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HDI PNP 2023-028

10 CFR 50.80

10 CFR 50.90

10 CFR 72.50

December 6, 2023

U.S. Nuclear Regulatory Commission
Attn: Document Control Desk
Washington, D.C. 20555

Palisades Nuclear Plant
Docket Nos. 50-255 and 72-007
Renewed Facility Operating License No. DPR-20

Subject: Application for Order Consenting to Transfer of Control of License and
Approving Conforming License Amendments

Pursuant to Section 184 of the Atomic Energy Act of 1954, as amended (“AEA”), 10 CFR 50.80, 10 CFR 50.90, and 10 CFR 72.50, Holtec Decommissioning International, LLC (“HDI”), on behalf of itself, Holtec Palisades, LLC (“Holtec Palisades”), and Palisades Energy, LLC (“OPCO”) (together, “Applicants”), submit the enclosed application (“Application”) requesting that the U.S. Nuclear Regulatory Commission (“NRC”) consent to the transfer of operating authority under Renewed Facility Operating License (“RFOL”) No. DPR-20 for the Palisades Nuclear Plant (“PNP”) and the general license for the Palisades Independent Spent Fuel Storage Installation (“ISFSI”) (referred to collectively as the “Facility”) from HDI to OPCO. Applicants also request NRC approval for conforming administrative amendments to reflect the requested transfer.

Applicants request NRC’s consent to the transfer as part of the regulatory approvals to repower PNP. Transitioning operational authority from HDI to OPCO is conditioned on HDI’s receipt of NRC approvals necessary to resume full-power operations. As a result of Entergy Nuclear Operations, Inc.’s (“ENOI”) decision to shut down PNP for economic reasons, and following ENOI’s submission of the certifications of permanent shutdown and defueling under 10 CFR 50.82(a)(1) and enactment of the standard suite of licensing changes to reflect a permanently defueled reactor, the PNP RFOL does not currently authorize power operations or placement of fuel in the reactor.

As described in HDI’s letter dated March 13, 2023 (ML23072A404), HDI has identified the regulatory path to reinstate the power operations licensing basis (“POLB”) to resume power operations. On September 28, 2023, HDI filed a request for exemption from 10 CFR 50.82(a)(2)

in furtherance of the restart (ML23271A140). HDI intends to submit additional licensing actions over the next several months to reinstate the Facility's POLB. In this submittal, HDI is requesting NRC approval to transfer operational authority to OPCO and to vest in OPCO exclusive control of operation and maintenance of PNP. OPCO is an indirect, wholly owned subsidiary of Holtec International ("Holtec"), formed, staffed, and resourced by Holtec specifically for power operations of PNP. As described in the enclosed Application, OPCO will be resourced with in-depth operational experience and the programmatic expertise to conduct power operations licensed activities at PNP to the same level of excellence that HDI has demonstrated in decommissioning and Holtec has upheld for over three decades as the preeminent spent nuclear fuel vendor providing safety-related services and equipment for nearly every nuclear facility in the current domestic operating fleet.

Holtec Palisades will remain the licensed owner, the beneficiary of the PNP decommissioning trust fund, and the party to the Standard Contract for Disposal of Spent Nuclear Fuel. Holtec Palisades has entered into a life-of-plant power purchase agreement with two power co-operatives to sell all Facility energy and capacity under a long-term, fixed price arrangement that will remain in place for the full term of the Facility license (including subsequent license renewal terms).

No changes are being made to the Big Rock Point license, which will remain owned by Holtec Palisades and operated by HDI.

A simplified organization chart reflecting the current PNP licensees and their owners is provided as Figure 1 following this letter. The planned ownership structure following the proposed transfer is depicted in Figure 2. These organization charts are "simplified" in that they only show the companies in the chain of ownership of the licensee entities before and after the proposed transfer.

As of the date of this letter, PNP is still in decommissioning, and HDI is still adhering to the PNP Post Shutdown Decommissioning Activities Report ("PSDAR"), dated December 23, 2020 (ML20358A232). Given the long lead time for developing, obtaining, and implementing the necessary NRC approvals, hiring and qualifying operational staff, and completing physical site work needed to resume power operations on an economically-viable schedule, Holtec has made the decision to begin pursuing discrete restart activities "at risk," with priority on long lead items that do not impact decommissioning. Holtec is in the process of securing a loan guarantee from the U.S. Department of Energy ("DOE") under Title XVII of the Energy Policy Act of 2005. Also, the Michigan Legislature appropriated funds to support the restart, which Holtec expects to be administered via a grant program overseen by the Michigan Department of Labor and Economic Opportunity. Upon obtaining conditional commitment for the DOE loan guarantee—which is the determinant to Holtec's decision to pursue the restart in earnest—HDI expects to docket a notice under 10 CFR 50.82(a)(7) indicating its intention to depart from the current PSDAR schedule to pursue restart activities until such time as PNP either successfully restarts (and exits decommissioning) or Holtec abandons the restart project. HDI anticipates filing this 10 CFR 50.82(a)(7) notice the first quarter of 2024.

Subject to the foregoing, and receipt of the NRC approvals needed to return PNP to power operations, HDI plans to effectuate the transfer to OPCO on the date reinstatement of the POLB occurs. Applicants are currently targeting the transition to power operations in the third quarter of 2025. To support this schedule, Applicants respectfully request that the NRC review the enclosed

Application on a schedule that will permit issuance of an order consenting to the transfer and approval of conforming license amendments by December 31, 2024. Applicants request that the consent be immediately effective upon issuance and permit the transfer to occur up to one year after issuance or such later date as NRC may permit. Applicants are prepared to work closely with NRC to facilitate the review of the Application. Applicants also request that the license amendments be made effective as of the date the transfer is completed. HDI will notify NRC staff at least five business days prior to transferring operational authority from HDI to OPCO.

After obtaining all necessary NRC approvals, HDI intends to submit a notification of transition to power operations to NRC that will docket HDI's and OPCO's satisfaction of the implementation conditions for the license transfer, 10 CFR 50.82(a)(2) exemption, and license amendments. Upon docketing this notification letter, PNP will transition from a facility in decommissioning back to a power operations plant, and HDI will transfer its authority to conduct licensed activities to OPCO. Following the transfer, OPCO will have full authority to conduct licensed activities under the reinstated POLB.

The proposed transfer of operational authority under the RFOL is desirable and of considerable benefit to the citizens of Michigan. The transfer will facilitate the restart of PNP and the return of 800 MW of carbon-free baseload generation to support state and federal climate, energy security, and reliability goals.

Information supporting this request for consent and approval is provided in the enclosed Application. A mark-up showing the proposed conforming license amendments is included in the Application as Attachment A. A clean version of the proposed license amendments is included as Attachment B.

The Application in Enclosure 1 provides information pertaining to the proposed transfer as required by 10 CFR 50.80. The referenced information demonstrates that: (1) Holtec Palisades and OPCO will have the requisite managerial, technical, and financial qualifications to operate PNP; (2) Holtec Palisades will continue to provide reasonable assurance of funding for decommissioning; (3) the material terms of the NRC license will not be affected; and (4) the transfer will not result in any impermissible foreign ownership, control, or domination. Certain information contained in Enclosure 1, Attachment C constitutes personally identifiable information, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy. Applicants have redacted such personally identifiable information from Enclosure 1. A non-public version of Enclosure 1, Attachment C is provided in Enclosure 1A. Applicants request that the unredacted enclosure containing personally identifiable information be withheld from public disclosure pursuant to 10 CFR 2.390(a)(6).

In summary, the proposed transfer will neither have any adverse impact on the public health and safety, nor be inimical to the common defense and security. The proposed transfer will be consistent with the requirements of AEA, NRC regulations, and PNP RFOL. Applicants, therefore, respectfully request that NRC consent to the transfer of operational authority under PNP RFOL in accordance with 10 CFR 50.80 and 10 CFR 72.50 and issue the conforming license amendments requested herein pursuant to 10 CFR 50.90.

Enclosures 3A and 4A contain confidential commercial and financial information. Applicants request that this information be withheld from public disclosure pursuant to 10 CFR 2.390(a)(4), as described in the affidavit provided in Enclosure 2. Enclosure 3 contains a non-proprietary version of the income statement in Enclosure 3A. Additionally, Enclosures 5 and 6 contain a form Operator Services Agreement and form Support Agreement, respectively.

In accordance with 10 CFR 50.91(b)(1), a copy of this submittal has been sent to the State of Michigan.

This Application contains regulatory commitments as noted in Attachment E to the Application.

Service upon the Applicants of notice, comments, hearing requests, intervention petitions, or other pleadings should be made to:

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For questions related to this submittal, please contact Michael Schultheis, HDI Manager of Regulatory Assurance, at 269-764-2049 or m.schultheis@holtec.com.

Sincerely,

Jean A.
Fleming

Digitally signed by Jean A. Fleming
DN: cn=Jean A. Fleming, c=US,
o=Holtec Decommissioning
International, LLC, ou=Regulatory and
Environmental Affairs,
email=J.Fleming@Holtec.com
Date: 2023.12.06 14:11:45 -05'00'

Jean A. Fleming
Vice President, Licensing, Regulatory Affairs, and Probabilistic Safety Analysis
Holtec International
Holtec Decommissioning International, LLC

Enclosures:

Figure 1 – Organization Chart (Current)

Figure 2 – Organization Chart (Post-Transfer)

Enclosure 1 – Application for Order Consenting to Transfer of Control of License and Approving Conforming License Amendments NRC Renewed Facility Operating License No. DPR-20

Enclosure1A – Non-public Addenda to Enclosure 1 *[Withhold Under 10 CFR 2.390(a)(6)]*

Enclosure 2 – Affidavit of Jason Day Supporting Holtec Decommissioning International, LLC’s Application to Withhold Certain Documents from Public Disclosure

Enclosure 3 – Projected Income Statement and Opening Balance Sheet of Holtec Palisades, LLC (Non-Proprietary)

Enclosure 3A – Projected Income Statement and Opening Balance Sheet of Holtec Palisades, LLC (Proprietary) *[Withhold Under 10 CFR 2.390(a)(4)]*

Enclosure 4A – Holtec International Financial Information (Proprietary) *[Withhold Under 10 CFR 2.390(a)(4)]*

Enclosure 5 – Form of Operator Services Agreement between Holtec Palisades, LLC and Palisades Energy, LLC

Enclosure 6 – Form of Support Agreement

cc (w/enclosures, except Enclosures 1A, 3A, and 4A):

NRC Region III Regional Administrator
NRC Decommissioning Inspector – Palisades Nuclear Plant
NRC NMSS Project Manager – Palisades Nuclear Plant
Designated Michigan State Official

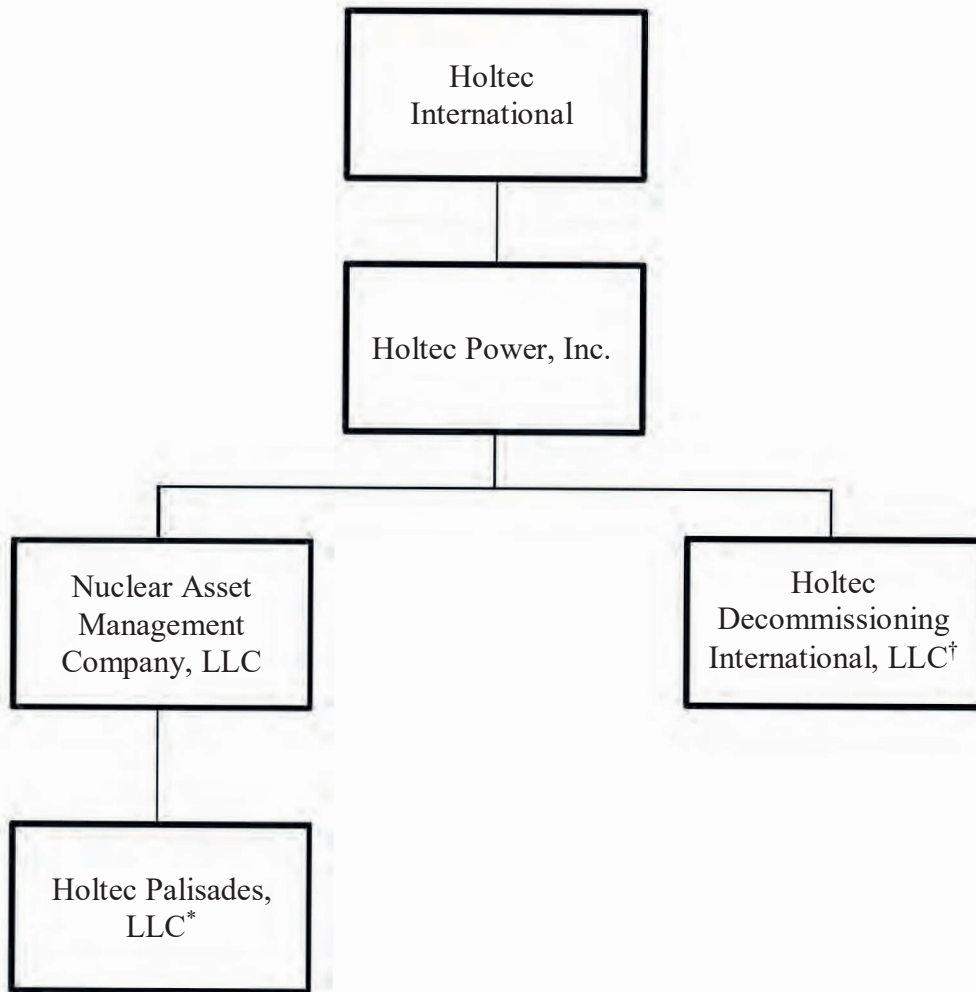
AFFIRMATION OF KELLY TRICE

I, Kelly Trice, do hereby declare under penalty of perjury under the laws of the United States of America that the following is true and correct: (1) I am the President of Holtec Decommissioning International, LLC and Palisades Energy, LLC, (2) I am duly authorized to execute and file this certification on behalf of Holtec International, Holtec Decommissioning International, LLC, Holtec Palisades, LLC, and Palisades Energy, LLC and (3) the statements set forth in the attached Application, including the financial qualifications for Holtec Palisades, LLC, Palisades Energy, LLC, and Holtec International, are true and correct to the best of my information, knowledge and belief.

By: *Kelly Trice*
Kelly Trice

Date: December 6, 2023

Figure 1 – Organization Chart (Current)

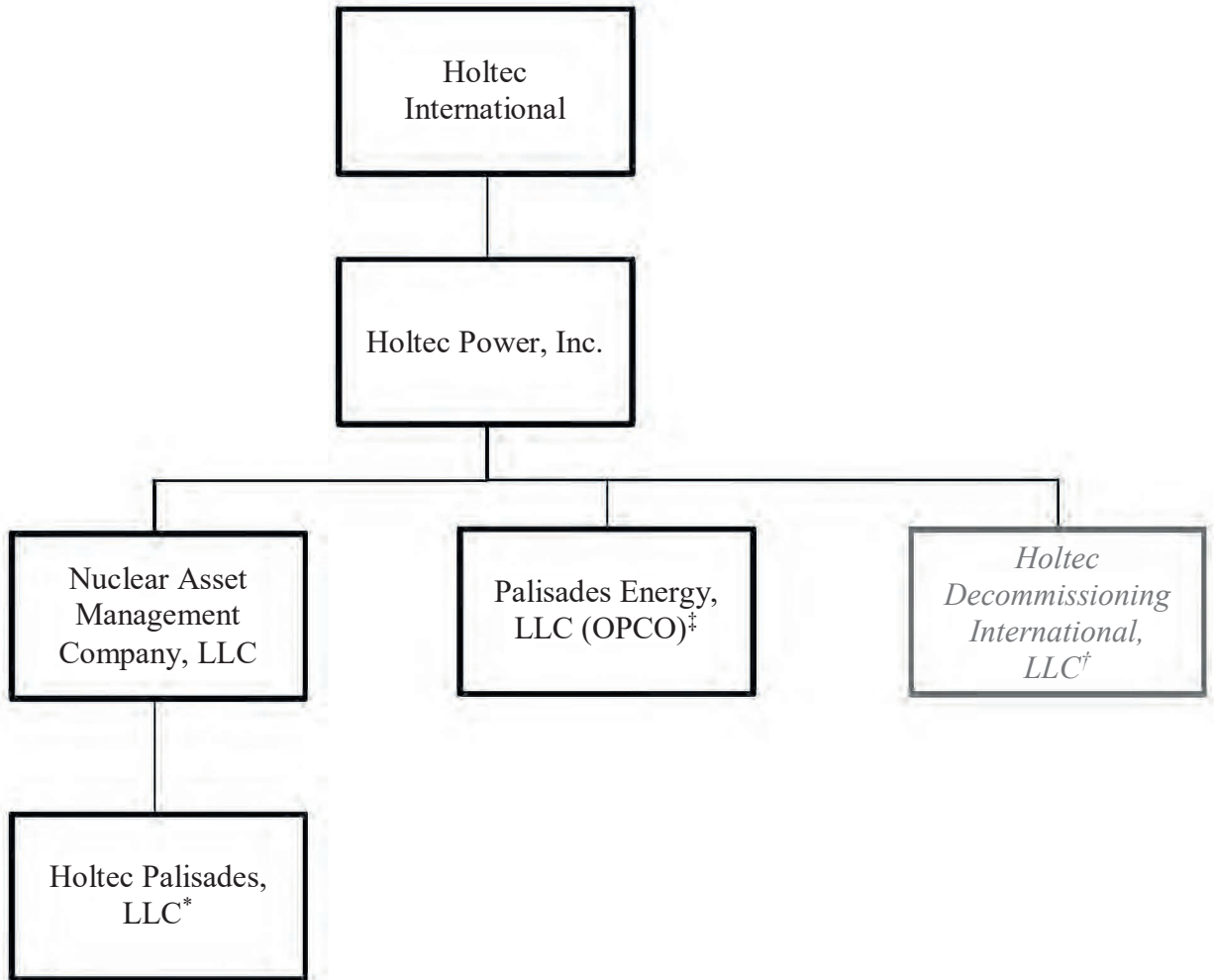


Notes:

* Holtec Palisades, LLC is the licensed owner of PNP and Big Rock Point and holds the decommissioning trust funds and the Standard Contract for Disposal for Spent Nuclear Fuel.

† Holtec Decommissioning International, LLC is the licensed operator of PNP and Big Rock Point and has authorization to conduct licensed activities under the defueled facility licensing bases.

Figure 2 – Organization Chart (Post-Transfer)



Notes:

* Holtec Palisades, LLC will remain the licensed owner of PNP and Big Rock Point and will continue to hold the decommissioning trust funds and the Standard Contract for Disposal for Spent Nuclear Fuel.

‡ Palisades Energy, LLC will be the licensed operator of PNP, authorized to conduct licensed activities under the reinstated PNP power operations licensing basis.

† Holtec Decommissioning International, LLC will remain the licensed operator of Big Rock Point and the other Holtec-owned facilities in decommissioning.

ENCLOSURE 1

**Application for Order Consenting to Transfer of Control of License and Approving
Conforming License Amendments**

NRC Renewed Facility Operating License No. DPR-20

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Attachment A – Renewed Facility Operating License No. DPR-20 (Changes)

Attachment B – Renewed Facility Operating License No. DPR-20 (Revised Pages)

Attachment C – Redacted Corporate Information Required by 10 CFR 50.33(d)(3) (Public)

Attachment D – Palisades Energy, LLC Organization Chart and Resumes of Senior Leadership

Attachment E – Regulatory Commitments

1. Introduction

Pursuant to Section 184 of the Atomic Energy Act of 1954, as amended (“AEA”), 10 CFR 50.80, 10 CFR 50.90, and 10 CFR 72.50, Holtec Palisades, LLC (“Holtec Palisades”), Holtec Decommissioning International, LLC (“HDI”), and Palisades Energy, LLC (“OPCO”) (together, “Applicants”) submit this application (“Application”) requesting that the U.S. Nuclear Regulatory Commission (“NRC”) consent to the transfer of HDI’s operating authority (*i.e.*, authority to conduct licensed activities) under Renewed Facility Operating License (“RFOL”) No. DPR-20 for the Palisades Nuclear Plant (“PNP”) and the general license for the PNP Independent Spent Fuel Storage Installation (“ISFSI”) (referred to collectively as the “Facility”) to OPCO. Applicants also request that NRC approve conforming administrative amendments to the PNP RFOL to reflect the proposed transfer of operational authority from HDI to OPCO. These administrative changes to the PNP RFOL are shown in Attachment A to this enclosure. A clean version of the proposed license amendments is included as Attachment B.

Applicants request this approval to support the recommencement of power operations at PNP. When NRC previously approved the transfer of operational authority from Entergy Nuclear Operations, Inc. (“ENOI”) to HDI, it was based on the understanding that PNP would be permanently shut down and defueled by ENOI and decommissioned by HDI. Prior to the transfer, ENOI submitted certifications of permanent shutdown and defueling under 10 CFR 50.82(a)(1),¹ at which point 10 CFR 50.82(a)(2) and the RFOL no longer authorized operations. In approving the transfer from ENOI to HDI, NRC evaluated HDI’s qualifications to perform licensed activities at a permanently defueled facility through decommissioning and license termination.

In light of the developments since HDI assumed licensee responsibilities in June 2022, including federal and state support for nuclear generation, HDI has engaged with NRC and other government bodies regarding the possibility of restarting PNP. On March 13, 2023, HDI submitted a regulatory path to reinstate power operations at PNP.² Consistent with that path, on September 28, 2023, HDI submitted an exemption request from 10 CFR 50.82(a)(2).³ In furtherance of this restart plan, HDI’s ultimate parent company, Holtec International (“Holtec”), created a new subsidiary, OPCO, to facilitate power operations at PNP. As described herein, OPCO will possess the financial and technical qualifications necessary to conduct licensed activities at a power operations plant, subject to NRC’s approval of the separate licensing actions and exemption requests to reinstate power operations at PNP. In light of the anticipated licensing and restart schedule, Applicants request that NRC approve this Application by December 31, 2024. Subject to receipt of other NRC approvals, Applicants expect the transfer of operational authority from HDI to OPCO to coincide with

¹ ENOI Letter No. PNP 2022-010, Certifications of Permanent Cessation of Power Operations and Permanent Removal of Fuel from the Reactor Vessel, June 13, 2022 (ML22164A067).

² HDI Letter No. PNP 2023-001, Regulatory Path to Reauthorize Power Operations at the Palisades Nuclear Plant, Mar. 13, 2023 (ML23072A404).

³ HDI Letter No. PNP 2023-025, Request for Exemption from Certain Termination of License Requirements of 10 CFR 50.82, Sept. 28, 2023 (ML23271A140).

reinstatement of the facility's power operations technical specifications ("POTS"), which is currently expected to occur in the third quarter of 2025.

Holtec Palisades will remain the licensed owner of the PNP and Big Rock Point facilities, and Holtec Palisades will continue to hold the nuclear decommissioning trust funds for both. HDI will remain the licensed operator of Big Rock Point. The PNP restart efforts and transfer of operational authority from HDI to OPCO at PNP will not affect Big Rock Point activities or Holtec Palisades's decommissioning and spent fuel management funding structure that is currently in place for Big Rock Point.⁴

All activities performed at PNP will be in compliance with the license and NRC regulations, subject to OPCO's direct oversight and control as the licensed operator.

Certain enclosures accompanying this Application contain personally identifiable information and confidential commercial and financial information that should be withheld from public disclosure pursuant to 10 CFR 2.390.

2. Statement of Purpose of the Transfer and Nature of the Transaction Making the Transfer Necessary or Desirable

(a) Purpose and Description of the Transfer

PNP is a 2,565 MW pressurized water reactor located in Covert, Michigan, on the shore of Lake Michigan, approximately five miles south of South Haven, Michigan. PNP began commercial operations on December 31, 1971. ENOI shut down the facility on May 20, 2022. Pursuant to 10 CFR 50.82(a)(1), ENOI submitted certifications of permanent cessation of power operations and permanent removal of fuel from the reactor vessel on June 13, 2022.⁵ On June 15, 2022, ENOI implemented the Permanently Defueled Technical Specifications. Accordingly, when ENOI transferred operational authority to HDI on June 28, 2022, the permanently defueled licensing basis no longer authorized power operations.

NRC's approval of ENOI's transfer of operational authority to HDI was based on the expectation, at the time, that PNP would permanently shut down. As stated in NRC's safety evaluation report:

⁴ The Big Rock Point nuclear plant was a boiling water reactor rated at 75 MW electric and began commercial operation in March 1963. The facility was permanently shut down on August 29, 1997, and subsequently, all spent nuclear fuel was transferred to an ISFSI. In 2007, decommissioning and dismantlement of all operational facilities occurred. In accordance with an approved license termination plan, all property, other than the approximately 30-acre on-site parcel of land where the ISFSI is located and an additional non-impacted parcel of approximately 75 acres adjacent to the ISFSI was released. The only current activities at Big Rock Point are ongoing ISFSI maintenance pending Department of Energy ("DOE") removal of fuel. Upon DOE's removal of fuel, HDI will decommission the ISFSI and submit a license termination plan in accordance with 10 CFR 50.82(a)(9).

⁵ ENOI Letter No. PNP 2022-010, Certifications of Permanent Cessation of Power Operations and Permanent Removal of Fuel from the Reactor Vessel, June 13, 2022 (ML22164A067).

