



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

November 15, 2018

Mr. Bryan C. Hanson
Senior Vice President
Exelon Generation Company, LLC
President and Chief Nuclear Officer (CNO)
Exelon Nuclear
4300 Winfield Road
Warrenville, IL 60555

SUBJECT: CALVERT CLIFFS NUCLEAR POWER PLANT, UNITS 1 AND 2; NINE MILE POINT NUCLEAR STATION, UNITS 1 AND 2; AND R. E. GINNA NUCLEAR POWER PLANT – ISSUANCE OF AMENDMENTS ELIMINATING THE NUCLEAR ADVISORY COMMITTEE REQUIREMENTS (EPID L-2018-LLA-0077)

Dear Mr. Hanson:

The U.S. Nuclear Regulatory Commission (NRC, the Commission) has issued the enclosed Amendment No. 327 to Renewed Facility Operating License No. DPR-53 and Amendment No. 305 to Renewed Facility Operating License No. DPR-69 for the Calvert Cliffs Nuclear Power Plant (Calvert Cliffs), Units 1 and 2, respectively; Amendment No. 232 to Renewed Facility Operating License No. DPR-63 and Amendment No. 173 to Renewed Facility Operating License No. NPF-69 for the Nine Mile Point Nuclear Station (Nine Mile Point), Units 1 and 2, respectively; and Amendment No. 133 to Renewed Facility Operating License No. DPR-18 for the R. E. Ginna Nuclear Power Plant (Ginna). The amendments are in response to the application by Exelon Generation Company, LLC (Exelon, the licensee) dated March 26, 2018 (Agencywide Documents Access and Management System Accession No. ML18086A138). The amendments delete the license conditions for each facility that specify the requirements for the Nuclear Advisory Committee (NAC).

The NAC requirements were originally imposed as part of license transfer orders for Calvert Cliffs, Nine Mile Point, and Ginna, and subsequently added to the licenses through conforming amendments. In addition to requesting the deletion of the NAC license conditions, Exelon also requested rescission of those portions of the license transfer orders that contained the NAC requirements. The NRC staff has determined that modifying the license transfer orders is not necessary, because the staff's approval of the license amendments is sufficient to eliminate the NAC requirements.

A copy of the related safety evaluation is also enclosed. Notice of Issuance will be included in the Commission's biweekly *Federal Register* notice.

Sincerely,

A handwritten signature in black ink, appearing to read 'Blake A. Purnell', written in a cursive style.

Blake A. Purnell, Project Manager
Plant Licensing Branch III
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Docket Nos. 50-317, 50-318, 50-220, 50-410,
and 50-244

Enclosures:

1. Amendment No. 327 to DPR-53
2. Amendment No. 305 to DPR-69
3. Amendment No. 232 to DPR-63
4. Amendment No. 173 to NPF-69
5. Amendment No. 133 to DPR-18
6. Safety Evaluation

cc: Listserv



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

CALVERT CLIFFS NUCLEAR POWER PLANT, LLC

EXELON GENERATION COMPANY, LLC

DOCKET NO. 50-317

CALVERT CLIFFS NUCLEAR POWER PLANT, UNIT 1

AMENDMENT TO RENEWED FACILITY OPERATING LICENSE

Amendment No. 327
Renewed License No. DPR-53

1. The U.S. Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for amendment by Exelon Generation Company, LLC (the licensee) dated March 26, 2018, 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;
 - B. The facility will operate in conformity with the application, the provisions of the Act, and the rules and regulations of the Commission;
 - C. There is reasonable assurance (i) that the activities authorized by this amendment 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;
 - D. The issuance of this amendment will not be inimical to the common defense and security or to the health and safety of the public; and
 - E. The issuance of this amendment is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied.

2. Accordingly, Additional Conditions 8 and 9 for Amendment No. 305 in Appendix C, "Additional Conditions," to Renewed Facility Operating License No. DPR-53 are hereby deleted.
3. This license amendment is effective as of the date of its issuance and shall be implemented within 60 days of the date of issuance.

FOR THE NUCLEAR REGULATORY COMMISSION

A handwritten signature in black ink, appearing to read "D. J. Wrona", with a horizontal line extending to the right.

