



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

DOMINION NUCLEAR CONNECTICUT, INC.
(MILLSTONE NUCLEAR POWER STATION, UNIT 1)
DOCKET NO. 50-245
FACILITY OPERATING LICENSE

License No. DPR-21

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for an operating license filed by the applicant complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the rules and regulations of the Commission, as set forth in 10 CFR Chapter I, and all required notifications to other agencies or bodies have been duly made;
 - B. Deleted.
 - C. The facility will be decommissioned in conformity with the provisions of the Act, and the rules and regulations of the Commission;
 - D. Deleted.
 - E. Dominion Nuclear Connecticut, Inc. (the licensee) is technically qualified to engage in the activities authorized by this operating license, in accordance with the rules and regulations of the Commission;
 - F. The licensee has furnished proof of financial protection that satisfies the requirements of 10 CFR Part 140;
 - G. The issuance of this license will not be inimical to the common defense and security or to the health and safety of the public; and
 - H. The issuance of this license is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied; and
 - I. Deleted.

Amendment No. 108

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2. Provisional Operating License No. DPR-21, dated October 7, 1970, as amended, was superseded in its entirety by Facility Operating License No. DPR-21 issued to Northeast Nuclear Energy Company and transferred to Dominion Nuclear Connecticut, Inc. on . It applies to the permanently defueled condition as follows:
 - A. This license applies to the Millstone Nuclear Power Station, Unit 1, a single cycle, boiling light-water reactor, and electric generating equipment (the facility). The facility is located on the licensee's site in Waterford, Connecticut, and is described in the license application, as amended, and the Safety Analysis Report, as supplemented and amended (herein the application).
 - B. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses Dominion Nuclear Connecticut, Inc.:
 - (1) Pursuant to Section 104b of the Atomic Energy Act of 1954, as amended (the Act), and 10 CFR Part 50, "Domestic Licensing of Production and Utilization Facilities," to possess, the facility at the designated location in Waterford, Connecticut in accordance with the procedures and limitations set forth in this license;
 - (2) Pursuant to the Act and 10 CFR Part 70, "Domestic Licensing of Special Nuclear Material," to possess at any time special nuclear material that was used as reactor fuel in accordance with the limitations for storage as described in the Safety Analysis Report, as supplemented and amended.
 - (3) Pursuant to the Act and 10 CFR Parts 30, 40 and 70 to receive, possess, and use at any time sealed sources for reactor instrumentation and radiation monitoring equipment calibration, and as fission detectors in amounts as required and possess any byproduct, source and special nuclear material as sealed neutron sources that was used for reactor startup; and
 - (4) Pursuant to the Act and 10 CFR Parts 30 and 70, to possess, but not to separate, such byproduct and special nuclear material as may be produced by operation of the facility.
 - C. This license shall be deemed to contain and is subject to the conditions specified in the following Commission regulations in 10 CFR Part 20, Section 30.34 of Part 30, Section 40.41 of Part 40, Sections 50.54 and 50.59 of Part 50, and Section 70.32 of Part 70; and is subject to all applicable provisions of the Act and rules, regulations and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified below:
 - (1) Deleted.

(2) Technical Specifications

The Technical Specifications contained in Appendix A, as revised through Amendment No. , are hereby incorporated in the license. The licensee shall operate the facility in accordance with the Technical Specifications.

(3) Deleted.

(4) Physical Protection

The licensee shall fully implement and maintain in effect all provisions of the Commission-approved physical security, guard training and qualification, and safeguards contingency plans including amendments made pursuant to provisions of the Miscellaneous Amendments and Search Requirements revisions to 10 CFR 73.55 (51 FR 27817 and 27822) and to the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The plans, which contain Safeguards Information protected under 10 CFR 73.21, are entitled: "Millstone Nuclear Power Station Physical Security Plan," with revisions submitted through March 29, 1988; "Millstone Nuclear Power Station Suitability, Training and Qualification Plan," with revisions submitted through July 21, 1986; and "Millstone Nuclear Power Station Safeguards Contingency Plan," with revisions submitted through October 30, 1985. Changes made in accordance with 10 CFR 73.55 shall be implemented in accordance with the schedule set forth therein.

(5) On the closing date of the transfer of MP1 to DNC, DNC shall: 1) obtain from the Selling Owners of MP1 the decommissioning trust fund for MP1 in an amount no less than \$268,300,000; and 2) receive a parent company guarantee pursuant to 10 CFR 50.75(e)(1)(iii)(B) (to be updated annually as required under 10 CFR 50.75(f)(1) and 50.82(a)(8)(iv), unless otherwise approved by the NRC) in an amount which, when combined with the decommissioning trust fund for MP1, equals a total of the site-specific decommissioning funding cost as of the closing date of the transfer as estimated (in year 2000 dollars) in accordance with 10 CFR 50.82 (including the use of a 2 percent annual real rate of return as provided in 10 CFR 50.75(e)(1)(i)).

