7590-01-P

UNITED STATES NUCLEAR REGULATORY COMMISSION

FLORIDA POWER CORPORATION

CRYSTAL RIVER UNIT 3

DOCKET NO. 50-302

NOTICE OF CONSIDERATION OF APPROVAL OF APPLICATION

REGARDING PROPOSED ACQUISITION BY CP&L HOLDINGS, INC.

OF FLORIDA PROGRESS CORPORATION AND OPPORTUNITY FOR A HEARING

The U.S. Nuclear Regulatory Commission (the Commission) is considering the issuance of an order under *Title 10, Code of Federal Regulations* (10 CFR), Section 50.80, approving the indirect transfer of Facility Operating License No. DPR-72 for Crystal River Unit 3 (CR-3), to the extent currently held by Florida Power Corporation (FPC). The indirect transfer would be to a proposed new holding company, Carolina Power and Light (CP&L) Holdings, Inc. (Holdings).

According to an application for approval filed by FPC dated January 31, 2000, FPC is requesting the consent of the Commission to the indirect transfer of the CR-3 operating license that will occur under a proposed share exchange transaction between Florida Progress Corporation (Progress) and Holdings. Holdings is being formed by CP&L as part of an internal CP&L reorganization. Upon consummating the share exchange transaction, where Holdings will acquire all of the outstanding shares of Progress, Progress will become a wholly owned subsidiary of Holdings. FPC, which owns a 91.7806 percent interest in CR-3, and which will remain a wholly owned subsidiary of Progress, will become an indirect, wholly owned subsidiary of Holdings upon completion of the transaction. FPC will retain its existing ownership interest in

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CR-3, continue to hold the CR-3 operating license, and remain the licensed operator of CR-3 after the share exchange transaction. No direct transfer of the license will occur. No physical changes to the facility or operational changes are being proposed in the application.

Pursuant to 10 CFR 50.80, no license, or any right thereunder, shall be transferred, directly or indirectly, through transfer of control of the license, unless the Commission shall give its consent in writing. The Commission will approve an application for the indirect transfer of a license, if the Commission determines that the underlying transaction effecting the indirect transfer will not affect the qualifications of the holder of the license, and that the transfer is otherwise consistent with applicable provisions of law, regulations, and orders issued by the Commission pursuant thereto.

The filing of requests for hearing and petitions for leave to intervene, and written comments with regard to the license transfer application, are discussed below.

By **(Insert date 20 days from date of publication)**, any person whose interest may be affected by the Commission's action on the application may request a hearing, and, if not the applicants, may petition for leave to intervene in a hearing proceeding on the Commission's action. Requests for a hearing and petitions for leave to intervene should be filed in accordance with the Commission's rules of practice set forth in Subpart M, "Public Notification, Availability of Documents and Records, Hearing Requests and Procedures for Hearings on License Transfer Applications," of 10 CFR Part 2. In particular, such requests and petitions must comply with the requirements set forth in 10 CFR 2.1306, and should address the considerations contained in 10 CFR 2.1308(a). Untimely requests and petitions may be denied, as provided in 10 CFR 2.1308(b), unless good cause for failure to file on time is established. In addition, an untimely request or petition should address the factors that the Commission will also consider, in reviewing untimely requests or petitions, set forth in 10 CFR 2.1308(b)(1)-(2).

Requests for a hearing and petitions for leave to intervene should be served upon R. Alexander Glenn, Director, Regulatory Counsel Group (MAC-BT15A), Florida Power Corporation, P.O. Box 14042, St. Petersburg, Florida 33733-4042, Voice (727) 820-5587, FAX (727) 820-5519, and e-mail Robert.A.Glenn@FPC.COM; Steven Carr, Associate General Counsel, Legal Department, Carolina Power & Light Company, P.O. Box 1551, Raleigh, North Carolina 27602-1551, Voice (919) 546-4161, Fax (919) 546-3805, and e-mail steven.carr@cplc.com; the General Counsel, U.S. Nuclear Regulatory Commission, Washington, DC 20555, e-mail address for license transfer cases only: OGCLT@NRC.GOV; and the Secretary of the Commission, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, Attention: Rulemakings and Adjudications Staff, in accordance with 10 CFR 2.1313.

The Commission will issue a notice or order granting or denying a hearing request or intervention petition, designating the issues for any hearing that will be held and designating the Presiding Officer. A notice granting a hearing will be published in the FEDERAL REGISTER and served on the parties to the hearing.

As an alternative to requests for hearing and petitions to intervene, by **(Insert date 30 days from date of publication)**, persons may submit written comments regarding the license transfer application, as provided for in 10 CFR 2.1305. The Commission will consider and, if appropriate, respond to these comments, but such comments will not otherwise constitute part of the decisional record. Comments should be submitted to the Secretary, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, Attention: Rulemakings and Adjudications Staff, and should cite the publication date and page number of this FEDERAL REGISTER notice.

For further details with respect to this action, see the application dated January 31, 2000, available for public inspection at the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC, and accessible electronically through the ADAMS Public Electronic Reading Room link at the NRC Web site (http://www.nrc.gov).

Dated at Rockville, Maryland this 7th day of March 2000.

FOR THE NUCLEAR REGULATORY COMMISSION

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Project Directorate II
Division of Licensing Project Management
Office of Nuclear Reactor Regulation