David J. Wrona, Branch Chief
Plant Licensing Branch III
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Attachment: Changes to the Renewed
Facility Operating License

Date of Issuance: November 15, 2018



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

CALVERT CLIFFS NUCLEAR POWER PLANT, LLC

EXELON GENERATION COMPANY, LLC

DOCKET NO. 50-318

CALVERT CLIFFS NUCLEAR POWER PLANT, UNIT 2

AMENDMENT TO RENEWED FACILITY OPERATING LICENSE

Amendment No. 305
Renewed License No. DPR-69

1. The U.S. Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for amendment by Exelon Generation Company, LLC (the licensee) dated March 26, 2018, 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;
 - B. The facility will operate in conformity with the application, the provisions of the Act, and the rules and regulations of the Commission;
 - C. There is reasonable assurance (i) that the activities authorized by this amendment 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;
 - D. The issuance of this amendment will not be inimical to the common defense and security or to the health and safety of the public; and
 - E. The issuance of this amendment is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied.
2. Accordingly, Additional Conditions 8 and 9 for Amendment No. 283 in Appendix C, "Additional Conditions," to Renewed Facility Operating License No. DPR-69 are hereby deleted.

3. This license amendment is effective as of the date of its issuance and shall be implemented within 60 days of the date of issuance.

FOR THE NUCLEAR REGULATORY COMMISSION

A handwritten signature in black ink, appearing to read "D. J. Wrona", with a horizontal line extending to the right.

David J. Wrona, Branch Chief
Plant Licensing Branch III
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Attachment: Changes to the Renewed
Facility Operating License

Date of Issuance: November 15, 2018

ATTACHMENT TO LICENSE AMENDMENT NOS. 327 AND 305
RENEWED FACILITY OPERATING LICENSE NOS. DPR-53 AND DPR-69
CALVERT CLIFFS NUCLEAR POWER PLANT, UNITS 1 AND 2
DOCKET NOS. 50-317 AND 50-318

Replace the following pages of Appendix C, "Additional Conditions," to the Renewed Facility Operating Licenses with the attached revised pages. The revised pages are identified by amendment number and contain marginal lines indicating the areas of change.

Remove

License DPR-53
Appendix C, Page 11

License DPR-69
Appendix C, Page 11

Insert

License DPR-53
Appendix C, Page 11

License DPR-69
Appendix C, Page 11

Appendix C (Cont'd.)

Additional Conditions

Facility Operating License No. DPR-53

<u>Amendment No.</u>	<u>Additional Conditions</u>	<u>Implementation Date</u>
	7) The CENG Chief Executive Officer, Chief Nuclear Officer, and Chairman of the CENG Board of Directors must be U.S. citizens. These individuals shall have the responsibility and exclusive authority to ensure and shall ensure that the business and activities of CENG with respect to the facility's license are at all times conducted in a manner consistent with the public health and safety and common defense and security of the United States.	
	8) Deleted	
	9) Deleted	

Appendix C (Cont'd.)

Additional Conditions

Facility Operating License No. DPR-69

<u>Amendment No.</u>	<u>Additional Conditions</u>	<u>Implementation Date</u>
	7) The CENG Chief Executive Officer, Chief Nuclear Officer, and Chairman of the CENG Board of Directors must be U.S. citizens. These individuals shall have the responsibility and exclusive authority to ensure and shall ensure that the business and activities of CENG with respect to the facility's license are at all times conducted in a manner consistent with the public health and safety and common defense and security of the United States.	
	8) Deleted	
	9) Deleted	



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

NINE MILE POINT NUCLEAR STATION, LLC

EXELON GENERATION COMPANY, LLC

DOCKET NO. 50-220

NINE MILE POINT NUCLEAR STATION, UNIT 1

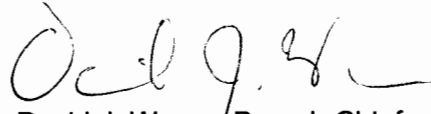
AMENDMENT TO RENEWED FACILITY OPERATING LICENSE

Amendment No. 232
Renewed License No. DPR-63

1. The U.S. Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for amendment by Exelon Generation Company, LLC (the licensee) dated March 26, 2018, 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;
 - B. The facility will operate in conformity with the application, the provisions of the Act, and the rules and regulations of the Commission;
 - C. There is reasonable assurance (i) that the activities authorized by this amendment 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;
 - D. The issuance of this amendment will not be inimical to the common defense and security or to the health and safety of the public; and
 - E. The issuance of this amendment is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied.
2. Accordingly, paragraphs 2.D.(23) and 2.D.(24) of Renewed Facility Operating License No. DPR-63 are hereby deleted.

3. This license amendment is effective as of the date of its issuance and shall be implemented within 60 days of the date of issuance.

FOR THE NUCLEAR REGULATORY COMMISSION

A handwritten signature in black ink, appearing to read "D. J. Wrona", with a horizontal line extending to the right.

