



**UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION I
475 ALLENDALE ROAD, SUITE 102
KING OF PRUSSIA, PA 19406-1415**

February 29, 2024

EA-2024-023

Kelly Trice
President - HDI
Holtec Decommissioning International, LLC
Krishna P. Singh Campus
1 Holtec Blvd.
Camden, NJ 08104

**SUBJECT: HOLTEC DECOMMISSIONING INTERNATIONAL, LLC, PILGRIM NUCLEAR
POWER STATION - NRC INSPECTION REPORT NOS. 05000293/2023003
05000293/2023004 AND NOTICE OF VIOLATION**

Dear Kelly Trice:

On December 31, 2023, the U.S. Nuclear Regulatory Commission (NRC) completed an inspection under Inspection Manual Chapter 2561, "Decommissioning Power Reactor Inspection Program," at the permanently shutdown Pilgrim Nuclear Power Station (PNPS). The inspection examined activities conducted under your license as they relate to safety and compliance with the Commission's rules and regulations and the conditions of your license. The inspection consisted of observations by the inspectors, interviews with site personnel, a review of procedures and records, and plant walk-downs. The results of the inspection were discussed with Joseph McDonough, Decommissioning Manager, and other members of your staff on January 31, 2024, and are described in the enclosed inspection report.

Based on the results of this inspection, the NRC staff has determined that one Severity Level IV violation of NRC requirements occurred. The violation was evaluated in accordance with the NRC Enforcement Policy. The current Enforcement Policy is included on the NRC's Web site at (<https://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html>). The violation is cited in the enclosed Notice of Violation (Notice) and the circumstances surrounding it are described in detail in the subject inspection report. The violation involved Holtec's failure to establish proper oversight and controls to ensure that expenditures from the decommissioning trust fund (DTF) at Pilgrim were only used for legitimate decommissioning purposes as required by 10 CFR 50.82. The violation is being cited in the Notice because the NRC determined that the necessary corrective actions are complex and will likely require a review and independent assessment by multiple NRC Offices. Therefore, the NRC is issuing a NOV and is requiring a response from Holtec Decommissioning International (HDI) that describes your actions to ensure that future expenditures from the DTF will meet the requirements of 10 CFR 50.82. In addition, as part of your corrective actions, you are required to describe the actions and timeline to restore the funds that were improperly removed from the DTF.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice when preparing your response. If you have additional information that you believe the NRC should consider, you may provide it in your response to the Notice. The NRC review of your response to the Notice will also determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

In accordance with Title 10 of the *Code of Federal Regulations* (10 CFR) 2.390 of the NRC's "Rules of Practice," a copy of this letter, its enclosure, and your response, will be made available electronically for public inspection in the NRC Public Document Room or from the NRC document system (ADAMS), accessible from the NRC Website at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, your response, if any, should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the Public without redaction.

Current NRC regulations and guidance are included on the NRC's website at www.nrc.gov; select **Radioactive Waste; Decommissioning of Nuclear Facilities**; then **Regulations, Guidance and Communications**. The current Enforcement Policy is included on the NRC's Website at www.nrc.gov; select **About NRC, Organizations & Functions; Office of Enforcement; Enforcement documents**; then **Enforcement Policy** (Under 'Related Information'). You may also obtain these documents by contacting the Government Printing Office (GPO) toll-free at 1-866-512-1800. The GPO is open from 8:00 a.m. to 5:30 p.m. EST, Monday through Friday (except Federal holidays).

Please contact Katie Barnes of my staff at 610-337-5323 if you have any questions regarding this matter.

Sincerely,

Anthony Dimitriadis, Chief
Decommissioning, ISFSI, and Reactor
Health Physics Branch
Division of Radiological Safety and Security

Docket No.: 05000293
License No.: DPR-35

Enclosure: Notice of Violation
Inspection Report Nos. 05000293/2023003
and 05000293/2023004 w/Attachment

cc w/encl: Distribution via ListServ

SUBJECT: HOLTEC DECOMMISSIONING INTERNATIONAL, LLC, PILGRIM NUCLEAR POWER STATION - NRC INSPECTION REPORT NOS. 05000293/2023003, 05000293/2023004 AND NOTICE OF VIOLATION DATED FEBRUARY 29, 2024

