

# UNITED STATES NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

May 1, 2000

Mr. Ted C. Feigenbaum
Executive Vice President and
Chief Nuclear Officer
North Atlantic Energy Service Corporation
c/o Mr. James M. Peschel
P.O. Box 300
Seabrook, NH 03874

SUBJECT: NOTICE OF CONSIDERATION OF APPROVAL OF APPLICATION REGARDING PROPOSED CORPORATE RESTRUCTURING AND OPPORTUNITY FOR A HEARING, SEABROOK STATION (TAC NO. MA8281)

Dear Mr. Feigenbaum

Enclosed is a copy of a "Notice of Consideration of Approval of Application Regarding Proposed Corporate Restructuring and Opportunity for a Hearing," related to the application dated February 17, 2000, as supplemented on March 1, 2000, filed by United Illuminating Company. The application (pursuant to 10 CFR 50.80) seeks approval of the proposed indirect transfer of the Seabrook Station Facility Operating License No. NPF-86, to UIL Holdings Corporation to the extent held by United Illuminating Company.

This notice is being forwarded to the Office of the Federal Register for publication.

Sincerely,

/RA/

Robert M. Pulsifer, Project Manager, Section 2 Project Directorate I Division of Licensing Project Management Office of Nuclear Reactor Regulation

Docket No. 50-443

Enclosure: Notice

cc w/encl: See next page

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Docket No. 50-443 DISTRIBUTION:

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### 7590-01-P

# UNITED STATES NUCLEAR REGULATORY COMMISSION NORTH ATLANTIC ENERGY SERVICE CORPORATION, ET AL. SEABROOK STATION, UNIT NO. 1 DOCKET NO. 50-443 NOTICE OF CONSIDERATION OF APPROVAL OF APPLICATION REGARDING PROPOSED CORPORATE RESTRUCTING AND OPPORTUNITY FOR A HEARING

The U.S. Nuclear Regulatory Commission (the Commission) is considering the issuance of an order under 10 CFR 50.80 approving the indirect transfer of Facility Operating License No. NPF-86 for the Seabrook Station, Unit 1 (Seabrook Station), to the extent held by United Illuminating Company (UI). The indirect transfer would be to UIL Holdings Corporation (Holdings), incorporated in Connecticut. Currently, Holdings is a wholly owned subsidiary of UI.

According to a February 17, 2000, application, as supplemented on March 1, 2000, by UI for approval of certain indirect license transfers, on January 24, 2000, UI entered into an "Agreement and Plan of Merger and Share Exchange" (Plan of Exchange)

with Holdings. Under the plan of exchange, UI will become a wholly owned subsidiary of Holdings, while the unregulated businesses of UI will be transferred to Holdings as subsidiaries thereof. The establishment of a new parent for UI will effect an indirect transfer of the Seabrook Station license to the extent held by UI to Holdings. UI holds a 17.5-percent ownership interest in Seabrook Station; however, North Atlantic Energy Services Corporation (NAESCO) is exclusively authorized to operate the unit. NAESCO would remain as the managing agent for

the 11 joint owners of the facility, including UI, and would continue to have exclusive responsibility for the management, operation, and maintenance of the Seabrook Station. The application does not propose a change in the rights, obligations, or interests of the other 10 joint owners of the Seabrook Station. In addition, no physical changes to the Seabrook Station facility or operational changes are being proposed in the application. No direct transfer of the license will result from the proposed corporate restructuring of UI.

The application also seeks approval of a proposed indirect license transfer in connection with Ul's partial ownership of the Millstone Nuclear Power Station, Unit 3, which will be the subject of a separate notice.

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 that will effectuate 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 regarding the license transfer application, are discussed below.

By May 29, 2000, 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 Barton Z. Cowan, Esq., Eckert Seamans Cherin & Mellott, LLC, 600 Grant Street, 44<sup>th</sup> floor, Pittsburgh, PA 15219 (telephone number 412-566-6000 and e-mail address bzc@escm.com,) attorney for United Illuminating Company; the General Counsel, U.S. Nuclear Regulatory Commission, Washington, DC 20555 (e-mail address for filings regarding 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 June 7,

2000, 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 20555-001, Attention: Rulemakings and Adjudications Staff, and should cite the publication date and page number of the FEDERAL REGISTER notice.

For further details with respect to this action, see the application dated February 17, 2000, and supplement dated March 1, 2000, which are 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 1st day of May 2000

# FOR THE NUCLEAR REGULATORY COMMISSION

# /RA/

Robert M. Pulsifer, Project Manager, Section 2 Project Directorate I Division of Licensing Project Management Office of Nuclear Reactor Regulation