



RS-00-79

September 1, 2000

U.S. Nuclear Regulatory Commission

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Braidwood Station, Units 1 and 2
Facility Operating License Nos. NPF-72 and NPF-77
NRC Docket Nos. STN 50-456 and STN 50-457

Byron Station, Units 1 and 2
Facility Operating License Nos. NPF-37 and NPF-66
NRC Docket Nos. STN 50-454 and STN 50-455

Dresden Nuclear Power Station, Units 1, 2 and 3
Facility Operating License Nos. DPR-2, DPR-19 and DPR-25
NRC Docket Nos. 50-10, 50-237 and 50-249

LaSalle County Station, Units 1 and 2
Facility Operating License Nos. NPF-11 and NPF-18
NRC Docket Nos. 50-373 and 50-374

Quad Cities Nuclear Power Station, Units 1 and 2
Facility Operating License Nos. DPR-29 and DPR-30
NRC Docket Nos. 50-254 and 50-265

Zion Nuclear Power Station, Units 1 and 2
Facility Operating License Nos. DPR-39 and DPR-48
NRC Docket Nos. 50-295 and 50-304

Subject: Additional Information Regarding Application for Indirect License Transfers

Reference: ComEd letter, "Application for Indirect License Transfers," dated July 7, 2000

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In the Reference letter, Commonwealth Edison (ComEd) Company requested the NRC consent to the interim, indirect transfer of Facility Operating Licenses for Braidwood Station, Units 1 and 2; Byron Station, Units 1 and 2; Dresden Nuclear Power Station, Units 1, 2 and 3; LaSalle County Station, Units 1 and 2; Quad Cities Nuclear Power Station, Units 1 and 2; and Zion Nuclear Power Station, Units 1 and 2. During this interim period, ComEd would become a direct, wholly-owned subsidiary of Exelon Corporation (i.e., Exelon), would continue to hold its existing ownership interests in its nuclear units, and would continue to be the NRC licensee until the transfer of the assets to Exelon Generation Company, LLC occurs. During this interim period, ComEd also indicated that the establishment of Exelon as its parent holding company would not result in any change in, among other things, the management or technical qualifications of ComEd's nuclear organization.

As part of the overall Unicom Corporation/PECO Energy Company (PECO) merger plan that was initiated in October 1999, development of the Exelon Generation Company (EGC) Nuclear Group (NG) organization and management selection are nearly complete. Integration efforts and transition activities leading to implementation of the NG organization have progressed on a schedule that supported an earlier consummation of the PECO/Unicom merger. In light of this, ComEd and PECO plan to implement the NG organization and management when Exelon is formed. The NG senior management team will be in place and will lead the NG headquarters and regional operating group organizations during the interim period described in the Reference letter in providing support to existing ComEd, PECO, and AmerGen nuclear plants. During this interim period, the ComEd nuclear organization will continue to operate ComEd's nuclear stations in accordance with the terms of the existing licenses, and the functions, responsibilities, and reporting relationships within the ComEd nuclear organization, especially as they relate to activities important to the safe operation of each station, will continue to be clear and unambiguous. As a direct, wholly-owned subsidiary of Exelon, ComEd will be able to immediately benefit from the leadership of the NG senior management team and implementation of the management model that will apply to all the nuclear plants that will be part of EGC.

During this interim period (i.e., the time between when Exelon is formed and the nuclear generating assets are transferred to EGC), ComEd's nuclear organization employees, including the licensed operators, will remain ComEd employees. However, Oliver D. Kingsley, Jr., the current President and Chief Nuclear Officer (CNO) of ComEd's Nuclear Generation Group (NGG), will also become the CNO of PECO. Similarly, Jack Skolds, ComEd's NGG Chief Operating Officer (COO), will become the COO for PECO, reporting to Mr. Kingsley. Mr. Kingsley will continue to report to the President and Chief Executive Officer of ComEd (i.e., John W. Rowe) and the ComEd Board of

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Directors for final decision making authority concerning matters that involve the ComEd nuclear plants. Likewise, Mr. Kingsley will report to the President and Chief Executive Officer of PECO (i.e., Corbin A. McNeill) and the PECO Board of Directors for final decision making authority concerning matters that involve the PECO nuclear plants. Accordingly, ComEd and PECO will retain authority for the safe operation of their plants and for regulatory compliance.

In summary, the NG management and organization that will be implemented upon consummation of the merger will continue to operate the ComEd units in accordance with the terms of the existing licenses. Final decision making authority and licensee responsibility will not change during the interim period so the existing licenses for the ComEd plants will not be transferred or assigned.

If you have any questions about this letter, please contact K. A. Ainger at (630) 663-7350.

Respectfully,



R. M. Krich
Vice President – Regulatory Services

cc: Regional Administrator – NRC Region III
NRC Senior Resident Inspector – Braidwood Station
NRC Senior Resident Inspector – Byron Station
NRC Senior Resident Inspector – Dresden Nuclear Power Station
NRC Senior Resident Inspector – LaSalle County Station
NRC Senior Resident Inspector – Quad Cities Nuclear Power Station