David J. Wrona/ Branch Chief
Plant Licensing Branch III
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Attachment: Changes to the Renewed
Facility Operating License

Date of Issuance: November 15, 2018

ATTACHMENT TO LICENSE AMENDMENT NO. 232
RENEWED FACILITY OPERATING LICENSE NO. DPR-63
NINE MILE POINT NUCLEAR STATION, UNIT 1
DOCKET NO. 50-220

Replace the following page of the Renewed Facility Operating License with the attached revised page. The revised page is identified by amendment number and contains a marginal line indicating the area of change.

Remove

License DPR-63
Page 12

Insert

License DPR-63
Page 12

- (22) The CENG Chief Executive Officer, Chief Nuclear Officer, and Chairman of the CENG Board of Directors must be U.S. citizens. These individuals shall have the responsibility and exclusive authority to ensure and shall ensure that the business and activities of CENG with respect to the facility's license are at all times conducted in a manner consistent with the public health and safety and common defense and security of the United States.
- (23) Deleted
- (24) Deleted



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

NINE MILE POINT NUCLEAR STATION, LLC

LONG ISLAND LIGHTING COMPANY

EXELON GENERATION COMPANY, LLC

DOCKET NO. 50-410

NINE MILE POINT NUCLEAR STATION, UNIT 2

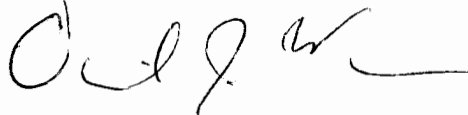
AMENDMENT TO RENEWED FACILITY OPERATING LICENSE

Amendment No. 173
Renewed License No. NPF-69

1. The U.S. Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for amendment by Exelon Generation Company, LLC (the licensee) dated March 26, 2018, 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;
 - B. The facility will operate in conformity with the application, the provisions of the Act, and the rules and regulations of the Commission;
 - C. There is reasonable assurance (i) that the activities authorized by this amendment 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;
 - D. The issuance of this amendment will not be inimical to the common defense and security or to the health and safety of the public; and
 - E. The issuance of this amendment is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied.
2. Accordingly, paragraphs 2.C.(29) and 2.C.(30) of Renewed Facility Operating License No. NPF-69 are hereby deleted.

3. This license amendment is effective as of the date of its issuance and shall be implemented within 60 days of the date of issuance.

FOR THE NUCLEAR REGULATORY COMMISSION

A handwritten signature in black ink, appearing to read 'D. J. Wrona', with a long horizontal flourish extending to the right.

David J. Wrona, Branch Chief
Plant Licensing Branch III
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Attachment: Changes to the Renewed
Facility Operating License

Date of Issuance: November 15, 2018

ATTACHMENT TO LICENSE AMENDMENT NO. 173
RENEWED FACILITY OPERATING LICENSE NO. NPF-69
NINE MILE POINT NUCLEAR STATION, UNIT 2
DOCKET NO. 50-410

Replace the following page of the Renewed Facility Operating License with the attached revised page. The revised page is identified by amendment number and contains a marginal line indicating the area of change.

Remove

License NPF-69
Page 15

Insert

License NPF-69
Page 15

- (25) Within 14 days of the license transfers, Exelon Generation shall submit to the NRC the Nuclear Operating Services Agreement reflecting the terms set forth in the application dated August 6, 2013. Section 7.1 of the Nuclear Operating Services Agreement may not be modified in any material respect related to financial arrangements that would adversely impact the ability of the licensee to fund safety-related activities authorized by the license without the prior written consent of the Director of the Office of Nuclear Reactor Regulation.
- (26) Within 10 days of the license transfers, Exelon Generation shall submit to the NRC the amended CENG Operating Agreement reflecting the terms set forth in the application dated August 6, 2013. The amended and restated Operating Agreement may not be modified in any material respect concerning decision making authority over safety, security and reliability without the prior written consent of the Director of the Office of Nuclear Reactor Regulation.
- (27) At least half the members of the CENG Board of Directors must be U.S. citizens.
- (28) The CENG Chief Executive Officer, Chief Nuclear Officer, and Chairman of the CENG Board of Directors must be U.S. citizens. These individuals shall have the responsibility and exclusive authority to ensure and shall ensure that the business and activities of CENG with respect to the facility's license are at all times conducted in a manner consistent with the public health and safety and common defense and security of the United States.
- (29) Deleted
- (30) Deleted



