

RAS 1751

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

DOCKETED
USNRC

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In the Matter of
Niagara Mohawk Power Corporation,
New York State Electric & Gas Corporation,
and
AmerGen Energy Company, LLC
(Nine Mile Point, Units 1 & 2)

Docket Nos. 50-220 & 50-410
License Nos. DPR-63 and NPF-69

APPLICANTS' MOTION FOR DISMISSAL OF PROCEEDING

AmerGen Energy Company, LLC ("AmerGen"), Niagara Mohawk Power Corporation ("Niagara Mohawk"), and New York State Electric & Gas Corporation ("NYSEG"), respectfully request the Commission to dismiss this proceeding regarding the proposed transfer of NRC licenses for Nine Mile Point Units 1 and 2 held by Niagara Mohawk and NYSEG to AmerGen.^{1/} On April 25, 2000, the New York State Public Service Commission ("PSC") issued an order urging the owners of the Nine Mile Point units to determine the market value of these units through a competitive bidding process. At the same time, the PSC approved the withdrawal of NYSEG's and Niagara Mohawk's petitions for PSC authorization to transfer their ownership interests in the Nine Mile Point units to AmerGen. Accordingly, as described in the attached letter to the NRC Director of Nuclear Reactor Regulation, Applicants have withdrawn their application for transfer of the NRC licenses for Nine Mile Point held by Niagara Mohawk and

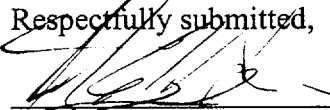
1/ AmerGen, Niagara Mohawk, and NYSEG are collectively the "Applicants." Niagara Mohawk is the sole owner of Nine Mile Point Unit 1, holds a 41% undivided ownership interest in Unit 2, and is the licensed operator of both units. NYSEG holds an 18% undivided ownership interest in Unit 2.

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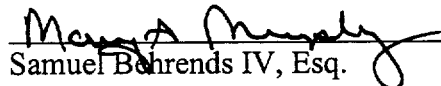
SECY-02

NYSEG. As a result, there is no need for a hearing in connection with that application, and Applicants respectfully request that the Commission dismiss this proceeding.^{2/}


Respectfully submitted,



Kevin P. Gallen
John E. Matthews
Morgan, Lewis & Bockius LLP
1800 M Street, NW
Washington, DC 20036-5869
(202) 467-7000
Facsimile: (202) 467-7176
E-Mail: kpgallen@mlb.com
Counsel for AmerGen Energy Company, LLC



Samuel Behrends IV, Esq.
Mary A. Murphy, Esq.
LeBoeuf, Lamb, Green & McRae, L.L.P.
1875 Connecticut Avenue, Suite 1200
Washington, DC 20009-5728
(202) 986-8000
Facsimile: (202) 986-8102
E-Mail: sbehrend@llgm.com
Counsel for New York State Electric & Gas Corp.



Mark J. Wetterhahn, Esq.
Winston & Strawn
1400 L Street, NW
Washington, DC 20005
(202) 371-5700
Facsimile: (202) 371-5950
E-Mail: mwetterh@winston.com
Counsel for Niagara Mohawk Power Corp.

Dated: May 24, 2000

2/ Applicants have discussed this Motion for Dismissal of Proceeding with counsel for the intervenors in this proceeding (Rochester Gas & Electric Company, Central Hudson Gas & Electric Company, and Long Island Lighting Company, and the Office of the Attorney General of the State of New York.) In view of the withdrawal of the license transfer application, they have no objection to the dismissal of this proceeding.

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing Applicants' Motion for Dismissal of Proceedings were served upon the persons listed below by e-mail or facsimile, with a conforming copy deposited in the U.S. mail, first class, postage prepaid, this 24th day of May, 2000.

Office of the Secretary
U.S. Nuclear Regulatory Commission
Attn: Rulemakings and Adjudications Staff
Washington, D.C. 20555
(E-mail: secy@nrc.gov)

Office of the General Counsel
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555
(E-mail: ogclt@nrc.gov)

James M. D'Andrea, Esq.
Keyspan Energy
175 E. Old Country Road
Hicksville, NY 11801
(E-mail: jdandrea@keyspanenergy.com)

Samuel Behrends IV, Esq.
Mary A. Murphy, Esq.
LeBoeuf, Lamb, Green & McRae, L.L.P.
1875 Connecticut Avenue, Suite 1200
Washington, D.C. 20009-5728
(E-Mail: sbehend@llgm.com)

Mark J. Wetterhahn, Esq.
Winston & Strawn
1400 L Street, NW
Washington, DC 20005
(E-Mail: mwetterh@winston.com)

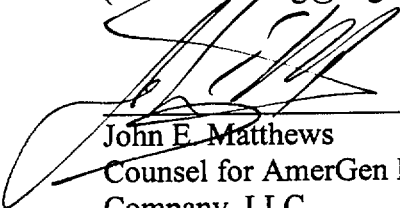
Office of the Commission Appellate
Adjudication
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555
(E-mail: hrb@nrc.gov)

Daniel F. Stenger, Esq.
Hopkins & Sutter
888 16th Street, N.W.
Washington, D.C. 20006
(E-mail: dstenger@hopsut.com)

Thomas W. Yurik
Rochester Gas and Electric Corp.
89 East Avenue
Rochester, NY 14649
(E-Mail: tom_yurik@rge.com)

