EA) to evaluate the environmental impacts from proposed Federal actions related to reauthorizing power operations at the Palisades Nuclear Plant (PNP). Specifically, the NRC is considering an exemption request, a license transfer request, and license amendment requests to support reauthorizing operation under the NRC license. DOE LPO's proposed action is to provide federal financial support (a loan guarantee) to support power operations at PNP. The NRC and DOE LPO are seeking public comment on the proposed actions and will hold a hybrid public scoping meeting.

DATES: The NRC, as the lead Federal agency, will hold a hybrid (virtual and in-person) public scoping meeting on July 11, 2024, at 6 p.m. eastern time (ET), at the Mendel Center, Grand Upton Hall, at Lake Michigan College, 1100 Yore Ave, Parking Lot 3, Benton Harbor, MI, 49022, and will also hold an open house from 5 to 6 p.m. ET. Details on the hybrid public meeting can be found on the NRC's Public Meeting Schedule website at <https://www.nrc.gov/pmns/mtg>. Submit comments on the scope of the EA by

July 29, 2024. Comments received after this date will be considered if it is practical to do so, but the NRC is able to ensure consideration only for comments received on or before this date.

ADDRESSES: You may submit comments by any of the following methods; however, the NRC encourages electronic comment submission through the **Federal rulemaking website**:

- **Federal rulemaking website:** Go to <https://www.regulations.gov> and search for Docket ID **NRC-2024-0076**. Address questions about Docket 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.
- **Email comments to:** PalisadesRestartEnvironmental@nrc.gov.
- **Mail comments to:** Office of Administration, Mail Stop: TWFN-7-A60M, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, ATTN: Program Management, Announcements and Editing Staff.

For additional direction on obtaining information and submitting comments, see “Obtaining Information and Submitting Comments” in the **SUPPLEMENTARY INFORMATION** section of this document.

FOR FURTHER INFORMATION CONTACT: Laura Willingham, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001; telephone: 301-415-0857; email: Laura.Willingham@nrc.gov.

SUPPLEMENTARY INFORMATION:

I. Obtaining Information and Submitting Comments

A. Obtaining Information

Please refer to Docket ID **NRC-2024-0076** when contacting the NRC about the availability of information for this action. You may obtain publicly available information related to this action by any of the following methods:

- **Federal Rulemaking Website:** Go to <https://www.regulations.gov> and search for Docket ID **NRC-2024-0076**.

- **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, or 301-415-4737, or by email to PDR.Resource@nrc.gov. For the convenience of the reader, instructions about obtaining materials referenced in this document are provided in the “Availability of Documents” section.

- **NRC's PDR:** The PDR, where you may examine and order copies of publicly available documents, is open by appointment. 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 a.m. and 4 p.m. ET, Monday through Friday, except Federal holidays.

- **Public Library:** A copy of the exemption request, license transfer request, and license amendment requests related to the potential reauthorization of operation of PNP, including Enclosure 2 of the exemption request titled “Environmental New and Significant Review Proposed Resumption of Power Operations Palisades Nuclear Plant,” is available for public review at the following public library locations: South Haven Memorial Library, 314 Broadway Street, South Haven, MI 49090 and St. Joseph/Maud Preston Palenske Memorial Library, 500 Market Street, St. Joseph, MI 49085.

- **NRC Public Project Website:** Information regarding the PNP, including licensing, previous operation, decommissioning, and the potential reauthorization of operation is available at <https://www.nrc.gov/info-finder/reactors/pali.html>.

B. Submitting Comments

The NRC encourages electronic comment submission through the Federal rulemaking website (<https://www.regulations.gov>). Please include Docket ID **NRC-2024-0076** in your comment submission.

The NRC cautions you not to include identifying or contact information that you do not want to be publicly disclosed in your comment submission. The NRC will post all comment submissions at <https://www.regulations.gov> as well as enter the comment submissions into ADAMS. The NRC does not routinely edit comment submissions to remove identifying or contact information.

If you are requesting or aggregating comments from other persons for submission to the NRC, then you should inform those persons not to include identifying or contact information that they do not want to be publicly disclosed in their comment submission. Your request should state that the NRC does not routinely edit comment submissions to remove such information before making the comment submissions available to the public or entering the comment into ADAMS.

II. Background

PNP consists of a single pressurized-water reactor designed by Combustion Engineering (with a turbine-generator designed by Westinghouse) and is located in Covert Township, Michigan, along the shoreline of Lake Michigan. Originally licensed for operation on March 24, 1971, the NRC issued a renewed operating license for PNP on January 17, 2007, with the renewed operating license term expiring on March 24, 2031.