Pursuant to the purchase and sale agreement, the proposed transfer transaction is subject to Palisades also having permanently ceased operations. Accordingly, HDI (the proposed licensed operator for decommissioning) would not be authorized under the Palisades license to operate or load fuel in the Palisade[s] reactor pursuant to 10 CFR 50.82(a)(2) and, therefore, would not conduct the operations contemplated by the financial qualifications provisions of 10 CFR 50.33(f). Rather, all of HDI's licensed activities would involve the possession of radioactive material in connection with maintaining the safe condition of Palisades and the Big Rock Point and Palisades ISFSIs, radiological decommissioning of Palisades and the Big Rock Point and Palisades ISFSIs, license termination, and operational responsibilities associated with spent fuel management.⁶

As the licensed operator for all of the Holtec-owned nuclear facilities that are in decommissioning, HDI was created and staffed to oversee decommissioning projects. The purpose of this transfer is to ensure that the Holtec organization authorized to oversee power operations is appropriately structured and staffed for reactor operations. As described in Section 5, OPCO will be staffed and resourced as a nuclear plant operator, with deep operational experience and the programmatic competencies necessary for plant operations. PNP's site employees and management are expected to be employed by OPCO, subject to industry-typical staff augmentation and contractor arrangements that OPCO will use to fill certain roles. This Application also provides NRC with the opportunity to review and confirm OPCO's and Holtec Palisades's financial and technical qualifications in connection with the return to full-power operations.

OPCO, like HDI, is a wholly owned subsidiary of Holtec through Holtec Power, Inc. ("Holtec Power"). Holtec Palisades will continue to be the licensed owner and hold the PNP nuclear decommissioning trust fund. As discussed in Section 6, Holtec Palisades is the party to two power purchase agreements under which all of PNP's capacity will be sold, and Holtec Palisades will reimburse OPCO for its costs under an Operator Services Agreement, a form of which may be found in Enclosure 5 following this Application. Holtec will provide supplemental financial support via a Support Agreement with Holtec Palisades, a form of which may be found in Enclosure 6 to this Application.

A simplified organization chart reflecting the current PNP licensees and their owners is provided as Figure 1 to the letter accompanying this Application. The planned organizational structure following the proposed transfer is depicted in Figure 2. The ownership and operational structure OPCO is implementing is based on ENOI's organization structure prior to shutdown, with certain fleet and corporate functions (previously performed by Entergy home office personnel) relocated to the PNP site.

⁶ Safety Evaluation Related to Request for Transfer of Control of Facility Operating License No. DPR-6, Renewed Facility Operating License No. DPR-20, and the General Licenses for the ISFSIs from Entergy Nuclear Operations, Inc. and Entergy Nuclear Palisades, LLC to Holtec International and Holtec Decommissioning International, LLC, at 9, Dec. 13, 2021 (ML21292A148).

(b) Nature of the Transaction Making the Transfer Desirable

In parallel to this Application, HDI is submitting an exemption request and license amendment requests to authorize the return to full power operations. The purpose of the transfer is to facilitate the prompt restart and return to the full-power operation of PNP, which is in furtherance of state and federal climate and electric reliability goals. As stated by the Michigan Governor’s Office, “[k]eeping Palisades open will keep energy costs low, shore up domestic energy production, and increase Michigan’s competitiveness for future economic development.”⁷ On July 31, 2023, Governor Whitmer signed the 2024 Michigan state budget, in which the Michigan Legislature appropriated \$150 million for targeted energy investment, aimed at the PNP restart project.⁸ Likewise, with the passage of federal legislation, including the Bipartisan Infrastructure Law and the Inflation Reduction Act, Congress has provided financial support for the U.S. nuclear fleet as part of federal efforts to maintain carbon-free domestic baseload generation. The transfer is desirable and of considerable benefit to the citizens of Michigan and supports federal and state climate, energy security, and electric reliability policies. As discussed in Section 5 below, the license transfer will place PNP in a well-supported organization with deep expertise in reactor operations.

This Application provides information regarding the financial qualifications of OPCO and the required financial assurance for decommissioning of the site and ISFSI. In addition, it provides information pertaining to the proposed transfer of authority to conduct licensed activities, including the information required under 10 CFR 50.80. As that information demonstrates: (1) OPCO will have the requisite managerial, technical, and financial qualifications to be the licensed operator of PNP; (2) the material terms of the RFOL will not be affected; and (3) the license transfer will not result in any impermissible foreign ownership, control, or domination.

In summary, the proposed transfer will not be inimical to the common defense and security or result in any undue risk to public health and safety, and the transfer will be consistent with the requirements of AEA and NRC regulations.

3. General Corporate Information Required by 10 CFR 50.33

OPCO is a direct, wholly owned subsidiary of Holtec Power. Holtec Power is a direct, wholly owned subsidiary of Holtec. Holtec is a Delaware corporation and the ultimate parent company of all the relevant entities who will own or operate PNP. Figures 1 and 2 illustrate the corporate ownership structure prior to and following the license transfer. Upon completion of the transaction

⁷ Whitmer Announces Plan with Holtec to Reopen Palisades Plant, Sept. 9, 2022, *available at* <https://www.michigan.gov/whitmer/news/press-releases/2022/09/09/whitmer-announces-plan-with-holtec-to-reopen-palisades-plant>.

⁸ 2023 Mich. Pub. Acts 379–380 *available at* <https://www.legislature.mi.gov/documents/2023-2024/publicact/pdf/2023-PA-0119.pdf>; Governor Whitmer Signs ‘Make it in Michigan’ Budget, July 31, 2023, *available at* <https://www.michigan.gov/whitmer/news/press-releases/2023/07/31/whitmer-signs-make-it-in-michigan-budget>.

and license transfer, site-based PNP employees will be employed by OPCO, supplemented by staff augmentation and/or contractors who report to and are subject to OPCO's direction and control.

The general corporate information required by 10 CFR 50.33(d)(3) regarding Holtec, Holtec Power, Nuclear Asset Management Company, LLC, Holtec Palisades, and OPCO, including identification of their principal officers and directors, is provided in Attachment C to this Application. Attachment C contains personally identifiable information, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy. Applicants request that this personally identifiable information be withheld from public disclosure pursuant to 10 CFR 2.390(a)(6). All such information has been redacted from the version of Attachment C attached to this Enclosure 1. An unredacted version of Attachment C is provided in the non-public Enclosure 1A addenda, which Applicants request be withheld under 10 CFR 2.390(a)(6).

Because OPCO is a newly-formed entity, the information contemplated by 10 CFR 50.33(f)(4) is included herein. OPCO is a Delaware limited liability company whose sole member is Holtec Power. As of the date of this Application, OPCO has no liabilities. Pursuant to the terms of its LLC operating agreement and the Operator Services Agreement with Holtec Palisades (Enclosure 5), OPCO will be authorized to undertake all reasonably necessary corporate actions to operate PNP for itself and as agent for Holtec Palisades, including entering into contracts, employing personnel, acquiring equipment and other property, borrowing and remitting funds, and taking other actions as reasonably necessary to carry out its business. As OPCO's sole member, Holtec Power holds 100% of the membership interests in OPCO. OPCO is governed by its Sole Member with delegated authority to officers, all of whom are listed in Attachment C. These individuals are ultimately accountable to the Holtec Executive Committee members also listed in Attachment C. OPCO is authorized to make distributions, if any, to Holtec Power at times and in amounts determined by the OPCO management committee, subject to applicable project finance restrictions. However, OPCO is a service company that is not expected to generate revenue or make distributions to its parent companies. As described in Section 6 below, revenue from PNP's power generation will flow through Holtec Palisades. Holtec Palisades will reimburse OPCO, at cost, for OPCO's expenses incurred at PNP pursuant to the Operator Services Agreement (Enclosure 5). Holtec will enter into a Support Agreement (Enclosure 6) pursuant to which it will provide Holtec Palisades (and thus, indirectly, OPCO) with funds to support facility operations, if necessary, in accordance with the terms thereof. OPCO's and Holtec Palisades's financial qualifications are discussed in Section 6 below.

Holtec is the ultimate parent company of all the entities described in Attachment C. Holtec is a privately held corporation. It is owned by its shareholders as follows: (1) The Great Banyan Trust, 36.33% ownership interest; and (2) Multi-Decades Trust, 63.67% ownership interest. These trusts are controlled by Dr. Krishna Singh, who is a U.S. citizen.

4. Foreign Ownership, Control, or Domination

As noted immediately above, Holtec is a privately held corporation owned by domestic trust companies that are in turn controlled by a U.S. citizen. Holtec is led by its Chief Executive Officer Dr. Krishna Singh, and management of the company is vested in the Holtec executive leadership team, including the Executive Committee members listed in Attachment C. Holtec's CEO,

principal officers, and Executive Committee are all U.S. citizens. Holtec's Board of Directors serves in an advisory capacity to Holtec's executive leadership team. The Board of Directors is not comprised entirely of U.S. citizens, as indicated in the unredacted version of Attachment C included in Enclosure 1A. No Director represents the interests of a foreign company or governmental authority. Holtec's Board is comprised of individuals who advise Holtec's executive leadership based on their extensive nuclear industry experience and leadership roles in prominent nuclear utilities and nuclear governing bodies, including international utilities and governing bodies. The Board of Directors is an advisory board. It does not have the individual or collective authority to direct or control the conduct of NRC-regulated activities by Holtec or its subsidiaries, including OPCO and Holtec Palisades, nor do they have authority to appoint or remove any of the officers responsible for the conduct of NRC-regulated activities. Dr. Krishna Singh serves as the Chairman of the Board of Directors and has a deciding vote on matters before the Board. Holtec is privately held, and as such the Directors are appointed, and may be replaced, by Holtec's owners, which are trust companies organized in the State of Florida and the State of Nevada, respectively, and controlled by a U.S. citizen. Holtec has been privately owned by a U.S. citizen or corporation since its inception in 1986 without any non-U.S. control or domination.

Through its Executive Committee, Holtec will exercise corporate parent approval and oversight of Holtec Palisades and OPCO, including budgetary approvals, financial performance, hiring decisions for senior management, and approval of major capital expenditures. All of the members of the Holtec Executive Committee are U.S. citizens. All of the managers and principal officers of the intermediate Holtec subsidiaries, Holtec Power and Nuclear Asset Management Company, are U.S. citizens. All of the principal officers of Holtec Palisades and OPCO who will have direct responsibility for NRC-regulated activities are U.S. citizens. As such, OPCO and Holtec Palisades will not be owned, controlled, or dominated by any foreign person.

As the licensed entity with possession of and responsibility for direct oversight and control of the site, OPCO will act for itself and on behalf of Holtec Palisades as its agent. OPCO and Holtec Palisades are not acting as the agent or representative of any other entity in the proposed transfer.

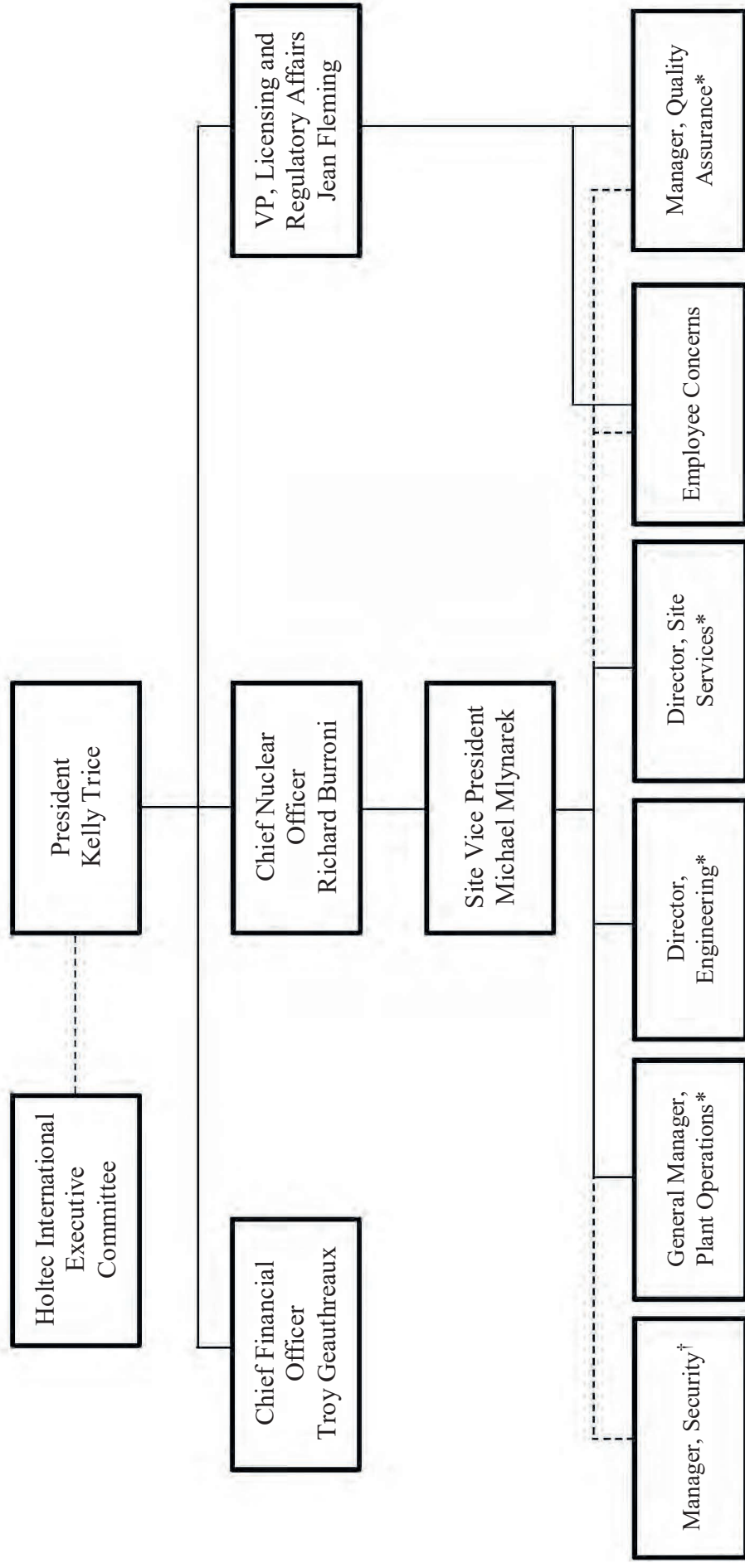
5. Technical Qualifications

OPCO will be fully staffed and resourced as a plant operator with an organizational structure based on ENOI's previous operating organization, with certain functions that were previously fulfilled by ENOI home office personnel relocated to either the plant site or Holtec's corporate headquarters. OPCO will be managed and staffed by personnel who have decades of nuclear plant operating experience at PNP and other U.S. nuclear plants. As an operator with responsibility for a single facility, OPCO's organization will consist primarily of on-site personnel at PNP, a substantial portion of which previously served in ENOI's operating organization prior to shutdown. OPCO's senior leadership will be made up of existing Holtec-affiliated officers and senior leadership, including the incumbent PNP Site Vice President who served in that role during PNP's permanently defueled operations and who will report to a Chief Nuclear Officer with over four decades of nuclear operating experience and senior management roles. While OPCO will be exclusively responsible for the conduct of licensed activities at PNP, OPCO's organization will be augmented by various Holtec corporate and administrative support, and OPCO's leadership will

draw on the decades of experience of Holtec's senior leaders who will oversee and provide business direction to OPCO.

Figure A-1 below provides an overview of the operating organization, OPCO's senior management, and the oversight and lines of reporting to Holtec. Attachment D includes organization charts showing the entire site organization of approximately 550 full-time employees and their reporting relationships up to the Site Vice President. As shown in Figure A-1, OPCO's site organization, led by the Site Vice President, will report to OPCO's senior leadership, who in turn will ultimately answer to the Holtec Executive Committee composed of the members shown in Attachment C. While OPCO leadership will be accountable to the Holtec Executive Committee, and, through the Executive Committee, Holtec will exercise the typical approval and oversight rights of a corporate parent (e.g., budgetary approval and financial oversight, hiring decisions for senior management, approval of major capital expenditures, and ensuring a strong nuclear safety culture from the top down), OPCO's officers will be ultimately responsible for and have control over all licensed activities at PNP. This responsibility and control includes daily operations, compliance with the Facility licensing basis, hiring, training, and supervising site employees, licensing reviews and submittals to NRC, engineering, maintenance, and outage work, and managing operating costs.

Figure A-1 – Palisades Energy, LLC Senior Management Organization Chart



* Expected to be filled by incumbent personnel who worked at PNP in significant management role during operations.

† Security Manager also reports to Holtec Security International's Director of Fleet Security Operations.

(a) Senior Leadership

The OPCO executive leadership team will oversee safe operation of PNP and will be ultimately responsible for the conduct of licensed activities in accordance with the plant power operations licensing basis (“POLB”). The executive leadership team consists of the President, Chief Nuclear Officer, Chief Financial Officer, Vice President of Licensing, Regulatory Affairs, and Probabilistic Safety Analysis, and Site Vice President.

OPCO’s senior leadership has over a century of collective nuclear operational experience, with most holding Senior Reactor Operator licenses during their careers and bringing in-depth management experience from their prior roles in nuclear operating organizations. The OPCO executives with key nuclear oversight roles are discussed in this section, with all senior leadership roles and responsibilities provided in Table A-1.

OPCO will be led by Kelly Trice, as President. Mr. Trice currently serves as HDI’s President and will continue in that role in addition to his responsibilities for OPCO. Mr. Trice brings over 30 years of executive management experience of complex business enterprises and nuclear industry leadership. Mr. Trice previously served as the president of both the power division and the facilities and plant services division of Chicago Bridge and Iron (CB&I). In this capacity, he managed approximately 70 offices worldwide with operations spanning four continents. At its peak, this enterprise had approximately 200 plants under contract, which included about 40% of the U.S. nuclear operating fleet and another 150 petrochemical plants, 17,000 employees and a backlog of roughly \$10B with annual revenues of \$3.5B. Mr. Trice also served as executive vice president of Bruce Power, a major utility in Canada, which operates eight nuclear reactors and generates approximately 6.4 GW of power. In this capacity, he had the overall responsibility for all of Bruce Power’s capital programs, as well as the refurbishment of six reactors. The planned budget for this capital program was approximately \$14B CAD. Mr. Trice is a graduate of the U.S. Navy’s Nuclear Propulsion Program. He served in the U.S. Navy for six years as an officer on a nuclear submarine and held several top-secret and Department of Energy (“DOE”) Q clearances. Mr. Trice’s resume is included in Attachment D.

All PNP personnel responsible for licensed activities will report to OPCO’s Chief Nuclear Officer, Richard Burroni. Mr. Burroni has worked in the nuclear industry for over four decades, most recently as HDI’s Site Vice President of Indian Point Energy Center. Mr. Burroni has served in various nuclear industry roles of increasing responsibility since joining the New York Power Authority at Indian Point Unit 3 Nuclear Power Plant in 1980. His positions included Technical Services Engineer, Engineering Supervisor for Performance, Assistant Operations Manager for Support, Supervisor Instrument and Control Engineering, and Superintendent/Manager of the Instrument and Control Department. Following his role in Instrument and Control, Mr. Burroni served in multiple engineering management positions at Indian Point before becoming Chief Engineer for Entergy’s northern reactor fleet. He then returned to Indian Point as Engineering Director and has served as Site Vice President for 3 years under Holtec’s ownership. Prior to the transfer of operational authority to OPCO, Mr. Burroni will transition out of his role as Indian

Point Site Vice President. Mr. Burroni received his Senior Reactor Operator license in 1986. His resume is included in Attachment D.

PNP’s Quality Assurance functions will report to Ms. Jean Fleming as OPCO’s Vice President of Licensing, Regulatory Affairs, and Probabilistic Safety Analysis. Ms. Fleming will report directly to the OPCO President. Ms. Fleming currently oversees the licensing, permitting, and compliance functions of HDI’s decommissioning projects, Holtec’s dry storage business, and the Holtec SMR-160 small modular reactor design. Ms. Fleming previously served as director of site regulatory compliance and licensing at PSEG Nuclear, LLC, where she oversaw the licensing and compliance organization with responsibilities for the Salem and Hope Creek operations and support for licensing activities at Peach Bottom. Ms. Fleming held a Senior Reactor Operator license for the Salem Nuclear Plant from 2010 to 2017. Prior to joining the private commercial nuclear industry, Ms. Fleming served in the U.S. Navy as Nuclear Surface Warfare Officer onboard the USS Harry S. Truman. Ms. Fleming’s resume is included in Attachment D.

PNP’s site organization will continue to report to the Site Vice President, Mr. Mike Mlynarek. Mr. Mlynarek has worked at PNP since 1988 and has served as the Site Vice President since June 2022. He has over 37 years of experience in nuclear power in Michigan, beginning at the Big Rock Point Nuclear Power Plant in 1985. Mr. Mlynarek has served in many leadership positions at PNP over the years, including the plant reactor engineer, nuclear operations shift manager, chemistry manager, nuclear independent oversight manager, and decommissioning manager. As a former evaluator at the Institute of Nuclear Power Operations (“INPO”), Mr. Mlynarek served nuclear industry leadership on evaluation and assistance teams at 14 stations throughout the U.S. and at 6 stations throughout Japan, Finland, France, Bulgaria, the United Arab Emirates, and England. Mlynarek has held a Senior Reactor Operator License for 17 years. His resume is included in Attachment D.

Table A-1 below summarizes the roles and responsibilities of OPCO’s senior management.

Table A-1	
Responsibilities of Palisades Energy, LLC, Senior Management	
President	Ultimately responsible for the safe and reliable operations of PNP; responsible for overall corporate policy and provides executive direction and guidance for PNP as well as promulgates corporate policy through the senior management staff; establishes effective management controls to maintain nuclear safety and organizational effectiveness; provides strategic direction and guidance for the company; establishes expectations for high levels of quality, safety, and efficiency throughout the company; routinely reports to Holtec International Executive Committee; assures sufficient resources and support functions to achieve nuclear safety objectives.

Chief Nuclear Officer (“CNO”)	Reports directly to the President; highest level nuclear executive officer; responsible for providing top-level direction for the safe and reliable operation of PNP; responsible for execution of the Quality Assurance Program; ensures engineering services and operational support are provided to maintain nuclear safety; exercises oversight and governance of corporate or home office functions that support plant operations, including procurement, information technology, and human resources; holds no ancillary responsibilities that may distract from the officer’s responsibility for nuclear safety.
Chief Financial Officer (“CFO”)	Reports directly to the President; responsible for development and management of all financial matters, including financial statement reporting, budgeting, analysis, accounting, billing, and maintaining adequate internal financial controls; and reporting to ensure regulatory compliance.
Vice President of Licensing, Regulatory Affairs, and Probabilistic Safety Analysis	Reports directly to the President; responsible for verifying effective execution of the Quality Assurance Program, including maintaining independence through the audit function and verifying the adequacy of the Quality Assurance Program, including activities related to vendor quality; responsible for ensuring that programmatic elements are in place to support plant personnel in complying with and carrying out Quality Assurance Program requirements.
Site Vice President	Reports directly to the CNO; responsible for managing day-to-day nuclear operations and operations support; directly responsible for management of the site line organization; responsible for implementing Quality Assurance Program in all site activities; responsible for establishing policies, goals, and objectives necessary to maintain nuclear safety; responsible for overall safe plant operation and exercising oversight and control over on-site activities necessary for the safe operation and maintenance of the plant.

(b) Site Organization

Following shutdown in May 2022 and transfer from ENOI to Holtec in June 2022, HDI has maintained a meaningful number of incumbent site management that were employed at PNP during operations. As of the Application date, the current site organization consists of approximately 220 personnel, primarily made up of incumbent ENOI personnel, many of whom held management and senior operator positions during operations. As a result, HDI has retained key talent and institutional knowledge from the prior operations period. HDI will staff PNP to the qualifications and levels required by the reinstated POTS and Updated Final Safety Analysis

Report (“UFSAR”)⁹ to ensure compliance with the reinstated POLB and NRC regulations applicable to an operating reactor, prior to transfer of operational authority to OPCO. Attachment D includes organizational charts showing the planned 550-person PNP organization that will report up to OPCO’s senior leadership following the transfer. Attachment D includes all on-site and off-site positions for activities affecting plant safety. The organization charts are based on the previous operating organization in place prior to shutdown and define the lines of authority, responsibility, and communication from senior management levels through intermediate levels to and including all operating organization positions. As part of its staffing plan, HDI is developing functional descriptions of departmental responsibilities and relationships, and job descriptions for key positions. The reinstated power operations UFSAR will also document the requirements for the job titles referred to in the reinstated POTS. Prior to consummating the transfer, HDI and OPCO will provide NRC with evidence demonstrating that the PNP operating organization has returned to operational levels and qualifications and meets the applicable requirements of the reinstated POLB.

HDI is currently implementing a hiring, training, and recertification plan to ensure that all positions in the operational organization are filled prior to transfer to OPCO with individuals qualified to meet the POLB requirements. As of the Application date, HDI is in the process of reinstating a 10 CFR Part 55 training program for licensed reactor operators to support operational staffing needs and training lead times. The operational organization will meet the requirements of the POTS, Chapter 12 of the reinstated UFSAR, and the power operations Quality Assurance Program Manual (“QAPM”).¹⁰ HDI will reinstate training programs consistent with Chapter 12 of the power operations UFSAR that are either accredited by the National Nuclear Accrediting Board or meet the standards set forth in Section 5 of ANSI/ANS 3.1-1978 to ensure that the technical support organization has the combined education, experience, and skills sufficient to ensure safe and efficient operation of the plant.

