

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

In the Matter of)	
)	
Entergy Nuclear Generation Company)	
Entergy Nuclear Operations, Inc.)	Docket Nos.: 50-293 and 72-1044
)	License No.: DPR-35
Pilgrim Nuclear Power Station)	
EA-19-084)	

**ORDER APPROVING DIRECT AND INDIRECT TRANSFER OF LICENSE AND
CONFORMING AMENDMENT**

I.

Entergy Nuclear Operations, Inc. (ENOI) and Entergy Nuclear Generation Company (ENGC) are the holders of Renewed Facility Operating License No. DPR-35, for the Pilgrim Nuclear Power Station (Pilgrim), and the general license for the Pilgrim Independent Spent Fuel Storage Installation (ISFSI). Pilgrim permanently ceased operations on May 31, 2019. Pursuant to Sections 50.82(a)(1)(i) and (a)(1)(ii) of Title 10 of the *Code of Federal Regulations* (10 CFR), by letter dated June 10, 2019 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML19161A033), ENOI certified to the U.S. Nuclear Regulatory Commission (NRC) that it had permanently ceased operations at Pilgrim and that all fuel had been permanently removed from the reactor. Therefore, pursuant to 10 CFR 50.82(a)(2), operations at Pilgrim are no longer authorized under the license issued under 10 CFR Part 50, "Domestic Licensing of Production and Utilization Facilities," and ENOI and ENGC are licensed to possess, but not use or operate, Pilgrim under Renewed Facility Operating License No. DPR-35, subject to the conditions specified therein. The Pilgrim

II.

By letter dated November 16, 2018 (ADAMS Accession No. ML18320A031), and as supplemented by letters dated November 16, 2018, April 17, 2019, and July 29, 2019 (ADAMS Accession Nos. ML18320A040, ML19109A177, and ML19210E470, respectively), ENOI, on behalf of itself and ENGC (to be known as Holtec Pilgrim, LLC), Holtec International (Holtec), and Holtec Decommissioning International, LLC (HDI) (together, the Applicants), requested that the NRC consent to the proposed direct and indirect transfer of the Pilgrim Renewed Facility Operating License No. DPR-35 and the general license for the Pilgrim ISFSI (collectively referred to as the facility). Specifically, the Applicants requested that the NRC consent to the direct transfer of ENOI's currently licensed authority (licensed operator for decommissioning) to HDI. In addition, the Applicants requested the indirect transfer of control of ENGC's ownership interests in the

the same legal entity would continue to exist before and after the proposed transfer. Holtec Pilgrim would also enter into an operating agreement with HDI, which provides for HDI to act as Holtec Pilgrim's agent and for HDI to pay Holtec Pilgrim's costs of operation, including all decommissioning costs. Holtec Pilgrim would own the Pilgrim facility as well as its associated assets and real estate, including its nuclear decommissioning trust fund, title to spent nuclear fuel, and rights pursuant to the terms of its Standard Contract for Disposal of Spent Nuclear Fuel and/or High-Level Radioactive Waste with the U.S. Department of Energy. Upon the proposed license transfer, HDI would assume responsibility for compliance with the current licensing basis, including regulatory commitments that exist at the closing of the transaction between the Applicants, and would implement any changes under applicable regulatory requirements and practices. HDI's licensed activities will involve possessing and disposing of radioactive material, maintaining the facility in a safe condition (including handling, storing, controlling, and protecting the spent fuel), decommissioning and decontaminating the facility, and maintaining the ISFSI until it can be decommissioned, each in accordance with the license and NRC regulations.

The NRC published the notice of NRC consideration of the license transfer application in the *Federal Register* (FR) on January 31, 2019

Pilgrim Watch filed motions to supplement its motion to intervene and request for hearing with new information. On July 16, 2019 (ADAMS Accession No. ML19197A330), Pilgrim Watch submitted a motion to file a new contention. On August 1, 2019 (ADAMS Accession No. ML19213A313), the Commonwealth of Massachusetts filed a motion to stay the license transfer proceeding for 90 days to permit the completion of settlement negotiations. These requests are currently pending before the Commission. The NRC also received public comments on this application for license transfer, which are summarized in the safety evaluation for this license transfer request.

The NRC staff notes, in Enclosure 2 of the application dated November 16, 2018, in support of the license transfer request, that the Applicants submitted a request for an exemption to 10 CFR 50.82(a)(8)(i)(A) to allow Holtec Pilgrim and HDI to make withdrawals from the Pilgrim decommissioning trust fund for spent fuel management and site restoration activities. The staff approved the exemption request on August 22, 2019 (ADAMS Accession No. ML19192A083). The NRC is issuing the exemption to Holtec Pilgrim and HDI simultaneously with this Order.

Pursuant to 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. Upon review of the information in the application and other information before the Commission, and relying upon the representations and agreements contained in the application, the NRC staff has determined that Holtec Pilgrim and HDI are qualified to be the holders of the licenses, and that the direct and indirect transfer of the licenses, as described in the application, is otherwise consistent with the applicable provisions of law, regulations, and orders issued by the Commission pursuant thereto, subject to the condition set forth below.

Upon review of the application for a conforming amendment to the Pilgrim license to reflect the direct and indirect transfer of the Pilgrim licenses, t

For further details with respect to this Order, see the initial application dated November 16, 2018, as supplemented by letters dated November 16, 2018, April 17, and July 29, 2019, and the associated NRC safety evaluation dated August 22, 2019, which are available for public inspection at the Commission's Public Document Room, located at One White Flint North, 11555 Rockville Pike (first floor), Rockville, Maryland. Publicly available documents are accessible electronically through ADAMS in the NRC Library at <http://www.nrc.gov/reading-rm/adams.html>. Persons who encounter problems with ADAMS should contact the NRC's Public Document Room reference staff by telephone at 1-800-397-4209 or 301-415-4737 or by e-mail to pdr.resource@nrc.gov.

Dated at Rockville, Maryland this 22nd day of August, 2019.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

Ho K. Nieh, Director,
Office of Nuclear Reactor Regulation.