

May 12, 2000

Mr. Michael D. Wadley, President
NSP Nuclear Generation
Northern States Power Company
414 Nicollet Mall
Minneapolis, MN 55401

SUBJECT: ORDER APPROVING THE TRANSFER OF FACILITY OPERATING LICENSE
FOR MONTICELLO NUCLEAR GENERATING PLANT FROM NORTHERN
STATES POWER COMPANY TO A NEW UTILITY OPERATING COMPANY
SUBSIDIARY (TAC NO. MA7003)

Dear Mr. Wadley:

The staff has completed its review of your application dated October 29, 1999, as supplemented March 14 and April 25, 2000, requesting approval of the transfer of Facility Operating License No. DPR-22 held by Northern States Power Company for the Monticello Nuclear Generating Plant to a newly formed utility operating company subsidiary of Northern States Power Company merged with New Century Energies, Inc., and approval of a conforming amendment pursuant to 10 CFR 50.80 and 10 CFR 50.90. The enclosed Order approves the proposed transfer, subject to the conditions described therein. The Order also approves a conforming license amendment, which will be issued and made effective at the time the transfer is completed.

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

Sincerely,

/RA/
Carl F. Lyon, Project Manager, Section 1
Project Directorate III
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket No. 50-263

- Enclosures: 1. Order
2. Conforming Amendment
3. Safety Evaluation

cc w/encls: See next page

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UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

May 12, 2000

Mr. Michael D. Wadley, President
NSP Nuclear Generation
Northern States Power Company
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Minneapolis, MN 55401

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Dear Mr. Wadley:

The staff has completed its review of your application dated October 29, 1999, as supplemented March 14 and April 25, 2000, requesting approval of the transfer of Facility Operating License No. DPR-22 held by Northern States Power Company for the Monticello Nuclear Generating Plant to a newly formed utility operating company subsidiary of Northern States Power Company merged with New Century Energies, Inc., and approval of a conforming amendment pursuant to 10 CFR 50.80 and 10 CFR 50.90. The enclosed Order approves the proposed transfer, subject to the conditions described therein. The Order also approves a conforming license amendment, which will be issued and made effective at the time the transfer is completed.

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Carl F. Lyon, Project Manager, Section 1
Project Directorate III
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Office of Nuclear Reactor Regulation

Docket No. 50-263

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cc w/encls: See next page

Monticello Nuclear Generating Plant

cc:

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**Plant Manager
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February 2000

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

In the Matter of)	Docket No. 50-263
)	
NORTHERN STATES POWER COMPANY)	License No. DPR-22
)	
(Monticello Nuclear Generating Plant,)	
Unit No. 1))	

ORDER APPROVING TRANSFER OF LICENSE
AND CONFORMING AMENDMENT

I.

Northern States Power Company (NSP or the licensee) is the holder of Facility Operating License No. DPR-22, which authorizes operation of Monticello Nuclear Generating Plant, Unit No. 1 (Monticello or the facility). The facility is located in Wright County at the licensee's site in Wright and Sherburne Counties, Minnesota. The license authorizes NSP to possess, use, and operate Monticello.

II.

By application dated October 29, 1999, as supplemented March 14 and April 25, 2000, the Commission was informed that NSP entered into an agreement on March 24, 1999, to merge with New Century Energies, Inc. (NCE). The initial application and the supplements are hereinafter collectively referred to as "the application," unless otherwise indicated. Under the proposed transaction, NCE will be merged with and into NSP, which will be renamed Xcel Energy, Inc. (Xcel). At the time of the merger, NSP will transfer all of its existing electric and natural gas utility facilities and operations currently conducted directly by NSP to a newly

formed utility operating company subsidiary (referred to herein as "New NSP") of Xcel. The licensee requested approval of the proposed transfer of the Monticello facility operating license to New NSP. The application also requested approval of a conforming amendment to reflect the transfer. The proposed amendment would add a footnote to the license to reflect the transfer from NSP to New NSP, which will be known as Northern States Power Company, the same name now used by NSP.

According to the application for approval filed by NSP, the facility would be transferred to New NSP after approval of the proposed license transfer and New NSP would become responsible for the operation, maintenance, and eventual decommissioning of Monticello. No physical changes to the Monticello facility or operational changes were proposed in the application.

