

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

DOCKETED 11/19/99

COMMISSIONERS:

SERVED 11/19/99

Richard A. Meserve, Chairman
Greta Joy Dicus
Nils J. Diaz
Edward McGaffigan, Jr.
Jeffrey S. Merrifield

Docket Nos. 50-443-LT-2 and
50-423-LT (consolidated)

In the Matters of)
)
NORTH ATLANTIC ENERGY SERVICE CORP.)
)
(Seabrook Station, Unit 1))
)
and)
)
NORTHEAST NUCLEAR ENERGY CO.))
)
(Millstone Station, Unit 3))
)
_____)

CLI-99-28

MEMORANDUM AND ORDER

This proceeding involves an application by the New England Power Company ("NEP") seeking authorization for the indirect transfers of its partial ownership interests in both the Seabrook Station (Unit 1) and the Millstone Station (Unit 3) nuclear power plants. Specifically, NEP seeks the Commission's approval of these indirect license transfers to the extent that they will be effected by a transaction under which the New England Electric System ("NEES," of which NEP is a wholly-owned subsidiary) would itself become a wholly-owned subsidiary of The National Grid Group plc, a foreign company. NEP would remain a co-licensee of both plants with its rights and obligations unaltered, and with the only change being in its upstream ownership.

Three co-owners filed petitions to intervene and requests for hearing, seeking to oppose NEP's application. The NRC staff did not seek to become a party to the adjudication. On October 21, 1999, the Commission concluded that the co-owners had demonstrated standing and had raised two admissible issues (regarding foreign ownership and financial qualifications). We therefore set the case for hearing and established a procedural schedule. CLI-99-27, 50 NRC ____.

On November 4, 1999, the co-owners filed a notice of withdrawal of their petitions to intervene, and all parties jointly moved for termination of the proceeding on the ground that they had settled their differences.⁽¹⁾ More specifically, the parties informed the Commission that "NEP has provided additional information to demonstrate to the Intervenor's satisfaction that [NEP] will be capable of meeting its financial obligations with respect to Millstone 3 and Seabrook" and further that "NEP has strengthened and clarified its negation action plan⁽²⁾ to ensure that NEP will not be foreign controlled or dominated following the National Grid acquisition of NEES."⁽³⁾ NEP also commits to provide the NRC staff with "supplemental information as needed ... to ensure that the clarifications contained in [the] Notice of Withdrawal are adequately described in order to assist the NRC Staff in its ongoing review of the Application." Id. at 4.

We have reviewed the motion to terminate this adjudication, together with the remainder of the record, and we conclude that termination would serve the public interest. See generally Sequoyah Fuels Corp. and General Atomics (Gore, Oklahoma Site), CLI-97-13, 46 NRC 195 (1997). It has long been the Commission's policy to encourage settlements, in significant part because they save time and resources of all parties and this agency. As the parties have settled in this case, we will dismiss this proceeding. Although we have terminated this proceeding, it should be recognized that the staff examines

financial qualification and foreign ownership issues during its review of transfer applications. In the course of its ongoing review of this license transfer application, the staff should consider the concerns relating to those matters that were raised in CLI-99-27.

The proceeding is terminated.

IT IS SO ORDERED.

For the Commission⁽⁴⁾
[Original signed by Annette L. Vietti-Cook]

Annette L. Vietti-Cook
Secretary of the Commission

Dated at Rockville, Maryland,
this 19th day of November, 1999.

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1. Also on November 4, 1999, the parties submitted a Joint Motion to Hold Proceedings in Abeyance. The Commission granted that motion on November 10th.
 2. A "negation action plan" is a document that a license transfer applicant submits to the Commission setting forth "positive measures to assure that a foreign ownership interest is denied control or domination over licensee decisions." Final Standard Review Plan on Foreign Ownership, Control, or Domination," 64 Fed. Reg. 52,355, 52,359 (Sept. 28, 1999).
 3. Notice of Withdrawal of Petitions for Leave to Intervene and for Hearing and Joint Motion to Terminate Proceeding, dated Nov. 4, 1999, at 3. For details of the assurances regarding financial qualifications see id. at 5-8. For details of the assurances regarding foreign ownership, see id. at 8-12.
 4. Commissioners Dicus and Diaz were not available for affirmation of this Memorandum and Order. Had they been present, they would have affirmed the Memorandum and Order.