In addition to direct employees, OPCO will leverage standard nuclear industry staff augmentation arrangements and contracted labor for certain specialty scope. Holtec Security International, LLC

⁹ As discussed during public meetings regarding the restart, HDI intends to submit two license amendment requests to reinstate (1) the POTS and RFOL license conditions and (2) the previous Administrative Controls sections of Technical Specifications. *See* NRC, Issuance of Amendment Regarding Administrative Controls for Permanently Defueled Condition, June 4, 2018 (ML18114A410); NRC, Issuance of Amendment No. 272 Re: Permanently Defueled Technical Specifications, May 13, 2022 (ML22039A198). Coincident with implementation of the two Technical Specifications license amendments, HDI expects to reinstate, via the 10 CFR 50.59 process, the power operations UFSAR based on UFSAR Rev. 35 (the version in effect immediately prior to shutdown) with appropriate conforming amendments. *See* Palisades Nuclear Plant, Revision 35 to UFSAR, Chapter 12, Conduct of Operations, Apr. 14, 2021 (ML21125A337). HDI expects that any changes to UFSAR Revision 35, Chapter 12 will reflect the fact that OPCO will have a more site-centric organization due to the fact that ENOI had a large corporate/home office organization to provide fleet-wide services to all Entergy-owned plants, whereas OPCO will locate all principal safety functions at the Palisades plant site with a more limited set of typical corporate support services provided by the Holtec home office (*e.g.*, procurement, human resources, tax and accounting).

¹⁰ Palisades is currently governed by HDI’s fleet-wide Decommissioning Quality Assurance Program. *See* HDI Letter, Update Report for Holtec Decommissioning International (HDI) Fleet Decommissioning Quality Assurance Program (DQAP) Rev. 2, Aug. 3, 2022 (ML22215A147). HDI expects to reinstate a power operations Quality Assurance Program via 10 CFR 50.54(a) coincident with implementation of the POTS.

(“HSI”), a wholly owned subsidiary of Holtec Power, will continue to provide site security services and employ site security personnel via a contractual arrangement with OPCO. HSI currently provides security services and employs security personnel under a contract with, and subject to the supervision and control of, HDI. All security personnel will be directly responsible to and subject to the direction and control of OPCO and the Site Vice President.

As part of the reinstatement of the POLB, HDI will revise PNP policies, programs, and procedures to support the return to operations in accordance with the reinstated POTS, UFSAR, and NRC regulatory requirements applicable to operating reactors.¹¹ HDI has maintained the access and fitness-for-duty programs during decommissioning in a manner that ensures current site personnel will be able to transition back to equivalent roles in OPCO’s operational organization. Upon transfer of operational authority, OPCO will work in accordance with the revised power operations program documents. The PNP programs and procedures at the time of the license transfer, including, as applicable, the reinstated emergency plan, operational security plans, fire protection program, radiological protection, and Quality Assurance Program, will be implemented post-license transfer by OPCO. Any subsequent changes to these procedures will be determined by OPCO and made in accordance with the applicable change requirements set forth in NRC regulations.

(c) Home Office Support

OPCO will have dedicated home office support for certain service functions located in Holtec’s corporate headquarters in Camden, New Jersey. Among other things, OPCO will leverage efficiencies of consolidated accounting, finance, procurement, tax, human resources, and information technology. OPCO will remain ultimately responsible for all licensed activities, including nuclear safety matters.

Wholly owned Holtec affiliate HSI currently provides site security services and employs security personnel pursuant to a contract between HSI and HDI, subject to HDI’s ultimate direction and control. Post-transfer, HSI will continue providing security services to PNP pursuant to a contract with OPCO, subject to OPCO’s ultimate direction and control.

(d) Corporate Governance and Oversight

Holtec Palisades and OPCO are wholly owned subsidiaries of Holtec. Holtec Palisades’s senior leadership will report to the Holtec Executive Committee made up of the individuals listed in Attachment C. While Holtec will exercise general corporate oversight and decision-making authority over financial, personnel, and other business matters of OPCO, OPCO’s senior leadership will ultimately be responsible for the conduct of licensed activities and day-to-day operations.

¹¹ HDI intends to separately submit license amendment requests to reinstate a power operations Emergency Plan and Emergency Action Levels. The remainder of site program documents will return to an appropriate power operations basis in accordance with the requirements in 10 CFR 50.59 and 10 CFR 50.54.

Holtec is an integrated technologies enterprise providing innovative solutions, equipment, and services to the global nuclear, solar, geothermal, and fossil power generation sectors of the energy industry. Holtec has extensive experience in providing safety-related services to operating commercial power plants, as well as in designing, manufacturing, and installing safety-related equipment, and possesses in-house capabilities to design, engineer, analyze, construct, and deploy the technologies to manage used nuclear fuel discharged from nuclear reactors. Holtec has decades of experience implementing a quality assurance program and NRC licensing organization for its dry storage systems. Holtec, which is led by Dr. Krishna Singh, is an industry leader in nuclear fuel management systems. In this undertaking, Holtec brings a diverse corporate resume of prior accomplishments in nuclear projects in the U.S. and abroad, a substantial list of ongoing and satisfactorily completed nuclear projects (including many turnkey projects), and a long safety and quality record that demonstrates its commitment to nuclear safety and excellence.

(e) Conclusion

The proposed license transfer will provide PNP with a management team and site organization that is experienced and qualified to oversee and implement PNP's operations in accordance with the reinstated POLB and all applicable NRC requirements. The necessary management processes and controls will be applied, with clear lines of authority and communication. For these reasons, OPCO will have the necessary technical qualifications to safely perform the authorized activities under the RFOL in accordance with AEA and NRC regulations.

6. Financial Qualifications

Pursuant to 10 CFR 50.33(f)(2) and NRC's guidance in the Standard Review Plan on Power Reactor Licensee Financial Qualifications and Decommissioning Funding Assurance (NUREG-1577, Rev. 1), a non-electric utility must demonstrate that it has reasonable assurance of obtaining the funds necessary to cover the plant's estimated operating costs. Holtec Palisades and OPCO will be financially qualified to own and operate PNP as demonstrated by the projected income statements enclosed with this Application. Holtec Palisades has entered into a Power Purchase Agreement ("PPA") with Wolverine Power Supply Cooperative, Inc. ("Wolverine"), and Hoosier Energy Rural Electric Cooperative, Inc. ("Hoosier"), to collectively sell all of the Facility's energy and capacity under a long-term, fixed price arrangement that will remain in effect for the full term of the Facility license, including any license renewal terms. While not required by NRC regulations, further assurance will be provided via a Support Agreement provided by Holtec and the expected requirements of the DOE project financing agreements described in Enclosure 3A. OPCO will be financially qualified pursuant to the Operator Services Agreement under which Holtec Palisades will reimburse OPCO for all of its operating costs.

While not part of the 10 CFR 50.33(f)(2) financial assurance demonstration, Holtec Palisades is in the process of securing a DOE loan guarantee under Title XVII of the Energy Policy Act of 2005 and a grant from the State of Michigan to support the capital expenditure necessary to return PNP to full-power operations. Funds received under the DOE loan program and Michigan grant are not intended to fund Facility operating costs after the return to service. Expected DOE debt servicing costs are addressed in the pro forma income statements in Enclosure 3A.

The transfer of operational authority from HDI to OPCO will not affect the form of Holtec Palisades's decommissioning funding, which will continue to be satisfied by prepaid funds held in the PNP decommissioning trust fund. Following the return to operations, Holtec Palisades will be subject to the decommissioning funding requirements applicable to an operating facility, as described below.

(a) Financial Qualifications for Operations

As the facility owner, Holtec Palisades has the right to all output from PNP. Holtec Palisades has entered into a life-of-plant PPA with Wolverine and Hoosier for all Facility energy and capacity during the license term and any subsequent renewal terms. The pricing terms of the PPA are reflected in the proprietary Enclosure 3A. Wolverine and Hoosier are electric cooperatives that serve as their own rate-setting authority. They will recover amounts paid to Holtec Palisades under the PPA through tariff rates charged to their members, which members in turn collect all such costs from their retail ratepayers; *i.e.*, even though Holtec Palisades is not an electric utility under NRC regulations, the two Facility offtakers are. The proprietary pro forma income statement provided in Enclosure 3A demonstrates that PNP will have sufficient operational revenue to fund operation and maintenance costs for PNP. Enclosure 3A includes sensitivity analyses demonstrating the impact of a reduction in Facility capacity or generation revenue—in both cases, demonstrating that PNP will continue to generate positive net income.

In addition to power generation revenue, Holtec International will enter into a Support Agreement under which Holtec International will provide up to \$75 million to Holtec Palisades—an amount sufficient to cover fixed operating and maintenance costs during an extended outage, as contemplated by NUREG-1577. While not required by NRC regulations, the Support Agreement bolsters Holtec Palisades's financial wherewithal by providing additional financial assurance in the form of a formalized parent company commitment. A form of this agreement is provided in Enclosure 6. The Support Agreement is substantially similar to the support agreement Holtec currently has in connection with the Big Rock Point spent fuel management operating fund,¹² with appropriate modifications to reflect the differences in the underlying regulatory costs and obligations between Big Rock Point and PNP. Information regarding Holtec's financial capability to satisfy this support commitment is included in proprietary Enclosure 4A.

OPCO will be financially qualified pursuant to the Operator Services Agreement it will enter into with Holtec Palisades. The Operator Services Agreement requires Holtec Palisades to reimburse OPCO, at cost, for all operating expenses incurred to operate and maintain PNP. A form of this agreement is provided in Enclosure 5. The form agreement is substantially similar to the current

¹² HDI, Holtec Decommissioning International, LLC (HDI) satisfactory documentary evidence required before the planned closing date of the purchase and sale transaction of Palisades Nuclear Plant and Big Rock Point Plant, Encl. 4, June 24, 2022 (ML22178A077).

Decommissioning Operator Agreement between HDI and Holtec Palisades,¹³ with appropriate modifications to reflect OPCO's role at an operating reactor.

HDI requests that Enclosures 3A and 4A be withheld from public disclosure pursuant to 10 CFR 2.390(a)(4), as set forth in the affidavit provided in Enclosure 2. A non-proprietary version of the pro forma financial information is provided as Enclosure 3.

(b) Decommissioning Funding

Holtec Palisades will continue to meet decommissioning funding requirements via prepaid funds deposited in the PNP Nuclear Decommissioning Trust ("NDT"). Holtec Palisades will manage the NDT between now and the transition date in a manner that ensures Holtec Palisades will comply with the operational decommissioning funding requirements (*i.e.*, 10 CFR 50.75) that will apply to PNP once it returns to power operations. On the transition date, PNP will exit the decommissioning oversight process and enter the reactor oversight process coincident with the effectiveness of the POTS.

As of the date of this Application, PNP is still in decommissioning status, and HDI is still adhering to the PNP Post Shutdown Decommissioning Activities Report ("PSDAR"). HDI has not commenced any major decommissioning activities at PNP, as defined by 10 CFR 50.2. Upon a final decision by Holtec to suspend decommissioning and pursue restart in earnest, HDI expects to docket a notice under 10 CFR 50.82(a)(7) ("Restart Notice") indicating its intent to depart from the current PSDAR schedule to focus on restart efforts until such time as PNP either successfully resumes operations (and thus exits decommissioning) or abandons the restart project. HDI anticipates filing this formal Restart Notice the first quarter of 2024. Certain decommissioning compliance activities will continue following the Restart Notice, and PNP will remain in decommissioning status and governed by its permanently defueled licensing basis until such time as the POLB is reinstated. However, following the Restart Notice, Holtec Palisades will manage withdrawals from the NDT with the objective of maintaining NDT funds at a level sufficient to satisfy Holtec Palisades's decommissioning funding obligations upon a return to power operations. Prior to or in parallel with reinstatement of the POLB, HDI will submit another 10 CFR 50.82(a)(7) notice formally rescinding the PSDAR.

The transfer of operating authority from HDI to OPCO is conditioned on NRC approval of supportive license amendment requests and granting of the 10 CFR 50.82(a)(2) exemption to allow PNP to return to power operations. Accordingly, when the transfer occurs, Holtec Palisades and OPCO will no longer be subject to the decommissioning funding requirements applicable to shutdown plants (*i.e.*, 10 CFR 50.82) and will revert back to the decommissioning funding requirements applicable to operating plants (10 CFR 50.75). Likewise, HDI's current exemption from 10 CFR 50.82(a)(8)(i)(A) authorizing use of NDT funds for spent fuel management and site

¹³ HDI, Holtec Decommissioning International, LLC (HDI) satisfactory documentary evidence required before the planned closing date of the purchase and sale transaction of Palisades Nuclear Plant and Big Rock Point Plant, Encl. 3, June 24, 2022 (ML22178A077).

restoration activities will cease to apply upon the return to operations.¹⁴ Consistent with longstanding NRC policy, Holtec Palisades will fund spent fuel management costs incurred after the restart out of the plant's operational revenues. The costs of maintaining the PNP ISFSI and spent fuel pool are included in the plant operating costs set forth in the pro forma income statements. As demonstrated in Enclosure 3A, revenue from the plant will be sufficient to cover plant operations, including spent fuel management.

Consistent with the 10 CFR 50.75 operating plant paradigm, following withdrawal of the PSDAR and transfer of authority to OPCO, OPCO and Holtec Palisades will provide decommissioning funding assurance based on the requirements of 10 CFR 50.75(c). As provided in HDI's most-recent 10 CFR 50.82(a)(8)(v) report, the formula amount for PNP is \$539,595,280 in 2022 dollars.¹⁵ This 10 CFR 50.75(c) formula amount is conservative for PNP because it exceeds the estimated costs of radiological decommissioning from the previously-submitted HDI Site-Specific Decommissioning Cost Estimate.¹⁶

The value of the PNP NDT fund assets as of November 24, 2023, is approximately \$560 million. As noted in HDI's most recent decommissioning funding status report, Holtec Palisades has voluntarily deferred reimbursement of certain decommissioning costs that are otherwise reimbursable from the NDT.¹⁷ As of the date of this Application, Holtec Palisades is still carrying an accrual of decommissioning costs that have been incurred but not reimbursed from the NDT. Holtec Palisades intends to manage NDT withdrawals in a manner that safeguards Holtec Palisades's ability to meet the requirements of 10 CFR 50.75 upon returning to operational status. Prior to the transfer, HDI will continue to submit annual decommissioning funding reports that will provide updated NDT balances and updated 10 CFR 50.75(c) formula calculations for PNP.

Pursuant to 10 CFR 72.30(b)(3), Applicants must also identify a method for funding ISFSI decommissioning. HDI updated the most recent PNP ISFSI decommissioning cost estimate in March 2023.¹⁸ The escalated ISFSI decommissioning amount was \$10.1 million (2022 dollars). Given the amount of prepaid funds available in the PNP NDT relative to the 10 CFR 50.75(c)

¹⁴ The exemption authorizes HDI to use "a portion of the funds from the [Palisades NDT] for spent fuel management and site restoration activities at [Palisades] in accordance with HDI's PSDAR and [site specific cost estimate], dated December 23, 2020." NRC, Exemption from 10 CFR 50.82(a)(8)(i)(A) and 10 CFR 50.75(h)(1)(iv) for Holtec Decommissioning International, LLC, Dec. 31, 2021 (ML21286A506). In the second 10 CFR 50.82(a)(7) notice HDI files alongside the reinstatement of the POLB, HDI intends to acknowledge via docketed correspondence that the exemption has been rescinded and is no longer applicable upon withdrawal of the PSDAR.

¹⁵ HDI, Report on Status of Decommissioning Funding for Reactors and ISFSIs, Encl. 6, Mar. 31, 2023 (ML23090A140).

¹⁶ HDI, Post Shutdown Decommissioning Activities Report including Site-Specific Decommissioning Cost Estimate for Palisades Nuclear Plant, Dec. 23, 2020 (ML20358A232).

¹⁷ HDI, Report on Status of Decommissioning Funding for Reactors and ISFSIs, Encl. 4, Table 1, n.1, Mar. 31, 2023 (ML23090A140).

¹⁸ HDI, Report on Status of Decommissioning Funding for Reactors and ISFSIs, Encl. 4 (Mar. 31, 2023) (ML23090A140).

formula amount and HDI's ability to manage withdrawals from the NDT, HDI expects that there will be sufficient funds in the NDT to address the radiological decommissioning costs of the ISFSI, accounting for the 2% real rate of return allowed by NRC regulations and the anticipated ISFSI decommissioning date (following DOE's removal of spent fuel from the PNP site). As noted above, this funding demonstration is conservative because HDI's previously-submitted Site-Specific Decommissioning Cost Estimate projected the total cost of Facility radiological decommissioning, including the ISFSI, at an amount that is less than the 10 CFR 50.75(c) formula amount.

The current value of funds held in the NDT is sufficient to satisfy the decommissioning funding obligations for an operational plant under 10 CFR 50.75(c) and 10 CFR 72.30. Prior to implementing the license transfer, HDI will provide evidence demonstrating that Holtec Palisades possesses sufficient financial assurance to satisfy the operating reactor requirements in 10 CFR 50.75 and the ISFSI decommissioning funding requirements in 10 CFR 72.30.

Consistent with the 10 CFR 50.75(f)(3) and 10 CFR 50.54(bb), OPCO will submit a preliminary decommissioning cost estimate and spent fuel management funding plan five years before expiration of the current license term; *i.e.*, on or before March 24, 2026. The preliminary decommissioning cost estimate is expected to be based on the same cost-estimation methodologies used in the December 2020 Site-Specific Decommissioning Cost Estimate HDI previously submitted for PNP. Accordingly, Applicants expect that those submittals will not change Applicants' ability to provide reasonable assurance that funds will be available for the decommissioning process. OPCO also intends to submit a subsequent license renewal application at that same time to satisfy the timely renewal requirements of 10 CFR 2.109(b). If granted, a subsequent renewal term would afford more time for prepaid funds in the NDT to accrue interest before the plant eventually re-enters decommissioning.

For the foregoing reasons, Applicants have provided reasonable assurance of obtaining the funds necessary to cover estimated operating and decommissioning costs and are thus financially qualified.

7. Restricted Data and Classified National Security Information

The proposed transfer of ownership and operating authority does not involve any Restricted Data or possession of other Classified National Security Information, and it is not expected that possession of any such information will become involved in the licensed activities of OPCO. However, in the event that such information does become involved, and in accordance with 10 CFR 50.37, "Agreement Limiting Access to Classified Information," OPCO agrees that it will appropriately safeguard such information and will not permit any individual to have access under 10 CFR Part 25, "Access Authorization" and/or 10 CFR Part 95, "Facility Security Clearance and Safeguarding of National Security Information and Restrict Data."

8. Other Nuclear Regulatory Issues

(a) Price-Anderson Indemnity and Nuclear Insurance

OPCO requests that NRC amend the Price-Anderson indemnity agreement for PNP to add OPCO as a licensee for the facility and name OPCO as an indemnified entity upon the consummation of the proposed transfer of licensee authority.

OPCO will maintain on-site property damage insurance coverage and off-site nuclear liability coverage as required by NRC, and prior to the license transfer, OPCO will provide proof that this coverage will be in place on the effective date of the transfer. HDI has submitted the normal insurance exemptions for plants in decommissioning, requesting to step down on-site and off-site coverages required by 10 CFR 50.54(w)(1) and 10 CFR 140.11(a)(4) once fuel in the spent fuel pool has cooled sufficiently to reasonably eliminate the risk of the zirconium cladding catching fire in a loss of coolant accident scenario.¹⁹ As of the date of this Application, NRC has not issued these exemptions. Subject to HDI's docketing of its formal notice of suspension of decommissioning activities, HDI intends to maintain operational on-site and off-site insurance coverages even if NRC approves the requested exemptions.

(b) Standard Contract for Disposal of Spent Nuclear Fuel

Holtec Palisades will continue to hold title to the spent nuclear fuel at PNP and will maintain the DOE Standard Contract, including all rights and obligations under that contract. Standard Contract, No. DE-CR01-83NE44373, dated as of June 3, 1983, was entered into by the previous owners and the United States of America, represented by the DOE, to govern the disposal of the spent nuclear fuel generated at PNP. Holtec Palisades expects to recover from DOE through litigation or settlement of its claims for the spent fuel management costs it will incur as a result of the DOE's breach of its obligations to dispose of the spent nuclear fuel.

(c) Exclusion Area Control

Upon approval of the transfer, OPCO will have control over the PNP exclusion area and will have authority to determine all activities within the exclusion area to the extent required by 10 CFR Part 100.

(d) Quality Assurance Program

PNP is currently operating under its Fleet Decommissioning Quality Assurance Program.²⁰ Coincident with the transfer of operational authority, HDI will reinstate a power operations QAPM pursuant to 10 CFR 50.54(a). Upon transfer, OPCO will retain authority and responsibility for the

¹⁹ HDI Letter PNP 2022-024, Request for Exemption from 10 CFR 140.11(a)(4) Concerning Primary and Secondary Liability Insurance, Oct. 26, 2022 (ML22299A059); HDI Letter PNP 2022-026, Request for Exemption from 10 CFR 50.54(w)(1) Concerning Onsite Property Damage Insurance, Oct. 26, 2022 (ML22299A062).

²⁰ HDI Letter, Update Report For Holtec Decommissioning International (HDI) Fleet Decommissioning Quality Assurance Program (DQAP) Rev. 2, Aug. 3, 2022 (ML22215A147).

functions necessary to fulfill the quality assurance requirements required by the POTS and as specified in the power operations QAPM.

HDI has maintained IT infrastructure and records required to comply with NRC recordkeeping requirements that will apply upon reinstatement of the POLB. OPCO will have full access to all such assets and records following transfer of operational authority.

(e) No Significant Hazards Consideration

The changes proposed for the RFOL are shown in Attachment A to this Application. The changes conform the RFOL to reflect the proposed transfer of authority and responsibility for licensed activities under the RFOL to OPCO. Consistent with the generic determination in 10 CFR 2.1315(a), the proposed conforming license amendments involve no significant hazards consideration, because they do no more than conform the RFOL to reflect the proposed transfer.

The proposed license amendments do not involve any change in the design or licensing basis, plant configuration, status of PNP, or the requirements of the RFOL. Therefore, the proposed action does not: (1) involve an increase in the probability or consequences of an accident previously analyzed; (2) create the possibility of a new or different kind of accident from the accidents previously analyzed; or (3) involve a significant reduction in a margin of safety.

9. Environmental Review

The requested consent to transfer of licensed operator authority for PNP is exempt from environmental review because it falls within the categorical exclusion contained in 10 CFR 51.22(c)(21) for which neither an Environmental Assessment nor an Environmental Impact Statement is required. The proposed transfer does not involve an increase in the amounts, nor a change in the types, of non-radiological effluents that may be released off-site. Further, there is no increase in the individual or cumulative occupational radiation exposure, and the proposed transfer has no environmental impact. Therefore, pursuant to 10 CFR 51.22(b), no environmental impact statement or environmental assessment need be prepared in connection with the proposed change.

10. Effective Date and Other Required Regulatory Approvals

Applicants are targeting a transfer of operational authority to occur at the same time as reinstatement of the POLB. Subject to NRC approval of the supporting regulatory actions, HDI is proposing to submit a notification of transition to power operations letter to NRC that will docket HDI's and OPCO's satisfaction of the implementation conditions for the license transfer, as well as the other NRC approvals necessary for reinstatement of the POLB. Upon docketing this transition notification letter, PNP intends to transition from a facility in decommissioning back to a power operations plant, and HDI will transfer its authority to conduct licensed activities to OPCO.

To support the expected regulatory schedule, Applicants request that NRC review this Application on a schedule that will permit issuance of an order consenting to the transfer and approving conforming license amendments by December 31, 2024. Applicants request that the consent be

immediately effective upon issuance and authorize the transfer to occur up to one year after issuance or such later date as NRC may authorize. HDI will notify NRC staff at least five business days prior to the expected transfer date.

Applicants do not anticipate the need for other agency approvals in order to transfer licensed authority to OPCO. Applicants will continue to coordinate with NRC on the status of the other NRC approvals needed to support the Facility restart, the timing of which could impact the anticipated transfer date.

11. Conclusion

The proposed transfer of authority to conduct licensed activities under the RFOL will be consistent with the requirements of AEA, NRC regulations, and regulatory guidance. The transfer will not be inimical to the common defense and security and will not involve foreign ownership, control, or domination. Therefore, Applicants respectfully request NRC to issue an order (1) consenting to the proposed license transfer related to Renewed Facility Operating License No. DPR-20 and the PNP ISFSI general license, and (2) approving the conforming license amendments.

**Enclosure 1
Attachment A**

Proposed Changes (mark-up) to Palisades Plant (PNP)

**Renewed Facility Operating License (RFOL) NO. DPR-20
DOCKET NO. 50-255**

(8 PAGES INCLUDING THIS COVER PAGE)

The proposed changes to the PNP RFOL are identified by additions in bold-italics **RED** and deletions in strike-out.

To coordinate the license transfer application (LTA) conforming amendments with the power operations technical specification (POTS) license amendment request (LAR) as discussed in the Holtec Decommissioning exemption request, "Request for Exemption from Certain Termination of License Requirements of 10 CFR 50.82" (ML23271A140), the changes expected in the POTS LAR that overlap the LTA proposed changes are shown in bracketed italics.

The conforming amendments are proposed to become effective on the date that PNP transitions from a facility in decommissioning to a power operations plant conditioned by and coincident with the effectiveness of the POTS amendments.

