March 2, 2026

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Office of Nuclear Reactor Regulation
U.S. Nuclear Regulatory Commission
Washington, DC 20555

Re: NextEra Energy Duane Arnold, LLC; Central Iowa Power Cooperative; Corn Belt Power Cooperative; Duane Arnold Energy Center; Consideration of Approval of Transfer of Licenses and Conforming Amendment (Docket NRC-2026-0298)

Submitted via email to Hearing.Docket@nrc.gov and via regulations.gov

I. Executive Summary and Overview of Comments.

Executive Summary:

The Natural Resources Defense Council (NRDC) respectfully submits these comments on the direct transfer to NextEra Energy Duane Arnold, LLC (NEDA) of Central Iowa Power Cooperative (CIPCO) and Corn Belt Power Cooperative (Corn Belt) ownership interests in Renewed Facility License No. DPR-49 for the Duane Arnold Energy Center (DAEC) and in the general license for the DAEC Independent Spent Fuel Storage Installation (ISFSI). NRDC, a national nonprofit environmental organization, has engaged with nuclear energy policy and NRC licensing proceedings for decades, including on matters of reactor safety, decommissioning, spent fuel management, and the role of nuclear energy in addressing climate change. NRDC's mission addresses the threat of global warming, and NRDC has a direct interest in the safe, environmentally responsible operation and decommissioning of nuclear facilities and in the integrity of the NRC's regulatory processes. NRDC supports the proposed ownership consolidation. The transfer of CIPCO's and Corn Belt's minority interests to NEDA, as the entity that already holds a 70 percent ownership share and serves as the licensed operator of DAEC, will simplify the facility's ownership structure, consolidate decommissioning trust fund management, and allow a single well-capitalized licensee to fulfill all obligations under the license.

NRDC emphasizes that its support for this ownership transfer does not constitute a final position on the merits of the restart itself. As discussed below, NRDC's preliminary view is that the proposed restart of DAEC could have decarbonization, consumer and grid benefits. However, public safety is paramount and the restart of DAEC will require a separate, rigorous licensing review, including a safety evaluation, updated technical specifications, reconstituted emergency planning, and compliance with the National Environmental Policy Act (NEPA). NRDC reserves the right to participate fully in these proceedings as a commenter or, if warranted, as a petitioner under 10 CFR 2.309. NRDC anticipates that the restart proceeding will provide an appropriate and important forum for more detailed engagement on the safety, environmental, and spent fuel management issues identified in these comments.[1]

As discussed below, NRDC's support for the license transfer is informed by the broader context in which this transfer occurs: the planned restart of DAEC as a 615 MW source of carbon-free generation under a 25-year power purchase agreement (PPA) with Google.[2]

Overview of Comments: In Sections II and III, NRDC's comments address the two regulatory criteria for license transfer approval under 10 CFR 50.80(c): the transferee's qualifications and the transfer's consistency with applicable law. We find both of these criteria to be met.[3] In Sections IV, V and VI we also offer NRDC's perspective on the broader environmental, grid reliability, safety, and nuclear waste considerations that the Commission and the public should have before them as this facility's future may revert back to power production and will need to be appropriately handled in order to justify the restart and for NRDC to support it. These

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[1] These forthcoming steps in the regulatory process are described at the NRC's webpage on the Duane Arnold Energy Center at https://www.nrc.gov/info-finder/reactors/duan. We note that the NRC has indicated that it plans to conduct an environmental assessment for the restart rather than a full environmental impact statement. We will reserve judgment on that issue until the record is more complete and until the NEPA review comment process is underway.

[2] NextEra's press statement on Google's role in the restart of Duane Arnold dated October 27, 2025 can be found here: https://newsroom.nexteraenergy.com/NextEra-Energy-and-Google-Announce-New-Collaboration-to-Accelerate-NEnergy-Deployment-in-the-U-S. Google's brief blog and short video issued on the same day can be found here: https://blog.google/feed/infrastructureduane-arnold-nuclear-plant-iowa/.