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DOCUMENT NAME: <https://usnrc.sharepoint.com/teams/Region-I-Decommissioning-Branch/Inspection Reports/Inspection Reports - Draft/PG 3Q and 4Q 2023 Inspection Report.docx>
SUNSI Review Complete: KBarnes **ADAMS ACCESSION NO. ML24043A057**

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NOTICE OF VIOLATION

Holtec Decommissioning International
Pilgrim Nuclear Power Station

Docket No. 05000293
License No. DPR-35
EA-2024-023

During an NRC inspection conducted between July 1, 2023, and December 31, 2023, a violation of NRC requirements was identified. In accordance with the NRC Enforcement Policy, the violation is listed below:

10 CFR 50.82(a)(8)(i) states, in part, decommissioning trust funds may be used by licensees if the withdrawals are for expenses for legitimate decommissioning activities consistent with the definition of decommissioning in § 50.2.

10 CFR 50.2 defines decommissioning as removing a facility or site safely from service and reducing residual radioactivity to a level that permits—

- (1) Release of the property for unrestricted use and termination of the license; or
- (2) Release of the property under restricted conditions and termination of the license.

Contrary to the above, from September 2020 through September 2022, Holtec Decommissioning International (HDI) used the Pilgrim Nuclear Power Station (PNPS) decommissioning trust funds for expenses that were not legitimate decommissioning activities. Specifically, HDI used funds to support community outreach activities that were not related to removing the facility or site safely from service and reducing residual activity to a level that permits release of the property for either unrestricted or restricted conditions and termination of the license.

This is a Severity Level IV violation (NRC Enforcement Policy Section 6.3).

Pursuant to the provisions of 10 CFR 2.201, HDI is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, DC 20555-0001, with a copy to the Regional Administrator, Region I, 475 Allendale Road, Suite 102, King of Prussia, PA 19406-1415, and a copy to the Chief of the Decommissioning, ISFSI and Reactor Health Physics Branch, Region I, within 30 days of the date of the letter transmitting this Notice of Violation (Notice). This reply should be clearly marked as a "Reply to a Notice of Violation; EA-2024-023" and should include: (1) the reason for the violation, or, if contested, the basis for disputing the violation or severity level; (2) the corrective steps that have been taken and the results achieved; (3) the corrective steps that will be taken; and (4) the date when full compliance will be achieved. Your response may reference or include previous docketed correspondence if the correspondence adequately addresses the required response. If an adequate reply is not received within the time specified in this Notice, an order or a Demand for Information may be issued requiring information as to why the license should not be modified, suspended, or revoked, or why such other action as may be proper should not be taken. Where good cause is shown, consideration will be given to extending the response time.

If you contest this enforcement action, you should also provide a copy of your response, with the basis for your denial, to the Director, Office of Enforcement, United States Nuclear Regulatory Commission, Washington, DC 20555-0001.

Enclosure

Your response will be made available electronically for public inspection in the NRC Public Document Room or in the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, your response should not include any personal privacy, proprietary or safeguards information so that it can be made available to the public without redaction. If personal privacy or proprietary information is necessary to provide an acceptable response, then please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your response that deletes such information. If you request withholding of such material, you must specifically identify the portions of your response that you seek to have withheld and provide in detail the bases for your claim of withholding (e.g., explain why the disclosure of information will create an unwarranted invasion of personal privacy or provide the information required by 10 CFR 2.390(b) to support a request for withholding confidential commercial or financial information). If safeguards information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21.

In accordance with 10 CFR 19.11, you may be required to post this Notice within two working days of receipt.

Dated this 29 day of February 2024

U.S. NUCLEAR REGULATORY COMMISSION
REGION I

INSPECTION REPORT

Inspection Report Nos. 05000293/2023003 and 05000293/2023004

Docket No. 05000293

License No. DPR-35

Licensee: Holtec Decommissioning International, LLC (HDI)

Facility: Pilgrim Nuclear Power Station (PNPS)

Location: Plymouth, Massachusetts

Inspection Period: July 1, 2023, to December 31, 2023

Inspectors: Katherine Barnes, Health Physicist
Decommissioning, ISFSI, and Reactor Health Physics Branch
Division of Radiological Safety and Security

Christian Hargest, Health Physicist
Decommissioning, ISFSI, and Reactor Health Physics Branch
Division of Radiological Safety and Security

