

**UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION
Before the Atomic Safety and Licensing Board**

In the Matter of)	
HOLTEC DECOMMISSIONING)	Docket No. 50-255-LA-4
INTERNATIONAL, LLC, AND HOLTEC)	
PALISADES, LLC)	July 18, 2025
(Palisades Nuclear Plant -License Amendment)	
Request for Steam Generators))	

**PETITIONING ORGANIZATIONS’ COMBINED REPLY TO ANSWERS FILED BY
NRC STAFF AND HOLTEC TO THE PETITION TO INTERVENE**

Now come Beyond Nuclear, Don’t Waste Michigan, Michigan Safe Energy Future, Three Mile Island Alert and Nuclear Energy Information Service (Petitioning Organizations, shortened to Petitioners for purposes of this memorandum), by and through counsel, and reply in support of their Contention 1 in this docket. The Petitioning Organizations oppose and refute the arguments raised by the NRC Staff in the “NRC Staff Answer Opposing Petition to Intervene Filed by Beyond Nuclear *et al.*” (Staff Answer), and “Applicants’ Answer Opposing Beyond Nuclear *et al.*’s Petition to Intervene” (Holtec Answer), filed by Holtec Decommissioning International, LLC, and Holtec Palisades, LLC, the Applicants.

PETITIONERS HAVE DEMONSTRATED STANDING

The NRC Staff acknowledges that Petitioners have legal standing.¹ The Staff points out that each of the declarants, as members of the Petitioning Organizations, specifically describes their concern about the possible radioactive emissions from the steam generators if the proposed sleeves fail. The declarants clearly based their standing on the LAR in this case, requesting

¹ NRC Staff Answer pp. 12-17.

approval of installing sleeves on the steam generator tubes, and consequently, the NRC Staff agrees that sufficient evidence of standing has been shown.

Ignoring these clear facts, Holtec argues that the Petitioners' declarations do not demonstrate that the declarants are basing their standing on the issues in this LAR, *i.e.*, installing sleeves on the steam generator tubes. A cursory reading of the declarations proves the absurdity of Holtec's frivolous argument. The NRC Staff proffers exhaustive legal analysis, conceding to Petitioners' standing. Holtec, by comparison, offers a limited analysis that merely represents an unsatisfactory attempt to dismiss any identifiable claim, underscoring, in part, the illegitimacy of Holtec's response. Therefore, the Board should summarily reject Holtec's argument and accept Petitioners' standing in line with the Staff's concession.

**HOLTEC AND THE NRC STAFF MUST NOT BE ALLOWED
TO DISTORT THE STANDARDS FOR CONTENTION ADMISSIBILITY**

1. Holtec and the NRC Staff Are Flagrantly Violating the Standards for Admissibility of Contentions.

By mischaracterizing the scope of this proceeding, Holtec and the NRC Staff are also improperly asking the Board to decide the merits of this case at the very outset. Their arguments do nothing more than challenge the weight of the evidence and the credibility of Petitioners' expert witness. At the contention admissibility stage of the proceedings, the Board cannot address the merits of a contention when determining its admissibility. *Vermont Yankee Nuclear Power Corp.* (Vermont Yankee Nuclear Power Station), 28 NRC 440, 446 (1988); *Sierra Club v. NRC*, 862 F.2d 222, 228 (9th Cir. 1988). Even at the summary disposition stage of the proceedings, after a contention has been admitted, the Board cannot make findings as to the weight of the evidence or credibility of witnesses. *Powertech USA, Inc.* (Dewey-Burdock In Situ Uranium Recovery Facility), 88 NRC 95, 128 (2018).

The arguments from Holtec and the NRC Staff primarily take issue with the statements and opinions of Petitioners' expert, Arnold Gundersen. For example, the Staff Answer states:²

Although these concerns may challenge the acceptability of the license amendment request, the Petitioners' and Mr. Gundersen's references to these matters appear to be based on a misunderstanding of the license amendment request and/or the Framatome Report and fail to show a genuine dispute with the Applicant on a material issue of fact or law.

So the Staff admits that the Contention and Mr. Gunderson's declaration fairly challenge the LAR. The Staff's complaint is a disagreement with the facts presented in support of the contention. Regarding the Watts Bar reactor experience,³ the point is that Watts Bar was forced to replace its steam generators, even though it had approval to install sleeves. So it is not a valid precedent that justifies sleeving at Palisades. In fact, it supports Petitioners' argument that replacement of the steam generators is necessary.

The Staff also claims that Mr. Gundersen was incorrect in his statements about the increased stress from the installation of sleeves and the relevance of the tube to sleeve ratio.⁴ The Staff claims that Mr. Gundersen was misreading the Framatome report. But Mr. Gunderson did not refer to or even mention the Framatome report on those issues. If there is a disagreement between Mr. Gunderson's statements and the Framatome report, that is a factual issue for hearing, not a basis for not admitting the contention.

The Staff Answer also criticizes Mr. Gunderson's statement about random flow vibration and claims that the Framatome report covers this issue.⁵ But, again, Mr. Gundersen did not refer to or even mention the Framatome report. Instead, Mr. Gunderson quoted from the LAR itself. This is clearly a disagreement over the facts.

² NRC Staff Answer, p. 30.

³ *Id.*

⁴ *Id.* at p. 31.

⁵ *Id.* at p. 32.

The Staff's next criticism is that Mr. Gundersen was concerned about a 2-year inspection interval for the steam generators, instead of at every 18-month refueling outage.⁶ The Staff claims that the LAR now allows for an inspection every 2 years or every refueling outage, whichever is less. But Mr. Gundersen's point was that the Framatome analysis was based on the 18-month refueling schedule and made no allowance for the LAR, which contains the possibility of a 2-year inspection interval. Again, this is a factual issue that must be reserved for hearing.

Finally, the NRC Staff disputes Mr. Gundersen's statements regarding seismic ground acceleration.⁷ This is again simply a disagreement over the interpretation of the facts.

Likewise, the Holtec Answer simply disputes factual issues, albeit in a more scattershot manner. In addition, Holtec sees fit to engage in an *ad hominem* attack on Arnold Gundersen. For example, Holtec claims that Mr. Gundersen is making an improper economic argument regarding the Watts Bar experience.⁸ But a review of Mr. Gunderson's declaration⁹ shows clearly that Mr. Gundersen was addressing the safety aspects of the proposal to sleeve the Watts Bar steam generators' tubes, and that for safety reasons, the steam generators were entirely replaced. Specifically, Mr. Gundersen said:¹⁰

The steam generators at Watts Bar Unit 1 and Unit 2 were not subject to any monitoring or corrosion preservation programs during the decades the reactors sat dry and unused. While they did not experience the wear and tear of stresses from hot flowing water during heat-ups and cooldowns that other steam generators typically experience, their condition was degraded due to different aging mechanisms throughout those decades. The NRC did not address the damaged condition of the steam generators when allowing both reactors to start in 1996 (Unit 1) and 2016 (Unit 2).

