

## ECONOMICS

# NRC approves sale of FitzPatrick from Entergy to Exelon

*The proposed ownership transfer of the upstate New York nuclear power plant has cleared the last major regulatory hurdle.*

**O**n March 1, the Nuclear Regulatory Commission issued an order approving the direct transfer of the operating license for the FitzPatrick nuclear power plant from its current owner and operator, Entergy Corporation, to Exelon Generation, allowing the utilities to move forward with their \$110-million transaction essentially unencumbered. The sale of the single-unit plant had been approved by the New York Public Service Commission (PSC) in November and by

the Federal Energy Regulatory Commission in December (*NN*, Jan. 2017, p. 18).

The economically challenged FitzPatrick plant had been scheduled for permanent closure in January of this year (*NN*, Mar. 2016, p. 80), but on August 9, 2016, Exelon announced that it had reached an agreement with Entergy to assume ownership and operation of the plant. That announcement came just one week after New York's PSC approved the state's Clean Energy Standard, featuring



**FitzPatrick:** The Scriba, N.Y., plant is poised to become Exelon's third nuclear facility in New York and its 14th overall.



Photo: Duke Energy

**McGuire:** The two-unit plant contributed over 22 percent of the nearly 90 billion kWh of electricity generated by Duke Energy's nuclear fleet in 2016.

zero emissions credits that would benefit FitzPatrick and other struggling upstate nuclear plants (*NN*, Sept. 2016, p. 12). An application for the license transfer was jointly filed by the two companies on August 18.

According to the NRC's order, published in the March 8 *Federal Register*, "Upon review of the information in the application, and other information before the NRC, and relying upon the representations and agreements contained in the application, the NRC staff has determined that Exelon is qualified to hold the FitzPatrick renewed facility operating license and the FitzPatrick [Independent Spent Fuel Storage Installation] general license. The NRC staff has also determined that the transfer of these licenses is otherwise consistent with the applicable provisions of law, regulations, and orders issued by the NRC." The order is effective for one year and is conditional upon Exelon's providing "satisfactory documentary evidence to the director of the Office of Nuclear Reactor Regulation that it has obtained the appropriate amount of insurance required of a licensee under 10 CFR Part 140 and 10 CFR Part 50."

The NRC's decision regarding the license transfer coincided with FitzPatrick's 816-MWe boiling water reactor being returned to full power following a refueling and maintenance outage that began on January 14 (*NN*, Feb. 2017, p. 18). As part of the agreement with Entergy, Exelon purchased the fuel for the reactor and was involved in readying the plant for continued operation. "We are looking forward to operating the FitzPatrick plant," said Exelon Generation's senior vice president of operations, Chris Mudrick, in a March 1 Entergy press release. "The employees and the community have been extraordinari-

ly welcoming over the past few months. It was encouraging to see Exelon's technicians working side-by-side with FitzPatrick's plant employees. This outage was important because it meant preserving hundreds of full-time jobs, not only at the plant, but in the community."