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

R.E. GINNA NUCLEAR POWER PLANT, LLC

EXELON GENERATION COMPANY, LLC

DOCKET NO. 50-244

R.E. GINNA NUCLEAR POWER PLANT

AMENDMENT TO RENEWED FACILITY OPERATING LICENSE

Amendment No. 133
Renewed License No. DPR-18

1. The U.S. Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for amendment by Exelon Generation Company, LLC (the licensee) dated March 26, 2018, 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;
 - B. The facility will operate in conformity with the application, the provisions of the Act, and the rules and regulations of the Commission;
 - C. There is reasonable assurance (i) that the activities authorized by this amendment 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;
 - D. The issuance of this amendment will not be inimical to the common defense and security or to the health and safety of the public; and
 - E. The issuance of this amendment is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied.
2. Accordingly, paragraphs 2.C.(17) and 2.C.(18) of Renewed Facility Operating License No. DPR-18 are hereby deleted.

3. This license amendment is effective as of the date of its issuance and shall be implemented within 60 days of the date of issuance.

FOR THE NUCLEAR REGULATORY COMMISSION

A handwritten signature in black ink, appearing to read "D. J. Wrona", with a horizontal line extending to the right.

David J. Wrona, Branch Chief
Plant Licensing Branch III
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation

Attachment: Changes to the Renewed
Facility Operating License

Date of Issuance: November 15, 2018

ATTACHMENT TO LICENSE AMENDMENT NO. 133
RENEWED FACILITY OPERATING LICENSE NO. DPR-18
R.E. GINNA NUCLEAR POWER PLANT
DOCKET NO. 50-244

Replace the following pages of the Renewed Facility Operating License with the attached revised pages. The revised pages are identified by amendment number and contain marginal lines indicating the areas of change.

Remove

License DPR-18
Page 9
Page 10

Insert

License DPR-18
Page 9
Page 10

reliability without the prior written consent of the Director of the Office of Nuclear Reactor Regulation.

- (15) At least half the members of the CENG Board of Directors must be U.S. citizens.
 - (16) The CENG Chief Executive Officer, Chief Nuclear Officer, and Chairman of the CENG Board of Directors must be U.S. citizens. These individuals shall have the responsibility and exclusive authority to ensure and shall ensure that the business and activities of CENG with respect to the facility's license are at all times conducted in a manner consistent with the public health and safety and common defense and security of the United States.
 - (17) Deleted
 - (18) Deleted
- D. The facility requires an exemption from certain requirements of 10 CFR 50.46(a)(1). This includes an exemption from 50.46(a)(1), that emergency core cooling system (ECCS) performance be calculated in accordance with an acceptable calculational model which conforms to the provisions in Appendix K (SER dated April 18, 1978). The exemption will expire upon receipt and approval of revised ECCS calculations. The aforementioned exemption is authorized by law and will not endanger life property or the common defense and security and is otherwise in the public interest. Therefore, the exemption is hereby granted pursuant to 10 CFR 50.12.
- E. Exelon Generation 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 27827 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: "R. E. Ginna Nuclear Power Plant Security Plan, Training and Qualification Plan, and Safeguards Contingency Plan," submitted by letter dated May 15, 2006.

Exelon Generation 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 licensee's CSP was approved by License Amendment No. 113 and modified by License Amendment No. 117. The licensee has obtained Commission authorization to use Section 161A preemption authority under 42 U.S.C. 2201a for weapons at its facility.

- F. The Updated Final Safety Analysis Report supplement, submitted pursuant to 10 CFR 54.21 (d), describes certain future activities to be completed prior to the period of extended operation. Ginna LLC shall complete these activities no later than September 18, 2009, and shall notify the Commission in writing when implementation of these activities is complete and can be verified by NRC inspection.

The Updated Final Safety Analysis Report supplement, as revised, shall be included in the next scheduled update to the Updated Final Safety Analysis Report required by 10 CFR 50.71 (e)(4) following issuance of this renewed license. Until that update is complete, the licensee may make changes to the programs and activities described in the supplement without prior Commission approval, provided that the licensee evaluates each such change pursuant to the criteria set forth in 10 CFR 50.59 and otherwise complies with the requirements in that section.

- G. All capsules in the reactor vessel that are removed and tested must meet the test procedures and reporting requirements of ASTM E 185-82 to the extent practicable for the configuration of the specimens in the capsule. Any changes to the capsule withdrawal schedule, including spare capsules, must be approved by the NRC prior to implementation. Any capsules placed in storage must be maintained for future insertion, unless approved by the NRC.
- H. This renewed license is effective as of the date of issuance and shall expire at midnight on September 18, 2029.