After more than 40 years of commercial operation, PNP permanently ceased operations on May 20, 2022. On June 13, 2022, Entergy Operations, Inc., the licensee who operated the facility prior to transfer of the PNP license to Holtec Decommissioning International, LLC (HDI) and Holtec Palisades, LLC, submitted the certifications for permanent cessation of operations and permanent removal of fuel from the reactor vessel in accordance with paragraph 50.82(a)(1) of title 10 of the *Code of Federal Regulations* (10 CFR). When the NRC docketed the certifications, the PNP Renewed Facility Operating License (RFOL) No. DPR-20 no longer authorized operation of the reactor, or emplacement or retention of fuel into the reactor vessel, as provided by 10 CFR 50.82(a)(2).

III. Discussion

To return PNP to power operations, HDI has submitted (1) a request for an exemption from the requirement in 10 CFR 50.82(a)(2) that prohibits operation of the PNP reactor, or emplacement or retention of fuel into the reactor vessel; (2) a request for a license transfer from HDI (currently responsible for decommissioning activities at PNP) to Palisades Energy, LLC (which would be authorized to operate the reactor); and (3) four license amendment requests. These requests are listed in Section IV of this notice. If granted, the requested exemption, license transfer, and license amendments would allow Palisades Energy, LLC to place fuel into the PNP reactor vessel and resume power operations through March 24, 2031, the end of the renewed operating license term under the PNP RFOL No. DPR-20. The scope of the NRC's environmental review encompasses the determinations whether to grant or deny the exemption request, license transfer request, and four license amendment requests, including any revisions or supplements thereto or other regulatory or licensing requests submitted to the NRC that are necessary to reauthorize power operations of PNP.

While HDI concluded that the proposed NRC actions meet the categorical exclusion (CATEX) criteria, the NRC staff, after reviewing the CATEX criteria in 10 CFR 51.22, the environmental impact statement (EIS) criteria in 10 CFR 51.20, the EA criteria in 10 CFR 51.21, and the Office of Nuclear Reactor Regulation (NRR) Office Instruction LIC-203, Revision 4, "Procedural Guidance for Preparing Categorical Exclusions, Environmental Assessments, and Considering Environmental Issues," has determined to prepare an EA instead of invoking the categorical exclusions. This determination is based largely on concluding that the submittals (1) are either not covered by the criteria for a CATEX or, in the case of the license transfer request, do not fall within the factual basis underlying the corresponding CATEX; (2) are connected (i.e., interdependent) actions that should be considered together as part of the National Environmental Policy Act (NEPA) review; and (3) are not specifically covered by the criteria for preparing an EIS because the NRC does not yet know the significance of potential impacts from the proposed actions.

To inform its environmental review, the NRC staff is considering a number of sources, including the previous NRC environmental review for PNP license renewal that is documented in the October 2006 "Generic Environmental Impact Statement for License Renewal of Nuclear Plants, Supplement 27, Regarding Palisades Nuclear Plant - Final Report" (hereafter "License Renewal EIS Supplement"). The License Renewal EIS Supplement addresses the environmental impacts of continued operation during the license renewal period, which is the same operating period applicable to HDI's requests for reauthorization of power operations. The NRC staff is also considering the environmental information that HDI submitted in Enclosure 2, "Environmental New and Significant Review Proposed Resumption of Power Operations Palisades Nuclear Plant," of the September 28, 2023, exemption request. As stated in the exemption request,

Enclosure 2 documents HDI's "environmental review of potentially new and significant information, and environmental issues not addressed in the" License Renewal EIS Supplement.

Once the NRC completes the draft EA, it will publish the draft EA and corresponding draft finding of no significant impact (FONSI), provided a determination of no significant impacts is reached, in a future *Federal Register* notice for governmental agency and public review and comment. Persons submitting comments during this scoping process will also receive a copy of the draft EA and draft FONSI once completed. Others who would like to receive a copy when it is issued in the *Federal Register* for comment should notify the NRC per the "For Further Information Contact" section or monitor the *Federal Register* website.

NEPA Lead and Cooperating Agency Roles

The NRC is the lead Federal agency for the NEPA of 1969, as amended (42 U.S.C. §4321, et seq.), process for the proposed action. The NRC may invite any Federal, State, Tribal, or local agency that has jurisdiction by law or special expertise with respect to any environmental impact involved in a proposal to become cooperating agencies in the preparation of the EA for the proposed action. As such, the DOE LPO is a cooperating agency in the preparation of the EA. The DOE LPO proposed action is to provide federal financial support (a loan guarantee) to HDI for the reauthorization of power operations at PNP, specifically the fuel loading and power restart activities.