(6) The decommissioning trust agreement for Millstone, Unit No. 1 at the time the transfer of the unit to Dominion Nuclear Connecticut, Inc. is effected and thereafter, is subject to the following:

(a) The decommissioning trust agreement must be in a form acceptable to the NRC.

- (b) With respect to the decommissioning trust fund, investments in the securities or other obligations of Dominion Resources, Inc. or its affiliates or subsidiaries, successors, or assigns are prohibited. Except for investments tied to market indexes or other non-nuclear-sector mutual funds, investments in any entity owning one or more nuclear power plants are prohibited.
 - (c) The decommissioning trust agreement for Millstone, Unit No. 1, must provide that no disbursements or payments from the trust, other than for ordinary administrative expenses, shall be made by the trustee until the trustee has first given the Director of the Office of Nuclear Reactor Regulation 30-days prior written notice of payment. The decommissioning trust agreement shall further contain a provision that no disbursements or payments from the trust shall be made if the trustee receives prior written notice of objection from the NRC.
 - (d) The decommissioning trust agreement must provide that the agreement can not be amended in any material respect without 30 days prior written notification to the Director of the Office of Nuclear Reactor Regulation.
 - (e) The appropriate section of the decommissioning trust agreement shall state that the trustee, investment advisor, or anyone else directing the investments made in the trusts shall adhere to a "prudent investor" standard, as specified in 18 CFR 35.32(a)(3) of the Federal Energy Regulatory Commission's regulations.
- (7) Dominion Nuclear Connecticut, Inc. shall take all necessary steps to ensure that the decommissioning trust is maintained in accordance with the application for approval of the transfer of the Millstone, Unit No. 1, license and the requirements of the Order approving the transfer, and consistent with the safety evaluation supporting the Order.
3. On July 21, 1998, Northeast Nuclear Energy Company (NNECO) certified that operations at Millstone Unit No. 1 would permanently cease and that the fuel had been permanently removed from the reactor vessel in accordance with 10 CFR 50.82(a)(1)(i) and 10 CFR 50.82(a)(1)(ii). As a result, the 10CFR50 license no longer authorizes operation of the reactor, or the emplacement or retention of fuel in the reactor vessel.

This license is effective as of the date of issuance and authorizes ownership and possession of Millstone Unit No. 1 until the Commission notifies the licensee in writing that the license is terminated. The licensee shall:

- A. Take actions necessary to decommission the plant and continue to maintain the facility, including, where applicable, the storage, control and maintenance of the spent fuel, in a safe condition; and

- B. Conduct activities in accordance with all other restrictions applicable to the facility in accordance with the NRC regulations and the applicable provisions of the 10CFR50 facility license as defined in Section 2 of this license.

FOR THE NUCLEAR REGULATORY COMMISSION

Original signed by:

Frank J. Miraglia, Director
Division of PWR Licensing - B

Attachment:
Appendix A - Technical Specifications

Date of Issuance: October 31, 1986

4.0 DESIGN FEATURES

4.1 Site Location The Unit 1 Reactor Building is located on the site at Millstone Point in Waterford, Connecticut. The nearest site boundary on land is 2063 feet northeast of the reactor building (1620 feet northeast of the elevated stack), which is the minimum distance to the boundary of the exclusion area as described in 10CFR100.3(a). No part of the site that is closer to the reactor building than 2063 feet shall be sold or leased except to Dominion Nuclear Connecticut, Inc. or its corporate affiliates for use in conjunction with normal utility operations.

4.2 Fuel Storage

4.2.1 The new fuel storage facility shall be such that the K_{eff} dry is less than 0.90 and flooded is less than 0.95.

4.2.2 The K_{eff} of the spent fuel storage pool shall be less than or equal to 0.90. This K_{eff} value is satisfied with fuel assemblies having a maximum k-infinity of 1.24 in the normal reactor configuration at cold conditions, and an average U-235 enrichment of 3.8 weight percent or less.

4.2.3 The number of fuel assemblies stored in the spent fuel storage pool shall not exceed 3229 bundles.

5.0 ADMINISTRATIVE CONTROLS

5.5 Procedures

5.5.1 Written procedures shall be established, implemented, and maintained covering the following activities:

- a. The procedures applicable to the safe storage of irradiated fuel recommended in Appendix "A" of Regulatory Guide 1.33, February 1978;
- b. Fire Protection Program implementation;
- c. Cold Weather Operations;
- d. Quality assurance for radiological effluent and environmental monitoring;
- e. Liquid and gaseous radioactive effluent discharges from the unit for all operations involving offsite releases of radioactive effluents. These procedures shall specify the use of appropriate waste treatment utilizing the guidance provided in the REMODCM;
- f. Fuel handling operations;
- g. All programs specified in Specification 5.6.

