

February 15, 2000

Donald P. Irwin, Esquire
Hunton & Williams
951 East Byrd Street
Richmond, VA 23219-4074

SUBJECT: FERMI 2 NUCLEAR POWER PLANT RE: MERGER OF MCN ENERGY
INTO DTE ENERGY (TAC NO. MA7885)

Dear Mr. Irwin:

In a letter of January 4, 2000, you informed the NRC staff that DTE Energy Company (DTE), the parent of Detroit Edison Company, had executed an agreement and a plan of merger with MCN Energy Group, Inc. (MCN), a gas utility holding company. The purpose of this letter is to confirm that approval under Title 10 of the *Code of Federal Regulations* (10 CFR), Section 50.80, is not required in connection with the subject merger and the license for Fermi 2, and that the license does not need to be amended.

The staff has reviewed your letter and has performed a threshold review in consideration of 10 CFR 50.80. The staff has concluded that the proposed merger of MCN into DTE Enterprises, a wholly owned subsidiary of DTE, does not involve a transfer, direct or indirect, of the operating license for Fermi 2. Furthermore, the staff has concluded that the merger will not adversely affect Detroit Edison's financial or technical qualifications with respect to the operation and decommissioning of Fermi 2. Also, there do not appear to be any problematic foreign ownership issues related to the Fermi 2 license that would result from the proposed merger and associated transactions. Thus, the proposed merger will not affect the qualifications of Detroit Edison as holder of the license, and the proposed merger otherwise appears to be consistent with applicable provisions of law, regulations, and orders issued by the Commission. Accordingly, the staff has no basis to object to the proposed merger. Also, because Detroit Edison will remain the licensee, there is no need to amend the Fermi 2 license.

This completes our effort regarding your submittal.

Sincerely,

/RA

Andrew J. Kugler, Project Manager, Section 1
Project Directorate III
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket No. 50-341

cc: See next page

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