FOR THE NUCLEAR REGULATORY COMMISSION

Original Signed By

J. E. Dyer, Director
Office of Nuclear Reactor Regulation

Attachment: Appendix A - Technical Specifications

Date of Issuance: May 19, 2004



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

SAFETY EVALUATION BY THE OFFICE OF NUCLEAR REACTOR REGULATION

RELATED TO

AMENDMENT NO. 327 TO RENEWED FACILITY OPERATING LICENSE NO. DPR-53

AMENDMENT NO. 305 TO RENEWED FACILITY OPERATING LICENSE NO. DPR-69

AMENDMENT NO. 232 TO RENEWED FACILITY OPERATING LICENSE NO. DPR-63

AMENDMENT NO. 173 TO RENEWED FACILITY OPERATING LICENSE NO. NPF-69

AMENDMENT NO. 133 TO RENEWED FACILITY OPERATING LICENSE NO. DPR-18

EXELON GENERATION COMPANY, LLC

CALVERT CLIFFS NUCLEAR POWER PLANT, UNITS 1 AND 2

NINE MILE POINT NUCLEAR STATION, UNITS 1 AND 2

R. E. GINNA NUCLEAR POWER PLANT

DOCKET NOS. 50-317, 50-318, 50-220, 50-410, AND 50-244

1.0 INTRODUCTION

By application dated March 26, 2018 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML18086A138), Exelon Generation Company, LLC (Exelon, the licensee) submitted a license amendment request for Calvert Cliffs Nuclear Power Plant (Calvert Cliffs), Units 1 and 2; Nine Mile Point Nuclear Station (Nine Mile Point), Units 1 and 2; and R. E. Ginna Nuclear Power Plant (Ginna). For each facility, the amendments would delete the license conditions that specify the requirements for the Nuclear Advisory Committee (NAC).

2.0 REGULATORY EVALUATION

2.1 Background

By application dated January 22, 2009 (ADAMS Accession No. ML090290101), as supplemented,¹ Constellation Energy Nuclear Group, LLC (CENG)² and EDF Development, Inc. (now EDF Inc.) requested that the U.S. Nuclear Regulatory Commission (NRC or Commission) consent to the indirect transfer of the Calvert Cliffs, Nine Mile Point, and Ginna licenses, pursuant to Section 184 of the Atomic Energy Act of 1954, as amended (the Act), and Title 10 of the *Code of Federal Regulations* (10 CFR) Section 50.80, "Transfer of licenses." EDF Inc. is a U.S. corporation organized under the laws of the State of Delaware and a wholly-owned subsidiary of E.D.F. International S.A., a public limited company organized under the laws of France, which is in turn a wholly-owned subsidiary of Électricité de France S.A., a French limited company. This indirect license transfer request was to support EDF Inc.'s acquisition of a 49.99 percent ownership interest in CENG, the indirect owner of Calvert Cliffs, Nine Mile Point, and Ginna at that time.

The 2009 indirect license transfer application, as supplemented, included a negation action plan to ensure that Constellation Energy Group, Inc. (CEG), the parent company of CENG, would retain control over CENG with respect to all matters relating to the safety, security, and reliability of its nuclear fleet, prior to, during, and following EDF Inc.'s proposed acquisition of a 49.99 percent ownership interest in CENG. The purpose of a negation action plan is to ensure that any potential foreign interest is effectively denied control or domination over an NRC applicant or licensee. The CENG negation action plan included the establishment of a NAC.

According to the 2009 indirect license transfer application, as supplemented, the NAC would serve CENG in a non-voting capacity to provide transparency to the NRC and other U.S. governmental authorities regarding foreign ownership and control of nuclear operations. The NAC would be an independent committee, appointed by the CENG Board of Directors, composed of U.S. citizens who are not officers, directors, or employees of CENG, CEG, or EDF. Additional responsibilities of the NAC included recommending appropriate additional policies to ensure CENG's continued compliance with provisions of U.S. law and regulations regarding (i) nuclear security plans, including physical security and cyber security; (ii) screening of nuclear personnel; (iii) the protection of critical nuclear infrastructure; and (iv) U.S. export requirements.

The NRC staff approved the 2009 indirect license transfer application by orders dated October 9, 2009, as superseded by orders dated October 30, 2009.³ The orders included certain foreign ownership, control, or domination (FOCD) conditions including the establishment of the NAC. The NAC requirements were not included as license conditions at this time.