HOLTEC PALISADES, LLC

~~HOLTEC DECOMMISSIONING INTERNATIONAL, LLC~~
PALISADES ENERGY, LLC

DOCKET NO. 50-255

PALISADES NUCLEAR PLANT

RENEWED FACILITY OPERATING LICENSE


Renewed License No. DPR-20

1. The Nuclear Regulatory Commission (NRC or the Commission) having previously made the findings set forth in Operating License No. DPR-20, dated February 21, 1991, has now found that:
 - A. The application for Renewed Operating License No. DPR-20 complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations set forth in 10 CFR Chapter I, and all required notifications to other agencies or bodies have been duly made;
 - B. [deleted];
 - C. Actions have been identified and have been or will be taken with respect to:
 - (1) managing the effects of aging on the functionality of structures and components that have been identified to require review under 10 CFR 54.21(a)(1) during the period of extended operation, and
 - (2) time-limited aging analyses that have been identified to require review under 10 CFR 54.21(c), such that there is reasonable assurance that the activities authorized by this renewed operating license will continue to be conducted in accordance with the current licensing basis, as defined in 10 CFR 54.3 for the facility, and that any changes made to the facility's current licensing basis in order to comply with 10 CFR 54.29(a) are in accordance with the Act and the Commission's regulations;

- D. The facility will operate in conformity with the application, the provisions of the Act, and the regulations of the Commission;
 - E. There is reasonable assurance: (i) that the activities authorized by this renewed operating license can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the Commission's regulations set forth in 10 CFR Chapter I;
 - F. Holtec Palisades, LLC (Holtec Palisades) is financially qualified and ~~Holtec Decommissioning International, LLC (HDI)~~ **Palisades Energy, LLC (Palisades Energy)** is financially and technically qualified to engage in the activities authorized by this renewed operating license in accordance with the Commission's regulations set forth in 10 CFR Chapter I;
 - G. Holtec Palisades and ~~HDI~~ **Palisades Energy** have satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements" of the Commission's regulations;
 - H. The issuance of this renewed operating license will not be inimical to the common defense and security or to the health and safety of the public;
 - I. After weighing the environmental, economic, technical, and other benefits of the facility against environmental and other costs and considering available alternatives, the issuance of this renewed Facility Operating License No. DPR-20, subject to the conditions for protection of the environment set forth herein, is in accordance with 10 CFR Part 51 (formerly Appendix D to Part 50), of the Commission's regulations and all applicable requirements have been satisfied; and
 - J. The receipt, possession, and use of source, byproduct, and special nuclear material as authorized by this renewed operating license will be in accordance with 10 CFR Parts 30, 40, and 70.
2. Renewed Facility Operating License No. DPR-20 is hereby issued to Holtec Palisades and ~~HDI~~ **Palisades Energy** as follows:
- A. This renewed license applies to the Palisades Plant, a pressurized light water moderated and cooled reactor and electrical generating equipment (the facility). The facility is located in Van Buren County, Michigan, and is described in the Palisades Plant Updated Final Safety Analysis Report, as supplemented and amended, and in the Palisades Plant Environmental Report, as supplemented and amended.
 - B. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses:
 - (1) Pursuant to Section 104b of the Act, as amended, and 10 CFR Part 50, "Licensing of Production and Utilization Facilities," (a) Holtec Palisades to possess and use, and (b) ~~HDI~~ **Palisades Energy** to possess[, and use and operate], the facility at the designated location in Van Buren County, Michigan, in accordance with the procedures and limitation set forth in this license;

- (2) ~~HDI~~ **Palisades Energy**, pursuant to the Act and 10 CFR Parts 40 and 70, to ~~[receive,] possess [, and use]~~ source, and special nuclear material ~~[that was used]~~ as reactor fuel, in accordance with the limitations for storage ~~[and amounts required for reactor operation]~~, as described in the Updated Final Safety Analysis Report, as supplemented and amended;
- (3) ~~HDI~~ **Palisades Energy**, pursuant to the Act and 10 CFR Parts 30, 40, and 70, to receive, possess, and use byproduct, source, and special nuclear material as sealed sources ~~[that were used]~~ for reactor startup, ~~[sealed sources that were used for]~~ reactor instrumentation, ~~[and are used in the calibration of]~~ radiation monitoring equipment ~~[calibration]~~, and ~~[that were used as]~~ fission detectors in amounts as required;
- (4) ~~HDI~~ **Palisades Energy**, pursuant to the Act and 10 CFR Parts 30, 40, and 70, to receive, possess, and use in amounts as required any byproduct, source, or special nuclear material for sample analysis or instrument calibration, or associated with radioactive apparatus or components; and
- (5) ~~HDI~~ **Palisades Energy**, pursuant to the Act and 10 CFR Parts 30, 40, and 70, to possess, but not separate, such byproduct and special nuclear materials ~~[that were as may be]~~ produced by the operations of the facility.

C. This renewed operating license shall be deemed to contain and is subject to the conditions specified in the Commission's regulations in 10 CFR Chapter I and is subject to all applicable provisions of the Act; to the rules, regulations, and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified or incorporated below:

- (1) ~~[deleted]~~ **Palisades Energy** *[is authorized to operate the facility at steady-state reactor core power levels not in excess of 2565.4 Megawatts thermal (100 percent rated power) in accordance with the conditions specified herein.]*
- (2) The Technical Specifications contained in Appendix A, as revised through Amendment No. ~~273~~ **XXX**, and the Environmental Protection Plan contained in Appendix B are hereby incorporated in the license. ~~HDI~~ **Palisades Energy** shall ~~[maintain operate]~~ the facility in accordance with the Technical Specifications and the Environmental Protection Plan.
- (3) ~~[deleted]~~ 
- (4) ~~[deleted]~~
- (5) Movement of a fuel cask in or over the spent fuel pool is prohibited when irradiated fuel assemblies decayed less than 90 days are in the spent fuel pool.

D. [deleted]

E. ~~HDI~~ **Palisades Energy** shall fully implement and maintain in effect all provisions of the Commission-approved physical security, training and qualification, and safeguards contingency plans including amendments made pursuant to provisions of the Miscellaneous Amendments and Search Requirements revisions to 10 CFR 73.55 (51 FR 27817 and 27822) and to the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The combined set of plans, which contains Safeguards Information protected under 10 CFR 73.21, is entitled: "Palisades Nuclear Plant Physical Security Plan."

~~HDI~~ **Palisades Energy** shall fully implement and maintain in effect all provisions of the Commission-approved cyber security plan (CSP), including changes made pursuant to the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The Palisades CSP was approved by License Amendment No. 243 as supplemented by changes approved by License Amendment Nos. 248, 253, 259, and 264.

F. [deleted]

G. Holtec Palisades and ~~HDI~~ **Palisades Energy** shall have and maintain financial protection of such type and in such amounts as the Commission shall require in accordance with Section 170 of the Atomic Energy Act of 1954, as amended, to cover public liability claims.

Insert 1

(3) ~~[deleted]~~ [Fire Protection]

Palisades Energy [shall implement and maintain in effect all provisions of the approved fire protection program that comply with 10 CFR 50.48(a) and 10 CFR 50.48(c), as specified in the license amendment requests dated December 12, 2012, November 1, 2017, November 1, 2018, and March 8, 2019, as supplemented by letters dated February 21, 2013, September 30, 2013, October 24, 2013, December 2, 2013, April 2, 2014, May 7, 2014, June 17, 2014, August 14, 2014, November 4, 2014, December 18, 2014, and January 24, 2018, and May 28, 2019, as approved in the safety evaluations dated February 27, 2015, February 27, 2018, and August 20, 2019. Except where NRC approval for changes or deviations is required by 10 CFR 50.48(c), and provided no other regulation, technical specification, license condition or requirement would require prior NRC approval, the licensee may make changes to the fire protection program without prior approval of the Commission if those changes satisfy the provisions set forth in 10 CFR 50.48(a) and 10 CFR 50.48(c), the change does not require a change to a technical specification or a license condition, and the criteria listed below are satisfied.

(a) Risk-Informed Changes that May Be Made Without Prior NRC Approval

A risk assessment of the change must demonstrate that the acceptance criteria below are met. The risk assessment approach, methods, and data shall be acceptable to the NRC and shall be appropriate for the nature and scope of the change being evaluated; be based on the as-built, as operated, and maintained plant; and reflect the operating experience at the plant. Acceptable methods to assess the risk of the change may include methods that have been used in the peer-reviewed fire PRA model, methods that have been approved by NRC through a plant-specific license amendment or NRC approval of generic methods specifically for use in NFPA 805 risk assessments, or methods that have been demonstrated to bound the risk impact.

1. *Prior NRC review and approval is not required for changes that clearly result in a decrease in risk. The proposed change must also be consistent with the defense-in-depth philosophy and must maintain sufficient safety margins. The change may be implemented following completion of the plant change evaluation.*
2. *Prior NRC review and approval is not required for individual changes that result in a risk increase less than 1×10^{-7} /year (yr) for CDF and less than 1×10^{-8} /yr for LERF. The proposed change must also be consistent with the defense-in-depth philosophy and must maintain sufficient safety margins. The change may be implemented following completion of the plant change evaluation.*

(b) Other Changes that May Be Made Without Prior NRC Approval

1. *Changes to NFPA 805, Chapter 3, Fundamental Fire Protection Program*

Prior NRC review and approval are not required for changes to the NFPA 805, Chapter 3, fundamental fire protection program elements and design requirements for which an engineering evaluation demonstrates that the alternative to the Chapter 3 element is functionally equivalent or adequate for the hazard.

The licensee may use an engineering evaluation to demonstrate that a change to an NFPA 805, Chapter 3, element is functionally equivalent to the corresponding technical requirement. A qualified fire protection engineer shall perform the engineering evaluation and conclude that the change has not affected the functionality of the component, system, procedure, or physical arrangement, using a relevant technical requirement or standard.

The licensee may use an engineering evaluation to demonstrate that changes to certain NFPA 805, Chapter 3, elements are acceptable because the alternative is “adequate for the hazard.” Prior NRC review and approval would not be required for alternatives to four specific sections of NFPA 805, Chapter 3, for which an engineering evaluation demonstrates that the alternative to the Chapter 3 element is adequate for the hazard. A qualified fire protection engineer shall perform the engineering evaluation and conclude that the change has not affected the functionality of the component, system, procedure, or physical arrangement, using a relevant technical requirement or standard. The four specific sections of NFPA 805, Chapter 3, are as follows:

- *“Fire Alarm and Detection Systems” (Section 3.8);*
- *“Automatic and Manual Water-Based Fire Suppression Systems” (Section 3.9);*
- *“Gaseous Fire Suppression Systems” (Section 3.10); and*
- *“Passive Fire Protection Features” (Section 3.11).*

This License Condition does not apply to any demonstration of equivalency under Section 1.7 of NFPA 805.

2. *Fire Protection Program Changes that Have No More than Minimal Risk Impact*

Prior NRC review and approval are not required for changes to the licensee's fire protection program that have been demonstrated to have no more than a minimal risk impact. The licensee may use its screening process as approved in the NRC safety evaluation dated February 27, 2015, to determine that certain fire protection program changes meet the minimal criterion. The licensee shall ensure that fire protection defense-in-depth and safety margins are maintained when changes are made to the fire protection program.

(c) *Transition License Conditions*

1. *Before achieving full compliance with 10 CFR 50.48(c), as specified by 2, below, risk-informed changes to the licensee's fire protection program may not be made without prior NRC review and approval unless the change has been demonstrated to have no more than a minimal risk impact, as described in 2. above.*
2. *The licensee shall implement the modifications to its facility, as described in Table S-2, "Plant Modifications Committed," of Entergy Nuclear Operations, Inc. (ENO) letter PNP 2019-028 dated May 28, 2019, to complete the transition to full compliance with 10 CFR 50.48(c) before the end of the refueling outage following the fourth full operating cycle after NRC approval. The licensee shall maintain appropriate compensatory measures in place until completion of these modifications.*
3. *The licensee shall implement the items listed in Table S-3, "Implementation Items," of ENO letter PNP 2014-097 dated November 4, 2014, within six months after NRC approval, or six months after a refueling outage if in progress at the time of approval with the exception of Implementation Items 3 and 8 which will be completed once the related modifications are installed and validated in the PRA model.]*

**Enclosure 1
Attachment B**

Proposed Changes to Palisades Plant (PNP)

**Renewed Facility Operating License (RFOL) NO. DPR-20
DOCKET NO. 50-255**

(8 PAGES INCLUDING THIS COVER PAGE)

To coordinate the license transfer application (LTA) conforming amendments with the power operations technical specification (POTS) license amendment request (LAR) as discussed in the Holtec Decommissioning exemption request, "Request for Exemption from Certain Termination of License Requirements of 10 CFR 50.82" (ML23271A140), the changes expected in the POTS LAR that overlap the LTA proposed name changes are shown in brackets.

The conforming amendments are proposed to become effective on the date that PNP transitions from a facility in decommissioning to a power operations plant conditioned by and coincident with the effectiveness of the POTS amendments.

HOLTEC PALISADES, LLC

PALISADES ENERGY, LLC

DOCKET NO. 50-255

PALISADES NUCLEAR PLANT

RENEWED FACILITY OPERATING LICENSE

Renewed License No. DPR-20

1. The Nuclear Regulatory Commission (NRC or the Commission) having previously made the findings set forth in Operating License No. DPR-20, dated February 21, 1991, has now found that:
 - A. The application for Renewed Operating License No. DPR-20 complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations set forth in 10 CFR Chapter I, and all required notifications to other agencies or bodies have been duly made;
 - B. [deleted];
 - C. Actions have been identified and have been or will be taken with respect to:
 - (1) managing the effects of aging on the functionality of structures and components that have been identified to require review under 10 CFR 54.21(a)(1) during the period of extended operation, and
 - (2) time-limited aging analyses that have been identified to require review under 10 CFR 54.21(c), such that there is reasonable assurance that the activities authorized by this renewed operating license will continue to be conducted in accordance with the current licensing basis, as defined in 10 CFR 54.3 for the facility, and that any changes made to the facility's current licensing basis in order to comply with 10 CFR 54.29(a) are in accordance with the Act and the Commission's regulations;

- D. The facility will operate in conformity with the application, the provisions of the Act, and the regulations of the Commission;
 - E. There is reasonable assurance: (i) that the activities authorized by this renewed operating license can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the Commission's regulations set forth in 10 CFR Chapter I;
 - F. Holtec Palisades, LLC (Holtec Palisades) is financially qualified and Palisades Energy, LLC (Palisades Energy) is financially and technically qualified to engage in the activities authorized by this renewed operating license in accordance with the Commission's regulations set forth in 10 CFR Chapter I;
 - G. Holtec Palisades and Palisades Energy have satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements" of the Commission's regulations;
 - H. The issuance of this renewed operating license will not be inimical to the common defense and security or to the health and safety of the public;
 - I. After weighing the environmental, economic, technical, and other benefits of the facility against environmental and other costs and considering available alternatives, the issuance of this renewed Facility Operating License No. DPR-20, subject to the conditions for protection of the environment set forth herein, is in accordance with 10 CFR Part 51 (formerly Appendix D to Part 50), of the Commission's regulations and all applicable requirements have been satisfied; and
 - J. The receipt, possession, and use of source, byproduct, and special nuclear material as authorized by this renewed operating license will be in accordance with 10 CFR Parts 30, 40, and 70.
2. Renewed Facility Operating License No. DPR-20 is hereby issued to Holtec Palisades and Palisades Energy as follows:
- A. This renewed license applies to the Palisades Plant, a pressurized light water moderated and cooled reactor and electrical generating equipment (the facility). The facility is located in Van Buren County, Michigan, and is described in the Palisades Plant Updated Final Safety Analysis Report, as supplemented and amended, and in the Palisades Plant Environmental Report, as supplemented and amended.
 - B. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses:
 - (1) Pursuant to Section 104b of the Act, as amended, and 10 CFR Part 50, "Licensing of Production and Utilization Facilities," (a) Holtec Palisades to possess and use, and (b) Palisades Energy to possess[, use and operate], the facility at the designated location in Van Buren County, Michigan, in accordance with the procedures and limitation set forth in this license;

- (2) Palisades Energy, pursuant to the Act and 10 CFR Parts 40 and 70, to [receive,] possess[, and use] source, and special nuclear material[]as reactor fuel, in accordance with the limitations for storage [and amounts required for reactor operation], as described in the Updated Final Safety Analysis Report, as supplemented and amended;
- (3) Palisades Energy, pursuant to the Act and 10 CFR Parts 30, 40, and 70, to receive, possess, and use byproduct, source, and special nuclear material as sealed sources[]for reactor startup,[]reactor instrumentation[,] radiation monitoring equipment [calibration], and[]fission detectors in amounts as required;
- (4) Palisades Energy, pursuant to the Act and 10 CFR Parts 30, 40, and 70, to receive, possess, and use in amounts as required any byproduct, source, or special nuclear material for sample analysis or instrument calibration, or associated with radioactive apparatus or components; and
- (5) Palisades Energy, pursuant to the Act and 10 CFR Parts 30, 40, and 70, to possess, but not separate, such byproduct and special nuclear materials[as may be] produced by the operations of the facility.

C. This renewed operating license shall be deemed to contain and is subject to the conditions specified in the Commission's regulations in 10 CFR Chapter I and is subject to all applicable provisions of the Act; to the rules, regulations, and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified or incorporated below:

- (1) Palisades Energy [is authorized to operate the facility at steady-state reactor core power levels not in excess of 2565.4 Megawatts thermal (100 percent rated power) in accordance with the conditions specified herein.]
- (2) The Technical Specifications contained in Appendix A, as revised through Amendment No. XXX, and the Environmental Protection Plan contained in Appendix B are hereby incorporated in the license. Palisades Energy shall [operate] the facility in accordance with the Technical Specifications and the Environmental Protection Plan.

(3) Fire Protection

Palisades Energy [shall implement and maintain in effect all provisions of the approved fire protection program that comply with 10 CFR 50.48(a) and 10 CFR 50.48(c), as specified in the license amendment requests dated December 12, 2012, November 1, 2017, November 1, 2018, and March 8, 2019, as supplemented by letters dated February 21, 2013, September 30, 2013,

October 24, 2013, December 2, 2013, April 2, 2014, May 7, 2014, June 17, 2014, August 14, 2014, November 4, 2014, December 18, 2014, and January 24, 2018, and May 28, 2019, as approved in the safety evaluations dated February 27, 2015, February 27, 2018, and August 20, 2019. Except where NRC approval for changes or deviations is required by 10 CFR 50.48(c), and provided no other regulation, technical specification, license condition or requirement would require prior NRC approval, the licensee may make changes to the fire protection program without prior approval of the Commission if those changes satisfy the provisions set forth in 10 CFR 50.48(a) and 10 CFR 50.48(c), the change does not require a change to a technical specification or a license condition, and the criteria listed below are satisfied.

(a) Risk-Informed Changes that May Be Made Without Prior NRC Approval

A risk assessment of the change must demonstrate that the acceptance criteria below are met. The risk assessment approach, methods, and data shall be acceptable to the NRC and shall be appropriate for the nature and scope of the change being evaluated; be based on the as-built, as operated, and maintained plant; and reflect the operating experience at the plant. Acceptable methods to assess the risk of the change may include methods that have been used in the peer-reviewed fire PRA model, methods that have been approved by NRC through a plant-specific license amendment or NRC approval of generic methods specifically for use in NFPA 805 risk assessments, or methods that have been demonstrated to bound the risk impact.

1. Prior NRC review and approval is not required for changes that clearly result in a decrease in risk. The proposed change must also be consistent with the defense-in-depth philosophy and must maintain sufficient safety margins. The change may be implemented following completion of the plant change evaluation.
2. Prior NRC review and approval is not required for individual changes that result in a risk increase less than 1×10^{-7} /year (yr) for CDF and less than 1×10^{-8} /yr for LERF. The proposed change must also be consistent with the defense-in-depth philosophy and must maintain sufficient safety margins. The change may be implemented following completion of the plant change evaluation.

(b) Other Changes that May Be Made Without Prior NRC Approval

1. Changes to NFPA 805, Chapter 3, Fundamental Fire Protection Program

Prior NRC review and approval are not required for changes to the NFPA 805, Chapter 3, fundamental fire protection program elements and design requirements for which an engineering

evaluation demonstrates that the alternative to the Chapter 3 element is functionally equivalent or adequate for the hazard.

The licensee may use an engineering evaluation to demonstrate that a change to an NFPA 805, Chapter 3, element is functionally equivalent to the corresponding technical requirement. A qualified fire protection engineer shall perform the engineering evaluation and conclude that the change has not affected the functionality of the component, system, procedure, or physical arrangement, using a relevant technical requirement or standard.

The licensee may use an engineering evaluation to demonstrate that changes to certain NFPA 805, Chapter 3, elements are acceptable because the alternative is "adequate for the hazard." Prior NRC review and approval would not be required for alternatives to four specific sections of NFPA 805, Chapter 3, for which an engineering evaluation demonstrates that the alternative to the Chapter 3 element is adequate for the hazard. A qualified fire protection engineer shall perform the engineering evaluation and conclude that the change has not affected the functionality of the component, system, procedure, or physical arrangement, using a relevant technical requirement or standard. The four specific sections of NFPA 805, Chapter 3, are as follows:

- "Fire Alarm and Detection Systems" (Section 3.8);
- "Automatic and Manual Water-Based Fire Suppression Systems" (Section 3.9);
- "Gaseous Fire Suppression Systems" (Section 3.10); and
- "Passive Fire Protection Features" (Section 3.11).

This License Condition does not apply to any demonstration of equivalency under Section 1.7 of NFPA 805.

2. Fire Protection Program Changes that Have No More than Minimal Risk Impact

Prior NRC review and approval are not required for changes to the licensee's fire protection program that have been demonstrated to have no more than a minimal risk impact. The licensee may use its screening process as approved in the NRC safety evaluation dated February 27, 2015, to determine that certain fire protection program changes meet the minimal criterion. The licensee shall

ensure that fire protection defense-in-depth and safety margins are maintained when changes are made to the fire protection program.

(c) Transition License Conditions

1. Before achieving full compliance with 10 CFR 50.48(c), as specified by 2, below, risk-informed changes to the licensee's fire protection program may not be made without prior NRC review and approval unless the change has been demonstrated to have no more than a minimal risk impact, as described in 2. above.
 2. The licensee shall implement the modifications to its facility, as described in Table S-2, "Plant Modifications Committed," of Entergy Nuclear Operations, Inc. (ENO) letter PNP 2019-028 dated May 28, 2019, to complete the transition to full compliance with 10 CFR 50.48(c) before the end of the refueling outage following the fourth full operating cycle after NRC approval. The licensee shall maintain appropriate compensatory measures in place until completion of these modifications.
 3. The licensee shall implement the items listed in Table S-3, "Implementation Items," of ENO letter PNP 2014-097 dated November 4, 2014, within six months after NRC approval, or six months after a refueling outage if in progress at the time of approval with the exception of Implementation Items 3 and 8 which will be completed once the related modifications are installed and validated in the PRA model.]
- (4) [deleted]
- (5) Movement of a fuel cask in or over the spent fuel pool is prohibited when irradiated fuel assemblies decayed less than 90 days are in the spent fuel pool.

D. [deleted]

E. Palisades Energy shall fully implement and maintain in effect all provisions of the Commission-approved physical security, training and qualification, and safeguards contingency plans including amendments made pursuant to provisions of the Miscellaneous Amendments and Search Requirements revisions to 10 CFR 73.55 (51 FR 27817 and 27822) and to the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The combined set of plans, which contains Safeguards Information protected under 10 CFR 73.21, is entitled: "Palisades Nuclear Plant Physical Security Plan."

Palisades Energy shall fully implement and maintain in effect all provisions of the Commission-approved cyber security plan (CSP), including changes made pursuant to the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The Palisades CSP was approved by License Amendment No. 243 as supplemented by changes approved by License Amendment Nos. 248, 253, 259, and 264.

F. [deleted]

G. Holtec Palisades and Palisades Energy shall have and maintain financial protection of such type and in such amounts as the Commission shall require in accordance with Section 170 of the Atomic Energy Act of 1954, as amended, to cover public liability claims.

Attachment C

Redacted Corporate Information Required by 10 CFR 50.33(d)(3) (Public)

NAME:	Holtec International
STATE OF INCORPORATION:	Delaware
BUSINESS ADDRESS:	Krishna P. Singh Technology Campus 1 Holtec Boulevard Camden, NJ 08104
DIRECTORS:	Dr. Krishna P. Singh Stuart Crooks José A. Gago Dr. Eduardo D. Glandt James H. Miller Dominique Miniere George E. Norcross III Michael J. Pacilio Jim Saxton Martha J. Singh S. Amy Singh
EXECUTIVE COMMITTEE:	Dr. Krishna P. Singh, President & Chief Executive Officer Pankaj Chaudhary, Senior V.P. of Operations Frederick J. Roegge, Senior V.P. and Chief Strategy Officer Kelly D. Trice, President of Nuclear Generation and Decommissioning J. Scott Thomson, Senior V.P. and Governance Officer Joy Russell, Senior V.P., Chief Commercial Officer Dr. Richard Springman, Senior V.P. of International Projects William F. Gill, V.P. and General Counsel

[

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NAME:	Holtec Power, Inc.
STATE OF INCORPORATION:	Delaware
BUSINESS ADDRESS:	Krishna P. Singh Technology Campus 1 Holtec Boulevard Camden, NJ 08104
DIRECTORS:	Pankaj Chaudhary Dr. Stefan Anton
EXECUTIVE COMMITTEE:	Dr. Krishna P. Singh, President & Chief Executive Officer Pankaj Chaudhary, Senior V.P. of Operations Frederick J. Roegge, Senior V.P. and Chief Strategy Officer Kelly D. Trice, President of Nuclear Generation and Decommissioning J. Scott Thomson, Senior V.P. and Governance Officer Joy Russell, Senior V.P., Chief Commercial Officer Dr. Richard Springman, Senior V.P. of International Projects William F. Gill, V.P. and General Counsel

All of the directors, principal officers, and executive committee members of Holtec Power, Inc. are U.S. citizens, with the same corporate address as Holtec Power, Inc.

