



Dianne M. Triplett
DEPUTY GENERAL COUNSEL

November 13, 2020

VIA ELECTRONIC FILING

Adam J. Teitzman, Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: *Petition by Duke Energy Florida, LLC, to Approve Transaction with Accelerated Decommissioning Partners, LLC, for Accelerated Decommissioning Services at the CR3 Facility, etc.*
Docket No. 20190140-EI

Dear Mr. Teitzman:

Enclosed for filing on behalf of Duke Energy Florida, LLC ("DEF") in the above-referenced docket, please find the attached notification received from Accelerated Decommissioning Partners (ADP) on November 11, 2020. Order No. PSC-2020-0289-FOF-EI, dated August 27, 2020, issued in the above-referenced docket, provides that "DEF shall be required to provide the following information through the final period of partial license termination: 1. the information responsive to items identified in the DSA [Decommissioning Services Agreement], Attachment 9, Section A should be provided to the Commission within two business days of DEF's receipt of this information from ADP."

On November 11, 2020, ADP notified DEF that the organizational structure of the ADP parent companies was being changed. ADP made this notification pursuant to its obligations set forth in Attachment 9, Section A, which reporting criteria include changes in equity ownership and reorganization of NorthStar Group Holding, LLC. Both reporting criteria are satisfied based on the information contained in the attached letter from ADP.

The changes described in ADP's letter in no way impact the transaction between DEF and ADP that the Commission approved in August 2020. Specifically:

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- DEF customers are not impacted by this organizational change. The DSA continues to be a firm, fixed price contract with no change order provisions and the contract Agreed Amount has not changed. DEF is not currently seeking any additional funds from our customers to support the decommissioning project.
- All ADP commitments, obligations and responsibilities are still in effect and not impacted by this organizational change. ADP continues to bear the project implementation risks. The DSA is not affected by this change.
- The parent guaranty and the parent support agreement provided by Northstar Group Services are not impacted by this change.
- ADP currently believes it will be necessary to seek NRC approval of an indirect license transfer due to this change. Assuming the NRC approves the transfer, ADP CR3 LLC will continue to maintain all the obligations and responsibilities of the NRC licensee. None of these obligations nor responsibilities will revert to DEF.

Please let me know if you have questions about this memorandum or if you need additional information. Thank you for your assistance in this matter.

Sincerely,

/s/ Dianne M. Triplett

Dianne M. Triplett

DMT/cmK
Enclosures

cc: Parties of Record



Scott E. State
CEO
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Duke Energy Florida, LLC
15760 W. Power Line Street, SAB2
Crystal River, FL 34428
Attn.: Terry Hobbs, CR-3 Decommissioning Manager
E-mail: terry.hobbs@duke-energy.com

Re: Crystal River 3 – Reporting Requirements

Dear Mr. Hobbs:

ADP CR3, LLC hereby provides notice under Section A of Attachment 9 of the Decommissioning Services Agreement (“DSA”) of a potential organizational change in equity ownership of NorthStar Group Holdings, LLC. Attachment 9 of the DSA provides, in pertinent part:

Contractor will give Company timely notification of the following events within 24 hours of the occurrence so as to allow Company to be prepared prior to the information becoming public and to take necessary actions: . . .

- Any proposed organizational changes in equity ownership of NorthStar Group Holdings, LLC or ORANO SA, which notification shall be in the form of a written summary report

Currently, certain investment affiliates of J.F. Lehman & Company and Medley Capital are the owners of the NorthStar companies through their ownership of JFL-NGS Partners, LLC, which presently owns 100% of the voting interests in NorthStar Group Holdings, LLC.

The transaction below modifies the corporate structure above the NorthStar Group Holdings, LLC level to maintain continuity of current controlling ownership of NorthStar Group Holdings, LLC while formally integrating NorthStar Group Holdings, LLC and Waste Control Specialists, LLC (“WCS”) under a common corporate entity and into a common capital structure. A new entity—NGS-WCS Group Holdings, LLC—would be the common corporate entity.

Initially, JFL-NGS Partners, LLC will transfer its economic interests, but not voting interests, to NGS-WCS Group Holdings, LLC so that there is no change of control. Voting interests will eventually be transferred to NGS-WCS Group Holdings, LLC after NRC approval.

NorthStar and its owners believe that the transaction offers a strategic benefit to demonstrate a more fully integrated nuclear decommissioning offering, while also eliminating certain duplicate costs required by operating separately.

The transaction does not modify the corporate structure of the so-called NorthStar entities, which include NorthStar Group Holdings, LLC, and all of its subsidiaries, including its ownership interest in the ADP companies. The transaction also does not modify the direct control over the ADP companies. The transaction will also have no impact on the operating approach on the Crystal River 3 project.

The transaction is remote to and does not affect the direct ownership of ADP CR3, LLC. The transaction will not have any effect on the business plans, operations, or governance of ADP CR3, LLC.