[3] NRDC recognizes that NextEra Energy Duane Arnold, LLC (NEDA) is a limited liability company whose corporate structure may limit the legal obligations of its parent entities NextEra Energy Resources, LLC and ultimately NextEra Energy. Our assessment of NEDA's technical and financial qualifications in this section draws in significant part on the capabilities and resources of these parent companies. We note that the NRC has, in past related proceedings, accepted parent company resources as evidence of an LLC licensee's qualifications, see for example Order Approving Transfer of Licenses, Susquehanna Steam Electric Station: https://www.nrc.gov/docs/ML1505/ML15058A073.pdf. To ensure that NEDA has sufficient resources backing its operation, the Commission should identify in its safety evaluation for this transfer the specific technical and financial support mechanisms that make NextEra's parent-level resources available to NEDA and make such support mechanism a condition for the license transfer. In doing so the Commission would ensure that the post-transfer posture of NEDA as sole licensee is no less protective than the current multi-owner structure in which CIPCO and Corn Belt provide independent financial backing alongside NEDA.

comments represent the first of what NRDC anticipates will be a series of engagements with the Commission regarding DAEC, including in the separate proceedings that will come with any application to restart the plant.

II. Technical Qualifications of the Proposed Transferee

Under 10 CFR 50.80(b)(1)(i), an application for transfer of a license must include "as much of the information described in §§ 50.33 and 50.34 . . . with respect to the identity and technical and financial qualifications of the proposed transferee as would be required by those sections if the application were for an initial license." The Commission's approval standard under 10 CFR 50.80(c)(1) is whether "the proposed transferee is qualified to be the holder of the license."[4]

NRDC submits that the NRC's Reactor Oversight Process (ROP) provides directly relevant evidence for evaluating NEDA's technical qualifications. The ROP uses performance indicators and risk-informed inspection findings, organized across seven safety cornerstones, to assign each reactor unit to one of five Action Matrix columns reflecting overall performance. Column 1 ("Licensee Response") represents full compliance with baseline inspection expectations and all performance indicators within the "green" (very low safety significance) band, indicating the highest performance category.[5]

As reflected in the NRC's most recent annual assessment letters, issued in March 2025 covering the assessment period of January 1 through December 31, 2024, all seven of NextEra's currently operating reactor units (Point Beach Nuclear Plant, Units 1 and 2; Turkey Point Nuclear Generating Station, Units 3 and 4; St. Lucie Nuclear Power Plant, Units 1 and 2; and Seabrook Station, Unit 1) were placed in Column 1 of the Action Matrix (among 84 of 95 such operating reactors in NRC's inspection program).[6] In our view, this record of consistent Column 1 performance across NextEra's geographically diverse operating fleet encompassing multiple Pressurized Water Reactor (PWR) designs and configurations is indicative of the technical qualifications that 10 CFR 50.80(c)(1) requires.[7] NRDC further notes that the NRC recently

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[4] See https://www.ecfr.gov/current/title-10/chapter-I/part-50/subject-group-ECFR6a596da2c74ca95/section-50.80.
[5] For an overview of the NRC's ROP see https://www.nrc.gov/reactors/operating/oversight/rop-description. We note a recent, insightful critique of the ROP published by the Union of Concerned Scientists (UCS) at https://blog.ucs.org/edwin-lyman/terrible-thirteen/. Even in this more demanding methodology, which weights total green findings that the NRC itself doesn't aggregate, NextEra's plants aren't among these 13 UCS examples of poor safety performance.
[6] The NRC's Action Matrix with additional detail on ROP findings are given here: https://www.nrc.gov/reactors/operating/oversight/actionmatrix-summary.
[7] NRDC recognizes that the demonstrative value of ROP Action Matrix placements as indicators of technical qualifications under 10 CFR 50.80(c)(1) depends on several underlying conditions: that NRC resident and regional inspectors possess the technical expertise and staffing resources to conduct meaningful baseline inspections; that the agency exercises independent engineering judgment in characterizing inspection findings and evaluating performance indicators, free from political or industry pressure; and that the ROP's significance determination process accurately risk-informs the categorization of identified deficiencies. The concerns regarding NRC independence and staffing losses discussed in Section VIII of these comments bear directly on this point: to the

approved subsequent license renewal for NextEra's Point Beach Nuclear Plant, Units 1 and 2, extending operations through 2050 and 2053, respectively.[8] That approval, following a contested, multi-year review, provides an additional instance of the NRC's assessment of NextEra's technical competence as a long-term nuclear licensee.