Approval of the transfer of the facility operating license and conforming license amendment was requested by NSP pursuant to 10 CFR 50.80 and 50.90. Notice of the application for approval and an opportunity for a hearing was published in the *Federal Register* on February 10, 2000 (65 FR 6641). Pursuant to such notice, Carol Overland, an individual, and North American Water Office, an environmental organization, filed hearing requests. The Commission currently has the matter under consideration.

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. Upon review of the information in the application by NSP and other information before the Commission, and relying upon the representations and agreements contained in the application, the NRC staff has determined that New NSP is qualified to hold the license and that the transfer of the license to New NSP is otherwise consistent with applicable provisions of law, regulations, and orders issued by the Commission, subject to the conditions set forth below. The NRC staff has further found that the application for the proposed license

amendment complies with the standards and requirements of the Atomic Energy Act of 1954, as amended, and the Commission's rules and regulations set forth in 10 CFR Chapter 1; the facility will operate in conformity with the application, the provisions of the Act, and the rules and regulations of the Commission; there is reasonable assurance that the activities authorized by the proposed license amendment can be conducted without endangering the health and safety of the public and that such activities will be conducted in compliance with the Commission's regulations; the issuance of the proposed license amendment will not be inimical to the common defense and security or the health and safety of the public; the issuance of the proposed amendment will be in accordance with 10 CFR Part 51 of the Commission's regulations; and all applicable requirements have been satisfied. The foregoing findings are supported by a safety evaluation dated May 12, 2000

III.

Accordingly, pursuant to Sections 161b, 161i, 161o, and 184 of the Atomic Energy Act of 1954, as amended, 42 U.S.C. §§ 2201(b), 2201(i), 2201(o), and 2234, and 10 CFR 50.80, IT IS HEREBY ORDERED that the transfer of the license, as described herein, to New NSP is approved, subject to the following conditions:

- (1) New NSP shall, prior to completion of the subject transfer, provide the Director of the Office of Nuclear Reactor Regulation satisfactory documentary evidence that New NSP has obtained the appropriate amount of insurance required of licensees under 10 CFR Part 140 of the Commission's regulations.
- (2) New NSP shall provide the Director of the Office of Nuclear Reactor Regulation a copy of any application, at the time it is filed, to transfer (excluding grants of security interests or liens) from New NSP to its parent, Xcel Energy, Inc., or to any other affiliated company, facilities for the production, transmission, or distribution

of electric energy having a depreciated book value exceeding 10 percent (10%) of New NSP's consolidated net utility plant, as recorded on its books of account.

- (3) After receipt of all required regulatory approvals of the transfer of Monticello to New NSP, NSP shall inform the Director of the Office of Nuclear Reactor Regulation in writing of such receipt within 5 business days, and of the date of the closing of the transfer of Monticello no later than 7 business days before the date of closing. If the transfer of the license is not completed by April 1, 2001, this Order shall become null and void, provided, however, upon written application and for good cause shown, such date may in writing be extended.

IT IS FURTHER ORDERED that, consistent with 10 CFR 2.1315(b), a license amendment that makes changes, as indicated in Enclosure 2 to the cover letter forwarding this Order, to conform the license to reflect the subject license transfer is approved. The amendment shall be issued and made effective at the time the proposed license transfer is completed.

This Order is effective upon issuance.

For further details with respect to this action, see the initial application dated October 29, 1999, supplements dated March 14 and April 25, 2000, and the safety evaluation dated May 12, 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 12th day of May 2000.

FOR THE NUCLEAR REGULATORY COMMISSION

A handwritten signature in black ink, appearing to read "Brian W. Sheron". The signature is written in a cursive style with a prominent initial "B".

Brian W. Sheron, Acting Director
Office of Nuclear Reactor Regulation



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

NORTHERN STATES POWER COMPANY

DOCKET NO. 50-263

MONTICELLO NUCLEAR GENERATING PLANT

AMENDMENT TO FACILITY OPERATING LICENSE

Amendment No.
License No. DPR-22

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for amendment by Northern States Power Company (the licensee) dated October 29, 1999, as supplemented March 14 and April 25, 2000, complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations set forth in 10 CFR Chapter I;
 - B. The facility will operate in conformity with the application, the provisions of the Act, and the rules and regulations of the Commission;
 - C. There is reasonable assurance (i) that the activities authorized by this amendment can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the Commission's regulations;
 - D. The issuance of this amendment will not be inimical to the common defense and security or to the health and safety of the public; and
 - E. The issuance of this amendment is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied.
2. Accordingly, the license is amended as indicated in the attachment to this license amendment.