And Mr. Gundersen continues from that statement to discuss in detail the safety implications of the degraded tubes and tube structures at Watts Bar, necessitating the replacement

⁶ *Id.* at p. 33.

⁷ *Id.* at p. 33.

⁸ Holtec Answer, p. 43-45.

⁹ Gundersen Declaration, p. 21-22.

¹⁰ *Id.* at p. 22.

of the steam generators, instead of installing sleeves. That discussion clearly addresses safety, not economics. Apparently, Holtec thinks the ASLB will not read Mr. Gundersen's declaration.

Next, in order to create a distraction from a mere disagreement on the facts, Holtec assails the Petitioners for incorporating the entirety of Mr. Gundersen's declaration. In support of its argument, Holtec cites *Public Service Co. of New Hampshire* (Seabrook Station, Units 1 and 2), 29 NRC 234, 241 (1989). But in *Seabrook*, the party did not summarize or discuss in the body of the contention any aspect of the incorporated document. More importantly, the document at issue in that case was a petition from another proceeding, not an expert declaration filed in the current proceeding. In contrast, the Petitioners in this case did summarize and discuss Mr. Gundersen's statements and opinions in the text of the petition. The point is that every bit of Mr. Gundersen's declaration is relevant and important and is, and should be, available to the ASLB without reciting it verbatim in the body of the petition. Furthermore, 10 C.F.R. § 2.309 (f)(1)(v) states that the petitioner must "provide a concise statement of the alleged facts or expert opinions which support the requestor's/petitioner's position." Mr. Gundersen's declaration provides that expert opinion referred to in the rule.

2. The Holtec and NRC Staff Evidentiary Free-For-All Has a Remedy

Petitioners explained at length in their Petition¹¹ the standards for contention admissibility and they will not repeat that discussion here. Petitioners emphasize that, throughout their Answers, the NRC Staff and Holtec engage in exactly the mischaracterizations and misapplications of the admissibility standards that the Petitioners strenuously warned against in their Petition.

Holtec claims that the Petitioners have mischaracterized the 1989 rule revision regarding

¹¹ Petition to Intervene, pp. 15-19.

contention admissibility standards. Rather, it is Holtec that fundamentally mischaracterizes both the 1989 rule's intention and the 2004 amendments to 10 C.F.R. § 2.309, by selectively citing Commission precedent to argue that Petitioners' Rule 12(b)(6) analogy has been “expressly rejected.”¹² By analogizing 10 C.F.R. § 2.309 to Rule 12(b)(6), Petitioners correctly note that the NRC’s 1989 Federal Register commentary intentionally analogized contention admissibility to Rule 12(b)(6) standards. Specifically, the 2004 amendments, which “incorporat[e] the longstanding contention support requirements of former § 2.714,” reinforce Petitioners’ position that “[A]t the contention filing stage the factual support necessary to show that a genuine dispute exists need not be in affidavit or formal evidentiary form and need not be of the quality necessary to withstand a summary disposition motion.”¹³ This principle contradicts the recurring insistences by Holtec and the NRC Staff that 10 C.F.R. § 2.309 requires rigorous proof at the admissibility stage. The shibboleth that NRC regulations are “strict by design” does not mean that they are impenetrable.¹⁴

Notably, Holtec’s Answer describes precisely the kind of contentions that would not be admissible:¹⁵

[A]n expert opinion that merely states a conclusion (*e.g.*, the application is ‘deficient,’ ‘inadequate,’ or ‘wrong’) without providing a reasoned basis or explanation for that conclusion is inadequate because it deprives the Board of the ability to make the necessary, reflective assessment of the opinion” and whether it provides a basis for the contention. A “bald assertion that a matter ought to be considered or that a factual dispute exists . . . is not sufficient,” rather “a petitioner must provide documents or other factual information or expert opinion” “to show why the proffered bases support [a] contention.”

¹² Holtec Answer, p. 15.

¹³ 54 Fed. Reg. 33168, 33171 (August 11, 1989), previously cited by Petitioners in their Petition to Intervene at p. 19, fn. 8.

¹⁴ See *PPL Susquehanna LLC* (Susquehanna Steam Electric Station, Units 1 & 2), LBP-07-4, 65 NRC 281, 303-304 (2007) (explaining that the strict contention rule requires only a “proffer [of] at least some minimal factual and legal foundation in support of their contentions”).

¹⁵ Applicant’s Answer, p. 13.

What Holtec and the NRC Staff are trying to perpetrate, however, is a regime of heightened scrutiny and rebuttal of factual allegations at the initiating petition stage, which has converted the threshold commencement of NRC litigation into adjudication by attorney representations, not even genuine facts. The Board should evaluate Petitioners' contention under the standard as originally intended.

Here, notwithstanding Holtec's tawdry *ad hominem* attacks on Arnold Gunderson (also addressed *infra*), Petitioners have satisfied their burden under 10 C.F.R. § 2.309 of articulating an admissible contention. Mr. Gunderson's expert declaration provides a detailed technical analysis that identifies specific deficiencies in the tube sleeving methodology,¹⁶ which also encompasses broader implications. Such factual proffering negates any charge that Petitioners' contentions are speculative. Thus, this Board should evaluate Petitioners' contention under the standard as originally intended, not under the improper conditions of heightened scrutiny that Holtec seeks to implement, which would position Petitioners in the ring to be inappropriately forced to prove their case prematurely.¹⁷

PETITIONERS' CONTENTION 1 SHOULD BE ADMITTED FOR HEARING

1. Introduction

Palisades presents an unprecedented situation in the history of America's nuclear power industry. Holtec appears to have made circumstances for the unprecedented restart materially

¹⁶ Gundersen Declaration, *passim*.