¹ The supplemental letters were dated February 26, April 8, June 25, July 27, October 15, October 19, October 25 (2 letters), October 26, and October 28, 2009 (ADAMS Accession Nos. ML090630426, ML091000665, ML091811094, ML092150712, ML092920168, ML092990101, ML093000127, ML093000141, ML093000506, and ML093030288, respectively).

² Acting on behalf of its subsidiary licensees Calvert Cliffs Nuclear Power Plant, Inc., Nine Mile Point Nuclear Station, LLC, and R.E. Ginna Nuclear Power Plant, LLC.

³ The revised public version of the safety evaluation for the license transfers is available at ADAMS Accession No. ML093010003. The October 30, 2009, orders for Calvert Cliffs, Nine Mile Point, and Ginna are available at ADAMS Accession Nos. ML093000631, ML093000635, and ML093000633, respectively. These orders were corrected by letters dated November 30, 2009 (ADAMS Accession Nos. ML093290246, ML093310365, and ML093310366). The orders for Calvert Cliffs also approved the direct transfer of Calvert Cliffs Nuclear Power Plant, Inc. to Calvert Cliffs Nuclear Power Plant, LLC. The conforming amendments for the Calvert Cliffs direct license transfer were issued on October 30, 2009 (ADAMS Accession No. ML092880805), and corrected by letter dated November 12, 2009 (ADAMS Accession No. ML093070737).

On April 28, 2011, Exelon and CEG executed a merger agreement by which Exelon acquired CEG in an all-stock transaction. On February 15, 2012, the NRC issued orders (ADAMS Package Accession No. ML113560373) approving the corporate merger of Exelon and CEG, and the resulting indirect transfers of Calvert Cliffs, Nine Mile Point, and Ginna licenses. Following the consummation of the transaction, Exelon became the ultimate parent of CEG, and the majority (50.01 percent) parent company of CENG, Calvert Cliffs Nuclear Power Plant, LLC, Nine Mile Point Nuclear Station, LLC, and R.E. Ginna Nuclear Power Plant, LLC. EDF Inc. maintained its 49.99 percent ownership interest in CENG. These orders included modified conditions for the NAC. The NAC requirements were not included as license conditions at this time.

On March 24 and 25, 2014, the NRC issued orders approving the direct transfer of the operating authority for Calvert Cliffs, Nine Mile Point, and Ginna from Calvert Cliffs Nuclear Power Plant, LLC, Nine Mile Point Nuclear Station, LLC, and R.E. Ginna Nuclear Power Plant, LLC to Exelon (ADAMS Accession Nos. ML14105A472, ML14106A053, and ML14106A119, respectively). These orders included conditions for the NAC, which were made conditions of the licenses through conforming amendments issued on April 1, 2017 (ADAMS Accession Nos. ML14091A297, ML14091A323, and ML14091A366).

2.2 Description of the Proposed Changes

The proposed changes would eliminate the NAC requirements for each facility by deleting the following license conditions:

1. Additional Conditions 8 and 9 for Amendment No. 305 in Appendix C, "Additional Conditions," to Renewed Facility Operating License No. DPR-53 for Calvert Cliffs, Unit 1;
2. Additional Conditions 8 and 9 for Amendment No. 283 in Appendix C, "Additional Conditions," to Renewed Facility Operating License No. DPR-69 for Calvert Cliffs, Unit 2;
3. Conditions 2.D.(23) and 2.D.(24) to Renewed Facility Operating License No. DPR-63 for Nine Mile Point, Unit 1;
4. Conditions 2.C.(29) and 2.C.(30) to Renewed Facility Operating License No. NPF-69 for Nine Mile Point, Unit 2; and
5. Conditions 2.C.(17) and 2.C.(18) to Renewed Facility Operating License No. DPR-18 for Ginna.

Currently, these license conditions state:

- (1) CENG will retain its Nuclear Advisory Committee (NAC) composed of U.S. citizens who are not officers, directors, or employees of CENG, EDF Inc., Constellation Nuclear, LLC, or CE Nuclear, LLC. The NAC will report to, and provide transparency to, the NRC and other U.S. governmental agencies regarding foreign ownership and control of nuclear operations.
- (2) The NAC shall prepare an annual report regarding the status of foreign ownership, control, or domination of the licensed activities of power reactors under the control, in whole or part, of CENG. The NAC report shall be submitted to the NRC within 30 days of completion, or by January 31 of each year (whichever occurs first). No action shall be taken by CENG or any entity to cause Constellation Nuclear, LLC, Exelon Generation, or their parent companies, subsidiaries or successors to modify the NAC report before submission to the NRC. The NAC report shall be made available to the public, with the potential

exception of information that meets the requirements for withholding such information from public disclosure under the regulations of 10 CFR 2.390, "Public Inspections, Exemptions, Requests for Withholding."

