

May 13, 2026

Chairman Ho K. Nieh and Fellow Commissioners
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

Re: Comments of Connecticut Department of Energy and Environmental Protection on revisions to 10 CFR parts 50 and 54 related to Exceptions from Foreign Ownership, Control, or Domination

Docket ID: NRC-2024-2018

Dear Chairman Nieh, and Commissioners Wright, Crowell, Marzano, and Weaver,

The Connecticut Department of Energy and Environmental Protection (DEEP) appreciates the opportunity to provide comments on the U.S. Nuclear Regulatory Commission's (NRC's) direct final rule (DFR) revising 10 CFR Parts 50 and 54 related to Exceptions from Foreign Ownership, Control, or Domination (FOCD).¹ Currently, only U.S. entities can own nuclear power plants in the United States. These changes would allow ownership by entities from some foreign countries subject to certain restrictions.

DEEP submits these comments consistent with the policy framework established in Section 16a-100 of the Connecticut General Statutes (CGS) regarding the development and regulation of nuclear energy and the use of radioactive materials. The State of Connecticut affirms its support for the development and utilization of atomic energy, consistent with the protection of public health and safety, the common defense and security, and the preservation of the environment. In furtherance of this policy, Connecticut is committed to working with the federal government, including the NRC, and to maintaining a regulatory program that is compatible with, and complementary to, the Atomic Energy Act of 1954 and its accompanying regulations.

Consistent with CGS Section 16a-102, the Commissioner of DEEP is charged with coordinating all atomic development activities within the state and serving as the state's lead representative in matters relating to atomic energy. The Commissioner's statutory role encompasses coordination with the federal government, including the NRC, and reinforces DEEP's responsibility to ensure that state and federal regulatory programs are comprehensive, compatible, and effectively implemented.

¹ "Exceptions From Foreign Ownership, Control, or Domination," 91 Fed. Reg. 21719 (Apr. 23, 2026)

DEEP supports the NRC’s efforts to modernize its regulatory framework and to enable the safe, secure, and efficient deployment of advanced nuclear technologies. As energy demand grows, nuclear energy remains a critical component of a reliable and secure electric grid. Connecticut has taken deliberate steps to explore advanced nuclear deployment through a transparent, community-centered approach, including enactment of Connecticut [Public Act 25-173](#), which established an Advanced Nuclear Reactor Site Readiness Funding Program. These efforts emphasize robust public engagement and informed decision-making as foundational to building public trust.

It is within this context that DEEP raises concerns with the NRC’s use of the DFR process for this action. A DFR is a streamlined rulemaking mechanism that allows the NRC to finalize certain rules without completing the full notice-and-comment rulemaking process typically required for substantive regulatory changes. Under this approach, the rule automatically becomes effective unless the NRC receives “significant adverse comments.” The NRC avers that the DFR process is appropriate for this proposed rule because it is non-controversial and unlikely to generate significant adverse comment.² The NRC defines significant adverse comment to include comments that raise questions about the rule’s underlying premise or approach. DEEP’s comments are intended to be constructive and focused on process; however, DEEP asserts its comments meet the significant adverse standard because they address the methodology used to implement the statutory requirements and the appropriateness of using a DFR in this context.

First, DEEP challenges the NRC’s characterization of this rule as “non-controversial” and therefore appropriate for a DFR. While the rule is intended to implement Section 301 of the Accelerating Deployment of Versatile, Advanced Nuclear for Clean Energy Act of 2024 (ADVANCE Act), the statute itself does not explicitly enumerate a fixed list of countries. Instead, it establishes criteria—such as membership in the OECD or the Republic of India—subject to exclusions tied to sanctions frameworks. The NRC has translated these criteria into a specific list of 37 countries through its own interpretation and analysis of further exclusions in section 301(b)(2) of the ADVANCE Act including review of sanctions under the Countering America’s Adversaries Through Sanctions Act (CAATSA) and the Department of the Treasury’s Office of Foreign Assets Control (OFAC) Specially Designated Nationals list.

This step is not merely administrative or ministerial. It involves policy analysis, legal interpretation, and technical evaluation of external sanctions regimes. Stakeholders, including states, do not have a viable or transparent means to independently assess, replicate, or verify the determinations made by the NRC. As a result, the NRC’s approach introduces substantive policy decisions that warrant full notice-and-comment rulemaking.

Second, the use of a DFR in this context deprives stakeholders of a meaningful opportunity to review and comment on the methodology used to derive and maintain the country list.

² 91 FR 21721 (April 23, 2026)

The NRC’s approach effectively embeds ongoing reliance on evolving sanctions determinations into its regulatory framework yet provides no clear mechanism for stakeholder engagement as those underlying conditions change. This approach raises concerns not only for the present rule but also for future updates.

Third, this rule establishes a precedent for incorporating complex, evolving external criteria into NRC regulations through future direct final rules without sufficient public engagement. By proceeding through a DFR here, the NRC signals that similar updates—potentially involving changes to the country list or underlying criteria—could be made without full notice-and-comment procedures. This would gravely limit transparency and stakeholder participation in decisions that have significant implications for national security considerations, foreign investment, and public confidence in nuclear regulation.

Fourth, the limited 30-day comment period further constrains meaningful review.

Evaluating the NRC’s determinations requires analysis of international sanctions regimes, statutory interpretation, and regulatory implications—areas that demand time, coordination, and expertise. Considering both the volume and density that needs to be reviewed, this timeframe is insufficient for the states to provide fully informed input.

Finally, DEEP emphasizes that public confidence in nuclear energy development is directly tied to trust in the NRC’s regulatory processes. As Connecticut works to build support for advanced nuclear technologies through transparent and inclusive engagement with the public, it is essential that federal rulemaking processes reflect the same commitment to transparency and inclusiveness. Advancing substantively interpretive regulatory changes through a DFR risks undermining public confidence and eroding trust.

Rulemaking Approach

In light of these considerations, DEEP respectfully suggests that this rule would benefit from proceeding through the standard notice-and-comment process rather than the DFR process. A full notice-and-comment process would provide an opportunity to further clarify the methodology used by the NRC and allow stakeholders to offer informed input, while still advancing the NRC’s objective of implementing the ADVANCE Act.

Recommendations

To support effective implementation and continued collaboration, DEEP respectfully recommends that the NRC:

- Consider withdrawing the DFR in response to this significant adverse comment and proceeding through a companion proposed rule;³

³ Such as “Modernizing Reactor Licensing, Safety Oversight, and Siting Practices” [Docket ID: NRC-2025-1303] or “Regulatory Enhancements for Reactor Licensing, Decommissioning, and Operational Oversight” [Docket ID: NRC-2025-1138]

- Provide additional explanation of the methodology used to translate statutory criteria into the country list, including the role of sanctions determinations;
- Consider establishing a clear and transparent approach for how future updates to the country list will be evaluated and communicated; and
- Provide comment periods that are commensurate with the technical and legal complexity of the rulemaking.

In closing, DEEP remains supportive of the NRC's efforts to modernize its regulatory framework and enable the next generation of nuclear technologies. However, achieving these objectives in a manner that maintains public trust and ensures robust oversight requires a deliberate, transparent, and inclusive regulatory process that cannot be achieved through the DFR process.

Thank you for the opportunity to comment on this important matter.

Sincerely,



Katie S. Dykes
Commissioner
Connecticut Department of Energy and Environmental Protection