



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

July 31, 2019

Mr. Eugene A. DePasquale  
Auditor General  
Department of the Auditor General  
Finance Building  
613 North Street, Room 229  
Harrisburg, PA 17120-0018

RECEIVED  
AUDITOR GENERAL  
2019 AUG -9 A 11:16  
ADMINISTRATION

SUBJECT: THREE MILE ISLAND NUCLEAR STATION, UNIT 1 DECOMMISSIONING FUNDS  
EXEMPTION REQUEST

Dear Mr. DePasquale:

I am responding to your May 30, 2019, letter to the U.S. Nuclear Regulatory Commission (NRC) Chairman Svinicki, regarding Exelon Generation Company, LLC's (Exelon) exemption request to allow the use of the Three Mile Island Nuclear Station, Unit 1 (TMI-1) decommissioning trust fund for the management of spent fuel. In your letter, you expressed concern that this could leave the TMI-1 decommissioning trust fund short of funding for full remediation of the site. You also asked for an overview of the exemption process and requested that the NRC hold a public hearing in the very near future to inform the citizens around TMI-1 as to what they can expect for the decommissioning process if the exemption is granted.

Under Title 10 of the *Code of Federal Regulations* (10 CFR) Section 50.12(a), the Commission may, either on its own initiative or upon application by any interested person (e.g., a licensee), grant an exemption from the requirements of 10 CFR Part 50 when (1) the exemption is authorized by law, does not present an undue risk to the public health and safety, and is consistent with the common defense and security, and (2) special circumstances are present, as defined in 10 CFR 50.12(a)(2). The NRC staff will review Exelon's exemption request and determine its acceptability. The purpose of this review is to ensure public health and safety by determining whether the applicant's supporting analyses sufficiently justify the requested exemption. The exemption process does not include a notification in the *Federal Register* providing for a public comment period and/or request for hearing, unlike a license amendment request under 10 CFR 50.90 or a license transfer request under 10 CFR 50.80.

However, as communicated to your Chief of Staff on July 12, 2019, under 10 CFR 50.82(a)(4)(ii), the NRC held a public meeting in the vicinity of TMI-1 regarding the Post Shutdown Decommissioning Activities Report (PSDAR) that Exelon submitted on April 5, 2019. While not directly related to the exemption request, the PSDAR does discuss decommissioning cost estimates; thus, this meeting provided an appropriate forum for members of the public to bring up any decommissioning cost questions or concerns. The meeting was held on July 23, 2019, at the Sheraton Harrisburg Hershey Hotel, Harrisburg, Pennsylvania.