NRDC notes, however, that the Duane Arnold Energy Center permanently ceased power operations on August 10, 2020, and has been in a decommissioning posture since that time, in SAFSTOR status.[9] While the application concerns only the transfer of CIPCO's and Corn Belt's minority ownership interests and not the restart of the reactor itself, the Commission should nonetheless recognize that an extended operational gap is germane to the technical qualifications inquiry under 10 CFR 50.80(c)(1). During the period of non-operation, plant-specific institutional knowledge will attenuate, licensed operators may require re-qualification, and systems and components in a preserved or laid-up condition may present different technical challenges than those encountered during routine power operations. NRDC observes that the NRC has established the Duane Arnold Energy Center Restart Panel to coordinate licensing, inspection, and oversight activities for the potential restart NRC.[10] NRDC encourages the Commission, as it evaluates NEDA's technical qualifications in the context of this ownership transfer, to consider the restart-related technical challenges as part of its overall assessment, and to condition its approval, if warranted, on a finding that NEDA's fleet-wide technical capabilities provide reasonable assurance that the company possesses the organizational and technical infrastructure to manage both the ISFSI oversight responsibilities inherent in the current license and the substantially greater demands that will arise should the restart proceed.

NRDC also notes that Duane Arnold is NextEra's only boiling water reactor (BWR); as noted above, NextEra's other seven operating units are all PWRs. The BWR-specific technical competencies required for Duane Arnold include the engineering of the GE BWR/4 design, Mark I containment, and BWR-specific emergency operating procedures. These will need to be reconstituted or reinforced within NEDA. The Commission's separate review of the restart application will provide the appropriate vehicle for a detailed examination of these BWR-

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extent that the agency's inspection and assessment functions are degraded, the evidentiary weight of ROP findings is correspondingly diminished.

[8] For the Record of Decision see: https://www.federalregister.gov/documents/2025/10/01/2025-19194/nextera-energy-point-beach-llc-point-beach-nuclear-plant-units-1-and-2-subsequent-license-renewal.

[9] SAFSTOR is one of the three NRC-approved decommissioning options in which a nuclear facility is placed in a safe, stable condition and maintained until radioactivity decays sufficiently to allow final dismantlement and license termination, potentially decades after permanent shutdown. See https://www.nrc.gov/waste/decommissioning for an overview of the regulatory process. As we noted, the Duane Arnold Energy Center, like the other two nuclear plants undergoing restart, Palisades Nuclear Generating Station and the Crane Clean Energy Center (formerly Three Mile Island), Unit 1, is in SAFSTOR, with its reactor vessel and core structures intact and the facility held in monitored dormancy. Indian Point Energy Center, by contrast, is in DECON status and has been transferred to a third-party demolition specialist; its three reactor heads have been cut apart with diamond wire saws, and its site is being actively razed to the ground.

[10] A description of the panel is provided in this NRC memorandum dated April 15, 2025: https://www.nrc.gov/docs/ML2506/ML25069A731.pdf.

specific qualifications, but NRDC raises this point here to underscore that the ownership consolidation should not be treated as a purely administrative action disconnected from the broader technical context.

III. Financial Qualifications of the Proposed Transferee.

The license transfer standard under 10 CFR 50.80(b)(1)(i) cross-references 10 CFR 50.33(f), which requires an applicant to demonstrate "information sufficient to demonstrate to the Commission the financial qualification of the applicant to carry out . . . the activities for which the permit or license is sought." As applied to this transfer, the immediate financial obligation is the maintenance of adequate decommissioning funding assurance for the Duane Arnold Energy Center. NEDA's most recent annual decommissioning funding status report filed March 17, 2025, pursuant to 10 CFR 50.75(f)(1) and 10 CFR 50.82(a)(8)(v) and (vii), provides the relevant figures.[11] The current site-specific decommissioning cost estimate for license termination is approximately $744 million; spent fuel management costs are estimated at approximately $242 million; and non-radiological site restoration costs are approximately $40 million (totaling $1.03 billion). As of December 31, 2024, the total balance in NRC-jurisdictional nuclear decommissioning trusts (NDTs) maintained by the three joint owners — NEDA, CIPCO, and Corn Belt — was $694,030,656. NRDC notes that this balance leaves an approximate $50 million shortfall against license termination costs alone, before accounting for spent fuel management and site restoration expenditures.

