

DRC-2013-001124



Utah Admin Code r 313-19-34(2)  
Utah Admin. Code r 313-26-3(8)  
CD13-0017

January 21, 2013

Rusty Lundberg  
Director  
Division of Radiation Control  
Utah Department of Environmental Quality  
195 North 1950 West  
Salt Lake City, UT 84116

RECEIVED  
JAN 22 2013  
DEPARTMENT OF  
ENVIRONMENTAL QUALITY

Material License No. UT 2300249  
Material License No UT 2300478  
Generator Site Access Permit 0211001864  
Generator Site Access Permit 0603003718

Subject. Request for Approval of Indirect Transfer of Control of License

In accordance with Utah Administrative Code regulations 313-19-34(2) and 313-26-3(8), EnergySolutions, LLC ("ES LLC") hereby submits the enclosed application ("Application") requesting that the Utah Department of Environmental Quality ("DEQ") consent to the indirect transfer of control of the above-captioned licenses (the "Licenses") for the possession of radioactive material and for the transportation of radioactive material. The indirect transfer of control would result from a proposed transaction whereby the ultimate parent holding company of ES LLC, EnergySolutions, Inc ("ES"), would be acquired by Rockwell Holdco, Inc ("Rockwell"), a Delaware corporation, which was formed for the purpose of acquiring ES and is held by certain investment fund entities organized by controlled affiliates of Energy Capital Partners II, LLC ("ECP II"), a Delaware limited liability company. ECP II has over \$4 billion of capital commitments under its management and is focused on investing in the power generation, electric transmission, midstream gas, renewable energy, oil field services and environmental services sectors of North America's energy infrastructure.

This Application is submitted by ES LLC on behalf of itself, Rockwell and the other proposed future parent companies ("Applicants"). Rockwell is an intermediate holding company held by various affiliated investment funds that are controlled by the general partner, Energy Capital Partners GP II, LP ("the Controlling Partner"), a Delaware limited partnership. These

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DBI/728018973

investment funds are wholly owned either indirectly or directly by the Controlling Partner and various passive limited partner investors (the "Passive Investors"). The Passive Investors do not have any rights to make decisions with respect to running the business portfolios of the investment funds or to participate in the operation of the investments. The Controlling Partner itself is owned by ECP II and various passive limited partner investors and controlled by ECP II. ECP II is owned by five U.S. citizens (the "ECP II Managing Members") and their estate planning vehicles and is controlled by the ECP II Managing Members.

The shares of ES are currently widely held and publicly traded on the New York Stock Exchange. As a result of the transaction, ES's public stockholders will cease to own shares of ES common stock, and ES will be acquired by Rockwell and will be privately held. A minority of the interests of ES and/or Rockwell potentially may be held by certain managers and employees of ES.<sup>1</sup> Organization charts showing the corporate ownership structure of ES LLC both before and after the proposed transaction are provided as Enclosure 1 to the Application.

While the proposed transaction will result in an indirect transfer of control of ES LLC and the Licenses held by ES LLC, it will not change the current technical and financial qualifications, or operations, of ES LLC as the DEQ's licensee for these Licenses. Further, the closing of the transaction and the indirect upstream change of control resulting therefrom are not expected to result in any change in personnel responsible for conducting licensed activities.

ES LLC respectfully requests that the DEQ review and complete action expeditiously on the enclosed Application toward issuance of the DEQ consent to the indirect transfer of the Licenses by no later than March 1, 2013.

In summary, the proposed indirect transfer of the Licenses will not be inimical to the common defense and security or result in any undue risk to public health and safety, and the transfer will be consistent with the requirements of Utah's radiological statutes and the Department of Environmental Quality's regulations. In the event that the DEQ has any questions about the proposed transaction described in this letter and in the Application or wishes to obtain any additional information about the transfer of the Licenses, please contact me at (801) 649-2109.

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<sup>1</sup> As is customary for companies owned by private equity funds, an equity incentive plan may be provided through which management and employees of ES will be granted equity interests such as stock options or restricted stock units in ES.

