

DEPARTMENT OF ENERGY

Record of Decision: Continued Federal financial assistance via a Loan Guarantee to Holtec Palisades, LLC for refueling and resumption of power activities at the Palisades Nuclear Plant

AGENCY: Loan Programs Office (LPO), U.S. Department of Energy.

ACTION: Record of decision (ROD).

SUMMARY: The U.S. Department of Energy (DOE) announces its decision to continue to provide Federal financial assistance via a loan guarantee under the Energy Policy Act of 2005 (EPAct 2005), as amended by the Inflation Reduction Act of 2022 (42 U.S.C. 16517) and the One Big Beautiful Bill Act (Pub. L. No. 119-21, 139 Stat. 72 (July 4, 2025)), to Holtec Palisades, LLC., (Holtec) for refueling and resumption of power generation activities at the Palisades Nuclear Plant (Project), consistent with the Nuclear Regulatory Commission (NRC) Renewed Facility Operating License (RFOL) Number DPR-20, and associated NRC approved licensing and regulatory actions to support the reauthorization of power operations of Palisades through March 2031 (see Section 1.1.1, LPO EA-2285, <https://www.energy.gov/lpo/ea-2285-final-environmental-assessment-and-nuclear-regulatory-commission-finding-no-significant>). The refueling and resumption of power generation activities support the operation of the Palisades Nuclear Plant (Palisades or PNP), an 800-MW electric nuclear generation station in Covert Township, Michigan.

ADDRESSES: Copies of this ROD may be obtained by accessing the DOE's Loan Programs website at <https://www.energy.gov/lpo/eis-0562-palisades-nuclear-restart-project-van-buren-county-michigan>.

FOR FURTHER INFORMATION CONTACT: Alicia Williamson, Senior Environmental Manager, Technical and Environmental Division, Loan Programs Office (LP-30), U.S. Department of Energy, 1000 Independence Ave SW., Washington, DC 20585, telephone (202)586-7272; e-mail PalisadesRestartLPO@hq.doe.gov.

SUPPLEMENTARY INFORMATION:

The environmental impacts of refueling and resumption of power generation activities at PNP were analyzed pursuant to the National Environmental Policy Act (NEPA) in the DOE/EA-2285, Final Environmental Assessment and NRC Finding of No Significant Impact (90 FR 23701, May 30, 2025). NRC was the lead NEPA agency, and the DOE LPO was a cooperating agency in the preparation of the Final Environmental Assessment. The Project would allow the refueling and resumption of power generation activities at PNP, consistent with the NRC RFOL Number DPR-20, and associated NRC approved licensing and regulatory actions to support the reauthorization of power operations of Palisades through March 2031.

NEPA Review: Prior to DOE LPO's consideration to continue to provide Federal financial assistance for refueling and resumption of power generation activities at PNP via a loan guarantee, DOE LPO completed an environmental review of Federal financial assistance to support general restoration and maintenance activities at PNP in a Final Environmental Impact Statement for the Proposed Palisades Nuclear Restart Project, Van Buren County, Michigan (DOE EIS-0562). DOE LPO's decision is documented in a Record of Decision dated August 5, 2024 (89 FR 63424).

DOE LPO, as a cooperating agency, analyzed the environmental impacts of refueling and resumption of power generation activities at PNP pursuant to NEPA in DOE/EA-2285, Final Environmental Assessment and NRC Finding of No Significant Impact (90 FR 23701, May 30, 2025). In addition, NRC has reviewed and approved an exemption request, a license transfer request, and license amendment requests processes, which allows the reactor to be refueled and the resumption of power generation and operation until 2031, as noticed in the Federal Register dated July 29, 2025, 90 FR 35737. The reauthorization of power operations at PNP would allow the reactor to be refueled and resume power generations through March 2031. Holtec intends to submit a subsequent license renewal request to the NRC to allow power generation from 2031 to 2051.

Decision: DOE has decided to continue to provide Federal financial assistance via a loan guarantee to Holtec for refueling and resumption of power generation activities at PNP, an 800-MW electric nuclear generation station in Covert Township, Michigan. The Project supports refueling and repowering PNP in accordance with the NRC RFOL Number DPR-20 and

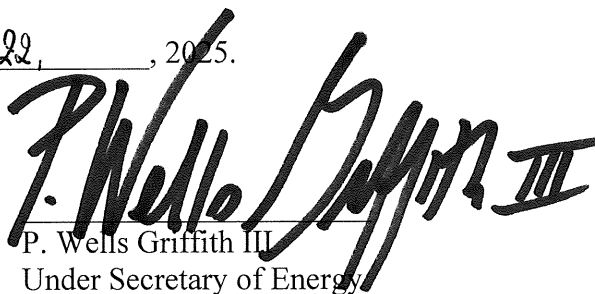
associated NRC approved licensing and regulatory actions to support the reauthorization of power operations of Palisades. Continued Federal financial assistance via the loan guarantee responds to the DOE purpose and need pursuant to Section 1706 of EAct 2005, as amended. DOE's Proposed Action evaluated in this ROD supports the refueling and resumption of power generation activities at PNP analyzed within DOE/EA-2285, Final Environmental Assessment and NRC Finding of No Significant Impact (90 FR 23701, May 30, 2025). Activities associated with PNP operation from 2031 to 2051 (via Subsequent License Renewal) are not yet ripe for environmental analysis or decision and are not the subject of this ROD; such reviews and decisions will be the subject of future NRC and DOE environmental reviews.

Mitigation: All DOE loan guarantee agreements require that the borrower comply with all applicable environmental laws and related requirements. For the Project, this would include conditions and requirements related to authorizations and approvals within the permits and consultations identified in Appendix E of the Final DOE EIS-0562 and DOE/EA-2285. A borrower's failure to comply with applicable laws, authorizations, and approvals may constitute a default, upon which DOE would have the right under the loan guarantee agreement to exercise usual and customary remedies. To ensure that the borrower complies with the requirements of the loan guarantee agreement, the LPO proactively monitors and administers all operative loan guarantee transactions for the lifetime of the loan.

Signing Authority

This document of the Department of Energy was signed by P. Wells Griffith III, Under Secretary of Energy, Department of Energy.

Signed in Washington, D.C., on August 22, 2025.


P. Wells Griffith III
Under Secretary of Energy