Andrew Taverna, Health Physicist
Decommissioning, ISFSI, and Reactor Health Physics Branch
Division of Radiological Safety and Security

Justin Copeland, Reactor Inspector
Engineering Branch 1
Division of Reactor Safety, NRC Region II

Approved By: Anthony Dimitriadis, Chief
Decommissioning, ISFSI, and Reactor Health Physics Branch
Division of Radiological Safety and Security

EXECUTIVE SUMMARY

Holtec Decommissioning International, LLC (HDI)
Pilgrim Nuclear Power Station (PNPS)
NRC Inspection Report Nos. 05000293/2023003 and 05000293/2023004

A routine announced decommissioning inspection was completed on December 31, 2023, at the permanently shut-down Pilgrim Nuclear Power Station (PNPS). The inspection included an assessment of the program for radioactive waste management, effluent and environmental monitoring, transportation of radioactive materials, fire protection, decommissioning performance, and occupational radiation exposure. The inspection consisted of observations by the inspectors, interviews with site personnel, a review of procedures and records, and plant walk-downs. The NRC's program for overseeing the safe decommissioning of a shutdown nuclear power reactor is described in Inspection Manual Chapter (IMC) 2561, "Decommissioning Power Reactor Inspection Program."

Additionally, the inspection period included inspection of the PNPS Independent Spent Fuel Storage Installation (ISFSI). The NRC's program for overseeing the operation of dry storage of spent fuel at an Independent Spent Fuel Storage Installation (ISFSI) is described in IMC 2690, "Inspection Program for Storage of Spent Reactor Fuel at Independent Spent Fuel Storage Installations and for Title 10 of the *Code of Federal Regulations* (10 CFR) Part 71 Transportation Packagings."

List of Violations

The inspectors identified one Severity Level IV violation (NOV) of 10 CFR 50.82(a)(8)(i) because HDI expended decommissioning trust funds for expenses that were not for legitimate decommissioning activities. Specifically, HDI used funds to support community outreach activities that were not related to removing the facility or site safely from service and reducing residual activity to a level that permits release of the property for either unrestricted or restricted conditions and termination of the license. HDI entered the issue into its corrective action program as Issue Report (IR) PIL-06871.

REPORT DETAILS

1.0 Background

On June 10, 2019, Entergy Nuclear Operations, Inc. (ENOI) certified cessation of power operations and the permanent removal of fuel from the PNPS reactor vessel (ADAMS Accession Number: ML19161A033). This met the requirements of 10 CFR 50.82(a)(1)(i) and 50.82(a)(1)(ii). On June 11, 2019, the NRC notified PNPS that the NRC would no longer perform its oversight activities in accordance with the Operating Reactor Assessment Program per IMC 0305 and that oversight would be conducted under the provisions outlined in IMC 2561 “Decommissioning Power Reactor Inspection Program” (ADAMS Accession No. ML19162A033). On August 27, 2019, an amendment was issued transferring the license from ENOI to Holtec International, LLC., (HDI) (ADAMS Accession No. ML19235A050). On December 14, 2021, HDI notified the NRC of the permanent removal of all spent fuel assemblies from the spent fuel pool, with their placement in dry storage within the Independent Spent Fuel Storage Installation (ISFSI) II cask storage pad (ADAMS Accession No. ML21348A748).

At the time of the inspection, PNPS was in the active decommissioning phase with no fuel in the spent fuel pool, as described in IMC 2561.

2.0 Active Decommissioning Performance and Status Review

2.1 Inspection Procedures 84750, 86750, 83750, and 64704

a. Inspection Scope

The inspectors performed on-site topical inspection activities on September 25-28, October 16-19, and December 11-15, 2023, supplemented by in-office reviews and periodic phone calls. The inspection consisted of observations by the inspectors, interviews with site personnel, a review of procedures and records, and plant walk-downs.

The inspectors reviewed activities and documentation associated with radioactive effluent control and the radiological environmental monitoring program (REMP) to assess the effectiveness of such programs. The inspectors reviewed the 2022 Annual Radioactive Effluent Release Report and the 2022 Annual Radiological Environmental Operating Report for any anomalous results to determine if reported doses were below regulatory limits. The inspectors reviewed documentation and conducted interviews with site personnel to determine whether radioactive effluents were monitored and quantified, and doses calculated in accordance with the site Offsite Dose Calculation Manual (ODCM).