3. This license amendment is effective as of its date of issuance and shall be implemented within 45 days.

FOR THE NUCLEAR REGULATORY COMMISSION

Samuel J. Collins, Director
Office of Nuclear Reactor Regulation

Attachment: Changes to the License

Date of Issuance:

ATTACHMENT TO LICENSE AMENDMENT NO.

FACILITY OPERATING LICENSE NO. DPR-22

DOCKET NO. 50-263

Replace the following page of the License with the attached revised page. The revised page is identified by amendment number and contains marginal lines indicating the areas of change.

REMOVE

2

INSERT

2

- H. After weighing the environmental, economic, technical, and other benefits of the facility against environmental and other costs and considering available alternatives, the issuance of the full-term Facility Operating License No. DPR-22, subject to the conditions for protection of the environment set forth herein, is in accordance with 10 CFR Part 50, Appendix D, of the Commission's regulations and all applicable requirements have been satisfied; and
 - I. The receipt, possession, and use of source, byproduct, and special nuclear material as authorized by this license will be in accordance with the Commission's regulations in 10 CFR Parts 30, 40, and 70.
2. The Provisional Operating License dated September 8, 1970, is superseded by Facility Operating License No. DPR-22 hereby issued to Northern States Power Company¹ to read as follows:
- A. This license applies to the Monticello Nuclear Generating Plant, Unit No. 1, a single cycle, forced circulation, boiling water nuclear reactor and electric generating equipment (the facility). The facility is located in Wright County on the Northern States' site in Wright and Sherburne Counties, Minnesota, and is described in the "Final Safety Analysis Report," as supplemented and amended (Amendment Nos. 9 through 28) and in its Environmental Report, as supplemented and amended.
 - B. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses Northern States Power Company:
 - 1. Pursuant to Section 104(b) of the Act, and 10 CFR Part 50, "Licensing of Production and Utilization Facilities," to possess, use, and operate the facility as a utilization facility at the designated location in Wright County, Minnesota, in accordance with the procedures and limitations set forth in this license.
 - 2. Pursuant to the Act and 10 CFR Part 70, to receive, possess and use at any time special nuclear material as reactor fuel, in accordance with the limitations for storage and amounts required for reactor operations, as described in the Final Safety Analysis Report, as supplemented and amended, and the licensee's filings dated August 16, 1974 (those portions dealing with handling of reactor fuel) and August 17, 1977 (those portions dealing with fuel assembly storage capacity);
 - 3. Pursuant to the Act and 10 CFR Parts 30, 40 and 70, to receive, possess and use at any time any byproduct, source and special nuclear material as sealed neutron sources for reactor startup, sealed sources for reactor instrumentation and radiation monitoring equipment calibration, and as fission detectors in amounts as required;

¹ Northern States Power Company was incorporated in Minnesota as a wholly owned subsidiary of Xcel Energy, Inc. effective MM/DD/YY. This license, as amended, was amended effective this date to reflect the Commission's consent per 10 CFR Part 50, Section 50.80 to the license transfer approved by Order dated May XX, 2000.



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

SAFETY EVALUATION BY THE OFFICE OF NUCLEAR REACTOR REGULATION
TRANSFER OF FACILITY OPERATING LICENSE TO NEW UTILITY
RESULTING FROM THE MERGER OF NORTHERN STATES POWER COMPANY
AND NEW CENTURY ENERGIES, INC.,
AND APPROVAL OF CONFORMING AMENDMENT
MONTICELLO NUCLEAR GENERATING PLANT
DOCKET NO. 50-263

1.0 INTRODUCTION

By application dated October 29, 1999, as supplemented March 14 and April 25, 2000, the Northern States Power Company (NSP or the licensee) requested that the U.S. Nuclear Regulatory Commission (NRC) consent to the transfer of Facility Operating License No. DPR-22 for the Monticello Nuclear Generating Plant, Unit No. 1 (Monticello), from NSP to a newly formed utility operating company subsidiary (referred to herein as "New NSP") following the proposed merger of NSP and New Century Energies, Inc. (NCE). The application also requested the approval of a conforming license amendment to reflect the proposed transfer. The initial application and supplements are hereinafter collectively referred to as "the application," unless otherwise indicated.