2.3 Requirements and Guidance

Section 103 of the Act, in relevant part, prohibits the Commission from issuing a license for a nuclear power plant to an alien or any corporation or other entity if the Commission knows or has reason to believe it is owned, controlled, or dominated by an alien, a foreign corporation, or a foreign government. This statutory prohibition is implemented by 10 CFR 50.38, "Ineligibility of certain applicants," which states that any person who is a citizen, national, or agent of a foreign country, or any corporation, or other entity which the Commission knows or has reason to believe is owned, controlled, or dominated by an alien, a foreign corporation, or a foreign government, is ineligible to apply for and obtain a license for a nuclear power plant. Guidance for the NRC staff's review of FOCD issues is provided in the "Final Standard Review Plan on Foreign Ownership, Control, or Domination" published in the *Federal Register* on September 28, 1999 (64 FR 52355).

3.0 TECHNICAL EVALUATION

Exelon is the ultimate parent of CEG, and the majority (50.01 percent) parent company of CENG; Calvert Cliffs Nuclear Power Plant, LLC; Nine Mile Point Nuclear Station, LLC; and R.E. Ginna Nuclear Power Plant, LLC. EDF Inc. maintains a 49.99 percent ownership interest in CENG. Exelon is the licensed operator for Calvert Cliffs, Nine Mile Point, and Ginna, and it is responsible for day-to-day operations and management of these facilities.

In its March 26, 2018, application, Exelon stated:

Since its inception, the NAC has not identified any FOCD concerns causing it to advise the CENG Board of Directors or the NRC that any additional measures should be taken to ensure compliance with FOCD requirements, or to ensure that any decision of a foreign government could not adversely affect or interfere with the reliable and safe operations of any nuclear assets. In addition, the NAC has not identified any significant FOCD matters that might necessitate reporting such matters directly to the NRC or any other governmental agency. Similarly, the NAC has not identified any actions in which foreign interests exercised FOCD over the licensed activities of the nuclear assets, or in which any actions taken by a foreign interest involved with licensed activities was inimical to the common defense and security of the United States.

Based on this, Exelon concluded that eliminating the NAC will not adversely impact compliance with NRC FOCD requirements, and will not impair the ability to identify and resolve any FOCD issues identified in the future that could challenge the safe and reliable operations of the nuclear units. Exelon stated that multiple means exist to resolve FOCD concerns, including the ability of personnel to report these concerns to their supervisor, enter them into the corrective action program, raise these concerns as part of the employee concerns program, or report them directly to the NRC. Exelon stated that it has substantial experience in this area as a former owner of AmerGen Energy Company, LLC, a 50/50 joint venture with British Energy.

The establishment of the NAC as part of the 2009 CENG indirect license transfer was a first-of-a-kind negotiation measure to ensure compliance with FOCD requirements at nuclear power

plants. A NAC has not been proposed by an applicant or licensee, or imposed as a condition to a license by the NRC, for any other operating nuclear power plants to date.

The NRC staff reviewed the other existing license conditions related to FOCD for Calvert Cliffs, Nine Mile Point, and Ginna, that would remain in place notwithstanding the proposed deletion of the NAC license conditions. The remaining FOCD license conditions require that the Chairman of the CENG Board of Directors, the CENG Chief Executive Officer, and the Chief Nuclear Officer must be U.S. citizens and that at least half of the members of the CENG Board of Directors must be U.S. citizens. They also prohibit modifying financial arrangements related to the ability of the licensee to fund safety-related activities authorized by the licenses or decisionmaking authority over safety, security, and reliability without the prior written consent of the Director of the NRC Office of Nuclear Reactor Regulation. The staff finds that the U.S. citizenship requirement for key management personnel and the majority of the Board of Directors, as well as the prior NRC written consent requirement with respect to funding and decisionmaking authority over safety-related activities, provide reasonable assurance that the business activities of CENG with respect to Calvert Cliffs, Nine Mile Point, and Ginna, will continue to be conducted in a manner consistent with the public health and safety and the common defense and security notwithstanding the proposed deletion of the NAC license conditions.