January 18, 2013  
Utah Department of Environmental Quality  
CD13-0017

I declare under penalty of perjury that the foregoing is true and correct Executed on the 21st  
day of January 2013

Respectfully,



Daniel B. Shrum  
Senior Vice President, Regulatory Affairs  
EnergySolutions, LLC

Attachment 1: Application for Order Approving License Transfer

**ATTACHMENT 1**

**Information Supporting Request for Utah Department of Environmental Quality Approval  
of Indirect Transfer of Control of**

**Radioactive Material License No. UT 2300249**

**Radioactive Material License No. UT 2300478**

**Generator Site Access Permit 0211001864**

**Generator Site Access Permit 0603003718**

## ATTACHMENT 1

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Enclosure 1 *EnergySolutions*, LLC Investor Structure

This information is submitted consistent with “Consolidated Guidance About Materials Licenses – Guidance About Changes of Control and About Bankruptcy Involving Byproduct, Source, or Special Nuclear Materials Licenses,” U S. Nuclear Regulatory Commission, NUREG – 1556, Vol 15 (November 2000)

## **Section 5.1 Description of Transaction**

- 1 *A complete clear description of the transaction, including any transfer of stocks or assets, mergers, etc , so that legal counsel is able, when necessary, to differentiate between name changes and changes of ownership*

In accordance with Utah Administrative Code regulations 313-19-34(2) and 313-26-3(8), EnergySolutions, LLC (“ES LLC”) hereby submits this application (“Application”) requesting that the Utah Department of Environmental Quality (“DEQ”) consent to the indirect transfer of control of the above-captioned licenses and permits (the “Licenses”) for the possession of radioactive material and for transportation of radioactive material. The indirect transfer of control would result from a proposed transaction whereby the ultimate parent holding company of ES LLC, EnergySolutions, Inc (“ES”), would be acquired by Rockwell Holdco, Inc. (“Rockwell”), a Delaware corporation, which was formed for the purpose of acquiring ES and is held by certain investment fund entities organized by controlled affiliates of Energy Capital Partners II, LLC (“ECP II”), a Delaware limited liability company. ECP II has over \$4 billion of capital commitments under its management and is focused on investing in the power generation, electric transmission, midstream gas, renewable energy, oil field services and environmental services sectors of North America's energy infrastructure.

The Agreement and Plan of Merger By and Among Rockwell HoldCo, Inc , Rockwell Acquisition Corp , and EnergySolutions, Inc., dated as of January 7, 2013, was filed as Exhibit 2.1 to a Securities and Exchange Commission (SEC) Form 8-K filed by ES, and available in the SEC's records at

[http://www.sec.gov/Archives/edgar/data/1393744/000104746913000089/a2212375zex-2\\_1.htm](http://www.sec.gov/Archives/edgar/data/1393744/000104746913000089/a2212375zex-2_1.htm)

This Application is submitted by ES LLC on behalf of itself, Rockwell, and the other proposed future parent companies. Rockwell is an intermediate holding company held by various affiliated investment funds that are controlled by the general partner, Energy Capital Partners GP II, LP (“the Controlling Partner”), a Delaware limited partnership. These investment funds are wholly owned either indirectly or directly by the Controlling Partner and various passive limited partner investors (the “Passive Investors”). The Passive Investors do not have any rights to make decisions with respect to running the business portfolios of the investment funds or to participate in the operation of the investments. The Controlling Partner itself is owned and controlled by ECP II. ECP II is owned and controlled by five U S citizens (the “ECP II Managing Members”) and their estate planning vehicles and is controlled by the ECP II Managing Members.

The shares of ES are currently widely held and publicly traded on the New York Stock Exchange. As a result of the transaction, ES's public stockholders will cease to own shares of

ES common stock, and ES will be acquired by Rockwell and privately held. A minority of the interests of ES and/or Rockwell potentially may be held by certain managers and employees of ES.<sup>2</sup> Organization charts showing the simplified corporate ownership structure of ES LLC both before and after the proposed transaction are provided as Enclosure 1.

While the proposed transaction will result in an indirect transfer of control of ES LLC and the Licenses held by ES LLC, it will not change the current technical and financial qualifications, or operations, of ES LLC as the DEQ's licensee for the Licenses. Further, the closing of the transaction and the indirect upstream change of control resulting therefrom are not expected to result in any change in personnel responsible for conducting licensed activities.

2 *The new name of the licensed organization. If there is no change, the licensee should so state.*

There will be no change in the name of the licensed organization as a result of the planned transaction.

3 *The new licensee contact and telephone number(s) to facilitate communications.*

The licensee contact and telephone information will remain the same.

## **Section 5.2 Changes of Personnel**

*Any changes in personnel having control over licensed activities (e.g., officers of a corporation and any changes in personnel named in the license such as radiation safety officer, authorized users, or any other persons identified in previous license applications as responsible for radiation safety or use of licensed material). The licensee should include information concerning the qualifications, training and responsibilities of new individuals.*

This indirect transfer of ES's ownership interests in ES LLC does not involve any planned changes in the management personnel or members of the ES LLC Board of Managers. Any future changes in management personnel or the Board of Managers will be those that occur in the ordinary course of business.