Consolidation of the three separately maintained NDTs under a single owner will simplify trust administration and investment strategy, which NRDC views as a modest structural benefit of the proposed transfer. And a restart could arguably improve this financial picture for decommissioning: an operating plant generates revenue that can support decommissioning obligations, whereas in SAFSTOR the trust fund just slowly depletes over decades with no income only investment gains to bolster it. However, the Commission should confirm, as part of its safety evaluation, that the post-transfer NDT posture remains adequate under the annual reporting requirements of 10 CFR 50.82(a)(8)(v) and (vii). NRDC further notes that in August 2020, the NRC granted NEDA an exemption from 10 CFR 50.75(h)(1)(iv) and 10 CFR 50.82(a)(8)(i)(A), permitting the use of decommissioning trust funds for spent fuel management and site restoration activities.[12] That exemption was premised on a SAFSTOR trajectory with full decommissioning commencing in 2075 — assumptions that may no longer hold if the restart

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[11] See the Duane Arnold Energy Center, 2025 Annual Decommissioning and Spent Fuel Management Funding Status Report and Independent Spent Fuel Storage Installation (ISFSI) Decommissioning Financial Assurance Update, provided at https://www.nrc.gov/docs/ML2508/ML25084A051.pdf.

[12] See Exemption from 10 CFR 50.82(a)(8)(i)(A) and 10 CFR 50.75(h)(1)(iv), NextEra Energy Duane Arnold, LLC; Duane Arnold Energy Center, 85 Fed. Reg. 51,072 (Aug. 19, 2020), available at https://www.federalregister.gov/documents/2020/08/19/2020-18078/nextera-energy-duane-arnold-llc-duane-arnold-energy-center; NRC Letter to NEDA, "Duane Arnold Energy Center — Request for Exemption from 10 CFR 50.82(a)(8)(i)(A) and Section 75(h)(1)(iv)" (Aug. 12, 2020) (ADAMS Accession Nos. ML20171A627, ML20171A626), available at https://www.nrc.gov/docs/ML2017/ML20171A627.pdf.

proceeds. The Commission should consider whether the basis for that exemption requires reassessment considering current plans.

As noted above, the proposed ownership transfer is commercially linked to the 25-year PPA between NextEra Energy and Google, announced on October 27, 2025. Under the PPA, Google will purchase the majority of Duane Arnold's output, with CIPCO purchasing the remaining portion on the same terms. NextEra stated that the PPA "enables the investment to restart the plant and covers costs for the production of energy from Duane Arnold." The total estimated cost of Duane Arnold's restart has not been publicly disclosed, but NextEra stated in a FERC filing that it planned to invest $50 to $100 million in 2025 alone on recommissioning activities.[13] In our view the Google PPA provides long-term revenue certainty that, if restart proceeds successfully, would fundamentally alter the financial posture of DAEC from a plant drawing down decommissioning reserves to a revenue-generating operating asset backed by a 25-year offtake commitment from one of the world's largest technology companies. This commercial context supports a finding that the proposed transferee possesses financial resources contemplated by 10 CFR 50.33(f).

NRDC also notes that NextEra Energy, Inc. (NYSE: NEE) is one of the largest electric power and energy infrastructure companies in North America, with approximately 72 gigawatts of net generation and storage capacity from a diverse portfolio including natural gas, wind, solar, and nuclear generation facilities and battery storage facilities. NextEra Energy is a Fortune 200 company whose Florida Power & Light subsidiary alone, the largest electric utility in the United States, serves approximately 12 million people through more than six million customer accounts and invested approximately $8.9 billion in capital expenditures in 2025. NextEra Energy's other principal subsidiary, NextEra Energy Resources, LLC, which is the parent of the Duane Arnold licensee, NextEra Energy Duane Arnold, LLC, is the world's largest generator of renewable energy from wind and solar and a world leader in battery storage, with approximately 33 gigawatts of total net generating capacity across 41 states and four Canadian provinces.[14]

NRDC respectfully submits that the Commission should attend to the financial transition risk inherent in the period between the present and the anticipated restart date in early 2029. During this interim period, NEDA will simultaneously need to maintain decommissioning financial assurance for the ISFSI and preserved reactor systems, fund the substantial capital costs of

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[13] See https://elibrary.ferc.gov/eLibrary/docinfo?accession_number=20250825-3034&sid=1fb663f5-c6ad-408b-b5fb-0a5c2d63b67e for the Order Granting Waiver Request re NextEra Energy Duane Arnold, LLC under ER25-2989.