¹⁷ See *Florida Power and Light Co.* (St. Lucie Nuclear Power Plant, Unit 1), ALAB-893, 27 NRC 627, 629-31 (1988) (rejecting Applicant's claim "that Catawba imposes on an intervenor the duty to include in its contentions a critical analysis or response to any applicant or NRC Staff positions on the issues raised by the contentions which might be found in the publicly available documentary material. Such detailed answers to the positions of other parties go, not to the admissibility of contentions, but to the actual merits of the contentions.") Here, Holtec and NRC Staff seek to undermine Petitioners' intervention by alleging their brief be more comprehensive than required at the contention admissibility stage. Petitioning Organizations are not required to preemptively rebut every argument Holtec and NRC Staff seek to make but rather establish their contention is well-founded, which Mr. Gunderson's expert declaration affirms.

worse. Entergy, Palisades' previous owner, officially placed Palisades in permanent decommissioning status in June of 2022, permanently removing the fuel from the reactor. Because no pathway from decommissioning to restart has ever existed in American nuclear power's history, Holtec did not implement the necessary procedures at that point, which would have meant placing components in a wet layup status, to stabilize and preserve reactor components in a manner that would have supported the possibility of recommissioning. But the steam generators were not stabilized in wet layup for more than two years following shutdown in May 2022.¹⁸ It was not until the June-July 2024 steam generator inspections that the water which had been left sitting within the primary cooling loop since the May 2022 shutdown was finally drained.¹⁹ As of September 2024, the secondary cooling loop water that had been sitting in the system since the May 2022 shutdown had not yet been drained.²⁰ Consequently, immersive and corrosive water chemistry likely reposed in the primary and secondary cooling loops for that long period of time, and it likely caused added corrosion and increased safety risks on top of those that had already previously been present.

The Commission is statutorily charged to protect public health and safety²¹ and the bungled oversight of the steam generators prompts the question of whether the tube sleeving is adequate to address the degradation to the steam generators caused by decommissioning

¹⁸ Gundersen Report, p. 13-14, 16.

¹⁹ Letter, Summary of Conference Call (10/1/2024), <https://www.nrc.gov/docs/ML2426/ML24267A296.pdf>

²⁰ *Id.*

²¹ U.S. Nuclear Regulatory Commission, *White Paper: U.S. Approach to Enhancing Safety*, ML112510467 (2011) (<https://www.nrc.gov/docs/ML1125/ML112510467.pdf>) explaining that the NRC's "statutory mandate is to assure adequate protection of public health and safety" and that "what constitutes adequate protection can change over time"). Consideration of the Palisades restart raises concerns about what precautions are necessary to ensure adequate protection as Palisades would be the first plant to be brought from decommissioning mode to restart in history. Restoring an aged, degraded, dead reactor to operation is an unprecedented step that warrants heightened scrutiny of the Applicant's LAR because of the risks to surrounding populations from Palisades' restart itself, but also the implications for the health and safety of millions of Americans if more closed plants similarly are reopened.

maintenance practices, or, more precisely, the lack thereof. Since the Framatome sleeving prescription reflects no cognizance of, nor accounting for, the complications caused by Holtec's ineptitude, the band-aid logic possibly underestimates the true extent of damage. The sleeving repairs are the only rehabilitation of the steam generators that Holtec has determined to be necessary. Yet there was considerable accumulation of sludge on and around the tubes and tubesheets and the accrual of sludge among and on them. Holtec collected sludge samples during the June-July 2024 inspections of the steam generators "for analysis and . . . determining the condition of the SGs."²² But as of the date of this writing, Petitioners can find no followup report on the sludge sampling in ADAMS, nor any report in ADAMS on the inspection of the steam generators that took place in June and July 2024.

Following those inspections, Holtec found that, "For both SGs [Steam Generators] the quantity of tubes with Axial ODSCC [Outside Diameter Stress Corrosion Cracking] at TSPs [Tube Support Plants] *far exceeded estimates based on previous operating history* as shown in Question 5. For comparison, in 1R27 the total number of Axial ODSCC indications at TSPs was 4, and for 1D28 this number is 1163."²³ (Emphasis added). Despite this negative development, Holtec admits that "The LAR does not discuss the reasons for the steam generator tube degradation identified by the restart inspections."²⁴ Since the Framatome sleeving prescription was written in March 2024,²⁵ months *before* the steam generator inspection and sludge sampling

²² Letter, Summary of Conference Call (10/1/2024), <https://www.nrc.gov/docs/ML2426/ML24267A296>, p. 7 of 8 of .pdf.

²³ *Id.* at p. 7 of the .pdf.

²⁴ Holtec Answer p. 5.

²⁵ Holtec argues (Holtec Answer p. 50) that "Mr. Gundersen cites a 2024 date that appears in the top right corner of a few pages of the Framatome report accompanying the LAR and claims that the report is out of date and does not reflect actual conditions found by Palisades steam generator inspections, but he ignores the fact that the signature date on the first page of the Framatome report is February 2025 (the same time the LAR was submitted) and Framatome's report references several other documents prepared in early 2025."

Holtec's contrived argument falls apart based on publicly available information. Page 3 of the Framatome report (LAR p. 67/126 of .pdf) is the (unsigned) signature page of the public version. It

analysis, suspicions that tube sleeving may not be an adequate response to the revealed steam generator ailments are well supported.

Adding to this quandary, the NRC Staff backs Holtec's position with the arcane argument that Petitioners' criticisms are challenging Palisades' "current licensing basis (CLB)." The fallacy of that position is that Holtec and the NRC Staff, not Petitioners, are the ones challenging Palisades' CLB, as explained below.

2. The Licensing Board's Quandary

The Licensing Board faces a big quandary. It must decide whether to grant a license amendment request to fix a shutdown plant's primary cooling loop where the inexperienced LAR applicant has an immense pecuniary interest in expediting Palisades' restart. The Board must remain skeptical of Holtec's urgency to restart the plant and examine closely the technical fixes Holtec is proposing to get there. This skepticism must reject Holtec's false arguments narrowly limiting the scope of the LAR to the technical aspects of sleeving. The Board must consider the wider spectrum of Petitioners' objections because Holtec has created other impediments to safe steam generator operability.

3. Decommissioning Maintenance Standards Damaged the Steam Generators

Holtec's original stated intent, to decommission Palisades, from 2020 to May 2022, was informally, secretly, and suddenly reversed in June 2022 when Holtec secretly commenced to apply for federal corporate welfare to restart the plant. The decommissioning rubric did not

indicates that there was only one revision to the original report and that revision was assigned the control number 51-9388710-001. That revision bears the date of March 26, 2024 and there were no further revisions. While it's true the final two pages of the public version of the Framatome report (pp. 125-126 of the LAR) are dated February 10, 2025, those two pages are the affidavit by which Framatome claimed confidentiality, and the affidavit was signed the day before the LAR was formally submitted to the NRC. The inescapable conclusion from the face of the document and Holtec's own admissions is that signatures applied to the Framatome report in February 2025 were signed onto a March 2024 report that was not revised after March 2024.

require preservation of the steam generators and other systems, structures, and components to allow restart, especially one as rushed as this. As explained by Petitioners' expert witness, Arnold Gundersen, in his declaration, the major safety-significant components of the Palisades reactor, including the steam generators, were not placed in wet layup.²⁶ The chemical corrosion caused by leaving contaminated water in the primary and secondary cooling loops at Palisades has caused tube degradation in the steam generators. Holtec's inspections in the summer of 2024²⁷ revealed an excessive number of degraded steam generator tubes.