## **Section 5.3 Changes of Location, Equipment, and Procedures**

*A description of any planned changes in location, facility, equipment, or procedures.*

The structure of the organization directly controlling the Licenses, ES LLC, will not change due to this transfer of control. However, as described above, ES LLC's parent company, ES, will be directly controlled by Rockwell and ultimately controlled by the ECP II Managing Members, who will, therefore, be able to exercise control over the licensed program.

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<sup>2</sup> As is customary for companies owned by private equity funds, an equity incentive plan may be provided through which management and employees of ES will be granted equity interests such as stock options or restricted stock units in ES.

No changes will be made to the place of use of the Licenses.

No changes will be made to the facilities where licensed materials are used or stored

No changes will be made to equipment used in the licensed program

No procedural changes will be made to the licensed program

No changes will be made to personnel as a result of this indirect transfer of control

#### **Section 5.4 Surveillance Records**

*An indication of whether all surveillance items and records (e.g., calibrations, leak tests, surveys, inventories, and accountability requirements) will be current at the time of transfer. A description of the status of all surveillance requirements and records should also be provided*

All surveillance required under the Licenses has been performed and will be current as of the date of the transfer. Because ES LLC is maintaining direct control of the Licenses, all required surveillance will continue to be performed by ES LLC

#### **Section 5.5 Decommissioning and Related Records Transfer**

1 *Confirmation that all records concerning the safe and effective decommissioning of the facility have been transferred to the new licensee if licensed activities will continue at the same location*

Because no transfer of direct control will occur, no decommissioning or related records will need to be transferred. ES LLC will maintain these records as required under the Licenses and regulations

2 *A description of the status of the facility. Specifically, the presence or absence of contamination should be documented. If contamination is present, will decontamination occur before transfer? If not, is the transferee knowledgeable of the extent and levels of contamination and applicable decommissioning requirements, and does the transferee agree to assume full liability for the decontamination of the facility or site?*

For License No. UT 2300249, ES LLC will maintain records of information important to decommissioning. See License Condition 72. ES LLC maintains its financial assurance obligations as required under License Conditions 73 through 76. For License No. UT 2300478, ES LLC maintains its financial assurance obligations as required under License Condition 9.12. Under Permit Nos. 0211001864 and 0603003718, ES LLC does not have any decommissioning requirements.

3 *A description of how the parties agree to assume the responsibility for decontamination and decommissioning*



ES LLC, which will remain as the direct licensee following this transaction, will remain fully responsible for decontamination and decommissioning of the facilities covered by the License Nos UT 2300249 and UT 2300478. Under Permit Nos 02110011864 and 0603003718, ES LLC does not have any decommissioning requirements

**Section 5.6 Transferee's Commitment to Abide by the Transferor's Commitments**

*Confirmation that the transferee agrees to abide by all constraints, license conditions, requirements, representations, and commitments previously made to the DEQ by the transferor. These include, but are not limited to information submitted in support of license amendments, maintenance of decommissioning records and completion of corrective actions for open inspection items and enforcement actions*

*With regard to open inspection items, etc , the transferee should confirm, in writing, that it is knowledgeable of and accepts full responsibility for open inspection items and/or any resulting enforcement actions, or the transferee may propose alternative measures for meeting the requirements, or the transferor may provide a commitment to close out all such actions with DEQ before license transfer*

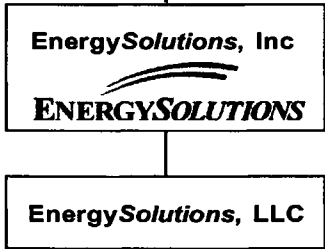
ES LLC agrees to abide by all commitments and representations previously made by ES LLC in connection with the Licenses. These commitments and representations remain unaffected by the proposed change in ownership. To the extent changes to such commitments are proposed, they will be subject to review and approval consistent with applicable DEQ requirements. ES LLC is knowledgeable of and accepts full responsibility for open inspection items and/or any resulting enforcement actions, and its commitments to do so are unaffected by the proposed change in ownership. Rockwell and its parent companies have confirmed their expectation that ES LLC will continue to fulfill its commitments

**ENCLOSURE 1**

**ENREGYSOLUTIONS, LLC  
INVESTOR STRUCTURE**

**EnergySolutions, LLC Ownership Chart  
(Current)**

Shareholders  
(Public)



## EnergySolutions, LLC Ownership Chart (Post-Transfer)