[14] See NextEra Energy, Inc., Form 10-K for Fiscal Year Ended December 31, 2024, at https://www.investor.nexteraenergy.com/~/media/Files/N/NEE-IR/investor-materials/shareholder-resources/2025/2024%20NEE%2010K.pdf. NextEra events and presentations (where CEO conference appearances, earnings calls, and investor day presentations are posted) can be accessed at https://www.investor.nexteraenergy.com/news-and-events/events-and-presentations.

recommissioning (including new cooling towers, generator step-up transformers, and other major equipment already on order), and manage ongoing site obligations.

In our view, the decommissioning trust fund should not serve as a source of restart capital. Adequate decommissioning funding is essential to ensure the safe radiological cleanup and environmental restoration of retired nuclear sites, their timely return to productive economic use, and the continued public confidence in nuclear energy as a sustainable long-term energy source. NRDC encourages the Commission to satisfy itself, whether through conditions on the transfer approval or through its separate review of the restart application, that the capital required for recommissioning will be sourced from NextEra's corporate resources or project financing (backstopped by the Google PPA revenue commitment), and that the NDT will be preserved exclusively for its intended decommissioning, spent fuel management, and site restoration purposes. The structural benefit of ownership consolidation under a single, well-capitalized entity is clear, but so too is the importance of maintaining a bright line between decommissioning funds and restart investment during the transition period.

Overall, with respect to technical and financial qualifications, NRDC notes that the Commission's approval of this ownership transfer should not be read by the applicant, by the public, or by the Commission itself as prejudging any aspect of the forthcoming restart licensing review. As all parties know, the transfer does not authorize restart. When NEDA seeks authorization to resume power operations, that application will require its own safety evaluation, its own review of technical specifications and emergency planning, and its own NEPA compliance. NRDC expects that those proceedings will afford full opportunity for public participation, including the rights to comment and to request a hearing under 10 CFR 2.309, and NRDC intends to participate in them. The present comments should be understood in that light: NRDC supports the narrow ownership consolidation now before the Commission, while preserving all rights to participate in the substantively more consequential restart proceeding to follow.

IV. Potential Climate and Consumer Benefits of Duane Arnold's Planned Restart.

Although the planned restart of DAEC is not before the Commission for decision in this proceeding, NRDC's preliminary view is that the plant's restart is likely to have both climate and environmental benefits and consumer benefits.

First, the planned restart would likely have climate and environmental benefits because it ensures that Google's data center project will at least partially be powered by 615 MW of zero carbon generation, whereas it might otherwise have been wholly or partially powered by some combination of existing coal and natural gas, and new natural gas. Moreover, if the Google project uses less than 615 MW of power for any period of time, the excess generation presumably would be available for general grid use and could displace mostly fossil power. Iowa residents would also benefit by avoiding the air pollution burdens that would result if Google's data centers in the region relied more on fossil-fueled power plants. Iowa is a leader on wind

energy, producing about 59% of electricity generation from wind power (the highest percentage in the nation).[15] We note, however, per EIA data, that coal generation increased 32% in Iowa last year (2024 to 2025) - rising from ~14.5 TWh in 2024 (about the same as 2020 levels) back up to 19.1 TWh, bringing coal's share of the state's mix to 25.6% (from 20.6% in 2024).[16] This increase is likely related to rising electricity demand in the region: total generation in the state increased over 6% last year - and coal made up a significant portion of that increase, with total CO2 emissions in the state rising by 24% just between 2024 and 2025 alone and the average CO2 intensity of the Iowa mix increasing 17% in a single year. [17]

DAEC would also contribute to Iowa's and MISO's resource adequacy and the grid's operational reliability by adding capacity that would otherwise need to be proposed, approved by the Iowa Utilities Commission, and constructed to meet the growing electrical demand from data centers. The facility could also supply energy to the grid during system emergencies; Google has demonstrated the ability to shift computational workloads among geographically dispersed data centers and to employ other demand-side flexibility strategies. The plant also would provide essential ancillary services—including frequency regulation, voltage support via reactive power, and other stability-related functions—that are necessary to maintain reliable and resilient grid operations.