Simplified organizational charts representing the pre- and post-organizational change are enclosed for reference.

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NGS-WCS Group Holdings, LLC, in coordination with JFL-NGS Partners, LLC, plan to file a License Transfer Application for indirect change of control with the U.S. Nuclear Regulatory Commission. Upon NRC approval, control will transfer from JFL-NGS Partners, LLC to NGS-WCS Group Holdings, LLC.

Very truly yours,

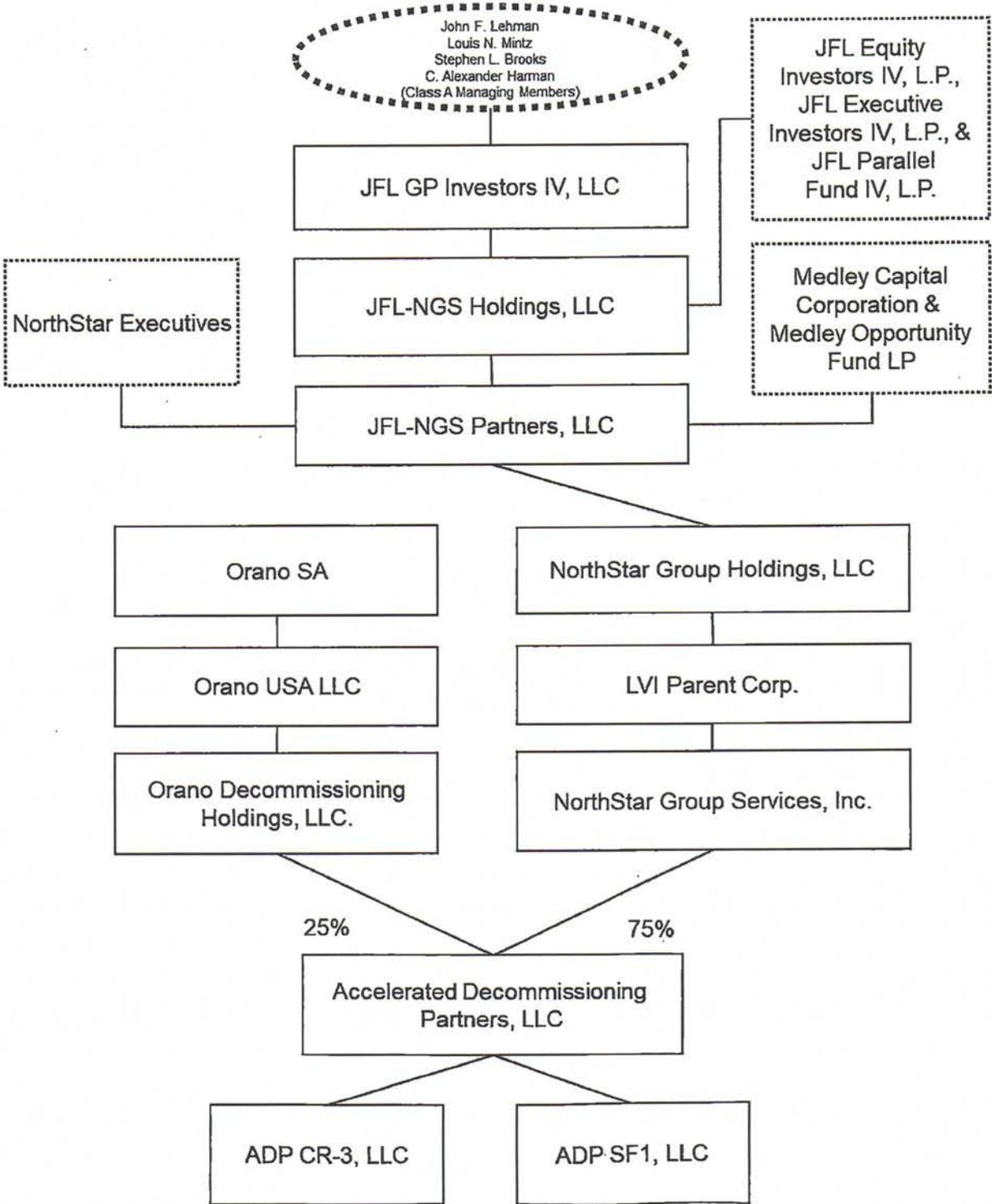
A handwritten signature in black ink that reads "Scott State". The signature is written in a cursive, slightly stylized font.

Scott E. State, P.E.
Chief Executive Officer

cc: Tracey LeRoy, Esq. (tracey.leroy@duke-energy.com)
Timothy P. Matthews, Esq. (timothy.matthews@morganlewis.com)

Enc.

Figure 2: SIMPLIFIED ORGANIZATION CHART



SIMPLIFIED ORGANIZATION CHART