After Mr. Gundersen's report was submitted on June 16, 2025, to the NRC in the present LAR proceeding, the NRC Staff sent Requests for Additional Information (RAIs) to Holtec that parroted Mr. Gundersen's concerns. For example, on June 30, 2025, the following RAI was sent to Holtec:

Question 11 (page 5)

The Caustic Corrosion Testing section states that PROPRIETARY SHOWN IN BRACKETS [[xxx]]. This appears to be a valid conclusion to draw from the laboratory test results. The applicability to the Palisades SGs is uncertain. **If available, provide any primary side water chemistry *** measurements that would be representative of steam generator tubing primary side conditions between permanent shutdown and when the primary side chemistry was restored to within Electric Power Research Institute (EPRI) primary water chemistry guidelines ***.** Has an assessment been made of how the primary water chemistry (prior to restoring the reactor coolant system to EPRI water chemistry guidelines) could potentially affect PWSCC [Pressurized Water Stress Corrosion Cracking] in Palisades SG tubes?²⁸

(Emphasis added).

²⁶ See, e.g., Gundersen Declaration, pp. 1, 2, and 6.

²⁷ ML24267A296; see also, Holtec Answer, p. 5 ("In August 2024, Applicant conducted initial steam generator inspections that identified a large number of steam generator tubes with degradation that required further analysis or repair. Over the following months, Applicant and NRC conducted additional inspections and analyses to assess tube condition. These activities confirmed that a large number of tubes meet the criteria for plugging under the Power Operations Technical Specifications, which require tubes to be removed from service via plugging if they contain flaws with a depth equal to or exceeding 40 percent of the nominal wall thickness.").

²⁸ RAI, ML25182A275.

Apparently, the NRC has been aware for some time that water chemistry on both the primary and secondary sides of the steam generators did not meet Electric Power Research Institute standards. Yet only now is the NRC asking if Holtec ever analyzed how Pressurized Water Stress Corrosion Cracking (PWSCC) could adversely affect the Palisades SG tubes. Only now, after the Petitioners have made a fuss over poor water chemistry as likely the major causative factor in the sudden degradation of the SGs from 2022 to 2024, that the NRC queries whether Holtec has ever considered that violations of EPRI water standards might cause existing and ongoing PWSCC problems. The Staff's belated inquiry into pressurized water stress corrosion cracking reinforces the relevance, admissibility, and safety-significance of Petitioners' contention even as it propels suspicions. The Framatome prescription of Alloy 690 sleeves, conceived months or perhaps a year or more before the realization that the primary coolant system side of the SG tubes, in addition to the secondary coolant system side of the SG tubes, had been unnecessarily exposed to contaminated and/or corrosive water chemistry for two years, is grossly inadequate for ensuring the safe operation of the steam generators in restart.

The NRC propounded another question in the RAI:

Question 12 (page 5)

The service life of Framatome's Hydraulic Sleeve is discussed in Enclosure 5, Section 6.5.3. The final sentence in this section states that the operating history of Palisades provides confidence that the hydraulically [*sic*] expanded sleeves will last for the expected remaining life of the SGs. This statement is based on PROPRIETARY SHOWN IN BRACKETS [[xxxx]]. An alternate way of interpreting the Table 6-2 data is that some small percentage of the parent tubes with sleeves may experience relatively short times to crack initiation***. Therefore, demonstrating detection of parent tube SCC in the sleeve-to-parent tube pressure boundary is a necessary part of the proposed eddy current qualification. ***. Discuss how the eddy current qualification data demonstrates that parent tube SCC in the sleeve-to-tube assembly joints can be reliably detected before challenging tube integrity.***

The NRC now asks Holtec to “demonstrate that parent tube SCC ... can be reliably detected before challenging tube integrity ***.” Weeks before the Staff RAIs, Mr. Gundersen

warned in his report about the phenomenon of chemical hideout in cold tubes causing damage for failure to meet EPRI water quality standards. The concern is that there is newly identified SCC in Palisades' SGs that will likely go undetected by eddy current testing but will lead to tube failures when the steam generators reach operating temperatures. As stated in Petitioners' filing, Holtec failed to demonstrate that SCC is detectable and that further rapid propagation can be prevented or mitigated. Crack indications well below the sleeving limit will rapidly grow when the reactor reaches operating temperature and pressure. The sleeving project as planned by the Framatome analysis will not be comprehensive enough because Framatome engineers did not take the true current degraded status of the Palisades steam generators and their tubes into consideration.

In sum, decommissioning-grade maintenance practices caused more than three-decades-old steam generators to not be placed in wet layup status, resulting in additional corrosion cracking that has exacerbated overall, previous degradation. Holtec and NRC Staff seek to frame the objectives of the LAR narrowly so as to prevent the Licensing Board from reckoning that the steam generators' interrelated components might fail and affect Palisades' operational safety. If Holtec and NRC Staff succeed, this Board will deprive Palisades workers and Michigan (as well as Indiana, Illinois, and Wisconsin, also bordering Lake Michigan's shores) citizens of measures to ensure their health and safety.

4. Contention 1 Is Within the Scope of This Proceeding

Holtec and NRC Staff incorrectly argue that much of the focus of Contention 1 falls outside the scope of this proceeding. However, Petitioners' original filing established the scope:²⁹

The scope of this proceeding is the consideration of Holtec's LAR and whether the amendment should be granted to install metal sleeves on the tubes of the steam generators at Palisades. In support of the LAR, Holtec has submitted documentation from

²⁹ Petition, p. 20-21.

Framatome, the manufacturer of the sleeves, with the assertion that the sleeves will provide adequate safeguards for the tubes and the generator. Petitioners' contention challenges those assertions in Holtec's documentation, so it is within the scope of this proceeding.

The scope of the proceeding is established by the Commission's hearing notice in the Federal Register.³⁰ "Thus, a proposed contention challenging a license amendment must confine itself to the 'health, safety or environmental issues *fairly raised by [the license amendment]*.'" (emphasis added).³¹

The hearing notice in this case stated as follows:³²

The NRC is considering issuance of an amendment to RFOL No. DPR-20 for Palisades, located in Van Buren County, Michigan. By letter dated February 11, 2025 (ADAMS Accession No. ML25043A348), Holtec Palisades, LLC submitted a license amendment request for the Palisades Nuclear Plant. The proposed amendment request would revise the technical specifications to allow for the use of Framatome Alloy 690 sleeves to repair the defective steam generator tubes as an alternative to removing the tubes from service by plugging. This will support the return to service of the steam generators as part of the potential resumption of power operations at the Palisades facility.