Second, the planned restart of DAEC is likely to be positive for consumers. We note that the levelized cost of energy (LCOE) for nuclear power is much higher than that for solar and wind power, which continue to be the least cost sources of new electricity generation—and when paired with battery storage, wind and solar can provide firm clean capacity value in addition to clean electricity.[18] Electricity affordability is important both for consumers and for the decarbonization of the grid. Here, however, Google's PPA is the primary economic driver that makes the restart financially viable, with CIPCO contributing additional revenue. This suggests that Iowa consumers will be largely protected from bearing the burden of these infrastructure costs, although careful attention will need to be paid to ensure that this is the case.

Finally, given the estimated electricity demand growth which is at least currently projected to result from data center growth, it is critical that Google and other hyperscale datacenter

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[15] EIA, Electric Power Monthly, with Data for December 2025, Table 1.14B Utility Scale Facility Net Generation from Wind, https://www.eia.gov/electricity/monthly/, accessed February 26, 2026

[16] EIA, Electric Power Monthly, with Data for December 2025, Table 1.4B Utility Scale Facility Net Generation from Coal, https://www.eia.gov/electricity/monthly/, accessed February 26, 2026.

[17] EPA, Clean Air Markets Program Data, with annual data for 2025, accessible at https://campd.epa.gov/data/custom-data-download.

[18] Lazard, *Levelized Cost of Energy+ (LCOE+)*, Version 18.0 (June 2025). Lazard's widely cited annual analysis finds that, on an unsubsidized basis, utility-scale solar ($38–$217/MWh) and onshore wind ($37–$86/MWh) remain the lowest-cost forms of new-build electricity generation for the tenth consecutive year, while new nuclear generation ranges from $141–$220/MWh. The 2025 report also documents sharp year-over-year declines in battery energy storage costs, driven by cell oversupply and increased energy density. Available at https://www.lazard.com/research-insights/levelized-cost-of-energyplus-lcoeplus/.

developers in Iowa and across the U.S. continue to invest heavily in new, additional, deliverable zero emissions resources to match their increased demand on the grid, including but not limited to solar plus storage, advanced geothermal, and wind. Stand-alone storage, although not necessarily zero emissions, could also be helpful.[19] To minimize near-term grid reliability and market cost impacts to the consumers, it is also important that these generation investments be complemented with the related necessary investments in transmission and distribution infrastructure, paired with all available demand-side solutions like energy efficiency, demand response, and distributed energy resources.[20]

V. Safety Conditions Needed for Duane Arnold's Planned Restart.

As discussed above, NRDC believes the planned restart of DAEC could meaningfully advance decarbonization. But DAEC presents a novel safety challenge: this is a reactor that was forced offline by the Midwest derecho storm which occurred in August 2020. This storm destroyed the plant's cooling towers, damaged a standby switchyard transformer, compromised secondary containment, and caused a loss of offsite power and automatic reactor scram. Given the increasing frequency and intensity of severe convective storms associated with climate change, the NRC's restart review should evaluate not only whether derecho damage has been fully remediated but whether DAEC's design basis and protective infrastructure — including the new cooling towers — are adequate to withstand a recurrence of comparable or greater severity. This resilience analysis should be of particular interest not only to the Commission and to NEDA but also to Google, whose planned multi-billion-dollar data center investment adjacent to the DAEC site depends on the long-term reliability of the very generating asset that the 2020 derecho disabled. Then, in the aftermath of the storm, the reactor spent more than five years in SAFSTOR decommissioning status. Thus, NRDC conditions its support for restart on the rigorous, sequential completion of the NRC's established regulatory process.

