

RS-21-080

July 20, 2021

U.S. Nuclear Regulatory Commission
Director, Office of Nuclear Material Safety and Safeguards
ATTN: Document Control Desk
Washington, DC 20555-0001

Subject: Notice of Disbursement from Non-Tax Qualified Decommissioning Trusts for Exelon Generation Company, LLC's Zion Unit 1 and Unit 2

References: 1) Letter from Thomas O'Neill (Exelon Generation Company, LLC) and John Christian (ZionSolutions, LLC), to U.S. NRC, "Application for License Transfers and Conforming Administrative License Amendments," dated January 25, 2008

2) Letter from Patrick R. Simpson (EGC) to U.S. Nuclear Regulatory Commission, "Independent Spent Fuel Storage Installation Decommissioning Funding Plan for Zion," dated September 18, 2019

3) Master Terms for Trust Agreements Applicable to:

(a) Second Amended and Restated Qualified Nuclear Decommissioning Master Trust Agreement dated as of September 30, 2019 between Exelon Generation Consolidation, LLC and The Northern Trust Company, as Trustee; and

(b) Second Amended and Restated Nonqualified Nuclear Decommissioning Master Trust Agreement dated as of September 30, 2019 between Exelon Generation Consolidation, LLC and The Northern Trust Company, as Trustee

This letter provides notice of the planned disbursement of funds from the Non-Tax Qualified Decommissioning Trust Funds maintained by Exelon Generation Company, LLC (EGC) for Zion Unit 1 and Unit 2. Prior to disbursing any funds from the non-qualified decommissioning trust funds to reimburse the decommissioning costs for Zion, the Operating Licenses for Zion Units 1 and 2 require providing thirty (30) days written notice to the NRC. Consistent with this requirement, the Master Terms (Reference 3) require that EGC or its designee provide thirty (30) *working* days written notice to the NRC. The Master Terms further provide that no reimbursements from the trust funds will be made for any costs for which the Trustee, Northern Trust, receives written notice of objection from the NRC within the thirty (30) working day review period. Any such notice of objection should be directed to EGC and to the Northern Trust addressed to Stacy Ryband, Vice President, 50 South LaSalle Street, M-28, Chicago, Illinois (sr90@ntrs.com). Northern Trust will not make any disbursements from the funds until after thirty (30) working days from the date of this written notice to the NRC. Furthermore, Northern Trust will not make any disbursements for any decommissioning costs to which the NRC objects within the 30 working day period or prior to

disbursement. Barring any objection from the NRC, EGC will request that Northern Trust make the disbursements noted below for decommissioning costs.

The disbursements from the trust funds will reimburse EGC for decommissioning costs incurred during 2020 for EGC's cost estimates for decommissioning the independent spent fuel storage installation (ISFSI), and personnel and environmental monitoring expenses to maintain the ISFSI.

The amount of decommissioning costs to be disbursed from each unit trust fund is specified in the table that appears below.

Unit	Decommissioning Costs
Zion Unit 1	\$29,985.37
Zion Unit 2	\$29,985.37
Total Disbursement Request	\$59,970.74

Even though the decommissioning costs for which EGC seeks reimbursement were incurred while *ZionSolutions* is the licensee for Zion Station, the expenses are legitimate decommissioning costs and can be reimbursed from the Zion Unit 1 and Unit 2 Non-Tax Qualified Decommissioning Trust Funds held by EGC for spent fuel management and ISFSI decommissioning. As explained in the License Transfer Application (Reference 1), *ZionSolutions* assumed responsibility for decommissioning Zion Station, including construction of an ISFSI and transfer of the spent fuel to the ISFSI. Following completion of its decommissioning activities, *ZionSolutions* will take such actions as are required to transfer the license to EGC. As part of this transaction, EGC retained \$25 million and segregated that amount in its Zion Units 1 and 2 Non-Tax Qualified Decommissioning Trust Funds "for the purpose of funding the maintenance and decommissioning of the ISFSI" and other potential activities following transfer of the Licenses to EGC. The NRC approved the license transfer application on May 4, 2009. The expenses for which EGC seeks reimbursement are associated with the decommissioning of the Zion Station ISFSI.

To the extent EGC's trust funds for Zion are to be used for maintenance and decommissioning of the ISFSI, only a portion of the EGC Zion decommissioning trust funds are reserved for funding the ISFSI decommissioning (Reference 2). After reimbursement of these costs from the trust fund, sufficient funds remain to provide funding assurance for decommissioning the ISFSI in accordance with 10 CFR 72.30.

There are no regulatory commitments contained within this submittal.

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If you have any questions about this letter, please contact me at (630) 657-2823.

Respectfully,

A handwritten signature in black ink that reads "Patrick R. Simpson". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Patrick R. Simpson
Sr. Manager - Licensing

cc: NRC Document Control Desk
John Hickman, NRC Project Manager (via email at john.hickman@nrc.gov)
John Lubinski, NRC Director NMSS (via email at john.lubinski@nrc.gov)