5.5.2 The Designated Manager, Designated Officer, or Designated Senior Officer may designate specific procedures and programs, or classes of procedures and programs to be reviewed in accordance with the Station Qualified Reviewer Program in lieu of review by the PORC or SORC. The review per the PORC, SORC, or Station Qualified Reviewer Program shall be in accordance with the Quality Assurance Program Topical Report.

5.5.3 Procedures listed in Specification 5.5, and changes thereto, shall be approved by the Designated Manager, or Designated Officer or by cognizant managers or directors who are designated as the Approval Authority by the Designated Manager, or Designated Officer as specified in administrative procedures. The Approval Authority for each procedure and program or class of procedure and program shall be specified in administrative procedures.

(continued)

B 3.2 SPENT FUEL HANDLING

B 3.2.1 Reactor Building Crane Operability

BASES

BACKGROUND The purpose of this specification is to preclude the possibility of dropping a spent fuel cask over irradiated fuel in the fuel storage pool.

A description of the Reactor Building crane design improvements was provided by the licensee to the NRC on June 29, 1973. The modification improvements were described as a "Cask Drop Prevention System." By letter dated December 30, 1975, the NRC informed the licensee that the proposed improvements were acceptable. However, the NRC also requested the licensee to submit proposed Technical Specifications to assure safe operation and continued surveillance of the Reactor Building crane. The licensee submitted the proposed Technical Specifications on April 1, 1976, and the NRC approved new Technical Specifications, including the "Crane Operability" LCO, as Amendment 27 to License No. DPR-21.

**APPLICABLE
SAFETY
ANALYSIS**

The "Cask Drop Prevention System" utilizes a redundant hoist system rated at 110 tons for the main hoist. This redundant system ensures that a load will not be dropped for all postulated credible single-component failures. The range of component failure examined extends over the total load path from the cask trunnions through the cask lifting yoke and redundant hoist system to the crane bridge structure. In addition, once the crane is set into the cask handling mode, its travel over the fuel pool will be limited to the cask storage area of the spent fuel pool. The operability requirements of the Reactor Building crane ensure that all redundant features of the crane have been adequately inspected.

Spent fuel cask drop over irradiated fuel in the fuel storage pool is precluded by these features as well as the features described in LCO and Surveillance Requirement 3.2.2 of these Technical Specifications.

(continued)



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

DOMINION NUCLEAR CONNECTICUT, INC.

DOCKET NO. 50-336

(Millstone Nuclear Power Station, Unit 2)

FACILITY OPERATING LICENSE

License No. DPR-65
Amendment No.

1. The Nuclear Regulatory Commission (the Commission) having found that:
 - A. The application for license by the applicant 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 and all required notifications to other agencies or bodies have been duly made;
 - B. Construction of the Millstone Nuclear Power Station, Unit 2, (facility) has been substantially completed in conformity with Construction Permit No. CPPR-76 and the application, as amended, the provisions of the Act and the rules and regulations of the Commission;
 - C. The facility will operate in conformity with the application, as amended, the provisions of the Act, and the rules and regulations of the Commission;
 - D. There is reasonable assurance: (i) that the activities authorized by this amended operating license can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the rules and regulations of the Commission;
 - E. The licensee is technically and financially qualified to engage in the activities authorized by this operating license in accordance with the rules and regulations of the Commission;