The inspectors examined a selection of environmental monitoring stations to evaluate their location, placement, and material condition. The inspectors observed the collection of several environmental samples, including air monitor filters, sediment, and aquatic foodstuffs to determine if staff followed appropriate site procedures and if sampling was conducted in accordance with the site ODCM. The inspectors conducted walkdowns of accessible portions of the liquid and gaseous waste treatment and monitoring systems to

assess their material condition and also discussed the groundwater monitoring program with site personnel and reviewed calibration documentation for the reactor building vent effluent monitor.

The inspectors conducted walkdowns, interviewed personnel, and reviewed documentation to assess the effectiveness of HDI's programs for handling, storage, and transportation of radioactive material. The inspectors conducted walkdowns of radioactive waste and radioactive sealed source storage areas to evaluate the material condition of the containers and discussed radioactive source accountability and leak testing procedures with radiation protection (RP) personnel. The inspectors reviewed a selection of radioactive waste shipping packages, including Type B and shipments of category 2 quantities of material, to determine whether they had been appropriately characterized, classified, and prepared in accordance with procedures and regulatory requirements and whether the category 2 shipments met the requirements for transportation security as outlined in 10 CFR Part 37. The inspectors reviewed a root cause evaluation conducted by the licensee and associated corrective actions taken in response to the identification of several missing sealed sources.

The inspectors reviewed radiation and contamination surveys, air sample results, and soil sample results associated with the demolition of two condensate storage tanks. The inspectors reviewed free-release survey plans and survey results for demolition of the demineralized water storage tank.

The inspectors evaluated HDI's Fire Protection Program (FPP) to determine if it was maintained in a state of operational readiness and if changes made to the program continued to meet commitments, NRC requirements, and if such changes had negatively affected the overall state of the FPP. The inspectors conducted the inspection to determine if the licensee had developed and implemented technically adequate procedures to implement the FPP; if the licensee had proper installation, operability, and maintenance of fire protection systems and equipment; and review the adequacy and implementation of the quality assurance program for the FPP.

The inspectors reviewed the updated fire protection plan and a sample of FPP implementation procedures to assess compliance, to determine if it reflected the current decommissioning status of the facility, and if the program had been appropriately implemented. Procedures reviewed included those controlling storage of combustibles and flammables, conduct of hot-work, ignition sources, and transient combustibles. Pre-fire plans were evaluated to determine if they were updated and if they reflected the plant's decommissioning status. The inspectors reviewed changes to the FPP including decommissioning of systems and the implementation of the incipient fire brigade (offsite response as primary responder). Inspectors conducted walk-downs of several fire areas to determine if plant detection systems, suppression systems, fire barriers, and fire equipment/water sources were maintained and in adequate condition. Additionally, inspectors reviewed a sample of surveillances that included fire water loop, sprinklers, valves, and extinguishers to determine if they were performed on a periodic basis and were capable of performing their intended function.

The inspectors reviewed a sample of self-assessments and corrective action documents to determine if HDI had appropriately identified deficiencies in the FPP, REMP, radioactive effluent monitoring, and radwaste and shipping programs and if it had entered the issues into the corrective action program for resolution.

b. Observations and Findings

The inspectors determined that effluent releases to the environment had been properly controlled, monitored, and quantified in accordance with NRC requirements. The inspectors noted that the 2022 Annual Radiological Environmental Operating Report (AEROR) and Annual Radioactive Release Report (ARERR) demonstrated that calculated doses were well below the regulatory limits. The inspectors determined that environmental samples were collected in accordance with the ODCM and site procedures and that the placement and condition of environmental air samplers was adequate. The inspectors noted that the only change to the ODCM since the last inspection under this procedure was the addition of three environmental thermoluminescent dosimeters (TLDs) between the ISFSI pad and Rocky Hill Road for additional monitoring.

The inspectors found the observed portions of the liquid and gaseous waste treatment systems to be in adequate material condition. The inspectors noted that the reactor building vent effluent flow monitors that measure airflow through the particulate sample line and total airflow out of the vent had not been calibrated at the frequency specified in the ODCM, and that discrepancies were noted when the calibrations were performed. The inspectors reviewed impact analyses associated with the discrepancies and determined that any potential impact to calculated effluent releases would have been minimal.