NSP is an operating public utility providing electric and gas services in Minnesota, North Dakota, South Dakota, and Arizona. Through its subsidiary, Northern States Power-Wisconsin, NSP also provides electric and gas services in Wisconsin and the Upper Peninsula of Michigan. Another subsidiary, Viking Gas Transmission Company, owns and operates an interstate natural gas pipeline. NSP is the holder of Facility Operating License No. DPR-22, which authorizes NSP to possess, use, and operate Monticello in accordance with procedures and limitations set forth in the operating license.

NCE is a public utility holding company with four main subsidiaries: Public Service Company of Colorado, an electric and gas utility in Colorado; Southwestern Public Service Company, an electric utility in Texas, New Mexico, Oklahoma, and Kansas; Cheyenne Light, Fuel & Power Company, an electric and gas utility in Wyoming; and WestGas Interstate, Inc., which transports natural gas between Wyoming and Colorado.

On March 24, 1999, NSP and NCE entered into an agreement to merge. Under the proposed transaction, NCE will be merged with and into NSP, which will be renamed Xcel Energy, Inc. (Xcel Energy). At the time of the merger, NSP will transfer to New NSP all of its existing electric and natural gas utility facilities and operations currently conducted directly by NSP.

Under the proposed transaction, ownership of and entitlement to capacity and energy from Monticello will transfer from NSP to New NSP.

Pursuant to 10 CFR 50.80, no license shall be transferred, directly or indirectly, through the transfer of control of the license, unless the Commission shall give its consent in writing. Such action is contingent upon the Commission's determination that the transferee is qualified to hold the license, and that the transfer is otherwise consistent with applicable provisions of law, regulations, and orders of the Commission.

The March 14, 2000, submittal provided supplemental information identifying the officers of New NSP. The April 25, 2000, submittal provided supplemental information on the directors of New NSP, NCE, and Xcel Energy, the extent of foreign ownership of NCE and NSP stock, and the technical qualifications of the proposed organization. The supplemental information did not expand the scope of the application as originally noticed in the *Federal Register*.

2.0 TECHNICAL QUALIFICATIONS

2.1 Basis and Guidance for the Evaluation

The staff used the following regulations and guidance to complete its evaluation: (1) 10 CFR 50.40 (b), "Common Standards"; (2) 10 CFR 50.80, "Transfer of licenses"; (3) the Standard Review Plan (SRP), NUREG-0800, Chapter 13, "Conduct of Operations," Section 13.1.1, "Management and Technical Organization," and Section 13.1.2-13.1.3, "Operating Organization"; and (4) ANSI N18.1-1971, "Selection and Training of Nuclear Power Plant Personnel," as endorsed by Regulatory Guide 1.8, Revision 2 (April 1987), "Qualification and Training of Personnel for Nuclear Power Plants."

2.2 Purpose of the Evaluation

The purpose of this evaluation is to ensure that New NSP's corporate management will be involved with, informed of, and dedicated to the safe operation of Monticello and that sufficient, qualified technical resources will be provided to support safe plant operation and maintenance. In addition, changes to the plant operating organization that may occur as a result of the merger and license transfer are also evaluated.

2.3 Evaluation

Using the basis and guidance for the evaluation stated at the beginning of this section, the staff reviewed the application to determine the acceptability of the proposed New NSP corporate management and technical support organization and operating organization. The initial management and technical support organization and operating organization for Monticello was determined to be acceptable during the initial licensing review. Subsequent safety-related changes to the organizations were required to be evaluated with an appropriate methodology. The staff is aware of no deficiencies with the existing corporate management and technical support organization or operating organization.

The application states the following:

The current organization[] which operate[s] Monticello meet[s] or exceed[s] the minimum qualifications specified in the Technical Specifications for [the] facility. The organization[] [is] sufficiently qualified and experienced to safely operate and maintain the facilities. Training programs are conducted to maintain a qualified staff or technical and operations personnel.