As we understand this process, first NEDA must obtain an exemption from 10 CFR 50.82(a)(2) to rescind its certifications of permanent cessation of operations and permanent fuel removal. This is the threshold regulatory action that would reauthorize emplacement of fuel in the reactor vessel and resumption of power operations. Second, NEDA must submit, and the NRC must approve any license amendment requests necessary to reinstate the operating technical specifications that were removed or modified following shutdown. Third, NEDA must complete a comprehensive environmental review under NEPA before restart proceeds, including an analysis of impacts on Iowa water resources. Fourth, the NRC must fully implement its restart inspection program under Inspection Manual Chapter 2562, with the DAEC Restart Panel overseeing a site-specific inspection plan that provides an objective, documented basis for any

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[19] Michelle Lewis, "Data centers are becoming power plants – this NJ project proves it," *Electrek,* February 19, 2026, https://electrek.co/2026/02/19/data-centers-are-becoming-power-plants-this-nj-project-proves-it/.
[20] U.S. Department of Energy (DOE), "Clean Energy Resources to Meet Data Center Electricity Demand," https://www.energy.gov/gdo/clean-energy-resources-meet-data-center-electricity-demand, accessed February 23, 2026.

decision to transition DAEC back to the Reactor Oversight Process. The NRC would not authorize resumption of power operations until all inspection milestones have been satisfactorily completed.

Within that framework, NRDC highlights several areas of particular concern. NEDA must demonstrate that all systems, structures, and components that have been in a preserved or laid-up condition during the SAFSTOR period — including those damaged or stressed by the derecho — have been subject to comprehensive inspection, testing, and qualification before being returned to safety-related service. The experience at Palisades Nuclear Plant in Michigan, where the discovery of steam generator degradation during the shutdown period exceeded expectations, underscores the importance of the inspection and testing role of the NRC.[21] NEDA must also demonstrate adequate staffing with qualified, licensed reactor operators trained and examined on BWR/4-specific systems, including the Mark I containment and associated emergency operating procedures. And the emergency preparedness program for DAEC must be fully reconstituted, evaluated, and tested through a graded exercise before restart, with appropriate coordination with Linn County and Iowa state emergency management authorities.

DAEC's GE BWR/4 reactor with Mark I containment is the same basic design as Fukushima Daiichi Units 1 through 4. Following the 2011 Fukushima disaster, the NRC issued a series of orders and rules specifically targeting BWRs with Mark I and Mark II containments: Order EA-12-049 (March 2012) required all plants to develop strategies for mitigating beyond-design-basis external events using portable equipment (known as FLEX); Order EA-12-050 (March 2012) required BWR Mark I and Mark II plants to install reliable hardened containment vents capable of operation during a station blackout; Order EA-13-109 (June 2013) went further, requiring those hardened vents to remain functional under severe accident conditions, including scenarios involving a breach of the reactor vessel by molten core debris; and the final Mitigation of Beyond-Design-Basis Events (MBDBE) rule, 10 CFR 50.155, took effect in September 2019. NRDC expects the NRC to confirm, as part of the restart inspection and licensing process, whether DAEC achieved full compliance with all post-Fukushima orders and the MBDBE rule prior to shutdown, and whether the FLEX equipment, hardened containment venting system, and spent fuel pool instrumentation required by these regulations remain functional and available for service after more than five years in SAFSTOR, or whether modifications, replacements, or upgrades are needed before restart.

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[21] In September 2024, the NRC issued a Preliminary Notification reporting that inspections at Palisades had identified many steam generator tubes with indications requiring further analysis or repair. A summary of a subsequent conference call between Holtec and NRC staff, published October 1, 2024, revealed that 1,163 of the plant's roughly 16,000 steam generator tubes showed indications of outside-diameter stress corrosion cracking — degradation the NRC stated that "far exceeded estimates based on previous operating history." The degradation was attributed in part to failure to follow proper layup protocols when the plant was shut down in 2022. See NRC, Preliminary Notification of Palisades Steam Generator Inspection Results (Sept. 18, 2024) and Summary of Conference Call Regarding Steam Generator Tube Inspections (Oct. 1, 2024), both available at https://www.nrc.gov/info-finder/reactors/pali (listed under inspection reports).

VI. Spent Nuclear Fuel Considerations.

NRDC notes that all spent nuclear fuel from DAEC's prior 45 years of operations has been transferred to dry cask storage in the on-site ISFSI, a process completed by April 2022. The ISFSI is operated under a general license pursuant to 10 CFR Part 72, and oversight of the ISFSI is among the obligations that will transfer to NEDA as sole licensee under this application. If DAEC restarts and operates through or near the end of its current license term (2034), or potentially through 2054 under the proposed 25-year PPA agreement, it will generate additional spent fuel that will require either on-site storage in the spent fuel pool following its restoration from current status or further expansion of dry cask storage capacity at the ISFSI.