- F. The licensee has satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements," of the Commission's regulations;
 - G. The issuance of this amended operating license will not be inimical to the common defense and security or to the health and safety of the public;
 - 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 Amendment No. 4 to Facility Operating License No. DPR-65, 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 of said Appendix D have been satisfied; and
 - I. The receipt, possession, and use of source, byproduct, and special nuclear material as authorized by this amended license will be in accordance with the Commission's regulations in 10 CFR Parts 30, 40, and 70, including 10 CFR Sections 30.33, 40.32, 70.23 and 70.31.
2. Facility Operating License No. DPR-65, issued to The Connecticut Light and Power Company, Western Massachusetts Electric Company, and Northeast Nuclear Energy Company, and transferred to Dominion Nuclear Connecticut, Inc. on _____, is hereby amended in its entirety to read as follows:
- A. This amended license applies to the Millstone Nuclear Power Station, Unit 2, a pressurized water nuclear reactor and associated equipment (the facility), owned by Dominion Nuclear Connecticut, Inc. The facility is located on the north shore of Long Island Sound and on the east side of Niantic Bay in the Town of Waterford, Connecticut, about three miles from New London, Connecticut, and is described in the "Final Safety Analysis Report" as supplemented and amended (Amendments 13 through 42, and the Environmental Report as amended (Amendments 1 through 5).
 - B. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses Dominion Nuclear Connecticut, Inc.:
 - (1) Pursuant to Section 104b of the Act and 10 CFR Part 50, "Licensing of Production and Utilization Facilities," to possess, use, and operate the facility at the designated location on the north shore of Long Island Sound and on the east side of Niantic Bay, in the Town of Waterford, Connecticut, about three miles from New London, Connecticut, in accordance with the procedures and limitations set forth in this amended 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 operation, as described in the Final Safety Analysis Report, as supplemented and amended;
 - (3) Pursuant to the Act and 10 CFR Parts 30, 40, 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;
 - (4) Pursuant to the Act and 10 CFR Parts 30, 40, and 70, to receive, possess and use in amounts as required any byproduct, source or special nuclear material without restriction to chemical or physical form for sample analysis or instrument and equipment calibration or associated with radioactive apparatus or components;
 - (5) Pursuant to the Act and 10 CFR Parts 30 and 70, to possess, but not separate, such byproduct and special nuclear materials as may be produced by the operation of the facility.
- C. This amended license shall be deemed to contain and is subject to the conditions specified in the following Commission regulations in 10 CFR Chapter I: Part 20, Section 30.34 of Part 30, Section 40.41 of Part 40, Sections 50.54 and 50.59 of Part 50, and Section 70.32 of Part 70; is subject to all applicable provisions of the Act and to the rules, regulations, and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified or incorporated below:

(1) Maximum Power Level

The licensee is authorized to operate the facility at steady-state reactor core power levels not in excess of 2700 megawatts thermal.

(2) Technical Specifications

The Technical Specifications contained in Appendix A, as revised through Amendment No. , are hereby incorporated in the license. The licensee shall operate the facility in accordance with the Technical Specifications.

(3) Fire Protection

The licensee shall implement and maintain in effect all provisions of the approved fire protection program as described in the Final Safety Analysis Report and as approved in the SER dated September 19, 1978, and supplements dated October 21, 1980, November 11, 1981, October 31, 1985, April 15, 1986, January 15, 1987, April 29, 1988, July 17, 1990, and November 3, 1995, subject to the following provisions.

The licensee may make changes to the approved fire Protection Program without prior approval of the Commission only if those changes would not adversely affect the ability to achieve and maintain safe shutdown in the event of a fire.

(4) Physical Protection

The licensee shall fully implement and maintain in effect all provisions of the Commission-approved physical security, guard training, and qualification, and safeguards contingency plans including amendments made pursuant to provisions of the Miscellaneous Amendments and Search Requirements revisions to 10 CFR 73.55 (51 CFR 27817 and 27822) and to the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The plans, which contain Safeguards Information protected under 10 CFR 73.21, are entitled: "Millstone Nuclear Power Station Physical Security Plan," with revisions submitted through March 29, 1988; "Millstone Nuclear Power Station Suitability, Training, and Qualification Plan," with revision submitted through July 21, 1986; and "Millstone Nuclear Power Station Safeguards Contingency Plan," with revisions submitted through October 30, 1985. Changes made in accordance with 10 CFR 73.55 will be implemented in accordance with the schedule set forth therein.

(5) Additional Conditions

The additional Conditions contained in Appendix B, as revised through Amendment No. are hereby incorporated in the license. The licensee shall operate the facility in accordance with the additional conditions.

(6) Relocated Technical Specifications

The licensee shall relocate certain technical specification requirements to licensee-controlled documents as described below. The location of these requirements shall be retained by the licensee.

- a. This license condition approves the relocation of certain technical specification requirements to licensee-controlled documents (Technical Requirements Manual), as described in the licensee's application dated May 20, 1997, as supplemented on September 23, 1997. The approval is documented in the staff's safety evaluation dated November 19, 1997. This license condition is effective as of its date of issuance by Amendment No. 210 and shall be implemented 90 days from the date of issuance. Implementation shall include the relocation of technical specification requirements to the appropriate licensee-controlled document as identified in the licensee's application dated May 20, 1997, as supplemented on September 23, 1997.
- (7) DNC shall not take any action that would cause DRI or its parent companies to void, cancel, or diminish DNC's commitment to have sufficient funds available to fund an extended plant shutdown as represented in the application for approval of the transfer of the licenses for Millstone, Unit No. 2.
 - (8) Immediately after the transfer of Millstone, Unit No. 2 to Dominion Nuclear Connecticut, Inc., the amount in the decommissioning trust for Millstone, Unit No. 2, must, with respect to the interest in Millstone, Unit No. 2, that Dominion Nuclear Connecticut would then hold, be at a level no less than the formula amount under 10 CFR 50.75.
 - (9) The decommissioning trust agreement for Millstone, Unit No. 2 at the time the transfer of the unit to Dominion Nuclear Connecticut, Inc. is effected and thereafter is subject to the following:
 - (a) The decommissioning trust agreement must be in a form acceptable to the NRC.