Before issuance of the proposed license amendment, the NRC will need to make the findings required by the Atomic Energy Act of 1954, as amended (the Act), and NRC's regulations.

The findings the Commission is required to make by the Atomic Energy Act (AEA) in this proceeding mandate that a license (or license amendment) cannot be granted if it would be "inimical to the common defense and security or to the health and safety of the public."³³ Likewise, NRC regulations for license amendments provide that license amendments are governed by the same considerations as for initial licenses, *i.e.*, the health and safety of the public.³⁴ So the AEA, which has been incorporated into this proceeding via the hearing notice, and therefore the scope of this proceeding, requires the Board and the Commission to ensure the

³⁰ *Southern Nuclear Operating Co. Inc.* (Vogtle Electric Generating Plant), 92 NRC 23, 46-47 (2020).

³¹ *Id.*

³² 90 Fed. Reg. 15722, 15723 (April 15, 2025).

³³ 42 U.S.C. § 2133(d).

³⁴ 10 C.F.R. § 50.92.

health and safety of the public if the LAR is approved. That means that the range of permissible issues transcends the mere mechanical propriety of adding sleeves to steam generator tubes.

In other words, Holtec's sleeving proposal must assure the safe operation of a restarted Palisades. And this objective cannot be fulfilled absent acknowledgment of the steam generators' maintenance history, including the bungled oversight after the 2022 shutdown which resulted in increased stress corrosion cracking. Mr. Gundersen discusses these points in his declaration³⁵ and explains how they fit into his ultimate opinion that the proposed sleeves will not assure safe operation of Palisades. Holtec and the NRC cannot conveniently limit the scope of this proceeding to ignore all of these facts.

Starting on page 18 of Mr. Gundersen's declaration, he explains that the tube damage is due to stress corrosion cracking from chemical deposition in cold water, and sleeving increases stress in the tubes. Mr. Gunderson continues that the current corrosion stems from improper layup for over two years. Because the improper layup and previous degradation impair the efficacy of the sleeves, it follows that this contention definitively falls within the scope of this proceeding. However, it is significant that the Framatome report, on which Holtec relies, was not only produced under laboratory conditions but also before the condition of the tubes and tube structures was known. In fact, it is not known whether Framatome has ever been advised that the deteriorated condition of the tubes may have been caused to some extent, or even to great extent, by two years of incompetent management of the primary and secondary loops for restart (as opposed to decommissioning). There is no update or revision to Framatome's original analysis to account for the bungled water chemistry allowed by Holtec to do its damage to the steam generator tubes for two long years (2022-2024). That is obviously the reason the NRC issued the June 30, 2025, RAIs to Holtec.

³⁵ Gundersen Declaration at p. 18.

On page 19 of his declaration, Mr. Gundersen next explains that the more than 600 tubes that were previously plugged, 35 or more years ago, for preemptive safety reasons, would now be unplugged pursuant to the LAR, and that the unplugging would cause further degradation that has not been considered in the LAR.

Holtec contends that the experience with sleeving at the Watts Bar reactor is beyond the scope of this proceeding. But it was Holtec that presented Watts Bar as a precedent for sleeving in the LAR.³⁶ Moreover, the NRC Staff acknowledges that the Watts Bar experience is within the scope of this proceeding.³⁷ Therefore, the Watts Bar experience is fair game in this proceeding.

5. The Holtec Paradox: Cynical Misuse of the ‘Current Licensing Basis’ To Narrow the Scope of the LAR and Block Objections

All too predictably, Holtec and the NRC Staff invoke the concept of “current licensing basis” as an impregnable shield to Petitioners’ concerns that the steam generators’ problems have been dangerously minimized. This has given rise to what Petitioners call the “Holtec Paradox.”

It is important to understand what “current licensing basis” means. The NRC defines it this way:

(a) As used in this part, *Current licensing basis* (CLB) is the set of NRC requirements applicable to a specific plant and a licensee's written commitments for ensuring compliance with operation within applicable NRC requirements and the plant-specific design basis (including all modifications and additions to such commitments over the life of the license) that are docketed and in effect. The CLB includes the NRC regulations contained in 10 CFR parts 2, 19, 20, 21, 26, 30, 40, 50, 51, 52, 54, 55, 70, 72, 73, 100 and appendices thereto; orders; license conditions; exemptions; and technical specifications. It also includes the plant-specific design-basis information defined in 10 CFR 50.2 as documented in the most recent final safety analysis report (FSAR) as required by 10 CFR 50.71 and the licensee's commitments remaining in effect that were made in docketed licensing correspondence such as licensee responses to NRC bulletins, generic letters, and enforcement actions, as well as licensee commitments documented in NRC safety evaluations or licensee event reports.³⁸

³⁶ LAR p. 31/126 of pdf.

³⁷ NRC Staff Answer, p. 29-30.

³⁸ 10 CFR § 54.3(a).

Presently, Palisades is managed under the aegis of a Defueled Safety Analysis Report (DSAR), also known as Revision 36 to the Palisades Nuclear Plant Updated Final Safety Analysis Report (UFSAR). Holtec acknowledges that presently, only Permanently Defueled Technical Specifications govern Palisades. While Holtec possesses an operating license for Palisades, that license has been modified and conditioned such that the Palisades nuclear reactor is technically and legally inoperable and the plant is in decommissioning mode. Restoration of an unconditioned operating license, in other words, can happen only in the future. The current licensing basis does not allow operation of the nuclear reactor.

But the NRC Staff and Holtec are hypocritically peddling a different, very misleading, version of Palisades' "current licensing basis." They maintain that the only permissible challenge to the License Amendment Request is the technical feasibility of installing sleeves in many of the steam generator tubes as though the current licensing basis of the plant were that it is operable and is merely the recipient of routine tube maintenance. That is completely false.

The NRC Staff falsely asserts that "the scope of this proceeding is limited by the Federal Register notice to challenging Holtec's LAR request to allow the use of Framatome Alloy 690 sleeves to repair defective steam generator tubes in tube support plate regions, as an alternative to removing the tubes from service by plugging."³⁹ "In contrast," the Staff solemnly intones, "challenges to a plant's current licensing bases or the safety of its current condition (as distinct from challenges to the requested amendment), may be lodged as requests for enforcement action pursuant to 10 C.F.R. § 2.206."⁴⁰ As it nudges Petitioners toward the rabbit hole of a § 2.206 proceeding⁴¹, the Staff admonishes Petitioners that there can be no questioning of anything but the technical details of sleeving repairs:

³⁹ Staff Answer p. 26.

⁴⁰ *Id.*

⁴¹ 2.206 petitions are virtually never granted.