The inspectors observed adequate air monitoring and contamination control during the demolition of condensate storage tank (CST) "B". However, the inspectors noted that documented radiological surveys showing the as-left conditions at the conclusion of work were not available for three of the workdays during the demolition. Surveys to release the area following debris clean-up showed no residual contamination. The inspectors evaluated documentation of the discovery of several small pieces of delaminated paint with very low levels of contamination from the interior of the CSTs following the demolition. Specifically, pieces were found outside the work area boundary following the demolition of CST "A," and inside a stormwater drainage trough after both tanks had been demolished. The pieces in the drainage trough had been caught by an installed barrier to prevent discharge of debris offsite. HDI entered this condition into its corrective action program as IRs PIL-06861 and PIL-07097. The contaminated pieces remained within the site boundary and there was no impact to public health and safety. The inspectors reviewed air sample data and verified that there was no release of airborne radioactive material to the environment as a result of the demolition.

The inspectors determined that the radioactive waste packages evaluated were properly characterized, prepared, and shipped in accordance with site procedures and regulatory requirements. The inspectors evaluated revisions to the site procedures for scaling factors and found them adequate for the current status of the facility. The inspectors found that radioactive waste containers were properly secured and labeled and were in good material condition.

The inspectors found that radioactive sealed sources were stored in appropriately secured and posted areas, and that periodic inventories and leak testing were performed as required by site procedures. During the inspection of sealed source control, the inspectors identified that several sources listed in the tracking database were unable to be accounted for during the most recent inventory. These included two calibration

sources of exempt quantity, one calibration source containing approximately 0.5 μCi of Americium-241 and 0.22 μCi of Europium-152, and four sources containing between 7.1 and 8.7 mCi of Ni-63 which were previously installed in security equipment. The sources had been identified as missing during a routine inventory that had concluded on September 25, 2023. On October 25, 2023, HDI submitted a report to the NRC in accordance with 10 CFR 20.2201(a)(ii), providing notification of the missing sources. HDI submitted a 30-day follow up written report on November 22, 2023 (ML23326A275). The quantities of Am-241 and Ni-63 exceeded the threshold for reporting of 10 times the quantity specified in appendix C to 10 CFR Part 20. After further investigation, HDI located an unlabeled source on site that was determined through gamma spectroscopic analysis to be the missing Am-241/Eu-152 source. Upon further review, it was determined that the Ni-63 sources were exempt from regulatory requirements in accordance with 10 CFR 30.20. HDI entered the missing sources issue into its corrective action program as IR PIL-06692 and performed a root cause analysis and investigation, concluding that the missing exempt sources were likely disposed of as radioactive waste. The inspectors noted that the missing sources present a very low safety risk due to the type and quantity of radioactive material, comparable to the risk from a household smoke detector.

HDI's evaluation of the sealed source control program revealed multiple weaknesses, although an extent of condition review revealed no other missing sources. The inspectors reviewed a revision to the source control procedure and discussed planned corrective actions with site personnel. The inspectors found the corrective actions to be appropriate which will be reviewed during future inspections.

The inspectors determined that HDI maintained the fire protection program in accordance with the requirements and the fire protection plan. The required fire protection detection systems, suppression systems, barriers, and equipment had been maintained and appropriately tested and were in a state of operational readiness to minimize the potential for radiological releases in the event of a fire at the plant.

HDI maintained the leadership, staffing, and training of the onsite incipient fire brigade. Agreements were appropriately established with the local fire department to be the primary responder for potential onsite fires. Additionally, procedures for response and measures for coordination with offsite responders were appropriately established. The inspectors verified that HDI had conducted training and familiarization with offsite responders.

c. Conclusions

No violations of more than minor safety significance were identified.

2.2 Inspection Procedure 71801

a. Inspection Scope

The inspectors performed plant walkdowns to assess material conditions and housekeeping and observed decommissioning work activities including repairs on the primary segmentation system for reactor vessel internals and demolition of a condensate storage tank. The inspectors discussed current staffing levels with site personnel and reviewed a sample of training and qualifications for various work groups.