NAME:	Nuclear Asset Management Company, LLC
STATE OF FORMATION:	Delaware
BUSINESS ADDRESS:	Krishna P. Singh Technology Campus 1 Holtec Boulevard Camden, NJ 08104
MANAGING MEMBER:	Holtec Power, Inc.
PRINCIPAL OFFICERS:	Kelly D. Trice, President Michelle Tate, Treasurer and Vice President Martin Babos, Secretary

All of the principal officers of Nuclear Asset Management Company, LLC are U.S. citizens, with the same corporate address as Nuclear Asset Management Company, LLC.

NAME:	Holtec Palisades, LLC
STATE OF INCORPORATION:	Delaware
BUSINESS ADDRESS:	Krishna P. Singh Technology Campus 1 Holtec Boulevard Camden, NJ 08104
MANAGING MEMBER:	Nuclear Asset Management Company, LLC
PRINCIPAL OFFICERS:	Kelly D. Trice, President Richard Burroni, Chief Nuclear Officer Jean Fleming, Vice President of Licensing, Regulatory and Probabilistic Safety Analysis Troy Geauthreaux, Chief Financial Officer

All of the principal officers of Holtec Palisades, LLC are U.S. citizens, with the same corporate address as Holtec Palisades, LLC.

NAME:	Palisades Energy, LLC
STATE OF FORMATION:	Delaware
BUSINESS ADDRESS:	Krishna P. Singh Technology Campus 1 Holtec Boulevard Camden, NJ 08104
MANAGING MEMBER:	Holtec Power, Inc.
PRINCIPAL OFFICERS:	Kelly D. Trice, President Richard Burroni, Chief Nuclear Officer Jean Fleming, Vice President of Licensing, Regulatory and Probabilistic Safety Analysis Troy Geauthreaux, Chief Financial Officer

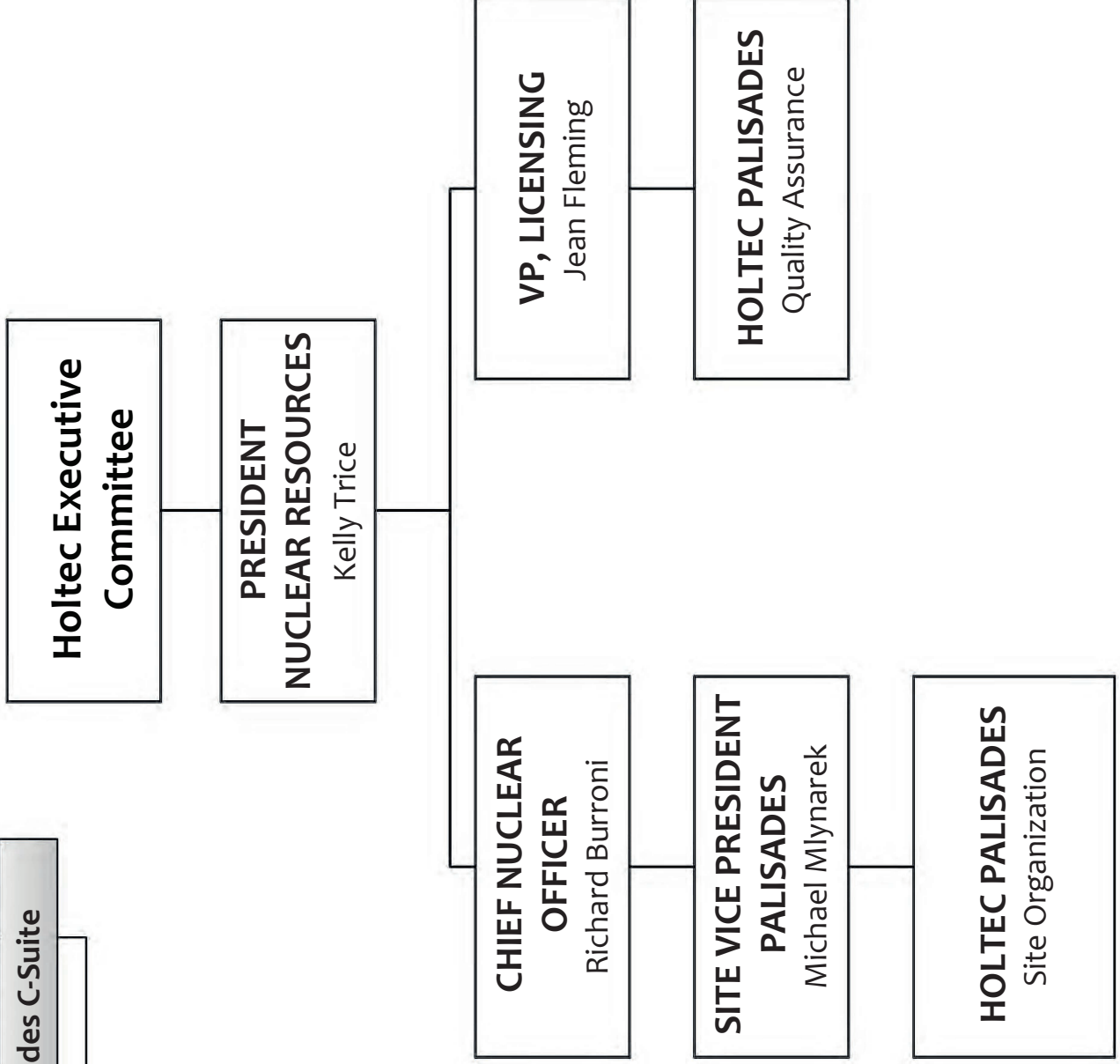
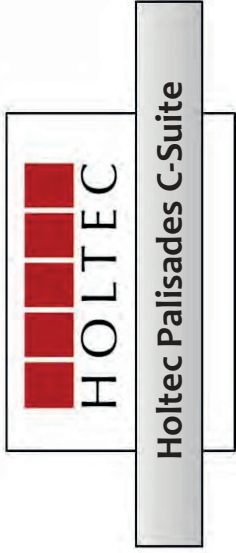
All of the principal officers of Palisades Energy, LLC are U.S. citizens, with the same corporate address as Palisades Energy, LLC.

Attachment D

**Palisades Energy, LLC Organization Chart
and Resumes of Senior Leadership**

Palisades Nuclear Plant

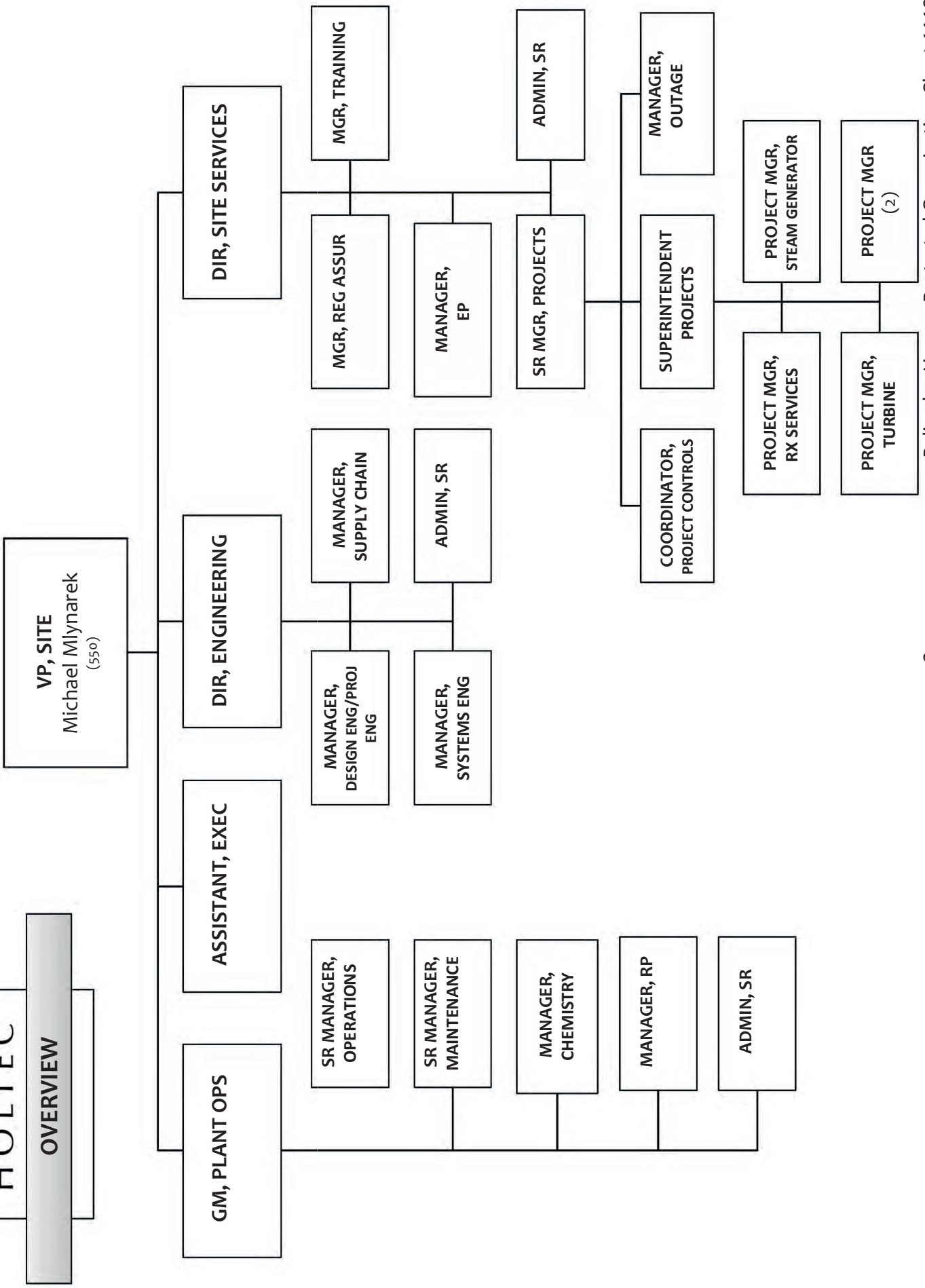
RESTARTED ORGANIZATION CHART





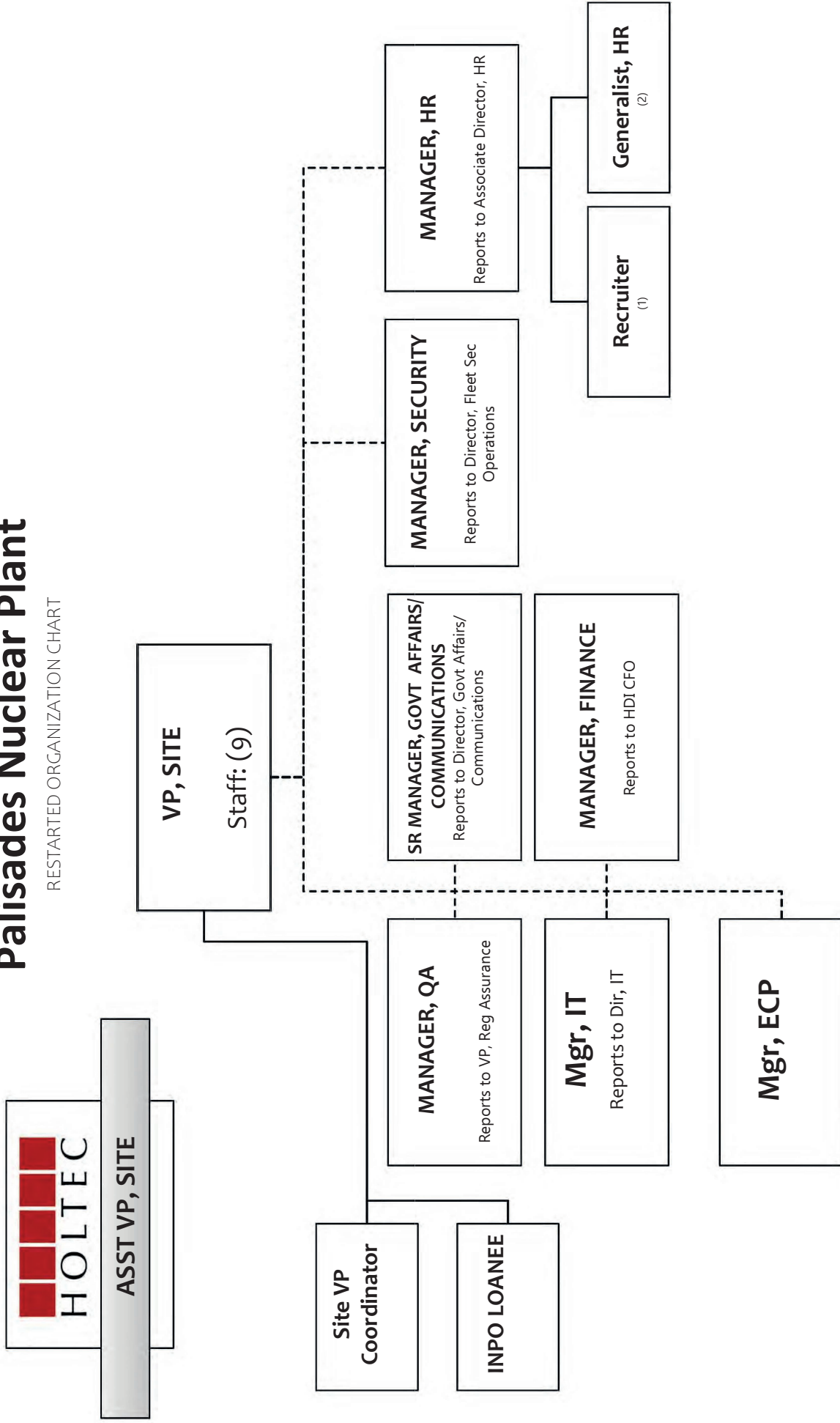
Palisades Nuclear Plant

RESTARTED ORGANIZATION CHART



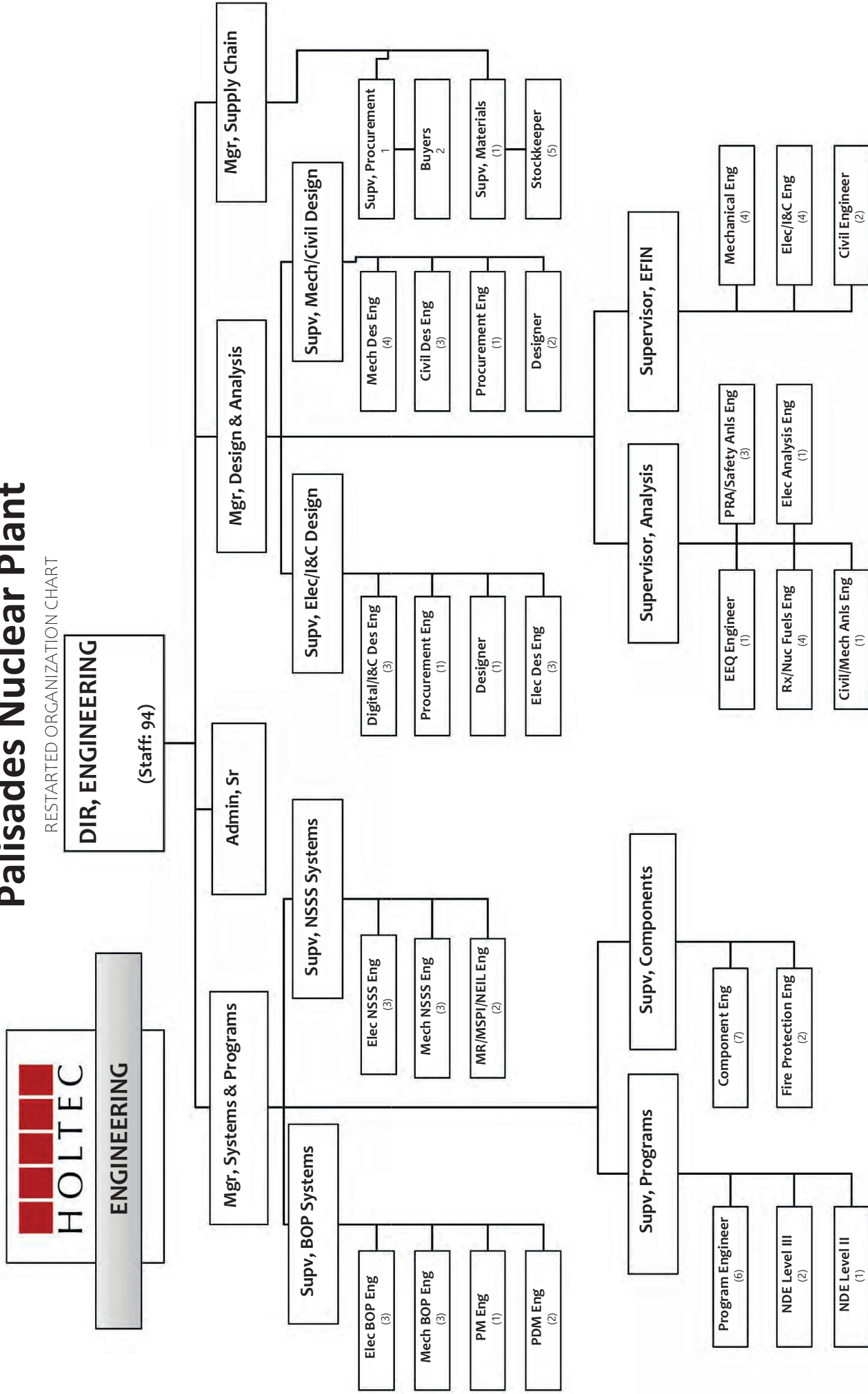
Palisades Nuclear Plant

RESTARTED ORGANIZATION CHART



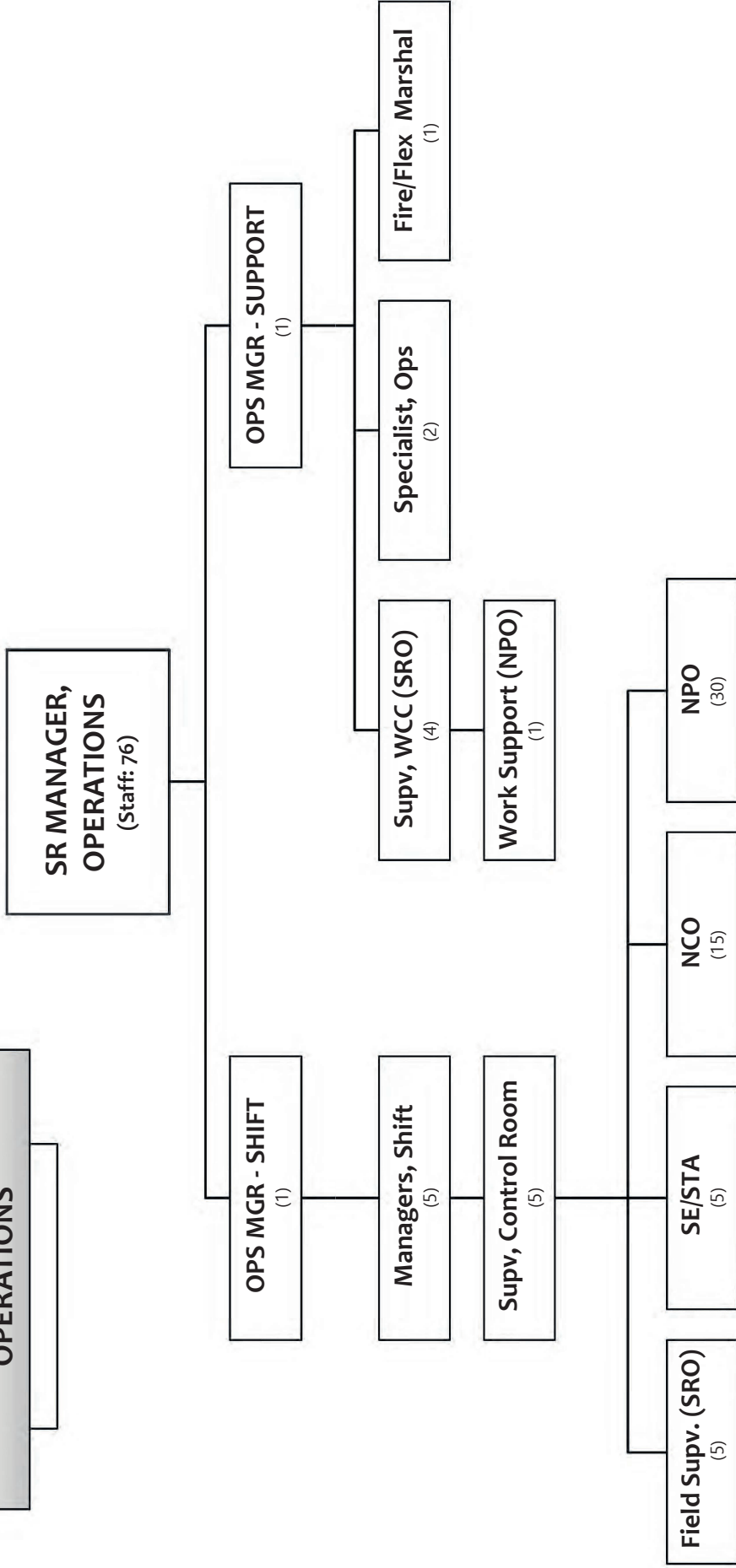
Palisades Nuclear Plant

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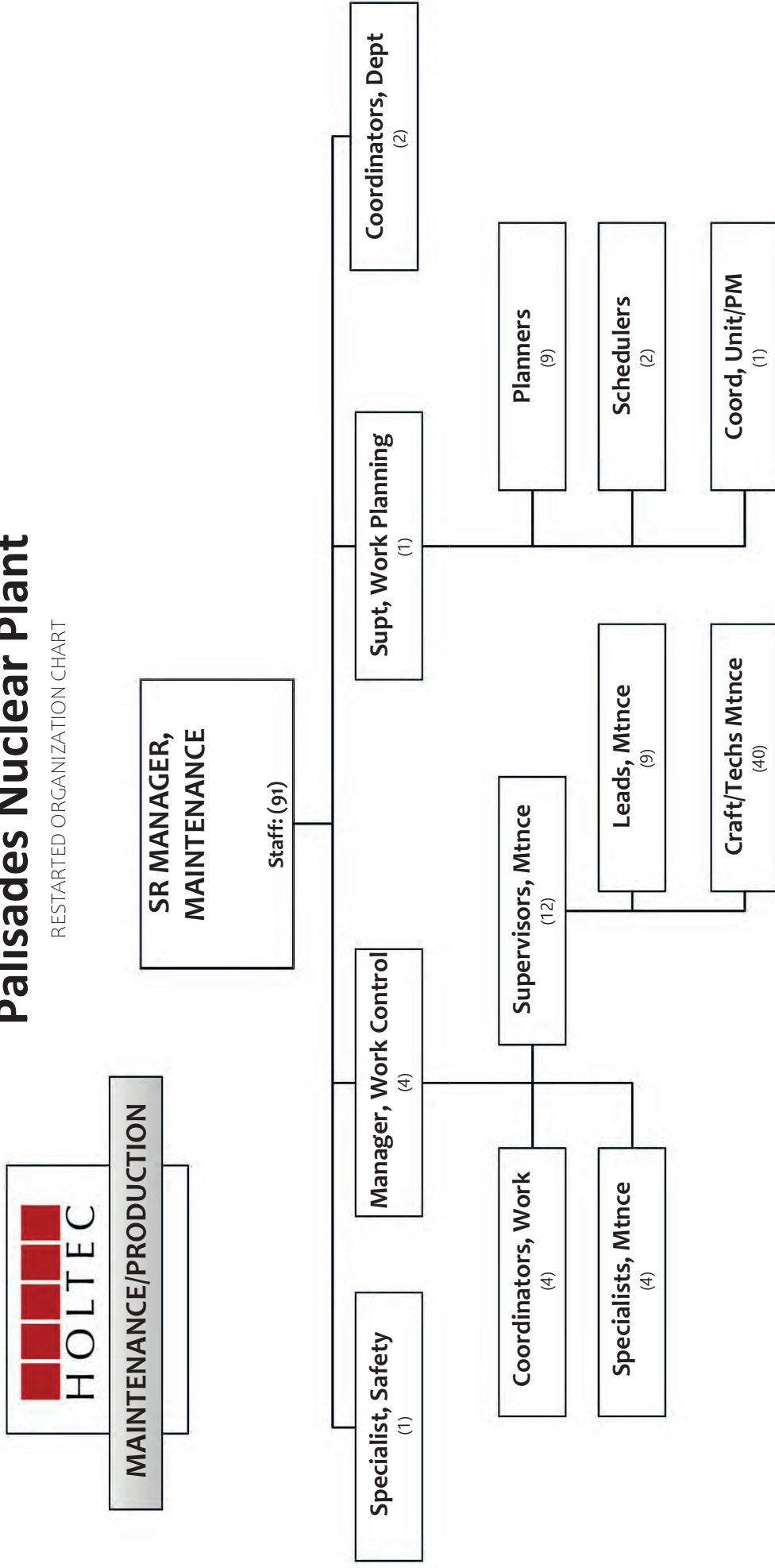
Palisades Nuclear Plant