The [application] does not propose any changes to the requirements of the current Monticello . . . License[s] or Technical Specifications related to the technical qualifications of the facility operating organization[].

As a result of the merger of Northern States Power and New Century Energies, the Monticello . . . site organization[], and the associated corporate nuclear organization, will transfer to and become part of the New NSP organization. This transfer to New NSP will result in minimal organizational changes or disruption to the existing, dedicated Monticello . . . site organization[], and associated corporate nuclear organization. The technical qualifications of the organizations following the merger will be substantially equivalent to those of the existing organizations and the personnel qualification requirements defined in the Monticello . . . License[] and Technical Specifications will continue to be met.

When the transfer of license[] becomes effective, New NSP will operate, manage and maintain Monticello . . . in accordance with the license[], conditions and requirements established by the NRC and with the same regard for public and personnel safety heretofore exemplified by NSP.

2.4 Conclusions Regarding Technical Qualifications

The application adequately addresses the relevant requirements of 10 CFR 50.40(b) and 10 CFR 50.80. The licensee has described the proposed New NSP corporate-level management and technical support organization and the onsite operating organization to be responsible for the operation and maintenance of Monticello after the license transfer. The staff concludes that New NSP will have an acceptable corporate organization, acceptable onsite organization, and adequate resources to provide technical support for the safe operation of Monticello under both normal and off-normal conditions after the merger and license transfer.

3.0 FINANCIAL QUALIFICATIONS AND DECOMMISSIONING FUNDING ANALYSIS

In its October 29, 1999, application, the licensee states that the proposed merger will not adversely affect New NSP's ability to obtain the funds needed to cover its costs for the safe operation, maintenance, repair, decontamination, and decommissioning of Monticello. New NSP will be an electric utility, as is now NSP, with rates established and regulated by State public utility commissions. As an electric utility, New NSP is not required to undergo further financial qualifications review, pursuant to 10 CFR 50.33(f).

The application also states that the decommissioning funding instruments established under NRC regulations will be revised to reflect New NSP as the licensee, and that no other changes to decommissioning funding arrangements will occur.

The NRC has stated on previous occasions that it has concerns that restructuring actions can lead to a diminution of assets necessary for the safe operation and decommissioning of a licensee's nuclear facility. In this regard, NSP has committed that New NSP will provide the Director of the Office of Nuclear Reactor Regulation a copy of any application, at the time it is filed, to transfer (excluding grants of security interests or liens) from New NSP to its parent, Xcel Energy, or to any other affiliated company, facilities for the production, transmission, or distribution of electric energy having a depreciated book value exceeding 10 percent (10%) of New NSP's consolidated net utility plant, as recorded on its books of account. With the preceding incorporated as a condition of approval of the proposed transfer, the staff, in consideration of the above discussion, finds New NSP will be financially qualified to hold the Monticello operating license.

4.0 INSURANCE

The provisions of the Price-Anderson Act (Section 170 of the Atomic Energy Act) and the Commission's regulations at 10 CFR Part 140 require that New NSP replace the current NSP on the current indemnity agreement. Under these provisions, New NSP will also be required to be reflected as a named insured on the applicable nuclear liability insurance policies and participate in the secondary retrospective insurance pool. New NSP also will be required to maintain property insurance as specified in 10 CFR 50.54(w). The staff does not have any reason to believe that New NSP will be unable to meet the statutory and regulatory insurance requirements applicable to all power reactor licensees.

Consistent with NRC practice, the staff will require New NSP to provide satisfactory documentary evidence that New NSP has obtained the appropriate amount of insurance required of licensees under 10 CFR Part 140 of the Commission's regulations, prior to the issuance of the amended license reflecting New NSP as the licensee. Since the issuance of the amended license is directly tied to the consummation of the transfer, the order approving the transfer will contain the following condition:

New NSP shall, prior to completion of the subject transfer, provide the Director of the Office of Nuclear Reactor Regulation satisfactory documentary evidence that New NSP has obtained the appropriate amount of insurance required of licensees under 10 CFR Part 140 of the Commission's regulations.

5.0 ANTITRUST REVIEW

The Atomic Energy Act (AEA) does not require or authorize antitrust reviews of post-operating license transfer applications [*Kansas Gas and Electric Co., et al. (Wolf Creek Generating Station, Unit 1), CLI-99-19, 49 NRC 441 (1999)*]. Therefore, since the transfer application postdates the issuance of the Monticello operating license, no antitrust review is required or authorized.