The inspectors discussed the decommissioning schedule with site personnel to determine if the schedule was consistent with the post shutdown decommissioning activities report. The inspectors discussed the overall financial status of decommissioning with site personnel and reviewed the status of the decommissioning trust fund to determine whether the funds were used in accordance with the regulatory requirements and if any changes could significantly impact the site's decommissioning financial assurance.

b. Observations and Findings

The inspectors determined that staffing levels were adequate for the site decommissioning status, and that the training and qualifications reviewed were current and in accordance with site procedures. The inspectors noted that during this inspection period the site continued segmentation of reactor vessel internals (RVIs) and anticipated a slowdown in active decommissioning work once the segmentation and packaging of RVIs is completed in 2024. The inspectors observed adequate material condition and housekeeping in the areas of the plant toured.

The inspectors verified that the current status of the decommissioning trust fund is adequate to support the planned decommissioning schedule, and that the current schedule of decommissioning activities is consistent with the most recent update provided to the NRC in accordance with 10 CFR 50.82(a)(7), submitted on November 2, 2023 (ADAMS accession number ML23306A099).

Violation

The inspectors identified one Severity Level IV violation of 10 CFR 50.82(a)(8)(i) because of HDI's failure to establish proper oversight and controls to ensure that expenditures from the decommissioning trust fund (DTF) at Pilgrim were used only for legitimate decommissioning purposes as required. Specifically, HDI used funds to support community outreach activities that were not related to removing the facility or site safely from service and reducing residual activity to a level that permits release of the property for either unrestricted or restricted conditions and termination of the license.

During this inspection period, inspectors reviewed a sampling of the records associated with the expenditures of the DTF, held interviews with site personnel and identified numerous discrepancies. Specifically, the inspectors noted that Holtec had paid community outreach expenditures out of the Pilgrim DTF and determined that approximately \$84,000.00 had been spent of those reviewed. These expenditures included activities that were not used for legitimate decommissioning activities, such as the local Chamber of Commerce, community Thanksgiving celebration and local community parades.

10 CFR 50.82(a)(8)(i) states, in part, decommissioning trust funds may be used by licensees if the withdrawals are for expenses for legitimate decommissioning activities consistent with the definition of decommissioning in § 50.2.

10 CFR 50.2 defines decommissioning as removing a facility or site safely from service and reducing residual radioactivity to a level that permits—

- (1) Release of the property for unrestricted use and termination of the license; or
- (2) Release of the property under restricted conditions and termination of the license.

Contrary to the above, from September 2020 through September 2022, HDI used the Pilgrim decommissioning trust fund for expenses that were not for legitimate decommissioning activities. Specifically, HDI used funds to support community outreach activities that were not related to removing the facility or site safely from service and reducing residual activity to a level that permits release of the property for either unrestricted or restricted conditions and termination of the license.

This violation was determined to be a Severity Level IV violation. The NRC considered NRC Enforcement Policy example Section 6.3.c.12, dated January 12, 2024 regarding a significant failure to meet decommissioning as required by regulation or license condition for materials sites. Additionally, the NRC considered the legitimacy of use, the dollar amount involved compared to the total DTF amount, and the programmatic aspects in making this determination. The inspectors determined that approximately \$84,000 was not used for legitimate decommissioning activities, that the amount is a small fraction of the Pilgrim DTF, and did not represent a significant failure to meet decommissioning, HDI initiated corrective actions to restore the funds back to the DTF and entered the issue into its corrective action program as PIL-06871.

This violation meets the criteria in Section 2.3.2.a of the NRC Enforcement Policy to disposition as a Non-Cited Violation (NCV). However, the violation is cited in the enclosed Notice of Violation (Notice) because the NRC considered that the necessary corrective actions are complex and will likely require a review and independent assessment from multiple NRC offices. Therefore, the NRC is issuing a NOV and is requiring a response from HDI that describes a comprehensive corrective action plan for restoring the funds that were improperly removed from the DTF and ensure that future expenditures from the DTF will meet the requirements of 10 CFR 50.82. **(NOV 05000293/2023004-01, Improper Use of Decommissioning Trust Fund).**

c. Conclusions

One Severity Level IV NOV of 10 CFR 50.82(a)(8)(i) was identified.

3.0 Independent Spent Fuel Storage Installation (ISFSI)

3.1 Operation of an Independent Spent Fuel Storage Installation (Inspection Procedure 60855)

a. Inspection Scope:

The inspectors assessed whether PNPS personnel had been operating and maintaining ISFSI programs in conformance with the commitments and requirements contained in the DSAR, Certificate of Compliance (CoC), Technical Specifications (TS), Quality Assurance (QA) program, site procedures, and 10 CFR Part 72.