The United States continues to lack a permanent geologic repository for high-level radioactive waste and spent nuclear fuel. NRDC has long advocated for a permanent solution to the US nuclear waste challenge and notes that the restart of DAEC will add to the inventory of spent fuel requiring eventual disposal and will extend the site's operational timeline from the current planned license termination to potentially 2130 or beyond. NRDC urges the Commission, in the context of the restart licensing review, to ensure that NEDA's spent fuel management plan under 10 CFR 50.54(bb) is updated to reflect the additional spent fuel that restart operations will generate, that a comprehensive spent fuel pool restoration and safety assessment is completed and that ISFSI capacity and financial assurance are adequate to accommodate the full projected inventory. The absence of a permanent repository does not, in NRDC's view, preclude restart if the conditions above are met, but it underscores the importance of robust on-site storage and the obligation of the federal government to fulfill its statutory responsibility for permanent disposal.

VII. Conclusion.

For the reasons set forth above, NRDC supports the Commission's approval of the proposed direct transfer of CIPCO's and Corn Belt's ownership interests in Renewed Facility License No. DPR-49 and the DAEC ISFSI general license to NextEra Energy Duane Arnold, LLC. The proposed transfer satisfies the criteria of 10 CFR 50.80(c): NEDA is technically and financially qualified to hold the license as sole owner, and the transfer is consistent with applicable provisions of law, regulations, and Commission orders. In our view ownership consolidation under a single experienced nuclear operator will strengthen, not diminish, the protections afforded to public health and safety in these circumstances.

NRDC's support for the transfer is accompanied by several recommendations that the Commission should consider in connection with the transfer and, where appropriate, in the separate restart licensing proceeding:

- Full completion of NRC's restart regulatory process, including comprehensive inspection and qualification of all systems degraded during SAFSTOR and the derecho, confirmed post-Fukushima compliance (FLEX, hardened vents, MBDBE rule), and adequate staffing with BWR/4-qualified licensed operators before power operations resume.

- A bright line between decommissioning funds and restart capital: the NDT must be preserved exclusively for decommissioning, spent fuel management, and site restoration; all recommissioning costs must be sourced from NextEra corporate resources or project financing.
- Update of the spent fuel management plan reflecting the additional spent fuel restart will generate, including spent fuel pool restoration, adequate ISFSI capacity, and sufficient financial assurance for the full projected inventory.
- Full reconstitution and testing of emergency preparedness, including a graded exercise and coordination with Linn County and Iowa state emergency management authorities before restart.

While our preliminary view is that the restart of DAEC could have decarbonization and grid benefits, NRDC emphasizes again that its support for this ownership transfer does not constitute a final position on the merits of the proposed restart itself. The restart of DAEC will require a separate thorough inspection and restoration of all safety and non-safety systems, structures, and components, rigorous licensing review, including a safety evaluation, updated technical specifications, reconstituted emergency planning, and compliance with the National Environmental Policy Act, in which NRDC reserves the right to participate fully as a commenter or, if warranted, as a petitioner under 10 CFR 2.309. NRDC anticipates that the restart proceeding will provide an appropriate forum for more detailed engagement on the safety, environmental, and spent fuel management issues identified in these comments.

Finally, NRDC observes that the regulatory framework on which these comments rely — and on which public confidence in nuclear energy ultimately depends — presupposes an NRC that exercises independent technical judgment, free from political direction by the White House or the Department of Energy (DOE). Recently reported developments, including the subordination of NRC rulemaking to Office of Information and Regulatory Affairs review, the placement of DOE personnel in internal NRC steering functions, and the loss of more than ten percent of the agency's experienced staff, raise serious questions about whether that independence remains intact. NRDC's support for this license transfer, and its preliminary openness to the restart of DAEC, are grounded in the expectation that the safety determinations identified throughout these comments will be made by a technically competent regulator whose conclusions are driven by evidence and engineering — not by political expedience or the commercial interests of applicants. A rigorous, independent NRC is not an obstacle to nuclear energy's contribution to decarbonization; it is the indispensable foundation for it. The nation's ability to deploy nuclear power safely, to sustain public trust in its operation, and to realize its full potential as a tool against climate change depends on a regulator worthy of that mission. NRDC calls on the Commission to demonstrate, in this proceeding and in the restart review to follow, that it remains such an institution.

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