Currently, the NRC staff does not know, or have reason to believe, that the Chairman of the CENG Board of Directors, the CENG Chief Executive Officer, the Chief Nuclear Officer, or at least half the members of the CENG Board of Directors are foreign, foreign-appointed, or have ties to foreign entities, or that foreign entities have the right, whether exercised or not, to elect or appoint a majority of the CENG Board of Directors. Further, Exelon remains the licensed operator of Calvert Cliffs, Nine Mile Point, and Ginna responsible for the day-to-day operations and maintenance of the licensed facilities and the NRC staff does not know or have reason to believe that Exelon is owned, controlled, or dominated by a foreign entity. Based on this ownership and management structure, and the FOCD license conditions that would remain in place notwithstanding the proposed deletion of the NAC license conditions, the NRC staff has reasonable assurance that foreign interest (i.e., EDF Inc.) in Calvert Cliffs, Nine Mile Point, and Ginna cannot adversely affect nuclear safety and security decisions.

The NRC staff concludes that deleting the NAC license conditions will not negatively affect the ability to ensure that any foreign interest is effectively denied control or domination over the licenses for Calvert Cliffs, Nine Mile Point, and Ginna. This conclusion is based on the facts that (1) the NAC has not identified any FOCD concerns since it was established in 2009, (2) the remaining license conditions related to FOCD are sufficient to ensure that the licenses will not become owned, controlled, or dominated by an alien, a foreign corporation, or a foreign government, (3) Exelon is the licensed operator of the facilities, and (4) no FOCD concerns exist with respect to CENG or Exelon. Therefore, deleting the NAC license conditions is consistent with the FOCD prohibitions of the Act and the Commission's regulations and, thus, is acceptable.

4.0 STATE CONSULTATION

In accordance with the Commission's regulations, the Maryland and New York State officials were notified of the proposed issuance of the amendments on November 2, 2018. By e-mail dated November 13, 2018, the NRC staff provided the New York officials with the background information in this safety evaluation and copies of the Nine Mile Point and Ginna licenses in response to questions from the officials regarding the relationship between EDF Inc., Exelon,

and CENG. In particular, the staff noted that Exelon is authorized to act on behalf of Ginna LLC and Nine Mile Point LLC, and has exclusive responsibility and control of the physical possession, operation, and maintenance of the facilities. Additionally, the staff noted that the 2012–2017 annual reports from the NAC did not identify any FOCD concerns. The New York and Maryland State officials had no comments on the proposed amendments.

5.0 ENVIRONMENTAL CONSIDERATION

The amendments relate to changes in recordkeeping, reporting, or administrative procedures or requirements. Accordingly, the amendments meet the eligibility criteria for categorical exclusion set forth in 10 CFR 51.22(c)(10). Pursuant to 10 CFR 51.22(b), no environmental impact statement or environmental assessment need be prepared in connection with the issuance of the amendments.

6.0 CONCLUSION

The Commission has concluded, based on the considerations discussed above, that: (1) there is reasonable assurance that the health and safety of the public will not be endangered by operation in the proposed manner, (2) there is reasonable assurance that such activities will be conducted in compliance with the Commission's regulations, and (3) the issuance of the amendments will not be inimical to the common defense and security or to the health and safety of the public.

Principal Contributor: Shawn Harwell, NRR

Date of issuance: November 15, 2018

SUBJECT: CALVERT CLIFFS NUCLEAR POWER PLANT, UNITS 1 AND 2; NINE MILE POINT NUCLEAR STATION, UNITS 1 AND 2; AND R. E. GINNA NUCLEAR POWER PLANT – ISSUANCE OF AMENDMENTS ELIMINATING THE NUCLEAR ADVISORY COMMITTEE REQUIREMENTS (EPID L-2018-LLA-0077) DATED NOVEMBER 15, 2018

DISTRIBUTION:

PUBLIC	RidsRgn1MailCenter Resource
PM Reading File	RidsNrrPMCalvertCliffs Resource
RidsNrrPMExelon Resource	RidsNrrPMNineMilePoint Resource
RidsNrrDorlLpl1 Resource	RidsNrrPMREGinna Resource
RidsNrrDorlLpl3 Resource	RidsNrrDlpPfpb Resource
RidsNrrLALRonewicz Resource	SHarwell, NRR
RidsNrrLASRohrer Resource	
RidsAcrcs_MailCTR Resource	

ADAMS Accession No.: ML18309A301

*by e-mail

OFFICE	DORL/LPL3/PM	DORL/LPL3/LA	NRR/DLP/PFPB/BC*
NAME	BPurnell	SRohrer	TBowers (RTurtil for)
DATE	11/15/18	11/15/18	11/05/18
OFFICE	OGC*	DORL/LPL3/BC	DORL/LPL3/PM
NAME	JWachutka	DWrona	BPurnell
DATE	11/13/18	11/15/18	11/15/18

OFFICIAL RECORD COPY