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Carrie M. Safford, Secretary
U.S. Nuclear Regulatory Commission
Mail Stop O-16 B33
Washington, DC 20555-0001

Re: Palisades Nuclear Plant
Docket Nos. 50-255 and 72-007
Holtec's Application for Order Consenting to Transfer of Control of License and Approving
Conforming License Amendments

Dear Secretary Safford:

I am writing on behalf of three non-profit organizations: Beyond Nuclear, Don't Waste Michigan, and Michigan Safe Energy Future. This letter is in response to the above-described application filed by Holtec Decommissioning International (Holtec) regarding the license for the operation of the Palisades Nuclear Plant (Palisades) in Covert, Michigan. We request that the Commission reject consideration and processing of Holtec's application because it is premature, for the reasons set out below.

Palisades has been in decommissioning status at least since June 13, 2022. On June 28, 2022, Holtec obtained operational authority for Palisades, on the assumption and understanding that Holtec would continue with the decommissioning of Palisades. But as early as July 5, 2022, Holtec submitted an application to the U.S. Department of Energy for funding to return Palisades to power operations, rather than continuing the decommissioning process. Holtec is now in the process, as described in the above-referenced application to transfer license control and license amendment, of trying to transition Palisades to power operations.

In a March 13, 2023, letter to the NRC (ML23072A404), Holtec described a "regulatory pathway" it had conjured up to transition Palisades from decommissioning status to power operation status. Holtec described this scheme in the March 13, 2023, letter as follows:

The second key regulatory path assumption is that the reauthorization of power operations for [Palisades] will require a one-time exemption from 10 CFR 50.82(a) (2). With this exemption, the [Palisades] licensing basis in effect prior to the 10 CFR 50.82 certifications can be restored through the 10 CFR 50.90, *Application for amendment of license, construction permit, or early site permit*, license amendment request (LAR)

process for the [Palisades Renewed Facility Operating License], Technical Specifications (TS), and Emergency Plan.

In an attachment to the March 13, 2023, letter, Holtec further clarified the status of the § 50.12 exemption as the *sine qua non* of Holtec’s plan. In that attachment Holtec said:

The regulatory path to the reauthorization of power operations is supported by a one-time exemption from 10 CFR 50.82(a)(2). . . . With this supporting exemption, the pre-decommissioning [Palisades] licensing basis can be restored through the 10 CFR 50.90, . . . , license amendment request (LAR) process

Holtec submitted its request for the § 50.12 exemption on September 28, 2023, placed in ADAMS on October 6, 2023 (ML23271A140). On December 5, 2023, Beyond Nuclear, Don’t Waste Michigan, and Michigan Safe Energy Future filed a petition to intervene pursuant to 10 C.F.R. § 2.309 (ML13339A193), challenging Holtec’s request for an exemption. As of this date, the Commission has not issued a decision granting or denying Holtec’s exemption request, and it is no clear when that decision will be made.

So Holtec is out over its skis. It has no basis for now requesting transfer of license control and approval of license amendments until the Commission makes a decision on the exemption request. Holtec admitted in its March 13, 2023, letter to the Commission that “NRC regulations do not prescribe a specific regulatory path for reinstating operational authority following docketing of the 50.82(a)(1) certifications.” Holtec also admitted in its July 5, 2022, funding request to the Department of Energy that its proposal to restart a closed decommissioning reactor is “unprecedented.” Given these facts, the Commission must not treat Holtec’s proposed “regulatory pathway” as a routine matter.

In its application for transfer of license control and approval of license amendments, Holtec boldly demands that the Commission rush the process:

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. . . . Applicants [Holtec] 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.

However, for a process that is “unprecedented” and for which “NRC regulations do not prescribe a specific regulatory path,” the Commission must give this matter careful consideration, take it one step at a time, and allow for affected members of the public to be involved. While Holtec states it is pursuing restart “at risk,” that all too easily becomes a cudgel for the agency to set aside rigorous review in favor of expedience. Holtec is clearly hinting that the exemption should be unconditional and speedily approved, It should be

neither. The Commission has no obligation to take short cuts to help Holtec meet its self-imposed timeline.

Kindly add our objection to the administrative record. Thank you for considering this information, and if you have any questions or comments, don't hesitate to contact me.

Very truly yours,

Wallace L. Taylor

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