The Energy Infrastructure Reinvestment, Section 1706 Program, authorizes the Secretary of Energy to issue loan guarantees for projects that: (1) retool, repower, repurpose, or replace Energy Infrastructure (facilities used for electric generation or transmission, or facilities used for fossil fuel-related production, processing, and delivery) that has ceased operations; or (2) enable operating Energy Infrastructure to avoid,

reduce, utilize, or sequester air pollutants or emissions of greenhouse gases. The DOE LPO will utilize the EA to inform its decision regarding its proposed action for the potential reauthorization of PNP, specifically the fuel loading and power restart activities. Based on the review, the DOE LPO would issue a Record of Decision documenting its decision regarding the proposed loan guarantee no sooner than 30 days after the publication of the final EA.

Anticipated Permits, Authorizations, and Consultations

Federal permits, authorizations, or consultations may be needed for the proposed actions, including consultation or review under the Endangered Species Act, 16 U.S.C. § 1531 et seq.; National Historic Preservation Act (NHPA), 54 U.S.C. § 300101 et seq.; and Executive Order 13175 (Consultation and Coordination With Indian Tribal Governments);¹ consistency review under the Coastal Zone Management Act, 16 U.S.C. § 1451 et seq.; and possibly reviews under other laws and regulations determined to be applicable to the proposed action. To the fullest extent possible, the NRC will prepare a draft EA concurrently and integrate analyses required by other Federal environmental review requirements. The draft EA will list all Federal permits, licenses, and other authorizations that must be obtained in implementing the proposed action.

Specific to NHPA, the regulations in 36 CFR 800.8, “Coordination with the National Environmental Policy Act,” allow agencies to use the NEPA process to fulfill the requirements of Section 106 of the NHPA. Therefore, pursuant to 36 CFR 800.8(c), the NRC intends to use its NEPA process and documentation required for the preparation of

¹ The NRC’s conformance with Executive Order 13175 is addressed in a March 10, 2010, letter from the NRC to the Office of Management and Budget (OMB).

the draft EA on the proposed action to comply with Section 106 of the NHPA in lieu of the procedures set forth at 36 CFR 800.3 through 800.6.

IV. Availability of Documents

The documents identified in the following table are available to interested persons in ADAMS, through the ADAMS Accession No.

DOCUMENT DESCRIPTION	ADAMS ACCESSION NO.
Certifications of Permanent Cessation of Power Operations and Permanent Removal of Fuel from the Reactor Vessel, dated June 13, 2022.	ML22164A067
Request for Exemption from Certain Termination of License Requirements of 10 CFR 50.82, dated September 28, 2023.	ML23271A140
Application for Order Consenting to Transfer of Control of License and Approving Conforming License Amendments, dated December 6, 2023.	ML23340A161
License Amendment Request to Revise Renewed Facility Operating License and Permanently Defueled Technical Specifications to Support Resumption of Power Operations, dated December 14, 2023.	ML23348A148
License Amendment Request to Revise Selected Permanently Defueled Technical Specifications Administrative Controls to Support Resumption of Power Operations, dated February 9, 2024.	ML24040A089
License Amendment Request to Revise the Palisades Nuclear Plant Site Emergency Plan to Support Resumption of Power Operations, dated May 1, 2024.	ML24122C666
License Amendment Request to Approve the Biasi Critical Heat Flux (CHF) Correlation for Use with the Palisades Main Steam Line Break (MSLB) Analysis, dated May 24, 2024.	ML24145A145
Procedural Guidance for Categorical Exclusions, Environmental Assessments, and Considering Environmental Issues, dated July 7, 2020.	ML20016A379
Generic Environmental Impact Statement for License Renewal of Nuclear Plants Regarding Palisades Nuclear Plant - Final Report (NUREG-1437, Supplement 27), dated October 2006.	ML062710300
Letter to Peter Orszag, Director, OMB, from Gregory B. Jaczko, Chairman, NRC, re: Tribal Consultation, dated March 10, 2010.	ML093620067

V. Request for Comment

This notice informs the public of the NRC's intention to conduct environmental scoping and prepare a draft EA and draft FONSI, provided a determination of no significant impacts is reached, related to the exemption request, license transfer request, and license amendment requests for PNP's potential reauthorization of power operation and provides the public an opportunity to participate in the environmental scoping process. While the NRC is not required by the regulations in 10 CFR part 51 to publish a notice of intent or conduct scoping when it has decided to prepare an EA for a requested licensing action, in this instance the NRC considered the unique nature of the requests and the demonstrated high public interest in the requested actions and determined that publication of a notice and conducting scoping was merited and in synchronization with NRC's strategic plan and principles of good regulation. The NRC considers stakeholder engagement and transparency in its activities to be cornerstones for effective regulation. To that end, the NRC's strategic plan highlights conducting business in a transparent, open, and independent manner that builds stakeholder confidence and fosters engagement such as those provided through public meetings.