RESTARTED ORGANIZATION CHART



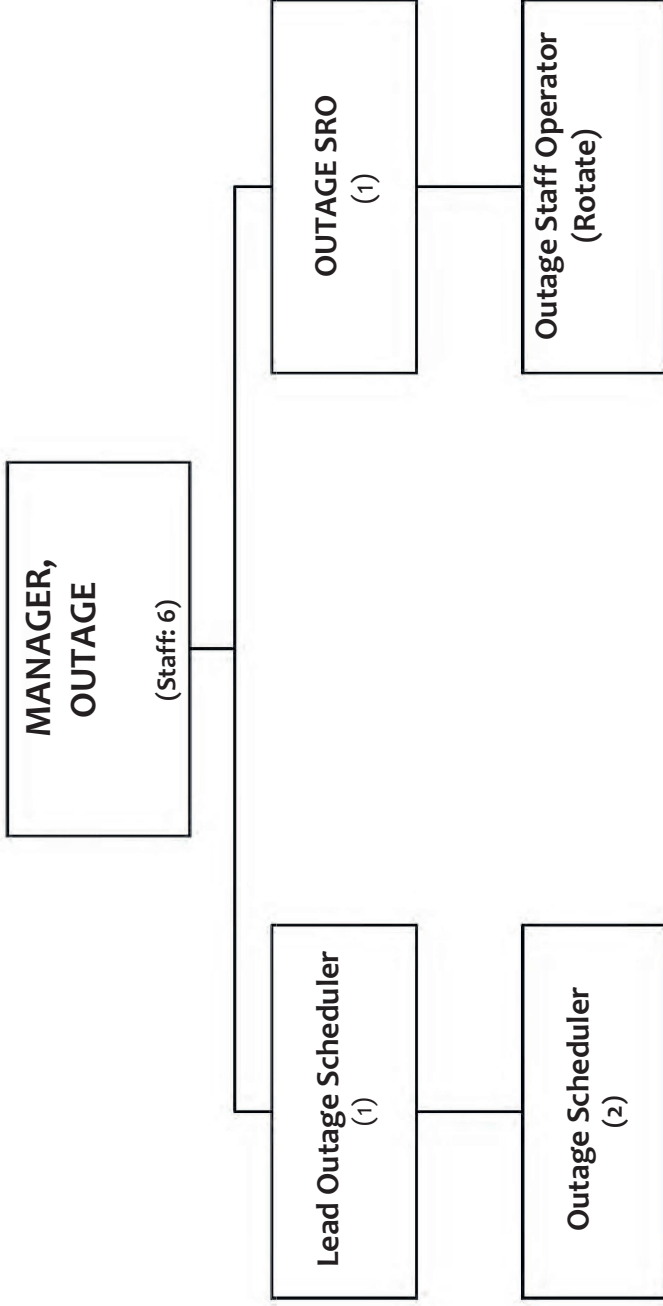
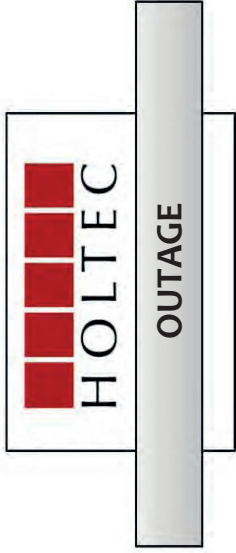
Palisades Nuclear Plant

RESTARTED ORGANIZATION CHART



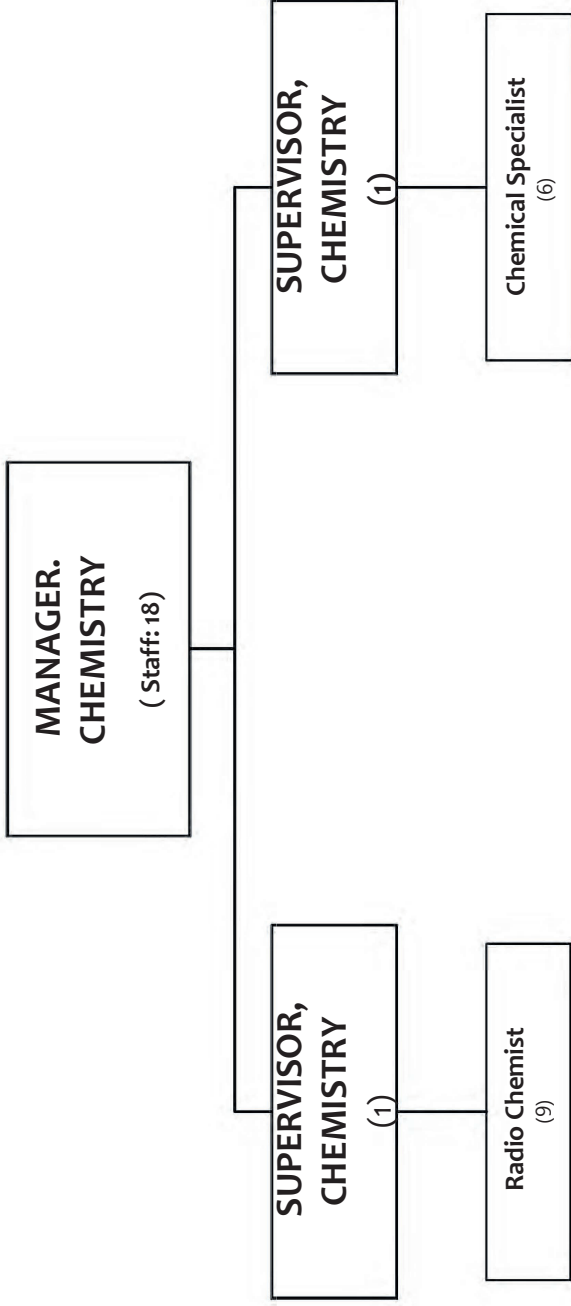
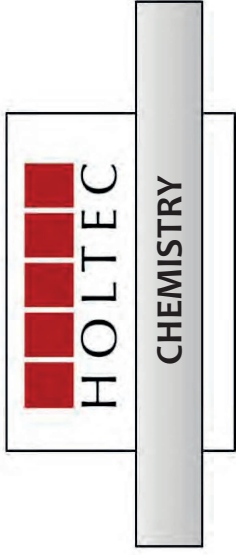
Palisades Nuclear Plant

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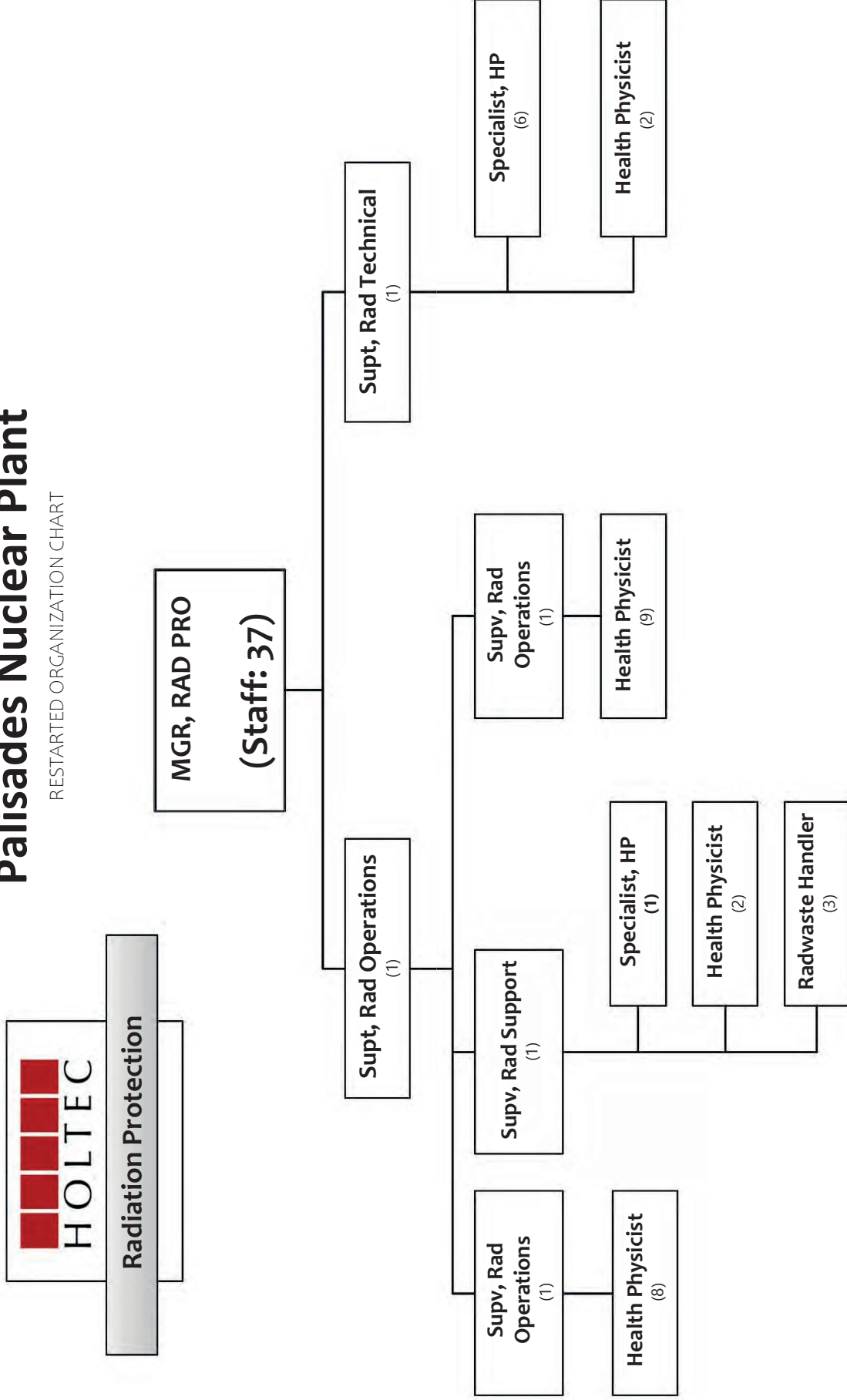
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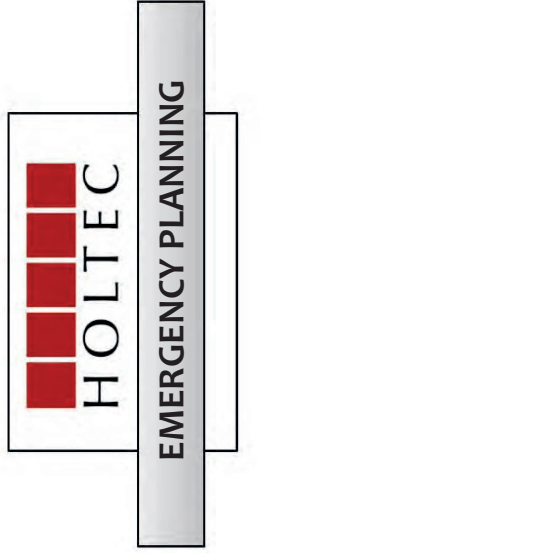
Palisades Nuclear Plant

RESTARTED ORGANIZATION CHART



Palisades Nuclear Plant

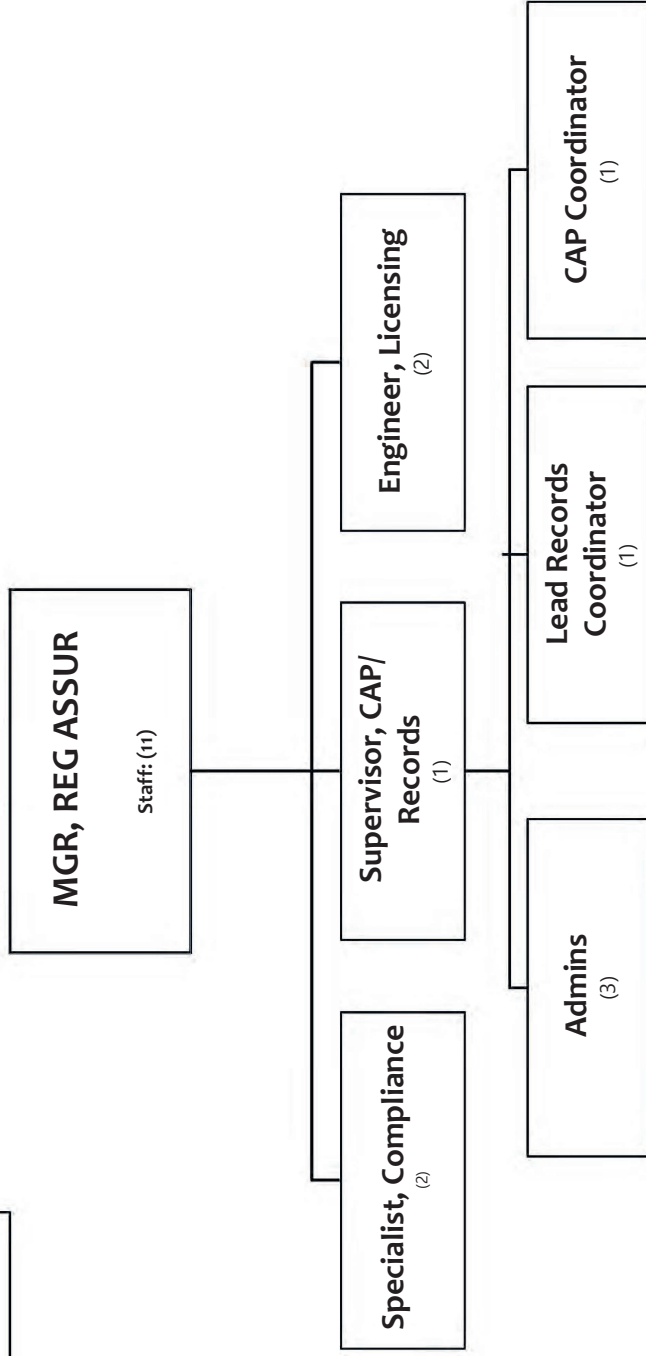
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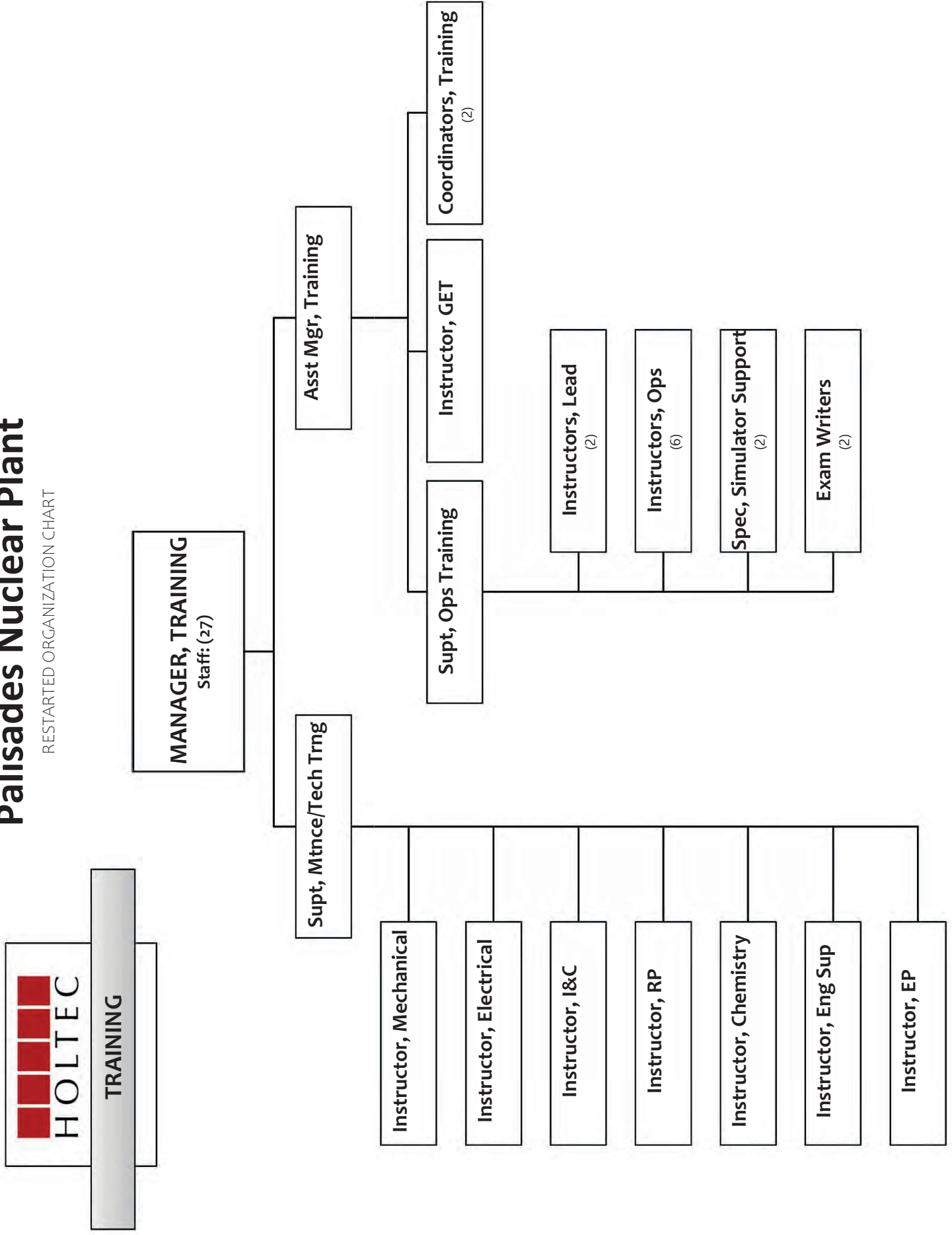
Palisades Nuclear Plant

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Palisades Nuclear Plant

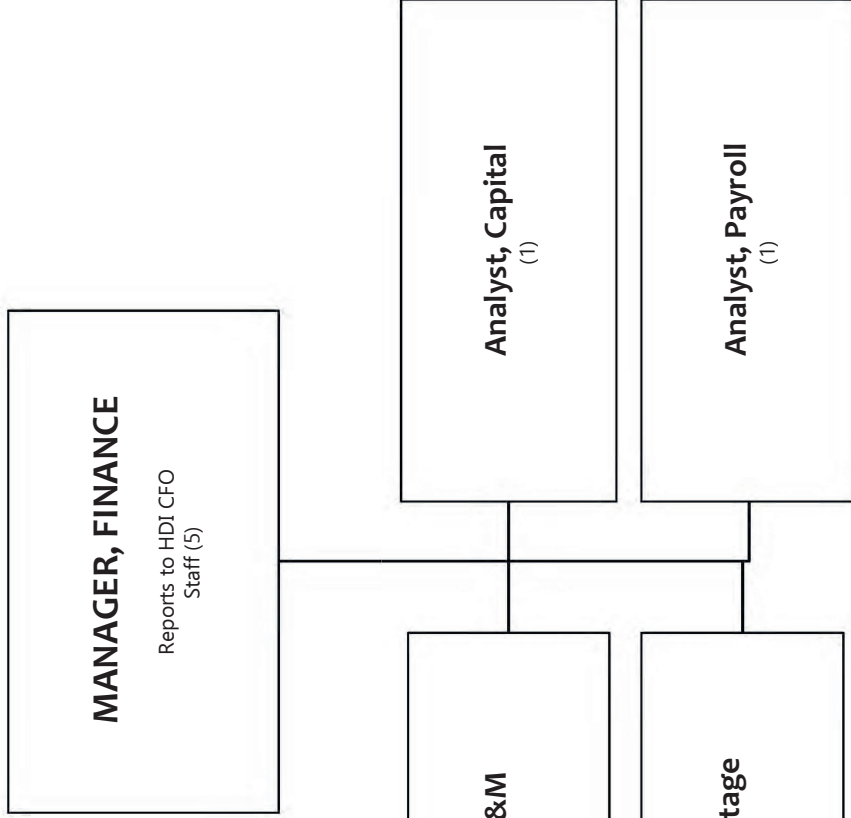
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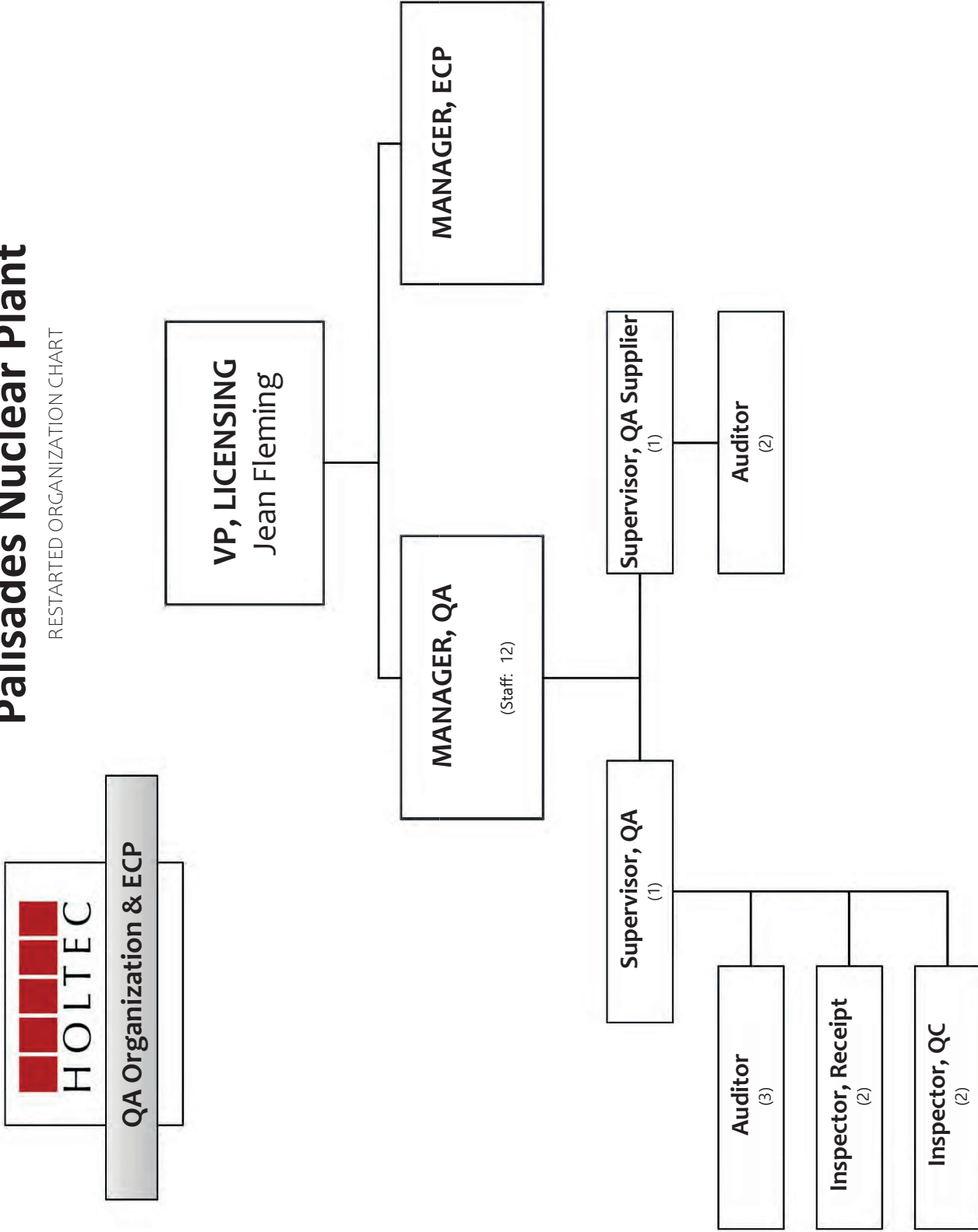
Palisades Nuclear Plant

RESTARTED ORGANIZATION CHART



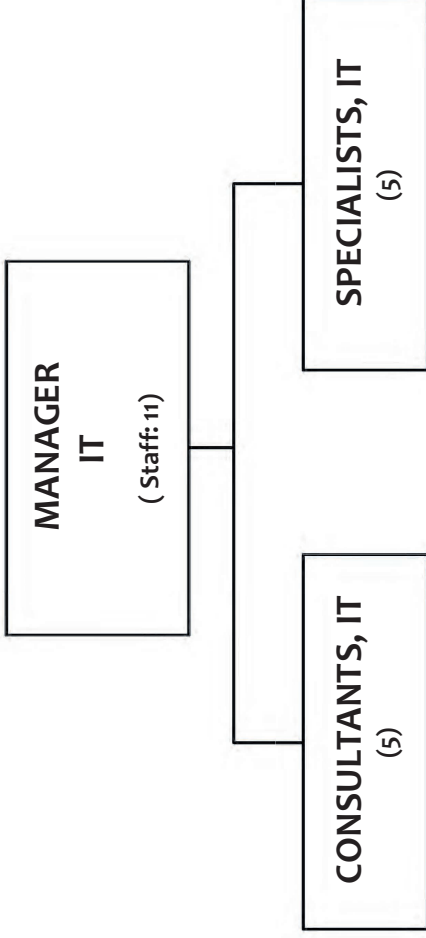
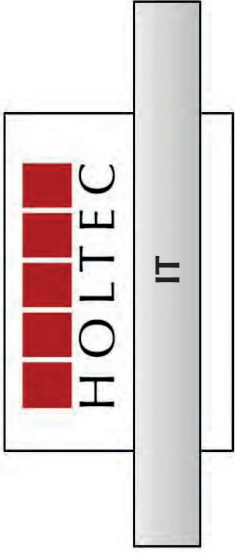
Palisades Nuclear Plant