6.0 FOREIGN OWNERSHIP, CONTROL, OR DOMINATION

The Atomic Energy Act prohibits the Commission from issuing a license for a nuclear power plant to "any corporation or other entity if the Commission knows or has reason to believe it is owned, controlled, or dominated by an alien, a foreign corporation, or a foreign government." NSP and NCE are U.S. corporations. The application states that all of the current officers of

NSP are U.S. citizens and seven of the nine current directors of NSP are U.S. citizens, with the remaining directors being citizens of Canada and Italy. The directors of NCE and New NSP are U.S. citizens. The principal officers of New NSP and Xcel Energy are U.S. citizens. The board of directors of Xcel Energy is made up of an equal number of members of the NSP board of directors and the NCE board. Twelve of the fourteen directors of Xcel Energy are U.S. citizens with the remaining directors being citizens of Italy and Canada.

In its prospectus to stockholders, which is attached to the application, NSP states that no foreign person owns or has owned beneficially more than 5 percent of the total fair market value of NCE common stock. The common stock of both NSP and NCE is widely held. Neither NSP nor NCE has any expectation, knowledge, or indication that the percentage of foreign ownership of them will change as a result of the formation of Xcel Energy, the new holding company. Currently, approximately 0.07 percent of NSP stock and 2.16 percent of NCE stock are registered as having foreign ownership. The application states: "Following the proposed business combination and transfer, New NSP will not be owned, controlled, or dominated by an alien, a foreign corporation, or a foreign government." The staff has no reason to believe otherwise.

7.0 CONFORMING AMENDMENT

A. Introduction

As stated previously, NSP requested approval of a proposed conforming amendment to the Monticello Facility Operating License No. DPR-22. The requested change would add a footnote after the words "Northern States Power Company" on page 2, paragraph 2 of the license to reflect that the new licensee also named Northern States Power Company was incorporated in Minnesota as a wholly owned subsidiary of Xcel Energy and that the Commission approved the license transfer.

The supplemental information received after the initial *Federal Register* notice did not affect the applicability of the Commission's generic no significant hazards consideration determination set forth in 10 CFR 2.1315. The specific text of the footnote as proposed by the applicant was modified by the staff to add a reference to the order approving the transfer, for clarification.

B. Discussion

The change to be made to the license is indicated in Enclosure 2 to the cover letter forwarding the staff's order regarding the subject transfer. The amendment does no more than accurately reflect the approved transfer action. The amendment involves no safety questions and is administrative in nature. Accordingly, the proposed amendment is acceptable.

C. State Consultation

In accordance with the Commission's regulations, the Minnesota State official was notified of the proposed issuance of the amendment. The State official had no comments.

D. Conclusion With Respect to the Conforming Amendment

The Commission has concluded, based on the considerations discussed above, that: (1) there is reasonable assurance that the health and safety of the public will not be endangered by operation in the proposed manner, (2) such activities will be conducted in compliance with the Commission's regulations, and (3) the issuance of the amendment will not be inimical to the common defense and security or to the health and safety of the public.

8.0 ENVIRONMENTAL CONSIDERATION

The subject application is for approval of a transfer of a license issued by the NRC and approval of a conforming amendment. Accordingly, the actions involved meet the eligibility criteria for categorical exclusion set forth in 10 CFR 51.22(c)(21). Pursuant to 10 CFR 51.22(b), no environmental impact statement or environmental assessment need be prepared in connection with approval of the application.

9.0 CONCLUSION

In view of the foregoing, the staff concludes that New NSP is technically and financially qualified to possess, use, operate, and decommission Monticello. The staff also concludes that there do not appear to be any problematic antitrust or foreign ownership considerations that would arise from the proposed transfer. Thus, the staff has determined that New NSP is qualified to be the holder of the Monticello license and that the transfer of the license to New NSP is otherwise consistent with applicable provisions of law, regulations, and orders issued by the Commission pursuant thereto, subject to the above-discussed conditions regarding asset transfers and insurance requirements.

Principal Contributors: M. Davis
J. Bongarra

Date: May 12, 2000