The NRC intends to gather the information necessary to prepare an EA related to the exemption, license transfer, and license amendment request submittals for PNP's potential reauthorization of power operations. The NRC is publishing this notice and conducting scoping as a matter of discretion; this notice and the associated scoping process are not subject to the requirements of 10 CFR part 51.

The EA will evaluate the environmental impacts of the exemption, license transfer, and license amendment requests for PNP's potential reauthorization to power operation, and reasonable alternatives thereto. Possible alternatives to the proposed action include the no-action alternative.

As part of its environmental review, the NRC will first conduct a scoping process for the EA and, as soon as practicable thereafter, will prepare a draft EA and draft FONSI, provided a determination of no significant impacts is reached, for public comment. Participation in this scoping process by members of the public and local, State, Tribal, and Federal government agencies is encouraged. The scoping process for the EA and FONSI will be used to accomplish the following:

- a. Define the proposed action that is to be the subject of the EA;
- b. Determine the scope of the EA and identify the significant issues to be analyzed in depth;
- c. Identify and eliminate from detailed study those issues that are peripheral or are not significant or that have been covered by prior environmental review;
- d. Identify any other EAs and EISs that are being or will be prepared that are related to, but are not part of, the scope of the EA under consideration;
- e. Identify other environmental review and consultation requirements related to the proposed action;
- f. Identify parties consulting with the NRC under the NHPA, as set forth in 36 CFR 800.8(c)(1)(i);
- g. Identify any cooperating agencies and, as appropriate, allocate assignments for preparation and schedules for completing the EA and FONSI to the NRC and any cooperating agencies; and
- h. Describe how the EA will be prepared, including any contractor assistance to be used.

The NRC invites the following entities to participate in scoping:

- a. The applicants, HDI, Holtec Palisades, LLC, and Palisades Energy, LLC;

- b. Any Federal agency that has jurisdiction by law or special expertise with respect to any environmental impact involved or that is authorized to develop and enforce relevant environmental standards;
- c. Affected State and local government agencies, including those authorized to develop and enforce relevant environmental standards;
- d. Any affected Native American Indian Tribe;
- e. Any person who requests or has requested an opportunity to participate in the scoping process; and
- f. Any person who has petitioned or intends to petition for leave to intervene under 10 CFR 2.309.

IV. Public Scoping Meeting

The NRC is announcing that it will hold a hybrid public scoping meeting for the PNP exemption request, license transfer, and license amendment request submittals. The hybrid public scoping meeting will be held on July 11, 2024, at the Mendel Center, Grand Upton Hall, at Lake Michigan College, 1100 Yore Ave, Parking Lot 3, Benton Harbor, MI 49022. A court reporter will transcribe all comments received during the public scoping meetings. To be considered, comments must be provided either at a transcribed public meeting or in writing, as discussed in the ADDRESSES section of this notice. Persons interested in attending the hybrid meeting should monitor the NRC's Public Meeting Schedule website at <https://www.nrc.gov/pmns/mtg> for additional information and agenda for the meeting. Please contact Laura Willingham, at Laura.Willingham@nrc.gov no later than July 3, 2024, if accommodations or special equipment is needed to attend or to provide comments, so that the NRC can determine whether the request can be accommodated.

The public scoping meeting will include: (1) an overview by the NRC and the DOE of the environmental review processes, the proposed scope of HDI's licensing requests, and the proposed environmental review schedule; and (2) the opportunity for interested government agencies, organizations, and individuals to submit comments or suggestions on environmental issues or the proposed scope of the EA.

Participation in the scoping process for the EA related to HDI's exemption, license transfer, and licensing amendment requests for the potential reauthorization to power operations does not entitle participants to become parties to the proceeding to which the EA relates. Matters related to participation in any hearing are outside the scope of matters to be discussed at this public meeting.

Dated: June 24, 2024.

For the Nuclear Regulatory Commission.

/RA/

Daniel Barnhurst, Chief,
Environmental Project Management Branch
3,
Division of Rulemaking, Environmental,
and Financial Support,
Office of Nuclear Material Safety,
and Safeguards.