RESTARTED ORGANIZATION CHART



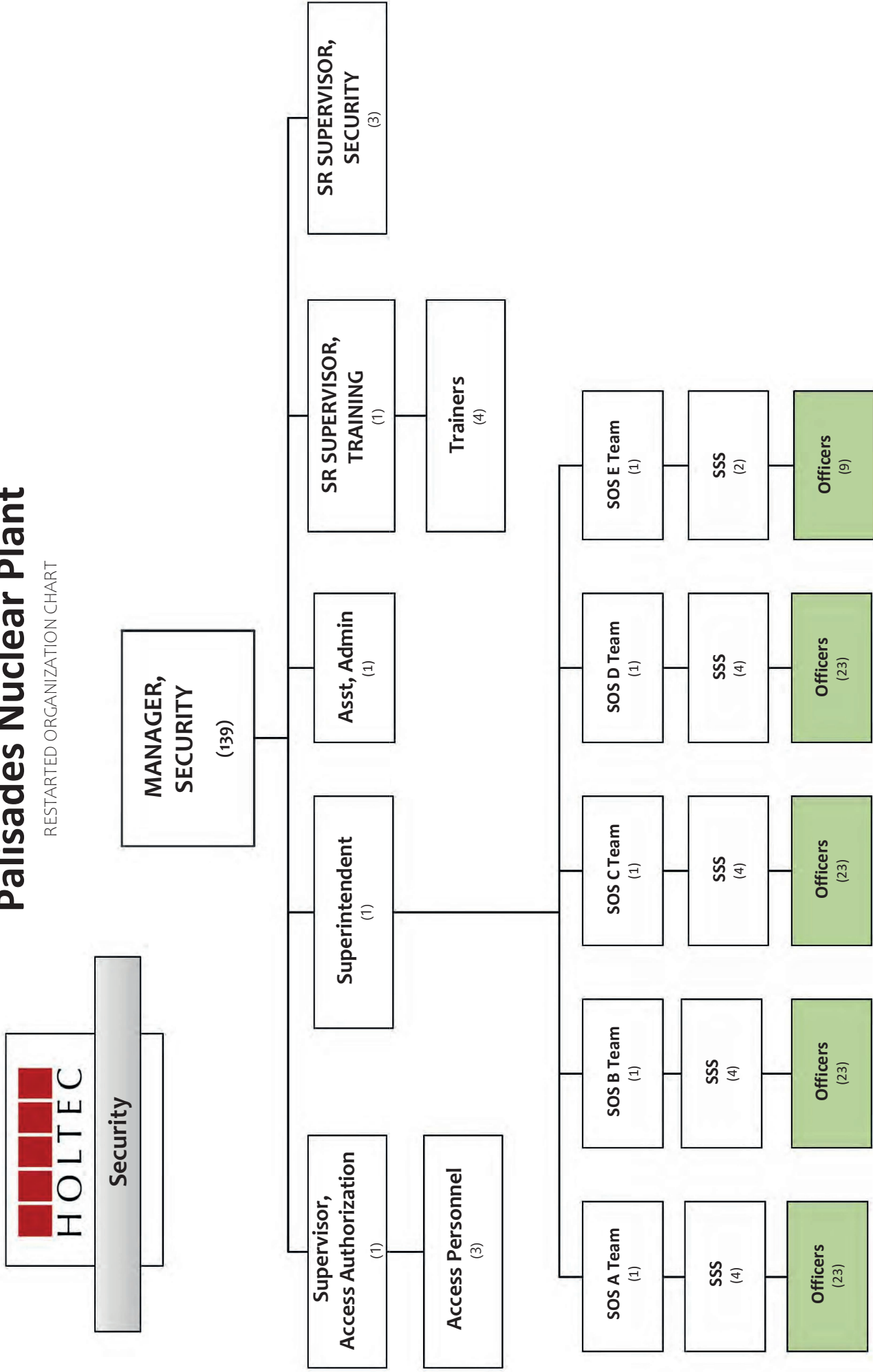
Palisades Nuclear Plant

RESTARTED ORGANIZATION CHART



Palisades Nuclear Plant

RESTARTED ORGANIZATION CHART



KELLY D. TRICE

EXPERIENCE SUMMARY

Thirty-five years of executive management experience as the chief executive, president, or COO of several large companies with full sales, operational and P&L responsibility, serving on multiple boards for independent or affiliated companies. These companies focus on diverse clients which are international and domestic. The services provided range from environmental cleanup/consultation to maintenance and operation of a variety of plants, and large-scale multibillion-dollar Engineering, Procurement and Construction (EPC) programs. The clients include utilities, nuclear power plants, refineries, LNG plants, chemical plants, coal-fired power plants, and combined cycle power plants. Other experience includes deal/contract negotiation, financial management, restructuring and turnaround, and M&A.

President, Holtec International, Nuclear Generation and Decommissioning (3/19 to present) – Served as the chief executive and president of CDI LLC (3/19-8/21), then chief executive and president of HDI LLC (8/21- 8/23) before being promoted to the current role. This role includes the P&L responsibility for Holtec International and its subsidiaries, the ambitious restart of the Palisades Energy Center after a year of shutdown, the small modular reactor (SMR) program for design completion, licensing, and ultimate construction/fabrication, as well as the decommissioning of the Oyster Creek Nuclear Station, Pilgrim Nuclear Station, and the Indian Point Energy Center. In total there are five large-scale power reactors in decommissioning plus the restart of Palisades from a decommissioning status, and deployment of SMRs throughout the world. Key duties include executive committee member, DOE loan program negotiation/approval, Michigan grant legislation/approval, and associated political interfaces, as well as SMR deployment throughout the world (including Ukraine during the Russian aggression.)

Executive Vice President, Bruce Power (7/17 to 3/19) - Senior executive responsible for the EPC projects associated with Bruce Power generating station located in Ontario Canada. Bruce Power operates eight nuclear reactors, generating a total of 6.8GW. Primary responsibilities included the setup and refurbishment of six units as well as the ongoing operation of the on-line units. Capital project budgets totaled approximately \$14B CAD, and annual revenue of the plant was approximately \$3.5B CAD.

President of CB&I Facilities, Plant Services, Environment, and Infrastructure (1/16 to 7/17) - Chief executive of the CB&I plant maintenance and facilities services business. The focus of this unit was to perform maintenance and services on approximately 45 of the 99 operating nuclear power plants in the US, 70 fossil power plants, and approximately 140 chemical, refinery, and LNG processing plants. The business operated out of 70 offices and spanned over four continents. Peak employment of this business was approximately 17,000 people with an annual revenue of approximately \$2.5B.

President of CB&I Power (11/14 to 1/16) - Chief executive for the power business unit of CB&I. This business unit posted annual revenue of approximately \$3.5B with a backlog of approximately \$10B and employed 12,000 people working in the US, Europe, and China. Projects included an assortment of engineering design efforts, construction of combined-cycle power plants, and nine nuclear plants. Led a complex divestiture of the nuclear power unit and consolidated the fossil power business with CB&I's oil and gas unit.

President and CEO of CB&I Project Services Group LLC (2/12 to 7/15) – Chief executive responsible for the nuclear business line, including mega-projects in China, Vogtle, and VC Summer (8 new nuclear plants under construction simultaneously) as well as a 9th nuclear plant under construction called the Mixed Oxide Fuel Fabrication Facility. The total value of the nuclear plants under construction was approximately \$25B. The CPSG LLC was established as a “proxy” entity to satisfy government regulations associated with the foreign ownership and control when dealing with special nuclear materials.

President and CEO of CB&I AREVA MOX Services LLC (4/09 to 11/14)- Responsible for all aspects of the CB&I AREVA MOX Services LLC operation including construction, design, startup, and operation of the mixed oxide fuel fabrication facility and its supporting buildings and infrastructure. This project was an \$8.5B effort with follow-on operations totaling approximately \$12B. Its purpose was to implement a treaty that the US signed with the Russian Federation to eliminate 68 metric tons of plutonium (17,000 weapons) from the world inventory and process this material into nuclear reactor fuel for commercial sales and usage.

Vice President/Deputy General Manager of East Tennessee Technology Park (4/04 to 4/09) - Large EPC contract for the operation, construction, decommissioning, and reindustrialization of the East Tennessee Technology Park. The project was a \$4.0B effort.

Vice President Kaiser-Hill LLC (1997-4/04) - Large EPC contract for the ultimate closure of the Rocky Flats Technology Site located in Golden, Colorado. The total project was a \$7.0B effort and involved over 6,300 people at peak operation. Key responsibilities included infrastructure management, construction of all support facilities, demolition of over 700 structures, and management of all nuclear operations as well as the decommissioning of the main plutonium process buildings (771, 371, 779, 776 and 707). The project was completed one year ahead of schedule and approximately \$1.0B under budget.

Project Director/Senior Project Manager of various Projects throughout the United States (1990-1997) - Directly managed many EPC projects. The largest of these projects was a \$1.5B effort, supervising approximately 700 personnel at the Hanford reservation in Richland, Washington. Directly responsible for the decommissioning of several nuclear reactors and buildings, landfill operations, and numerous environmental cleanup sites. On other projects, key responsibilities included construction of various buildings, engineering and construction of waste processing plants, construction of utilities and infrastructure, excavation of buried wastes, and termination of several NRC licenses.

Lieutenant, U.S. Navy, Submarines (Nuclear), Charleston, SC (1985-1990) - Served as head of six divisions. Responsible for the operation, maintenance, and testing of all submarine sonar equipment, weapons systems, and nuclear propulsion systems.

EDUCATION

1997 MBA University of New Mexico
1987 Nuclear Prototype, Nuclear Power School, Idaho Falls, ID
1986 Nuclear Engineering, Nuclear Power School, Orlando, FL
1985 BS Chemical Engineering (Honors), University of Oklahoma

SECURITY CLEARANCE

DOE, Q Clearance, Inactive
DOD, TS, SIOP, ESI, NATO, Inactive (Served as Lieutenant U.S. Navy, Submarines)

EMPLOYMENT HISTORY

March 2019-Present President Holtec Nuclear Generation and Decommissioning
2017-March 2019 Executive Vice President, Bruce Power
2009- 2017 President and CEO, CB&I (Several Business Units)
2004- 2009 Vice President/Deputy General Manager, Bechtel National Inc.
1997-2004 Vice President, CH2M Hill (Kaiser Hill LLC)

RICHARD J. BURRONI

Highly trained leader with over 40 years of experience in Engineering, Maintenance, Operations, and Decommissioning.

Holtec International

8/14/2023 – Present

Chief Nuclear Officer

- Lead the organizational, regulatory, and programmatic efforts required to restart the Palisades Nuclear Plant by ensuring regulatory, operational, organizational, and environmental compliance with federal, state, and local requirements in accordance with industry norms and standards. This position will serve as Holtec's principal interface with the NRC, Institute of Nuclear Power Operations (INPO), Nuclear Energy Institute (NEI), and other stakeholders on emerging nuclear issues and challenges.

Holtec Decommissioning International

6/1/2020 – 8/14/2023

Indian Point Energy Center

Site Vice President

- Responsible for implementing the "prompt decomm" philosophy to decommission the IPEC facility in a safe, prompt, and thorough manner. This role provides direction and oversight in daily and critical path activities.
- Budget management of the IPEC decommissioning trust fund allotments to ensure regulatory compliance and fiscally responsible project controls.
- Direct outreach and communication with internal and external stakeholders, state officials, and local politicians in addition to regulators to ensure issues and concerns are well understood and resolved.

Entergy Nuclear Northeast

1/2017 – 6/1/2020

Indian Point Energy Center

Director of Special Projects

- Led the IPEC License Renewal team to complete the requirements to permit the continued operation of Unit 2 through May 2020 and Unit 3 through May 2021.
- Led a cross-functional team from IPEC, Entergy's Corporate Office, and Holtec employees to prepare the IPEC site for the transition to decommissioning by ensuring all operational, regulatory, programmatic, environmental, and personnel requirements for the successful transfer of the operating license from Entergy to Holtec was accomplished in a professional and timely manner.

Engineering Director

1/2014 – 1/2017

- Responsible for the delivery of safe, reliable, and timely engineering support at the IPEC. Responsible for maintaining the plant design bases, equipment reliability through preventive maintenance, and optimization and plant system health through aggressive predictive programs and system monitoring.

Entergy Nuclear Northeast

10/2012 – 1/2014

White Plains Corporate Office

Chief Engineer / Corporate Functional Area Manager

- Provided timely engineering and technical support to the Entergy Fleet (10 sites in total). Maintained cognizance of key critical issues that affected plant operation and supported the Entergy sites as necessary. Worked with Engineering Managers across the fleet to establish goals and responsibilities to achieve the highest level of performance within the industry. Performed periodic assessments of engineering activities and performance; developed reports and submitted to senior management as required.

Entergy Nuclear Northeast

10/2006 – 10/2012

Indian Point Energy Center

Engineering Manager – Systems, Programs & Components

- Manager of two separate engineering functions directing a dedicated team of over 70 engineers in total, focusing on system and plant component health. Engaged daily with various site departments in the resolution of plant issues to ensure station reliability. Active in initiatives relative to the improvement of system and component health across the fleet. Engaged routinely with industry regulators to address station and system concerns.

Assistant Operations Manager – Support

01/2005 – 10/2006

- Responsibilities and duties include the management of those Operations Department personnel responsible for procedure development and maintenance in addition to ensuring accuracy in response to issues noted in the site corrective action program.

Entergy Nuclear Northeast / New York Power

09/1991 – 12/2004

Authority

Indian Point Energy Center (Transition Period)

Instrument & Control Department Management

- Started in this department as an Engineering Supervisor in charge of 8 component engineers whose primary duties were to monitor instrumentation health and performance.
- Transitioned to Manager of the I&C Department, first at Unit 3, then Unit 2, and finally at both Units following the merger directed by Entergy. The merger resulted in a staff of approximately 80 plant personnel. Focus was on integrating I&C personnel from both units to increase the efficiency/flexibility of the department. Success was noted in the integrated procedure group, training program, increased instrumentation reliability and performance, and outage work force.

New York Power Authority

09/ 1990 – 09/1991

Indian Point 3 NPP

Engineering Supervisor: Performance Dept.

- Responsibilities included the supervision of 8 Performance Dept. Engineers. Duties included the revision and development of plant surveillance test procedures, in addition to the development of post-work test requirements following plant maintenance and modification activities.

Engineer: Technical Services Dept.

06/1980 - 09/1991

- During this +10-year period, progressed from an Assistant Plant Electrical Engineer to Senior Plant Engineer II. Duties included the preparation of engineering modifications and procedures, as well as providing responses to technical concerns raised by regulatory agencies and station audits.
- Was afforded the opportunity to attend Senior Reactor Operator (SRO) training during this time period and received an SRO license in April 1986.

EDUCATION / LICENSES:

New York Inst. of Technology – Old Westbury, NY (B.S. Electrical Engineering)	1976 - 1980
Pace University – Pleasantville, NY (M.S. Management Science)	1992 - 1994
Nuclear Regulatory Commission – Senior Reactor Operator License (SOP-10482)	1986 – 1988

INDUSTRY / SITE INVOLVEMENT:

- Involved in numerous INPO Assessment visits as both an Industry and Host Peer.
- INPO Senior Nuclear Plant Managers course in the spring 2010.
- Member of the Pressurized Water Reactor Owners Group (PWROG) – member of the System Engineering and Equipment Subcommittee as well as the Management Committee.
- Held Outage Support and Emergency Planning roles in all of the positions noted above

JEAN A. FLEMING

FlemingJean@hotmail.com

PROFESSIONAL SUMMARY

Highly trained leader with over 18 years of experience in nuclear regulatory assurance and licensing, decommissioning licensing and compliance, nuclear power plant operations, work management, and emergency preparedness.

EXPERIENCE HIGHLIGHTS

Holtec International – Camden, New Jersey

Vice President of Licensing, Regulatory and Probabilistic Safety Analysis (PSA) (2021 – Present)

- Responsible for federal, state, and local licensing, environmental and regulatory compliance for five Holtec Decommissioning International, LLC (HDI) nuclear sites, nuclear dry storage and transport cask licensing, small modular reactor (SMR-160) pre-application engagement and licensing activities, and PSA activities.
- Executive member of Palisades restart project, leading the nuclear regulatory engagement and execution plan to support the regulatory path for restart efforts.

PSEG – Salem and Hope Creek Nuclear Generating Station – Salem, New Jersey

Director of Site Regulatory Compliance and Licensing (2017 – 2021) - REGULATORY AFFAIRS

- Responsible for the management of the fleet nuclear regulatory compliance including the strategic management of regulatory relationships and comprehensive assessment of regulatory margin to ensure leadership engagement with issue response.
- Direct the preparation, submittal, issuance, and implementation of fleet license amendments and relief requests to the Nuclear Regulatory Commission to enhance the operational flexibility while preserving nuclear safety.
- Engage with industry through the nuclear policy organization to address issues that impact the nuclear industry and develop strategies for the timely and efficient resolution of nuclear regulatory issues.
- Direct the emergency preparedness operational and communications response teams in response to drill and actual emergency events.
- Organized, facilitated, and moderated multiple women’s leadership forums to develop and promote diversity, equity and inclusion within PSEG and the nuclear industry.

Salem Online Work Management - Operations Work Week Senior Reactor Operator (2013-2017) - OPERATIONS

- Coordinate the preparation and approval of clearance orders to support scheduled and emergent work activities to ensure compliance with regulatory requirements, improve plant safety and equipment reliability, identify risk-significant work, provide operational focus, and ensure production risk analysis is performed for all scheduled work activities.

Salem Control Room Supervisor - Senior Reactor Operator & Shift Technical Advisor (2008- 2017) - OPERATIONS

- Direct safe and efficient operations by supervising, controlling, and coordinating activities and plant evolutions with emphasis on safety and adherence to established regulations and standards of performance.
- Authorize testing, surveillance and maintenance on all equipment and systems affecting plant safety or that place the plant in a degraded mode and ensure equipment is properly restored following completion of these activities.

UNITED STATES NAVY - *Surface Warfare Officer - Nuclear Operations Officer (Lieutenant, O-3)*

USS HARRY S. TRUMAN (CVN 75) – Norfolk, Virginia

Propulsion Plant Watch Officer & Reactor Laboratories Manager (2006-2008)

- Led, trained, and supervised 32+ sailors in nuclear propulsion plant operations and the reactor laboratory divisions.

USS VALLEY FORGE (CG 50) - San Diego, California

Operations Intelligence Division Manager & Public Affairs Officer (2003-2004)

- Led 35 enlisted Operations Specialists onboard a guided missile cruiser in handling air/surface/subsurface monitoring and intelligence gathering duties in support of inter-deployment training cycles and a Counter-Drug Smuggling deployment.

LICENSES, EDUCATION & TRAINING

EXECUTIVE TRAINING PROGRAMS

Women in Nuclear - Nuclear Executives of Tomorrow (NEXT) Leadership Program, INPO (2021)

Senior Nuclear Plant Management Course, INPO (2019)

Nuclear Regulatory Commission Licensed Senior Reactor Operator - Salem Unit 1 and 2 (2010)

UNITED STATES NAVY SCHOOLS & FORMAL TRAINING PROGRAMS

- **Nuclear Power School and Training Unit**, Charleston, South Carolina (2005-2006)
- **Navy Qualified Nuclear Propulsion Plant Watch Officer** on A4W and S5W Reactors

DREXEL UNIVERSITY - Philadelphia, Pennsylvania

Bachelor of Science Degree in Biomedical Engineering (2003) *Summa Cum Laude*

Michael G. Mlynarek

Holtec Palisades Site Vice President

SUMMARY (June 2022 – Present)

- Holtec Palisades Site Vice President responsible for strategic planning, resource accountability, organizational effectiveness, and knowledge transfer. Experience and background enable safe, error free, and predictable performance.
- Drives competitive positioning through mitigation of internal and external risks and knowledge sharing. Believe mutual performance and accountability amongst a diverse workforce is achieved through effective communication and valuing traditions.
- Accomplishments reflect producing empowered, motivated and disciplined teams. Demonstrated success includes establishing team cultures that achieve sustainable results and enable continuous learning and performance improvement. Focus and team development include values and behaviors that leverage high degrees of self-awareness and engagement that drive goal achievement through integrated risk recognition and mitigation including high standards and low thresholds for action and correction. Methods include vertical alignment and horizontal integration of roles and responsibilities.

LEADERSHIP EXPERIENCE

-
- | | |
|--|----------------------|
| Manager, Decommissioning Planning Organization (DPO) (June 2020 – May 2022) | Palisades, MI |
|--|----------------------|
- Responsible for leading the Palisades team through “transaction” (sale preparation) and “transition” (operational to post defuel organization). Included managing interface and alignments between Palisades and corporate transaction and transition planning teams and associated functional area change management plans.
-
- | | |
|--|----------------------|
| Manager, Nuclear Independent Oversight (NIO) (June 2017 – May 2020) | Palisades, MI |
|--|----------------------|
- Responsible for corporate independent oversight of Palisades’ performance including regulatory auditing, quality control, and cross-functional assessment to identify station performance shortfalls and effectively communicate for sustained safe and error free performance.
 - Team Manager for Susquehanna NIEP (Jun18)
 - Consumers Energy Grid Management Assessment (Mar18)
-
- | | |
|--|--------------------|
| INPO Operations Senior Evaluator & Assistance (June 2015 – June 2017) | Atlanta, GA |
|--|--------------------|
- In addition to primary role evaluating Operations performance, focus was on leadership team organizational effectiveness and driving “proficiency” principles of worker and team risk recognition and mitigation through self and situational awareness.
 - Cumulative career supporting Nuclear station teams: International (6 stations) – 12 weeks; Domestic (17 stations) – 33 weeks
- Organizations evaluated & supported:**
- Wolf Creek / Vogel 1&2 / Turkey Point / Byron / Harris / Kozloduy, Bulgaria / Oconee / Millstone / Fessenheim, France / Davis Besse / Barakah, UAE / Olkiluoto, Finland / Three Mile Island / Sequoyah
 - Higashidori, Japan (WANO/JANSI - first Japanese Peer Review; 2013) Braidwood (WANO Mid-Cycle; 2010) / British Energy Hartlepool Station (WANO Config Cntl; 2009) / River Bend Station (OPS; 2008) / Arkansas Nuclear One (Conduct of Operations; 2008) / Calvert Cliffs (INPO Site Eval; 2006) / Diablo Canyon (INPO Training Accreditation Eval; 2003) / Millstone (INPO Site Eval; 1996) / DC Cook (Conduct of Operations; 1995)
-
- | | |
|--|----------------------|
| Supervisor, Reactor Engineering (November 2013 – May 2015; 1988 – 1992) | Palisades, MI |
|--|----------------------|
- Leadership focus addressed individual and team gaps in behaviors resulting in safe and error free performance.
 - Managed station alignments with NRC region and Entergy corporate fuels group for self-identified Spent Fuel Pool criticality non-conformances.
-
- | | |
|--|----------------------|
| Manager, Chemistry (July 2011 – October 2013) | Palisades, MI |
|--|----------------------|
- Leadership focus corrected staff and technician individual and team significant gaps in behaviors. This resulted in safe and error free performance.
 - Results recognized by INPO Chemistry Manager in 2017 as industry leading and sustained performance.
 - Gained proficiency in radiological and non-radiological environmental programs.

Shift Manager, Operations (January 2000 – June 2011) **Palisades, MI**

- Focus on individual and crew team performance including reputation for correcting people-problem issues.
- Station achieved INPO 1 performance, 2010.
- Day shift Operations Manager, R021: Station achieved best in Entergy fleet refueling outage performance for safety and duration, 2010.
- Reestablished Operations Training Accreditation after station-imposed probation, 2000-2002.

Control Room Supervisor, Operations (1995 – 1999) **Palisades, MI**

- First Engineer to assume position. Established crew role clarification and performance optimization for all modes of plant operation including Simulator training and evaluation.
- Developed and implemented SE/STA Training program focusing on oversight roles, responsibilities (1996).

PROJECT MANAGEMENT EXPERIENCE

Project Management Professional (PMP) Training (2006) **Grand Rapids, MI**

- Six-week course encompassing fundamentals of effective project management controls.

Work Control Center (WCC) Supervisor (2005) **Palisades, MI**

- First Operations single point responsible for WCC implementation including work week protocol and execution.

Safety Committee Chair (2005) **Palisades, MI**

- Established station system for safety work order prioritization and execution.

Manager, Operations Training Excellence Program (2000 – 2002) **Palisades, MI**

- Led team responsible for re-validation of the six Operations Accredited Training Programs. Included establishment of standards and ownership culture between line and training personnel.

Reactor Engineer (1985 – 1988) **Big Rock Point, MI**

- Procured and implemented industry first design for hafnium tipped control blades.
- Managed logistics associated with industry-first demonstration of mixed-oxide fuel.

EDUCATION

Aquinas College **Grand Rapids, MI**

- Master's in Management (1999)

University of Michigan – School of Engineering **Ann Arbor, MI**

- Bachelor of Science in Nuclear Engineering (1985)

LICENSE AND CERTIFICATIONS

State of Michigan Professional Engineering License (1992 – Present)
#102198891

NRC Senior Reactor Operator License (1994-2011)

ADDITIONAL

Evan's Scholarship recipient: Four years tuition / housing at University of Michigan

Professional References: Available upon request

Attachment E

Regulatory Commitments

This table identifies actions discussed in this Application for which, upon approval, Holtec Decommissioning International, LLC (“HDI”), Holtec Palisades, LLC (“Holtec Palisades”), or Palisades Energy, LLC (“OPCO”) commits to perform. Any other actions discussed in this submittal are described for the U.S. Nuclear Regulatory Commission’s (“NRC”) information and are **not** commitments.