Therefore, the scope of this proceeding is limited to the requested sleeving repairs of the steam generator tubes at the tube support plate regions, as these are the only locations in which Holtec has asked to use the sleeves as a repair. *Nor is this proceeding the proper forum for petitioners to raise issues related to the plant's current licensing basis or other issues that are unrelated to Holtec's request to change its technical specifications to permit the repair of steam generator tubes with sleeving.*⁴²

(emphasis added).

This is wholly misleading, according to 10 CFR § 54.3(a). The NRC Staff is delusory in its belief that Palisades' current licensing basis allows the plant to operate, even while Staff knows it cannot. Perhaps realizing that it is perpetrating a deception on the Licensing Board, the Staff then tries to exculpate itself by referring to Holtec's "plan to potentially return ~600 preventatively plugged tubes to service, to the extent that they do not require tube support sleeves and conform to Palisades' power operating licensing basis TS 5.5.8, *if reinstated.*"⁴³ The Staff also alludes to Holtec's "*future compliance* with Palisades' power operating licensing basis TS 5.6.8, *if reinstated.* . . ."⁴⁴

Holtec engages in a similar conceit as it tries to parlay its future licensing basis into the "current licensing basis" with which the Board should be concerned. Holtec admits that the currently-pertinent Permanently Defueled Technical Specifications "reflect the reduced operational requirements for a defueled reactor."⁴⁵ Holtec then proceeds to argue that its future intentions of reinstating tube integrity tech specs, which it calls a "reinstated licensing basis" and "power operations licensing basis"⁴⁶ – should supplant the current licensing basis. This is the Holtec Paradox. Holtec speaks of the future goal of a "power operations licensing basis,"

⁴² *Id.* p. 27.

⁴³ *Id.* p. 28 (emphasis added).

⁴⁴ *Id.* (emphasis added).

⁴⁵ Holtec Answer p. 2.

⁴⁶ *Id.* p. 4: "[T]he plant will conform to the *reinstated licensing basis.*" And (fn. 12) "[T]he IMC contemplates that the licensee will submit an operational readiness letter to NRC verifying completion of activities and *readiness to implement the operational licensing bases.*" (emphasis added).

something which does not presently exist, although Holtec inadvertently refers to it as “[currently existing] portions of Palisades’s licensing basis that are not proposed to be modified by the LAR.”⁴⁷ This “power operations licensing basis,” an eagerly-sought future return to the good old days of UFSAR Rev. 35, is the goal toward which Holtec is concentrating its efforts. At the same time, Holtec asseverates that Petitioners are categorically forbidden from objecting to sleeving as an inadequate fix that invites prospective unsafe operation of Palisades’ hoary steam generators. It is the Holtec Paradox that allows Holtec to believe that it can cynically decry Petitioners’ objections as impermissible challenges to what is, legally speaking, a merely aspirational “power operations licensing basis” regime. *See*, for instance, p. 33 fn. 144 of the Holtec Answer, where the company muddles the issues by citing authority that “a contention based on a potential future license amendment request but that is not currently before the NRC is not admissible.”

Unfortunately for Holtec, a current *operational* licensing basis does not exist. ***Despite the Holtec Paradox, the current licensing basis for Palisades contains no “power operations licensing basis” requirements.*** It is Holtec and the NRC Staff which are beyond the scope, impermissibly challenging regulations and making unsupported claims. Holtec and the NRC Staff are adrift in an imaginary licensing basis reverie.

The “current licensing basis” of Palisades is that there is ***no*** licensing basis for the steam generators. Incompetent management carelessly caused extraordinary additional damage to them, and consequently (and consistent with the Federal Register notice), the proper scope of the LAR is much broader than the tube sleeving fix. The scope of the LAR requires cognizance of the effects of wear and tear throughout the steam generators’ 35 year operation along with comprehension of the effects of recent mismanagement. The Framatome fix was not formulated

⁴⁷ *Id.* p. 33.

with knowledge that the generators had sat in corrosive cold water chemistry for two years and were not preserved in wet layup. It is shameful, not to say unlawful, for Holtec's haste for profit to be allowed to render the public health and safety mandate of the AEA into oblivion.

What the NRC Staff and Holtec are peddling is simply that they plan to have a plan, in the form of their "power operations licensing basis." But an intended licensing basis cannot replace a current licensing basis that forbids operation. The burden of proof of assuring public health and safety, as well as environmental protection, has shifted onto Holtec, away from the public. The future operational license cannot be allowed to constrict the range of safety concerns that the Licensing Board can consider in this proceeding. The Petitioners are not impermissibly challenging regulations here; rather, they are demanding that the present licensing basis be respected and enforced, and that Holtec be required to thoroughly explain whether Palisades' decaying steam generators might have any place in a prospective "power operations licensing basis."

A genuinely *current* licensing basis would be evidenced by tech spec requirements allowing operation of the reactor; comprehensive quality assurance tracking; and a record of consistent engineering oversight of cooling loop hardware on both primary and second sides of the steam generator tubes, tube sheets, and tube support plates. Here, there is no such "current licensing basis." The Staff and Holtec have contrived a narrow tubing fix which they insist is the only needed comprehensive rehabilitation of the steam generators for operational use. The prospective safe operation of the steam generators is much more nuanced. It is more than a belief that adding occasional sleeves to fix underestimated damage will solve the problem. But the point is, there is no "current licensing basis" for use of the steam generators in an operating Palisades nuclear power reactor.

6. Holtec and the NRC Staff Are Flagrantly Disregarding the Standards for Admissibility of Contentions

Aside from improperly mischaracterizing the scope of this proceeding, Holtec and the NRC Staff are also improperly asking the Board to decide the merits of this case. Their arguments do nothing more than challenge the weight of the evidence and the credibility of Petitioners' expert witness. At the contention admissibility stage of the proceedings, the Board cannot address the merits of a contention when determining its admissibility. *Vermont Yankee Nuclear Power Corp.* (Vermont Yankee Nuclear Power Station), 28 NRC 440, 446 (1988); *Sierra Club v. NRC*, 862 F.2d 222, 228 (9th Cir. 1988). Even at the summary disposition stage of the proceedings, after a contention has been admitted, the Board cannot make findings as to the weight of the evidence or credibility of witnesses. *Powertech USA, Inc.* (Dewey-Burdock In Situ Uranium Recovery Facility), 88 NRC 95, 128 (2018).

The arguments from Holtec and the NRC Staff primarily take issue with the statements and opinions of Petitioners' expert, Arnold Gundersen. For example, the Staff Answer states:⁴⁸

Although these concerns may challenge the acceptability of the license amendment request, the Petitioners' and Mr. Gundersen's references to these matters appear to be based on a misunderstanding of the license amendment request and/or the Framatome Report and fail to show a genuine dispute with the Applicant on a material issue of fact or law.