ISFSI facilities, located at sites where loading operations have been completed, are essentially passive operating facilities. The inspectors review was directed towards evaluating the ongoing adequacy of the radiation protection, fire protection, emergency preparedness, surveillance, maintenance, environmental monitoring, training, QA, and corrective action programs.

The inspectors observed cask temperature monitoring activities, interviewed personnel, reviewed records and procedures, and performed walk downs. The inspectors also reviewed changes made to PNPS programs and procedures since the last inspection to determine if changes were consistent with the license or CoC and if such changes reduced the effectiveness of the program.

b. Observations and Findings

The inspectors determined that PNPS plans and preparations for controlling radiological activities were effective and in compliance with 10 CFR Part 20 requirements. The inspectors also verified that special nuclear material (SNM) stored at the ISFSI was properly accounted for. The inspectors verified all employees were below the regulatory dose limits and the dose requirements for members of the public at the nearest accessible location to the ISFSI were within limits prescribed by 10 CFR 72.104.

The inspectors determined daily temperature monitoring of the HI-STORM casks was performed by PNPS personnel in accordance with surveillance requirements outlined in the TS. Additionally, the inspectors noted that PNPS procedures contain backup plans if the primary surveillance method was unavailable. The inspectors performed multiple walk-downs of the ISFSI pad and did not note any significant material condition issues that would impact the performance of the pad and loaded casks. The inspectors also verified that transient combustibles were not stored on the ISFSI pad or in the vicinity of the casks and confirmed vehicle entry onto the ISFSI pad was controlled in accordance with site procedures.

c. Conclusions

No violations of more than minor safety significance were identified.

4.0 Exit Meeting Summary

On January 31, 2024, the inspectors presented the inspection results to Joseph McDonough, Decommissioning Manager, and other members of the HDI staff. No proprietary information was retained by the inspectors or documented in this report.

ATTACHMENT: SUPPLEMENTARY INFORMATION

SUPPLEMENTARY INFORMATION

KEY POINTS OF CONTACT

J. Moylan - Site Vice President
J. McDonough - Decommissioning Manager
D. Noyes - Senior Compliance Manager
M. Lawson - Radiation Protection Manager
L. Hageman - Chemistry Manager
A. Steward - RP Supervisor
C. Mulkern - Facilities Manager
J. Buckley - Waste Management Lead
J. Voegtli - Waste Shipper (Waste Control Specialists)
R. Hargat - Chemistry Specialist
M. Lefrancois - Engineering Manager
G. Madison - Certified Health Physicist (contractor)
A. Lombardo - RP Superintendent
R. Parke - Remediation Specialist (contractor)
Z. Ares-Delfining - RP Technician

ITEMS OPEN, CLOSED, AND DISCUSSED

<u>Closed</u>	<u>Section</u>	<u>Summary</u>
05000293/2023004-01	2.2.b	Improper use of Decommissioning Trust Fund

LIST OF DOCUMENTS REVIEWED

2023 Pilgrim Station Special Nuclear Material Physical Inventory Report
Air Samples 2023-0619, 2023-0620, 2023-0621, 2023-0623, 2023-0624, 2023-0625,
2023-0644, 2023-0645, 2023-0669, 2023-0670, 2023-0671, 2023-0672, 2023-0673,
2023-0674, 2023-0676
Disposition Survey Forms 2023-SC102 and 2023-SC115 for Demineralized Water Storage Tank
DSP-WC-DC-100 One Time Inspection Procedure
EC PNP-2023-006, Abandon and Remove Heating Boiler USTs T-129A/B
EC PNP-2023-068, Evaluate RBV Sample Flow Instrument Calibration and Settings
EC PNP-2024-002, Evaluate RBV Flow Transmitter FT-8116 Calibration
EN-RP-143 Attachment 3, Sealed Source Leak Test Data Sheet, 9/21/23
Evaluation of Unmarked Am/Eu Source Via On-Site Gamma Analysis
Fire Extinguisher Surveillances 50079833-02-19, 50079833-02-20, 50079833-02-21,
50079864-99-01
Fire Hazards Analysis, Revision 24
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LER-2023-001-00 Missing Sealed Radioactive Source Material