Robert J. Glasser, Esq.
Gould & Wilkie, LLP
One Chase Manhattan Plaza
New York, NY 10005
(E-mail: bobglasser@gouldwilkie.com)

Richard W. Golden, Esq.
Assistant Attorney General
Telecommunications and Energy Bureau
New York State Department of Law
120 Broadway, New York, NY 10271
(E-mail: cfmrwg@oag.state.ny.us)


John E. Matthews
Counsel for AmerGen Energy
Company, LLC

May 24, 2000

10 CFR 50.80
10 CFR 50.90

U.S. Nuclear Regulatory Commission
ATTENTION: Mr. Samuel J. Collins, Director
Office of Nuclear Reactor Regulation
One White Flint North
Mail Stop O-5 E7
11555 Rockville Pike
Rockville, MD 20853-2738

Subject: Withdrawal of Application for Transfer of Nine Mile
Point Licenses from Niagara Mohawk and NYSEG to
AmerGen

Reference: Application for Order and Conforming Administrative
License Amendments for License Transfers (NRC
Facility Operating License Nos. DPR-63 and NPF-69),
September 10, 1999, NRC Docket Nos. 50-220 and
50-410 (Nine Mile Point, Units 1 and 2)

Dear Mr. Collins:

By the above-referenced Application, AmerGen Energy Company, LLC
("AmerGen"), Niagara Mohawk Power Corporation ("Niagara Mohawk"), and
New York State Electric & Gas Corporation ("NYSEG"), requested NRC approval

for transfer of the NRC licenses for Nine Mile Point Units 1 and 2 held by Niagara Mohawk and NYSEG to AmerGen.¹

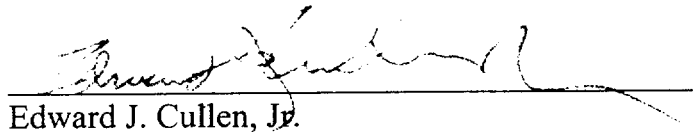
Recent developments before the New York Public Service Commission ("PSC") have led Applicants to decide not to proceed with the license transfers described in their application at this time. On April 25, 2000, the New York PSC issued an order urging the owners of the Nine Mile Point units to determine the market value of these units through a competitive bidding process. At the same time, the PSC approved withdrawal of NYSEG's and Niagara Mohawk's petitions for PSC authorization to transfer their ownership interests in the Nine Mile Point units to AmerGen. As a result, there is no reasonable prospect that the transfer of these interests will proceed in accordance with the schedule anticipated at the time Applicants filed their application for NRC approval of the transfer of the Nine Mile Point licenses to AmerGen. Accordingly, Applicants hereby withdraw their September 10, 1999 Application for Order and Conforming Administrative License Amendments for License Transfers for License Numbers DPR-63 and NPF-69.

Notwithstanding the withdrawal of the current application, AmerGen will participate in the competitive bidding process suggested by the New York PSC. In the event that this process leads any of the current owners of Nine Mile Point to transfer their interests to AmerGen, AmerGen would submit a renewed application for transfer of the Nine Mile Point licenses. AmerGen therefore requests the NRC Staff to retain the September 10, 1999 application, and the analyses that have been performed in connection with processing that application, so that in the event a similar application is filed in the future, the knowledge gained and effort expended by the NRC Staff can be applied to the processing of such an application and support the efficient use of both Staff and applicant resources in evaluating the application.

¹ Collectively, Niagara Mohawk, NYSEG, and AmerGen are the "Applicants." Niagara Mohawk is the sole owner of Nine Mile Point Unit 1, holds a 41% undivided ownership interest in Unit 2, and is the licensed operator of both units. NYSEG holds an 18% undivided ownership interest in Unit 2.

Please call Mr. James A. Hutton, Jr., at (610) 640-6722 should you have any questions or require further information.

Very truly yours,



Edward J. Cullen, Jr.
Secretary
AmerGen Energy Company, LLC

John H. Mueller
Senior Vice President and Chief Nuclear Officer
Niagara Mohawk Power Corporation

Jeffrey K. Smith
Senior Vice President - Corporate Development
New York State Electric & Gas Corporation

cc: Document Control Desk, NRC (3 Copies)
Mr. William D. Travers, Executive Director for Operations, NRC
Mr. Hubert J. Miller, Regional Administrator, Region I, NRC
Mr. Gordon K. Hunegs, NMP Senior Resident Inspector, NRC
Mr. Peter S. Tam, NMP Project Manager, NRC
Ms. Donna M. Skay, Project Directorate III, NRR/DLPM, NRC
Ms. Marsha K. Gamberoni, Acting Section Chief, Project Directorate I,
NRR/DLPM, NRC
Mr. Frank J. Miraglia, Jr., Deputy Executive Director for Operations, NRC
Mr. John A. Zwolinski, Director, NRR/ DLPM, NRC
Mr. David B. Matthews, Director, NRR/DRIP, NRC


U.S. Nuclear Regulatory Commission
ATTN: Mr. Samuel J. Collins, Director
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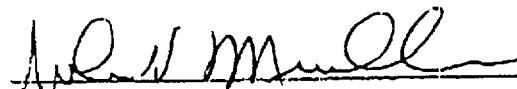
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U.S. Nuclear Regulatory Commission
ATTN: Mr. Samuel J. Collins, Director
Page 3

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