So the Staff admits that the Contention and Mr. Gunderson's declaration fairly challenge the LAR. The Staff's complaint is a disagreement with the facts presented in support of the contention. Regarding the Watts Bar reactor experience,⁴⁹ the point is that Watts Bar was forced to replace its steam generators, even though it had approval to install sleeves. So it is not a valid precedent that justifies sleeving at Palisades. In fact, it supports Petitioners' argument that replacement of the steam generators in their entirety is necessary.

⁴⁸ NRC Staff Answer, p. 30.

⁴⁹ NRC Staff Answer, p. 30.

The Staff also claims that Mr. Gundersen was incorrect in his statements about the increased stress from the installation of sleeves and the relevance of the tube to sleeve ratio.⁵⁰

The Staff claims that Mr. Gundersen was misreading the Framatome report. But Mr. Gunderson did not refer to or even mention the Framatome report on those issues. If there is a disagreement between Mr. Gunderson's statements and the Framatome report, that is a factual issue for hearing, not a basis for not admitting the contention.

The Staff Answer also criticizes Mr. Gunderson's statement about random flow vibration and claims that the Framatome report covers this issue.⁵¹ But, again, Mr. Gundersen did not refer to or even mention the Framatome report. Instead, Mr. Gunderson quoted from the LAR itself. This is clearly a disagreement over the facts.

The Staff's next criticism is that Mr. Gundersen was concerned about a 2-year inspection interval for the steam generators, instead of at every 18-month refueling outage.⁵² The Staff claims that the LAR now allows for an inspection every 2 years or every refueling outage, whichever is less. But Mr. Gundersen's point was that the Framatome analysis was based on the 18-month refueling schedule and made no allowance for the LAR, which contains the possibility of a 2-year inspection interval. Again, this is a factual issue that must be reserved for hearing.

Finally, the NRC Staff disputes Mr. Gundersen's statements regarding seismic ground acceleration.⁵³ This is again simply a disagreement over the interpretation of the facts.

Likewise, the Holtec Answer simply disputes factual issues, albeit in a more scattershot manner. In addition, Holtec sees fit to engage in an *ad hominem* attack on Arnold Gunderson. For example, Holtec claims that Mr. Gundersen is making an improper economic argument regarding

⁵⁰ *Id.* at p. 31.

⁵¹ *Id.* at p. 32.

⁵² *Id.* at p. 33.

⁵³ *Id.* at p. 33.

the Watts Bar experience.⁵⁴ But a review of Mr. Gunderson's declaration⁵⁵ shows clearly that Mr. Gunderson was addressing the safety aspects of the proposal to sleeve the Watts Bar steam generators, and that for safety reasons, the steam generators were replaced. Specifically, Mr. Gunderson said:⁵⁶

The steam generators at Watts Bar Unit 1 and Unit 2 were not subject to any monitoring or corrosion preservation programs during the decades the reactors sat dry and unused. While they did not experience the wear and tear of stresses from hot flowing water during heat-ups and cooldowns that other steam generators typically experience, their condition was degraded due to different aging mechanisms throughout those decades. The NRC did not address the damaged condition of the steam generators when allowing both reactors to start in 1996 (Unit 1) and 2016 (Unit 2).

And Mr. Gunderson continues from that statement to discuss in detail the safety implications of the degraded tubes and tube structures at Watts Bar, necessitating the replacement of the steam generators, instead of installing sleeves. That discussion clearly addresses safety, not economics. Apparently, Holtec thinks the ASLB will not read Mr. Gunderson's declaration.

Next, in order to create a distraction from a mere disagreement on the facts, Holtec assails the Petitioners for incorporating the entirety of Mr. Gunderson's declaration. In support of its argument, Holtec cites *Public Service Co. of New Hampshire* (Seabrook Station, Units 1 and 2), 29 NRC 234, 241 (1989). But in *Seabrook*, the party did not summarize or discuss in the body of the contention any aspect of the incorporated document. More importantly, the document at issue in that case was a petition from another proceeding, not an expert declaration filed in the current proceeding. In contrast, the Petitioners in this case did summarize and discuss Mr. Gunderson's statements and opinions in the text of the petition. The point is that every bit of Mr. Gunderson's declaration is relevant and important and is, and should be, available to the ASLB without reciting it verbatim in the body of the petition. Furthermore, 10 C.F.R. § 2.309 (f)(1)(v)

⁵⁴ Holtec Answer, p. 43-45.

⁵⁵ Gunderson Declaration, p. 21-22.

⁵⁶ *Id.* at p. 22.

states that the petitioner must “provide a concise statement of the alleged facts or expert opinions which support the requestor’s/petitioner’s position.” Mr. Gundersen’s declaration provides that expert opinion referred to in the rule.

7. The Ad Hominem Attacks on Expert Witness Gundersen Are Procedurally Inappropriate And a Substantive Loser for Holtec

Holtec devotes 25% of its Answer to a rigorous series of *ad hominem* attacks and mischaracterizations aimed at Petitioners’ expert, Arnold Gundersen, nuclear power engineer.⁵⁷ The Nuclear Regulatory Commission and Holtec have both mischaracterized Mr. Gundersen’s professional credentials. Holtec commences its insulting and demeaning *ad hominem* smears this way:

Mr. Gundersen left the nuclear industry decades ago yet continues to hold himself out as expert in nuclear power plant operations. In his present declaration, he cites supervisory experience involving steam generators in the 1970s, with no intervening industry or academic experience since that time, as equipping him with contemporary expertise to opine on the present-day metallurgy and chemistry of Palisades’s steam generator components. Mr. Gundersen’s resume and declaration do not establish his expertise to offer those opinions, but even if they did, he provides no relevant citations or analysis to support his conclusory claims.

Holtec misrepresents Mr. Gundersen’s professional history despite having access to his lengthy curriculum vitae which was submitted with the original Petition, as well as its attachment to previous petitions to intervene and requests for hearings in the Palisades restart saga, submitted by Petitioners as far back as December 2023. Far from voluntarily “leaving the industry,” Mr. Gundersen was fired from his job as a Senior Vice President at an NRC licensee when he discovered that the licensee was bribing NRC staff members in Region III (the same region that oversees Palisades). The NRC did nothing until U.S. Senator Joseph Lieberman asked the agency’s Inspector General to investigate.⁵⁸ As a result of that IG investigation, Mr.

⁵⁷ See Holtec Answer pp. 17-29.