Limiting Condition for Operation for RBV Sampler Flow Rate Measuring Device

P-EN-CY-130-07 Radiological Environmental Monitoring Program Procedure, Rev. 3

P-EN-DC-127 Control of Hot Work and Ignition Sources

P-EN-DC-161 Control of Combustibles

P-EN-DC-330 Fire Protection Program, Revision 8

P-EN-RW-105 Process Control Program, Rev. 7

P-EN-RP-143 Source Control, Rev. 16

P-EN-RW-104 Scaling Factors, Rev. 14 and 15

Pilgrim NDT Credit for Reimbursed Donations- December 2023 Addendum

PNPS 72.212 Report, Revision 10

PNPS Annual Radioactive Effluent Release Report, January 1 through December 31, 2022

PNPS Annual Radiological Environmental Operating Report, January 1 through December 31, 2022

PNPS Defueled Safety Analysis Report (DSAR), Revision 4

PNPS ISFSI Security Procedure No. 2.01-12 Facility Access Control

PNPS Offsite Dose Calculation Manual, Rev. 17

PNPS Procedure 5.5.1 General Fire Procedure, Revision 31

PNPS Procedure 5.5.2 Special Fire Procedure, Revision 65

PNPS Procedure 8.B.12, Attachment 1, Public Water Flow Test, 4/2023

PNPS Procedure 8.B.14 Fire Protection Technical Requirements

PNPS Procedure 8.E.8, Attachment 3, Reactor Building Vent Instrument Calibration, 7/2023

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PNPS Procedure HPP-2877-0500 MPC Transport at Pilgrim, Rev 7

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PNPS REMP Sediment and Marine Life Sampling Procedures

Q1 and Q2 2023 Effluent Dose and TLD Results

Quarterly Routine ISFSI Boundary Survey, 10/4/2023

Radiological Surveys 2021-2075, 2021-2095, 2021-2106, 2021-2110, 2021-2111, 2021-2113, 2021-2117, 2021-2119, 2021-2120, 2021-2121, 2021-2126, 2021-2127, 2021-2130, 2021-2134, 2021-2135, 2021-2136, 2021-2138, 2021-2139, 2021-2141, 2021-2143, 2021-2144, 2021-2150, 2023-1052, 2023-1167, 2023-1194, 2023-1263, 2023-1344, 2023-1355, 2023-1359, 2023-1384, 2023-1387, 2022-1131, 2023-0534, 2023-0740, 2022-0263, 2022-1406,

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Air Demolition of 'A' and 'B' Condensate Storage Tanks (CST)

REMP sample analysis report L101372, L100623

Root Cause Evaluation- Radioactive Source Search and Reportability (IR PIL-06692)

RP Qualification spreadsheets, BHI and Westinghouse

Scaling Factors, DAW and Filter Media

Sealed Source Inventory List, 10/2023

SEP-FPP-PNP-001, Fire Protection Plan, Revision 7

Shipping Packages 23-109, 23-124, 23-139, 23-130, 23-132

Soil Structure Interaction (SSI) Analysis of ISFSI Pad at Pilgrim, Rev 0

Sprinkler Surveillances 50079907-01-01-25, 50079914-01-02

Waste Classification for B/C waste packages

Work Group Evaluation for IR PIL-06871 and IPEC IR IP-01542 for DTF expenditures

LIST OF ACRONYMS USED

ADAMS	Agency-wide Document and Access Management System
AREOR	Annual Radiological Environmental Operating Report
ARERR	Annual Radioactive Release Report
CFR	<i>Code of Federal Regulations</i>
CoC	Certificate of Compliance
CST	Condensate Storage Tank
DSAR	Defueled Safety Analysis Report
DTF	Decommissioning Trust Fund
ENOI	Entergy Nuclear Operations, Inc
FPP	Fire Protection Program
GPO	Government Printing Office
HDI	Holtec Decommissioning International, LLC
IMC	Inspection Manual Chapter
ISFSI	Independent Spent Fuel Storage Installation
IR	Issue Report
NOV	Notice of Violation
NRC	U.S. Nuclear Regulatory Commission
ODCM	Offsite Dose Calculation Manual
PNPS	Pilgrim Nuclear Power Station
QA	Quality Assurance
REMP	Radiological Environmental Monitoring Program
RP	Radiation Protection
RVI	Reactor Vessel Internals
SNM	Special Nuclear Material
TLD	Thermoluminescent Dosimeter
TS	Technical Specifications