- (b) With respect to the decommissioning trust fund, investments in the securities or other obligations of Dominion Resources, Inc. or its affiliates or subsidiaries, successors, or assigns are prohibited. Except for investments tied to market indexes or other non-nuclear-sector mutual funds, investments in any entity owning one or more nuclear power plants are prohibited.
 - (c) The decommissioning trust agreement for Millstone, Unit No. 2, must provide that no disbursements or payments from the trust, other than for ordinary administrative expenses, shall be made by the trustee until the trustee has first given the Director of the Office of Nuclear Reactor Regulation 30-days prior written notice of payment. The decommissioning trust agreement shall further contain a provision that no disbursements or payments from the trust shall be made if the trustee receives prior written notice of objection from the NRC.
 - (d) The decommissioning trust agreement must provide that the agreement can not be amended in any material respect without 30 days prior written notification to the Director of the Office of Nuclear Reactor Regulation.
 - (e) The appropriate section of the decommissioning trust agreement shall state that the trustee, investment advisor, or anyone else directing the investments made in the trusts shall adhere to a "prudent investor" standard, as specified in 18 CFR 35.32(a)(3) of the Federal Energy Regulatory Commission's regulations.
- (10) Dominion Nuclear Connecticut, Inc. shall take all necessary steps to ensure that the decommissioning trust is maintained in accordance with the application for approval of the transfer of the Millstone, Unit No. 2, license and the requirements of the Order approving the transfer, and consistent with the safety evaluation supporting the Order.

- D. This amended license is effective as of its date of issuance and shall expire at midnight July 31, 2015.

FOR THE NUCLEAR REGULATORY COMMISSION

Original signed by
Roger S. Boyd

Roger S. Boyd, Acting Director
Division of Reactor Licensing
Office of Nuclear Reactor Regulation

Enclosures:

1. Incomplete Preoperational Test
Items Which Must be Completed
2. Change No. 4 to Technical Specifications
Contained in Appendix A to DPR-65
3. Appendix B