⁵⁸ [Forwards chronology of Gundersen correspondence.](https://www.nrc.gov/docs/ML2009/ML20094R474.pdf)
<https://www.nrc.gov/docs/ML2009/ML20094R474.pdf>

Gundersen was exonerated in a Congressional hearing convened by U.S. Senator John Glenn where then-NRC Chair Ivan Selin testified that, "Everything Mr. Gundersen said was absolutely right; he performed quite a service....." ⁵⁹

All of that was a long time ago, of course, but venal retribution is often directed at whistleblowers by those who benefit from corrupt regulation even decades after controversy. Between 2012 and 2014, when Mr. Gundersen was consulting with California U.S. Senator Barbara Boxer, then-chairwoman of the Environment and Public Works Committee, about the dangerously flawed steam generators at the San Onofre Nuclear Generating Station (SONGS), employees of the NRC undertook a two-year long on-line campaign to discredit Mr. Gundersen's credentials. NRC senior managers from the Bethesda headquarters office of the NRC repeatedly stated in an online Wikipedia entry that Mr. Gundersen was not a nuclear expert, but rather was a "for-hire nuclear activist." The NRC Office of General Counsel insisted, perversely, that employees of the NRC have a First Amendment free speech right to attack Mr. Gundersen's credentials on their own time using NRC computers even as the NRC was overseeing a licensing matter in which Mr. Gundersen gave expert testimony. The NRC Inspector-General's 160-page investigative report compiled following U.S. Senator Patrick Leahy's request to the NRC's Inspector General to delve into the online attacks is submitted as an attachment to this Reply in partial response to Holtec's disparagement.

The point of Holtec's derogations, however, should be interpreted by the Licensing Board as a sign that Petitioners have found a \$510,000,000 raw nerve in Holtec's corporate welfare-driven riches-to-greater-riches restart scheme. Holtec fulminated that Gundersen has since the 1970s "no intervening industry or academic experience . . . equipping him with

⁵⁹ Full text of "Federal regulation of medical radiation uses : hearing before the Committee on Governmental Affairs, United States Senate, One Hundred Third Congress, first session, May 6, 1993"
https://archive.org/stream/federalregulatio00unit/federalregulatio00unit_djvu.txt

contemporary expertise to opine on the present-day metallurgy and chemistry of Palisades's steam generator components." This comment is belied by Mr. Gundersen's significant role in the sudden permanent shutdown of the San Onofre Nuclear Generating Station in 2013.

In January 2012, SONGS was abruptly shut down after \$680 million worth of new steam generators, predicted to have forty-year useful lives ahead, began to release radioactive steam due to leaks caused by vibrations.⁶⁰ The shutdown was made permanent in June 2013. Arnold Gundersen was consultant and expert witness for Friends of the Earth (FOE), a main opponent of continued operation of SONGS.⁶¹ FOE relied centrally on Mr. Gundersen's findings that computer modeling by the builder of the new steam generators had failed to accurately predict the flow of steam and water in the generators, causing excessive vibrations and rubbing against support structures and adjacent tubes. SONGS' owner, Southern California Edison, had ordered design changes without seeking a license amendment to account for the new features.⁶²

While Mr. Gundersen's six-decade career is enumerated in his CV, his accomplishments since turning sixty years old are of moment. In 2010, Mr. Gundersen was appointed by Vermont's Governor to chair its Public Oversight Panel. In that role he signed a statement that authorized Vermont Yankee to continue operating for twenty additional years. Later however, upon discovering that Entergy senior managers lied under oath when providing documentation about leaks in underground piping that were contaminating the Connecticut River with Cobalt-60, Cesium-137, Strontium-90 and tritium, he publicly reported that to the state government.

⁶⁰*Effects of Closing San Onofre Nuclear Generating Station*,
<http://large.stanford.edu/courses/2018/ph241/cohn1/>

⁶¹ See references to Gundersen expert report and affidavit, discussed in *Southern California Edison Co.* (San Onofre Nuclear Generating Station, Units 2 and 3), LBP-13-7, 77 NRC 307 fns. 9, 10, 11 (2013).

⁶² [Environmental group pushes for hearing on San Onofre restart - Los Angeles Times](https://www.latimes.com/archives/blogs/la-now/story/2013-01-16/environmental-group-pushes-for-hearin-g-on-san-onofre-restart)
<https://www.latimes.com/archives/blogs/la-now/story/2013-01-16/environmental-group-pushes-for-hearin-g-on-san-onofre-restart>

In 2011, Mr. Gundersen was one of the Cable News Network's (CNN) go to experts on the Fukushima meltdowns. In 2012, Mr Gundersen authored a best seller in Japan about the Fukushima meltdowns, written in Japanese with a Japanese co-author, and personally signed a copy for former Japanese Prime Minister Naoto Kan, who served during the nuclear catastrophe's critical first hours, days, weeks, and months..

Between 2012 and 2014, as mentioned, Mr. Gundersen was involved in investigating the steam generator tube failures at San Onofree, during which time he identified material false statements made by San Onofre's management and its attorneys.

Since his four visits to Japan, including as a guest of Tokyo Electric, Mr. Gundersen has co-authored three peer-reviewed papers concerning the spread of radiation after nuclear accidents.

Mr. Gundersen has been an invited speaker at Ivy League and comparable schools like Middlebury, Penn State and Northwestern, at McGill in Canada and Tokyo University. In Rome, Nobel Peace Prize Laureate Shirin Ebadi of Iran, and Mr. Gundersen shared the podium concerning nuclear power and the environment.

A licensing board will only consider direct challenges to the qualifications of expert witnesses testifying in the proceeding. *NextEra Energy Seabrook, LLC* (Seabrook Station, Unit 1), 92 NRC 58, 66, LBP-20-9 (2020). The trial court (here, the Atomic Safety and Licensing Board) has discretion to exclude evidence when its probative value is substantially outweighed by the danger of misleading the jury or confusing the issues. See Fed. R. Evid. 403. This is especially true with respect to expert witnesses. *Daubert v. Merrell Dow Pharms., Inc.*, 43 F.3d 1311, 1321 n. 17 (9th Cir.1995).

CONCLUSION

The Contention stated by the Petitioners is within the scope of the proceeding, is properly supported by evidence including an opinion from a qualified expert and easily meets the threshold requirements for contention admissibility.

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CERTIFICATE OF SERVICE

Pursuant to 10 CFR § 2.305, I hereby certify that a copy of the foregoing “PETITIONING ORGANIZATIONS’ COMBINED REPLY TO ANSWERS FILED BY NRC STAFF AND HOLTEC TO THE PETITION TO INTERVENE” was served upon the Electronic Information Exchange (NRC Filing System) in the captioned proceeding this 18th day of July, 2025 and that according to the protocols of the EIE they were served upon all parties registered with the system.

Respectfully submitted,
/s/ Wallace L. Taylor
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