



THE NRC LICENSE TRANSFER PROCESS - AN UPDATE -

**REGULATORY INFORMATION CONFERENCE 2001
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THE NRC LICENSE TRANSFER PROCESS

PRESENTATION OUTLINE

P BACKGROUND

P REGULATORY FOCUS

P CHANGES TO REQUIREMENTS FOR DECOMMISSIONING FUNDING ASSURANCE

P EXPERIENCE

P LESSONS LEARNED

P SUMMARY

THE NRC LICENSE TRANSFER PROCESS

BACKGROUND

P STATE AND FEDERAL DEREGULATION INITIATIVES

**P NRC FRAMEWORK
-- POLICIES, REGULATIONS, GUIDANCE**

**P TRANSITION TO COMPETITION
-- LICENSE TRANSFER EVENTS**

THE NRC LICENSE TRANSFER PROCESS

REGULATORY FOCUS

P TECHNICAL QUALIFICATIONS

P FINANCIAL QUALIFICATIONS

-- OPERATIONS

-- DECOMMISSIONING

P FOREIGN OWNERSHIP

P INSURANCE AND INDEMNITY

P OTHER CONSIDERATIONS

-- ANTITRUST

-- SCHEDULING ISSUES

THE NRC LICENSE TRANSFER PROCESS

DECOMMISSIONING FUNDING ASSURANCE

P SUMMARY OF 1998 FINAL RULE

P EXPERIENCE TO DATE

- PREPAYMENT
- USE OF 2% CREDIT
- EQUIVALENCY TEST

P FEDERAL TAX CONSIDERATIONS

THE NRC LICENSE TRANSFER PROCESS

EXPERIENCE

P OVER 70 LICENSE TRANSFER ACTIONS IN PAST 6 YEARS

P SALES

-- AMERGEN

-- ENTERGY NUCLEAR

-- OTHERS

P HOLDING COMPANY FORMATION

P OPERATING COMPANY FORMATION

P MERGERS & ACQUISITIONS

THE NRC LICENSE TRANSFER PROCESS

LESSONS LEARNED

- P OVERVIEW OF FIRST SALES AS MERCHANT PLANTS
- P PRE-FUNDING OF DECOMMISSIONING TRUSTS
- P CONDITIONS FOR APPROVAL
-- RULEMAKING INITIATIVE
- P IMPLICATIONS OF RECENT CALIFORNIA EXPERIENCE

THE NRC LICENSE TRANSFER PROCESS

SUMMARY

- P THE NRC EXPECTS TO CONTINUE TO RECEIVE SEVERAL REQUESTS EACH YEAR FOR LICENSE TRANSFERS.**
- P THE IMPLICATIONS FOR SAFETY OF LICENSE TRANSFERS DEPENDS ON THE NATURE OF THE TRANSFER.**
- P THE NRC HAS IN PLACE A FRAMEWORK TO ADDRESS LICENSE TRANSFER APPLICATIONS AND WILL MODIFY IT AS NEEDED.**