Date of Issuance: September 26, 1975

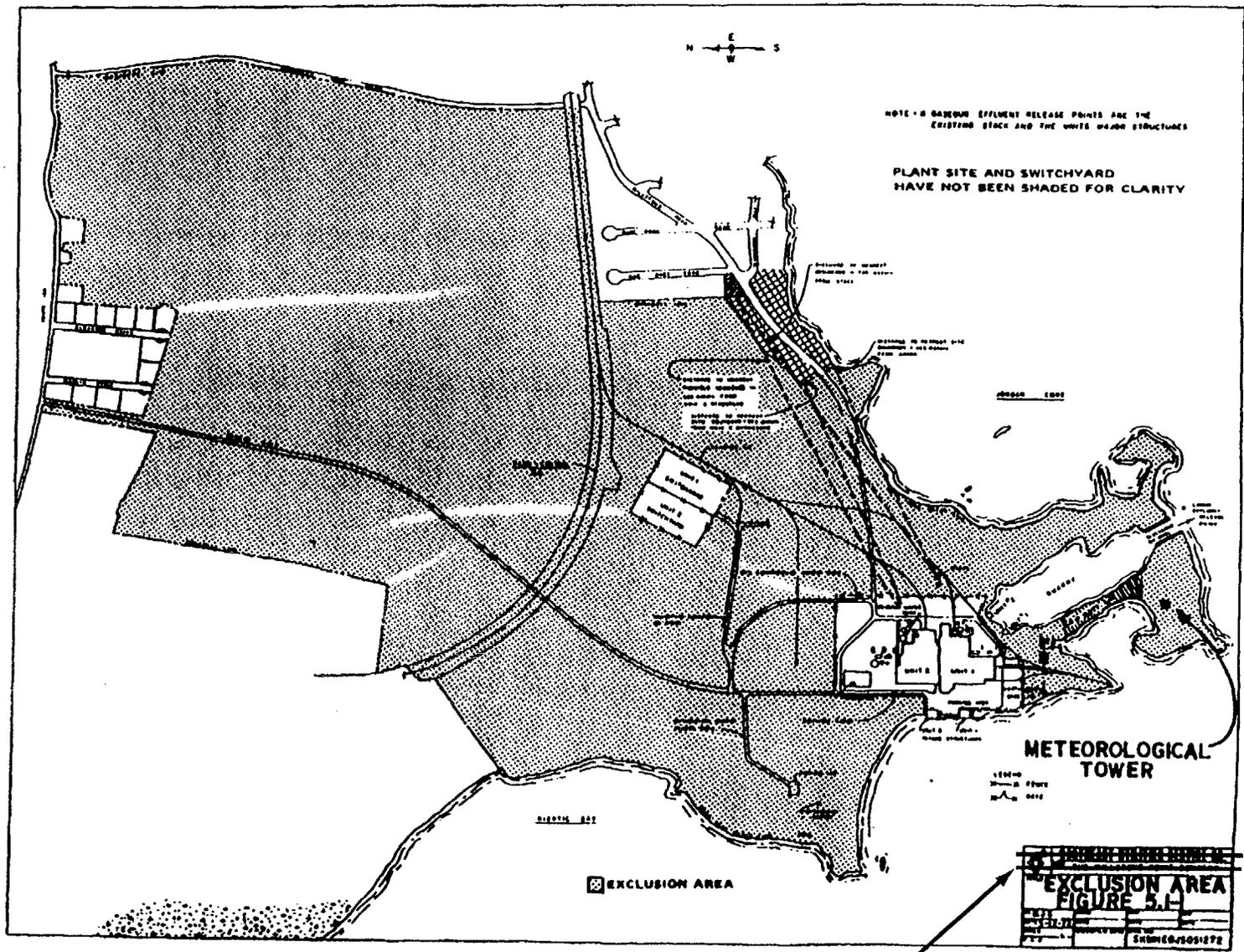
APPENDIX B

ADDITIONAL CONDITIONS

FACILITY OPERATING LICENSE NO. DPR-65

The licensee shall comply with the following conditions on the schedules noted below:

<u>Amendment Number</u>	<u>Additional Condition</u>	<u>Implementation Date</u>
212	This amendment authorizes the licensee to incorporate in the Updated Final Safety Analysis Report certain changes to the description of the facility. Implementation of this amendment is the incorporation of these changes as described in Attachment 3 of the licensee's application dated September 3, 1997, and evaluated in the staff's Safety Evaluation dated January 23, 1998.	30 days from the date of issuance
213	This amendment requires the licensee to incorporate in the Updated Final Safety Analysis Report (UFSAR) certain changes to the description of the facility. Implementation of this amendment is the incorporation of the changes described in the licensee's application dated March 27, 1997, supplemented on September 25, 1997, and evaluated in the staff's Safety Evaluation dated February 9, 1998. The description shall include details on selection of instruments and consideration of their accuracies for measuring ultimate heat sink temperatures greater than 70 °F.	Next update of the UFSAR
222	This amendment authorizes the licensee to include in the Updated Final Safety Analysis Report (UFSAR) changes to the description of the facility. Implementation of this amendment is the updating of the UFSAR to reflect the changes in Attachment 3 of the licensee's application dated July 2, 1998, and evaluated in the staff's Safety Evaluation dated December 18, 1998	Next UFSAR update



DOMINION NUCLEAR CONNECTICUT, INC.

August 1, 1975



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

DOMINION NUCLEAR CONNECTICUT, INC., ET AL.⁽¹⁾

DOCKET NO. 50-423

MILLSTONE NUCLEAR POWER STATION, UNIT NO. 3

FACILITY OPERATING LICENSE

License No. NPF-49
Amendment No.

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for license filed by the applicant complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's regulations set forth in 10 CFR Chapter I, and all required notifications to other agencies or bodies have been duly made;
 - B. Construction of the Millstone Nuclear Power Station, Unit No. 3 (the facility) has been substantially completed in conformity with Construction Permit No. CPPR-113 and the application, as amended, the provisions of the Act, and the regulations of the Commission;
 - C. The facility will operate in conformity with the application, as amended, the provisions of the Act, and the regulations of the Commission, (except as exempted from compliance, see Section 2.D below);
 - D. There is reasonable assurance: (1) that the activities authorized by this operating license can be conducted without endangering the health and safety of the public, and (2) that such activities will be conducted in compliance with the Commission's regulations set forth in 10 CFR Chapter I, (except as exempted from compliance, see Section 2D below):

(1) Dominion Nuclear Connecticut, Inc., et al. (the licensees) consists of Dominion Nuclear Connecticut, Inc., Central Vermont Public Service Corporation and Massachusetts Municipal Wholesale Electric Company. Dominion Nuclear Connecticut, Inc. is authorized to act as the agent and representative for Central Vermont Public Service Corporation and Massachusetts Municipal Wholesale Electric Company and has exclusive responsibility and control over the physical operation and maintenance of the facility.

- E. Dominion Nuclear Connecticut, Inc. is technically qualified to engage in the activities authorized by this license in accordance with the Commission's regulations set forth in 10 CFR Chapter I;
 - F. The licensees have satisfied the applicable provisions of 10 CFR Part 140 "Financial Protection Requirements and Indemnity Agreements" of the Commission's regulations;
 - G. The issuance of this license will not be inimical to the common defense and security or to the health and safety of the public;
 - 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 Facility Operating License No. NPF-49, subject to the conditions for protection of the environment set forth in the Environmental Protection Plan attached as Appendix B, is in accordance with 10 CFR Part 51 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. Based on the foregoing findings regarding this facility, and pursuant to approval by the Nuclear Regulatory Commission at a meeting on January 29, 1986, the license for fuel loading and low power testing License No. NPF-44, issued on November 25, 1985, is superseded by Facility Operating License No. NPF-49 and hereby issued to Northeast Nuclear Energy Company, et al. (the licensees) and transferred to Dominion Nuclear Connecticut, Inc., et al. on _____, to read as follows:
- A. This license applies to the Millstone Nuclear Power Station, Unit 3, a pressurized water nuclear reactor and associated equipment (the facility), owned by the licensees. The facility is located in Waterford Township, New London County, Connecticut on the north shore of Long Island Sound, and is described in the licensees' "Final Safety Analysis Report", as supplemented and amended, and in the licensees' Environmental Report, as supplemented and amended.
 - B. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses:
 - (1) Dominion Nuclear Connecticut, Inc., pursuant to Section 103 of the Act and 10 CFR Part 50, to possess, use and operate the facility at the designated location in New London County, Connecticut in accordance with the procedures and limitations set forth in this license;

Central Vermont Public Service Corporation and Massachusetts Municipal Wholesale Electric Company, pursuant to the Act and 10 CFR Part 50, to possess the facility at the designated location in New London County, Connecticut in accordance with the procedures and limitations set forth in this license.
 - (2) Dominion Nuclear Connecticut, Inc., 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 operation, as described in the Final Safety Analysis Report, as supplemented and amended;

- (3) Dominion Nuclear Connecticut, Inc., 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:
- (4) Dominion Nuclear Connecticut, Inc., pursuant to the Act and 10 CFR Parts 30, 40, and 70 to receive, possess, and use in amounts as required any byproduct, source, or special nuclear material without restriction to chemical or physical form for sample analysis or instrument calibration or associated with radioactive apparatus or components; and
- (5) Dominion Nuclear Connecticut, Inc., pursuant to the Act and 10 CFR Parts 30, 40, and 70 to possess, but not separate, such byproducts and special nuclear materials as may be produced by the operations of the facility.

c. This license shall be deemed to contain and is subject to the conditions specified in the Commission's regulations set forth in 10 CFR Chapter I and is subject to all applicable provisions of the Act and to the rules, regulations, and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified or incorporated below:

(1) Maximum Power Level

Dominion Nuclear Connecticut, Inc. is authorized to operate the facility at reactor core power levels not in excess of 3411 megawatts thermal (100 percent rated power) in accordance with the conditions specified herein.

(2) Technical Specifications

The Technical Specifications contained in Appendix A, revised through Amendment No. and the Environmental Protection Plan contained in Appendix B, both of which are attached hereto are hereby incorporated into the license. Dominion Nuclear Connecticut, Inc. shall operate the facility in accordance with the Technical Specifications and the Environmental Protection Plan.

(3) DELETED

(4) DELETED

(5) The Additional Conditions contained in Appendix C, as revised through Amendment No. , are hereby incorporated in the license. Dominion Nuclear Connecticut, Inc. (the licensee) shall operate the facility in accordance with the additional conditions.

- (6) DNC shall not take any action that would cause DRI or its parent companies to void, cancel, or diminish DNC's commitment to have sufficient funds available to fund an extended plant shutdown as represented in the application for approval of the transfer of the licenses for Millstone, Unit No. 3.
- (7) Immediately after the transfer of interests in Millstone, Unit No.3, to Dominion Nuclear Connecticut, Inc., the amount in the decommissioning trust fund for Millstone, Unit No. 3, must, with respect to the interest in Millstone, Unit No. 3, that Dominion Nuclear Connecticut, Inc. would then hold, be at a level no less than the formula amount under 10 CFR 50.75.
- (8) The decommissioning trust agreement for Millstone, Unit No. 3 at the time the transfer of the unit to Dominion Nuclear Connecticut, Inc. is effected and thereafter is subject to the following:
 - (a) The decommissioning trust agreement must be in a form acceptable to the NRC.
 - (b) With respect to the decommissioning trust fund, investments in the securities or other obligations of Dominion Resources, Inc. or its affiliates or subsidiaries, successors, or assigns are prohibited. Except for investments tied to market indexes or other non-nuclear-sector mutual funds, investments in any entity owning one or more nuclear power plants are prohibited.
 - (c) The decommissioning trust agreement for Millstone, Unit No. 3, must provide that no disbursements or payments from the trust, other than for ordinary administrative expenses, shall be made by the trustee until the trustee has first given the Director of the Office of Nuclear Reactor Regulation 30-days prior written notice of payment. The decommissioning trust agreement shall further contain a provision that no disbursements or payments from the trust shall be made if the trustee receives prior written notice of objection from the NRC.
 - (d) The decommissioning trust agreement must provide that the agreement can not be amended in any material respect without 30 days prior written notification to the Director of the Office of Nuclear Reactor Regulation.
 - (e) The appropriate section of the decommissioning trust agreement shall state that the trustee, investment advisor, or anyone else directing the investments made in the trusts shall adhere to a "prudent investor" standard, as specified in 18 CFR 35.32(a)(3) of the Federal Energy Regulatory Commission's regulations.
- (9) Dominion Nuclear Connecticut, Inc. shall take all necessary steps to ensure that the decommissioning trust is maintained in accordance with the application for approval of the transfer of the Millstone, Unit No. 3, license and the requirements of the Order approving the transfer, and consistent with the safety evaluation supporting the Order.

- D. Exemptions from certain requirements of Appendix J 10 CFR Part 50 (Section 6.2.6, SSER 4) and from a portion of the requirements of General Design Criterion 4 (Section 3.9.3.1, SSER 4) of Appendix A to 10 CFR Part 50 have previously been granted. See Safety Evaluation Report Supplement 4, November 1985. With these exemptions the facility will operate, to the extent authorized herein, in conformity with the application, as amended, the provisions of the Act, and the rules and regulations of the Commission.
- E. Dominion Nuclear Connecticut, Inc. shall fully implement and maintain in effect all provisions of the Commission-approved physical security, guard training and qualification, and safeguards contingency plans including amendments made pursuant to provisions of the Miscellaneous Amendments and Search Requirements revisions to 10 CFR 73.55 (51 FR 27817 and 27822) and to the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The plans, which contain Safeguards Information protected under 10 CFR 73.21, are entitled: "Millstone Nuclear Power Station Physical Security Plan," with revisions submitted through March 29, 1988; "Millstone Nuclear Power Station Suitability, Training and Qualification Plan," with revision submitted through July 21, 1986; and "Millstone Nuclear Power Station Safeguards Contingency Plan," with revisions submitted through October 30, 1985. Changes made in accordance with 10 CFR 73.55 shall be implemented in accordance with the schedule set forth therein.
- F. Except as otherwise provided in the Technical Specifications or Environmental Protection Plan, Dominion Nuclear Connecticut, Inc. shall report any violations of the requirements contained in Section 2.C of this license in the following manner: initial notification shall be made within 24 hours to the NRC Operations Center via the Emergency Notification System with written followup within thirty days in accordance with the procedures described in 10 CFR 50.73(b), (c) and (e).
- G. The licensees shall have and maintain financial protection of such type and in such amounts as the Commission shall require in accordance with Section 170 of the Atomic Energy Act of 1954, as amended, to cover public liability claims.
- H. Fire Protection (Section 9.5.1, SER, SSER 2, SSER4, SSER5)

Dominion Nuclear Connecticut, Inc. shall implement and maintain in effect all provisions of the approved fire protection program as described in the Final Safety Analysis Report for the facility and as approved in the SER (NUREG-1031) issued July 1984 and Supplements Nos. 2, 4, and 5 issued September 1985, November 1985 and January 1986, respectively, subject to the following provision:

The licensee may make changes to the approved fire protection program without prior approval of the Commission only if those changes would not adversely affect the ability to achieve and maintain safe shutdown in the event of a fire.

- I. This license is effective as of the date of issuance and shall expire at Midnight on November 25, 2025.

FOR THE NUCLEAR REGULATORY COMMISSION

Original signed by H.R. Denton

Harold R. Denton, Director
Office of Nuclear Reactor Regulation

Attachments/Appendices:

1. Appendix A - Technical Specifications (NUREG-1176)
2. Appendix B - Environmental Protection Plan
3. Appendix C - Additional Conditions

Date of Issuance: January 31, 1986

APPENDIX C
ADDITIONAL CONDITIONS
OPERATING LICENSE NO. NPF-49

The licensee shall comply with the following conditions on the schedules noted below:

<u>Amendment Number</u>	<u>Additional Condition</u>	<u>Condition Completion Date</u>
162	Millstone Unit No. 3 will incorporate the changes into the Final Safety Analysis Report (FSAR) as requested by letter dated January 22, 1998, as supplemented by letter dated July 17, 1998, that accepts the use of epoxy coatings on service water system components. Future changes to the design described in this submittal may be made in accordance with the provisions of 10 CFR 50.59.	During the next revision of the FSAR required by 10 CFR 50.71(e) or no later than June 30, 1999.
164	Millstone Unit No. 3 will incorporate into Technical Specification 6.9.1.6, references to the shutdown margin analysis methods reviewed and approved by the NRC.	To be submitted to the NRC within 90 days from October 21, 1998.

Amendment No.