COMMITMENT	TYPE (Check One)		SCHEDULED COMPLETION DATE (If Required)
	ONE-TIME ACTION	CONTINUING COMPLIANCE	
HDI will provide notice of the planned closing date for proposed transaction and transfer of operating authority so that NRC can issue the license amendment.	X		At least five business days before the planned transfer date.
OPCO will provide to NRC proof that on-site property damage insurance coverage and off-site nuclear liability coverage, as required by NRC, has been obtained and that coverage will be in place on the effective date of the transfer.	X		At least five business days before the planned transfer date.
HDI will provide evidence that the Holtec Palisades has provided sufficient financial assurance for decommissioning to satisfy the requirements applicable to an operating reactor pursuant to 10 CFR 50.75 and 72.30.	X		At least five business days before the planned transfer date.
HDI will provide evidence that the PNP organization meets the staffing and qualification requirements set forth in the power operations Technical Specifications, Physical Security Plan, Emergency Plan, QAPM, and UFSAR.	X		At least five business days before the planned transfer date.

ENCLOSURE 2

AFFIDAVIT OF JASON DAY SUPPORTING HOLTEC DECOMMISSIONING INTERNATIONAL, LLC'S APPLICATION TO WITHHOLD CERTAIN DOCUMENTS FROM PUBLIC DISCLOSURE

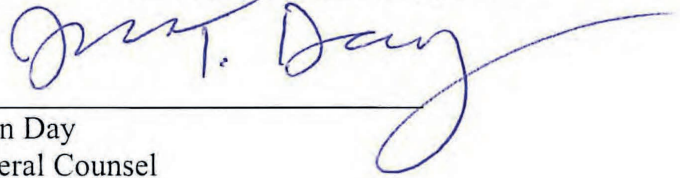
I, Jason Day, General Counsel for Holtec Decommissioning International, LLC (“HDI”), declare the following under penalty of perjury:

1. I am authorized to execute this declaration on behalf of HDI, for itself and Holtec International, Holtec Palisades, LLC, and Palisades Energy, LLC (collectively “Holtec”).
2. Holtec is providing information to the U.S. Nuclear Regulatory Commission (“NRC”) in support of their Application for Order Consenting to Transfer of License. The proprietary version of Enclosures 3A and 4A of this submittal contains financial information, including pro forma income statements, related to anticipated revenues from sales of electricity and capacity from the Palisades Nuclear Plant, as well as plant operating and maintenance costs and internal financial information related to the ultimate parent company. These documents constitute proprietary commercial and financial information that should be held in confidence by NRC pursuant to the policy reflected in 10 CFR 2.390(a)(4) because:
 - a. They contain information that is held in confidence by Holtec and their affiliates.
 - b. This information is of a type that is customarily held in confidence by Holtec and their affiliates and the information contains sensitive financial competitive information concerning Holtec’s anticipated revenues and operating expenses.
 - c. This information is being transmitted to NRC in confidence.
 - d. This information is not available in public sources and could not be gathered readily from publicly available information.
 - e. Public disclosure of this information would create substantial financial harm to the competitive position of Holtec and their affiliates by disclosing their internal financial and commercial information to other parties whose commercial interests may be adverse to those of Holtec.
3. Accordingly, Holtec requests that Enclosures 3A and 4A be withheld from public disclosure pursuant to 10 CFR 2.390(a)(4).
4. Holtec also requests that the citizenship information contained in Enclosure 1A be withheld from public disclosure to protect the personal information of the individuals listed therein. The disclosure of this information would constitute a clearly unwarranted invasion of personal privacy, and as such Holtec requests that the information be withheld under 10 CFR 2.390(a)(6).

I declare that the foregoing is true and correct.

Executed on December 6, 2023.

Holtec Decommissioning International, LLC



Jason Day
General Counsel

ENCLOSURE 3

**PROJECTED INCOME STATEMENT AND
OPENING BALANCE SHEET OF HOLTEC PALISADES, LLC
(NON-PROPRIETARY)**

Holtec Palisades, LLC Pro Forma Income Statement

Base Case

Projected Financial Data – Unaudited, Non-GAAP

Revenue						
Generation (TW)	[]
Capacity revenue	[]
Energy revenue	[]
Ancillary revenue	[]
Total Revenue	[]
Expenses						
Fuel expense	[]
Labor costs	[]
Non-labor operating costs	[]
Outage costs	[]
Property tax	[]
Total Opex	[]
Net Income						
EBITDA (excl. amortized fuel and outage)	[]
Depreciation & Amortization	[]
Operating Income (incl. amortized fuel and outage)	[]
Interest	[]
Income tax	[]
Production tax credits	[]
Net Income	[]

\$ Millions, rounded

Notes:

1. []
2. Generation volumes reflect historical PNP capacity factor and 18-month refueling cycles.
3. Energy revenue based on energy prices set forth in the Power Purchase Agreements (“PPA”) between Holtec Palisades and each of Wolverine Power Supply Cooperative, Inc. and Hoosier Energy Rural Electric Cooperative, Inc.
4. []
5. []
6. Operating expenses informed by historical operating costs, taking into account current labor rates, inflation and forward-looking contracts.

**Sensitivity Case – 10% Reduction in Capacity
Projected Financial Data – Unaudited, Non-GAAP**

Revenue						
Generation (TW)	[]
Capacity revenue	[]
Energy revenue	[]
Ancillary revenue	[]
Total Revenue	[]
Expenses						
Fuel expense	[]
Labor costs	[]
Non-labor operating costs	[]
Outage costs	[]
Property tax	[]
Total Opex	[]
Net Income						
EBITDA (excl. amortized fuel and outage)	[]
Depreciation & Amortization	[]
Operating Income (incl. amortized fuel and outage)	[]
Interest	[]
Income tax	[]
Production tax credits	[]
Net Income	[]

\$ Millions, rounded

Notes:

1. []
2. Generation volumes reflect historical PNP capacity factor and 18-month refueling cycles. Reduced by 10% to reflect the sensitivity analysis.
3. Energy revenue based on energy prices set forth in the Power Purchase Agreements (“PPA”) between Holtec Palisades and each of Wolverine Power Supply Cooperative, Inc. and Hoosier Energy Rural Electric Cooperative, Inc.
4. []
5. []
6. Operating expenses informed by historical operating costs, taking into account current labor rates, inflation and forward-looking contracts. Costs conservatively assumed not to be reduced for this sensitivity study.

Sensitivity Case – 10% Reduction in Energy Revenue
Projected Financial Data – Unaudited, Non-GAAP

Revenue						
Generation (TW)	[]
Capacity revenue	[]
Energy revenue	[]
Ancillary revenue	[]
Total Revenue	[]
Expenses						
Fuel expense	[]
Labor costs	[]
Non-labor operating costs	[]
Outage costs	[]
Property tax	[]
Total Opex	[]
Net Income						
EBITDA (excl. amortized fuel and outage)	[]
Depreciation & Amortization	[]
Operating Income (incl. amortized fuel and outage)	[]
Interest	[]
Income tax	[]
Production tax credits	[]
Net Income	[]

\$ Millions, rounded

Notes:

1. []
2. Generation volumes reflect historical PNP capacity factor and 18-month refueling cycles. Reduced by 10% to reflect the sensitivity analysis.
3. Energy revenue based on energy prices set forth in the Power Purchase Agreements (“PPA”) between Holtec Palisades and each of Wolverine Power Supply Cooperative, Inc. and Hoosier Energy Rural Electric Cooperative, Inc., reduced by 10% to illustrate this sensitivity analysis (despite the fact that the PPA pricing is fixed).
4. []
5. []
6. Operating expenses informed by historical operating costs, taking into account current labor rates, inflation and forward-looking contracts.

**Holtec Palisades, LLC Opening Balance Sheet
Projected Financial Data – Unaudited, Non-GAAP**

Assets		
Cash		
Loan Reserves / Escrows		
Accounts Receivable		
Tax Receivable		
Plant		
Deferred Outage		
Nuclear Fuel		
Less: Accumulated Depreciation and Amortization		
Total Assets	 	
Liabilities and Equity		
Liabilities		
Accounts Payable		
Tax Payable		
LPO Debt		
Total liabilities	 	
Equity		
Michigan State Grant		
Owner Paid		
Retained Earnings		
Total Equity	 	
Total Liabilities and Equity	 	

\$ Millions, rounded

Notes:

|

|

ENCLOSURE 5

FORM OF OPERATOR SERVICES AGREEMENT BETWEEN HOLTEC PALISADES, LLC AND PALISADES ENERGY, LLC

THIS OPERATOR SERVICES AGREEMENT (the “Agreement”) is effective as of the ___ day of ___, 20___, between HOLTEC PALISADES, LLC (“Owner”), and PALISADES ENERGY, LLC, a Delaware limited liability company (“Operator”), each a “Party” and together, “Parties” to this Agreement.

R E C I T A L S:

a. Owner owns the Palisades Nuclear Generation Station (the “Palisades Station”) and its associated Independent Spent Fuel Storage Installation (the “Palisades ISFSI”), both located near Covert, Michigan, which are licensed by the U.S. Nuclear Regulatory Commission (“NRC”) pursuant to Renewed Facility Operating License No. DPR-20.

b. The Palisades Station and Palisades ISFSI will be collectively referred to herein as the “Facility”, and the NRC license will be referred to as the “NRC Operating License”.

c. Owner and Operator are indirect wholly owned subsidiaries of Holtec International.

d. Owner and Operator desire that Operator possess, use, operate, and maintain (“Operate”) the Facility for Owner under the terms of this Agreement.

A G R E E M E N T:

NOW, THEREFORE, for the mutual covenants and consideration referenced in this Agreement, Owner and Operator agree as follows:

1. Agency. Operator is hereby appointed as the agent of Owner to act on its behalf for the purposes set forth in this Agreement. Owner shall have the sole right to control and directly supervise the method, manner and detail of Operator’s duties and responsibilities hereunder, provided, however, that Operator shall have sole discretion with respect to its obligations to comply with the requirements of the NRC Operating License, and all applicable NRC or other applicable requirements of law with respect to Operation of the Facility.

2. Duties of Operator. Operator shall do and perform all such things as shall be reasonably necessary to Operate and maintain the Facility on behalf of Owner. Operator shall conduct all operations of the Facility in compliance with the NRC Operating License and all applicable NRC requirements, in a good and workmanlike manner, and in accordance with generally accepted industry standards. Operator’s responsibilities will include, without limitation, the following activities:

2.1. engage and supervise, as employees of Operator or as personnel assigned to provide services to Operator under a service agreement, all personnel reasonably required to Operate the Facility;

2.2. negotiate, enter into, supervise and administer, in Operator's name, or in Operator's name and as agent for Owner, all contracts reasonably necessary for possession, use, operation, and maintenance of the Facility ("Operations"), including, without limitation, equipment purchase orders and agreements, and agreements with contractors and service providers;

2.3. procure and furnish all materials, equipment, services, supplies and labor determined by Operator to be reasonably necessary or desirable to Operate the Facility and to otherwise carry out Operator's responsibilities hereunder;

2.4. use its best efforts to abide by and conform with all valid applicable laws, orders, rules and regulations that affect the Facility or Operator's duties under this Agreement;

2.5. file (and keep current) all reports, and filings required by law with respect to the Facility, and pay any fees in connection therewith;

2.6. obtain and use its best efforts to comply and to conduct all Operations at the Facility in accordance with all licenses, permits and authorizations required by law already obtained or to be obtained by Owner, Operator or the Facility;

2.7. keep an accurate record of all significant operations of the Facility and furnish, from time to time, upon reasonable request of Owner, such reports and other information (or access thereto); and

2.8. do such other and further acts and deeds as may be necessary to accomplish fully and to perform its duties under this Agreement, subject to the limitations herein provided.

3. Right to Audit. Either party may audit any and all records of the other party relating to the Facility or the services provided hereunder on such dates and at such times as a party may reasonably request.

4. Term. The term of this Agreement shall commence as of the date noted above, which is the same day as the NRC Operating License is being transferred to Operator, and the term shall continue until terminated pursuant to Section 5 of this Agreement.

5. Termination. This Agreement may be terminated upon notice by either Party and upon the expiration of the Transition Period contemplated by Section 6, or upon termination of the NRC Operating License.

6. Transition Period. A period of not less than six (6) months during which Operator will cooperate with another operator selected by Owner in order to prepare for the transfer of operating responsibility pursuant to the NRC Operating License to a new operator, including obtaining the required approval of NRC and any other required regulatory approvals. The Transition Period shall end upon the transfer of operating responsibility, which shall occur no later ten (10) business days after receiving all required regulatory approvals. Operator agrees to cooperate and execute such documents as may be necessary to affect the transfer.

7. Survival. The indemnification, release, and limitation of liability provisions contained in this Agreement shall survive termination to the extent they pertain to events giving rise to such indemnification, release and liability that occurred during the term of this Agreement. Further, it is agreed that in no event shall this Agreement terminate unless all payments required under this Agreement to have been made by the Owner to Operator shall have been made and all necessary regulatory approvals for termination of the NRC Operating License or transfer of responsibility for the Facility shall have been obtained.

8. Responsibilities of Owner. Owner shall cooperate with and assist Operator and provide Operator with correct and reliable information and access to the Facility, as reasonably necessary for Operator to carry out and perform its duties under this Agreement.

9. Price for Services. The price for the services provided by Operator to Owner pursuant to this Agreement shall be the sum of all of Operator's costs arising out of, or associated with, the performance of this Agreement by Operator and its agents or contractors, including but not limited to, direct labor costs, supervisory and clerical costs, employee benefits costs, utility costs, materials and supplies costs, contractor costs, liability, property and other insurance costs, federal, state and local taxes, administrative and general overhead costs allocable to the performance of this Agreement, depreciation and amortization costs, interest expense, and expenses incurred to lease or rent equipment for performance under this Agreement.

10. Monthly Reports. Upon request by Owner, Operator shall furnish Owner with a closing statement for each month, which statement shall report the significant operations of the Facility for the month in question.

11. Insurance. Unless otherwise directed by Owner, Operator shall procure and maintain for Owner insurance coverage of the types and in the amounts as required by applicable NRC regulations and as generally maintained by the industry.

12. Release of Operator. In no event shall Operator be liable to Owner for any direct, indirect, incidental or consequential damages, including, without limitation, liabilities for loss of profits or loss of use or cost of replacement power or any claim or demand against Owner by any person or entity, arising out of Operator's performance or failure to perform this Agreement (including, without limitation, Operator's, or any of its officers, directors or employees, own negligence or other basis, whether arising in or based upon tort, fraud, contract, strict liability, negligence, breach of fiduciary duty or any other theory of legal liability), even if Operator has been advised of the possibility of such liabilities, and Owner hereby release Operator for any liabilities arising out of Operator's performance or failure to perform this Agreement. Operator does not assume liability or responsibility to Owner for liabilities that may be suffered by Owner as a result of any action or inaction of Operator; provided, however, that nothing herein shall relieve any party or person, other than Operator, from any responsibility to Operator or to Owner, whether assumed by contract or by operation of law.

13. Indemnity. Owner shall protect, indemnify and hold Operator (including its officers, directors and employees) free and harmless from and against any and all liabilities (including, without limitation, all costs in connection with liabilities and in connection with the defense of causes of action, suits or other proceedings, including attorneys' fees) of every kind and character, arising from or connected with the operation the Facility thereof or for any damage thereto, whether arising in or based upon tort, fraud, contract, strict liability, negligence, breach of fiduciary duty or any other theory of legal liability or as a result of fines or other penalties imposed by NRC or other governmental authority.

14. Scope of Indemnity and Release. OWNER ACKNOWLEDGES TO OPERATOR THAT THE PROVISIONS OF THIS AGREEMENT WHICH RELEASE OPERATOR OR PROVIDE FOR THE INDEMNIFICATION BY OWNER OF OPERATOR ARE INTENDED BY OWNER, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW FROM TIME TO TIME, TO RELEASE AND SAVE AND HOLD HARMLESS AND INDEMNIFY OPERATOR FROM THE CONSEQUENCES OF OPERATOR'S OWN NEGLIGENCE (WHETHER ORDINARY OR GROSS, SOLE, JOINT OR CONCURRENT, OR ACTIVE OR PASSIVE) AND RECKLESS OR INTENTIONAL CONDUCT OR STRICT LIABILITY OF OPERATOR.

15. Capacity, Liability and Release. Operator is entering into this Agreement as agent for and on behalf of Owner, and all obligations of Operator under this Agreement are being incurred solely on behalf of, and shall be enforceable solely against, Owner. Rights being granted in favor of or retained by Operator herein shall be held and enforceable by Operator, in its individual or corporate capacity. In no event shall Operator be liable to Owner for any damages of any kind, direct, incidental or consequential, and Owner hereby releases Operator from liability for damages arising out of Operator's performance, nonperformance or breach of this Agreement.

16. Material Consideration. The Parties agree that the limitations on liability and indemnity provisions set forth in this Agreement are supported by the Parties' respective contractual undertakings and other good and valuable consideration and acknowledge that the Parties would not have entered into this Agreement in the absence of the indemnification obligations and the limitations on liability undertaken by either or both Parties.

17. Confidentiality. Any information belonging to a party hereto which such party designates as confidential or proprietary shall not be disclosed to any other person or entity by the party receiving such information, except to the extent disclosure is required by law or as otherwise permitted with the consent of the non-disclosing party.

18. Power of Attorney. Owner hereby irrevocably appoints Operator, and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full and irrevocable power and authority in the place and stead of Owner and in the name of Owner for the purpose of carrying out the terms of this Agreement, to take any and all appropriate action and to execute any and all reports, contracts, documents and instruments which may be necessary or desirable to accomplish the purposes of this Agreement.

19. Force Majeure. Operator's performance of its obligations hereunder shall be excused to the extent that performance is prevented by an event beyond the reasonable control of Operator. Operator will use its reasonable efforts to remedy any such event as soon as possible, and performance shall be resumed as soon as reasonably practicable after the cause has been removed.

20. Notices. Notices, requests, consents, elections, reports, payments, or other communications required or permitted to be given or made hereunder shall be in writing and shall be deemed to be delivered upon delivery to the Operator or Owner at their principal place of business during regular business hours on a business day. Notices delivered after hours or on a weekend or legal holiday will be effective on the next business day. Addresses shown below shall be considered the principal place of business of each unless and until the other is notified in writing.

Owner:

Holtec Palisades, LLC
Holtec Technology Campus
1 Holtec Blvd
Camden, NJ 08104
Attention: William Gill

Operator:

Palisades Energy, LLC
Holtec Technology Campus
1 Holtec Blvd
Camden, NJ 08104
Attention: Kelly Trice

21. Successors in Interest; Assignment. Each and all of the covenants, agreements, terms, and provisions of this Agreement shall be binding on and inure to the benefit of the parties hereto and, to the extent permitted by this Agreement, their respective heirs, executors, administrators, personal representatives, successors and assigns. Neither party may assign this Agreement without the prior written consent of the other party, which consent shall not be unreasonably withheld; provided, that either party may assign this Agreement to a wholly-owned affiliate of Holtec International upon written notice to the other party and receipt of any required regulatory approvals.

22. Severability. Any provision of this Agreement which is invalid, illegal, or unenforceable in any respect in any jurisdiction shall be, as to such jurisdiction, ineffective to the extent of such invalidity, illegality or unenforceability without in any way affecting the validity, legality or enforceability of the remaining provisions hereof, and any such invalidity, illegality or unenforceability in any jurisdiction shall not invalidate or in any way affect the validity, legality or enforceability of such provision in any other jurisdiction.

23. Waivers. The failure or delay of any party to seek redress for violation of or to insist upon the strict performance of any obligation in this Agreement shall not be a waiver of that violation or obligation or a waiver of a subsequent act.

24. Third-Party Rights. Nothing in this Agreement, expressed or implied, is intended, nor shall same be construed or interpreted, to confer any rights or remedies upon any person or entity not a party hereto, other than the permitted successors or assigns of a party hereto.

25. Entire Agreement; Amendments. This Agreement contains the entire agreement and understanding between Owner and Operator concerning the operation of the Facility, and supersedes and replaces any and all prior agreements, both verbal and written. This Agreement may only be amended in writing, signed by both parties.

26. No Partnership or Joint Venture. Nothing in this Agreement shall be deemed or construed to create a partnership, joint venture or any similar relationship or create any fiduciary duties between Operator and Owner.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement as of the day and year first above written.

OWNER:

HOLTEC PALISADES, LLC

By: _____
Name:
Title:

OPERATOR:

PALISADES ENERGY, LLC

By: _____
Name:
Title:

ENCLOSURE 6

FORM OF SUPPORT AGREEMENT

THIS SUPPORT AGREEMENT (as amended, supplemented or otherwise modified from time to time, this "Agreement"), dated as of _____, 20__, between Holtec International, a Delaware limited liability company (the "Parent"), and Holtec Palisades, LLC, a Delaware limited liability company (the "Owner").

WHEREAS, the Parent indirectly owns and controls the limited liability company interests of the Owner;

WHEREAS, the Owner is the NRC-licensed owner of the Palisades Nuclear Plant ("Palisades") and its associated Independent Spent Fuel Storage Installation ("ISFSI") (collectively, the "Facility");

WHEREAS, Parent's subsidiary Palisades Energy, LLC ("Operator") is the licensed operator of the Facility and Owner's agent pursuant to an Operator Services Agreement between Owner and Operator dated even herewith; and

WHEREAS, in connection with the return to full power operations and the transfer of control of the Facility's NRC license, Parent and Owner desire to take certain actions to enhance and maintain the financial condition of the Owner as hereinafter set forth in order to ensure its ability to pay the costs and expenses relating to the operations and maintenance of the Facility;

NOW THEREFORE, in consideration of the mutual promises herein contained, the parties hereto agree as follows:

1. Subsidiary Payments. At all times while this Agreement is in effect and subject to the limitations set forth in paragraphs 3 and 4, the Parent agrees that it will make, or cause one of its subsidiaries to make, to the extent necessary, a Support Payment (as defined in paragraph 2) to the Owner in order to ensure that the Owner has sufficient liquidity in order to pay the costs and expenses relating to the operations and maintenance of the Facility. Any Support Payments required by this Agreement shall be made not later than the end of the next fiscal quarter.

2. Commitment to Provide Capital. If during the term of this Agreement, the Parent is required to make a Support Payment to the Owner, such payment may be provided by the Parent, or any subsidiary of the Parent, at the Parent's option, either as an equity investment or capital contribution or as a loan, in each case in cash or other liquid assets (any of the foregoing, a "Support Payment"). If such payment is advanced to the Owner as a loan, the loan shall be on such terms and conditions, including maturity and rate of interest, as the Parent and the Owner shall agree.

3. Limitation of the Parent's Support Obligations. Each of the Parent and the Owner agrees that the Parent shall not be required to make, or cause its subsidiaries or affiliates to make, Support Payments to the Subsidiary Owner in excess of \$75 million in the aggregate.

4. Not a Guaranty. This Agreement, its provisions and any actions pursuant hereto by the Parent shall not constitute or be deemed to constitute a direct or indirect guaranty by the Parent of any indebtedness for borrowed money or other obligation or liability of any kind or character whatsoever of the Owner.

5. Rights of Participants and Creditors. The obligations of the Parent pursuant to this Agreement are to the Owner only and do not run to and are not enforceable directly by any creditor of the Owner or other entity or person, nor shall this Agreement cause the Parent to be responsible for payment of any obligation of the Owner to any creditor or other entity or person or give rise to any recourse by any creditor or other entity or person to or against the Parent or any of its assets or properties.

6. Waivers. Any failure by any party hereto, at any time or times hereafter, to require strict performance by the other party of any provision of this Agreement shall not waive, affect or diminish any right of any party thereafter to demand strict compliance and performance therewith. None of the agreements contained in this Agreement shall be deemed to have been suspended or waived by any party hereto unless such suspension or waiver is in writing.

7. Amendments and Termination. Subject to paragraph 10, this Agreement may be amended, modified or terminated at any time by the parties hereto only by a written instrument signed by both the Parent and the Owner. This Agreement shall terminate at such time as Parent is no longer the direct or indirect owner of any of the ownership interests in Owner. This Agreement shall also terminate whenever the Facility permanently ceases commercial operations and certification is made as to the permanent removal of fuel from the reactor vessel.

8. Successors. This Agreement shall be binding upon, and shall inure to the benefit of, the parties hereto and their respective successors and assigns, provided that the Owner may not assign, transfer or pledge its rights hereunder without the prior written consent of the Parent. This Agreement is not intended for the benefit of any entity or person other than the parties hereto, and shall not confer or be deemed to confer upon any other such entity or person any benefits, rights or remedies hereunder.

9. Governing Law; Severability. This Agreement and all rights and obligations hereunder shall be governed by and construed and enforced in accordance with the laws of the State of _____. Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without it invalidating the remainder of such provisions or the remaining provisions of this Agreement.

10. Notice to NRC. Owner shall take no action to cause Parent, or its successors and assigns, to void, cancel, or modify the commitment to provide financial support to Owner as set forth in this Agreement or cause Parent to fail to perform or impair its performance under the commitment, or remove or interfere with Owner's ability to draw upon the commitment, without the prior written consent of the Director of the Office of Nuclear Reactor Regulation of the Nuclear Regulatory Commission ("NRC"). Also, Owner shall inform NRC in writing any time that it draws upon the commitment to provide capital by obtaining a Support Payment.

[Signatures on Following Page]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and delivered by their respective officers thereunto duly authorized as of the day and year first above written.

HOLTEC INTERNATIONAL

Name:
Title:

HOLTEC PALISADES, LLC

Name:
Title: