

April 20, 2001

Mr. Robert G. Byram  
Senior Vice President  
and Chief Nuclear Officer  
PPL Susquehanna, LLC  
2 North Ninth Street  
Allentown, PA 18101

SUBJECT: NOTICE OF CONSIDERATION OF APPROVAL OF APPLICATION  
REGARDING PROPOSED CORPORATE RESTRUCTURING AND  
OPPORTUNITY FOR A HEARING - SUSQUEHANNA STEAM ELECTRIC  
STATION, UNITS 1 AND 2 (TAC NOS. MB1372 AND MB1373)

Dear Mr. Byram:

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 March 6, 2001, as supplemented by letter dated April 4, 2001, filed by PPL Susquehanna, LLC (PPL Susquehanna, the licensee). The application (pursuant to 10 CFR 50.80) seeks approval of the indirect transfer of the Susquehanna Steam Electric Station, Units 1 and 2, Facility Operating Licenses Nos. NPF-14 and NPF-22 to the extent such would be effected by a change in the structure of the corporate entities that own PPL Susquehanna. PPL Energy Supply, LLC, will become an intermediary and indirect parent company of PPL Susquehanna.

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

Sincerely,

**/RA/**

Robert G. Schaaf, Project Manager, Section 1  
Project Directorate I  
Division of Licensing Project Management  
Office of Nuclear Reactor Regulation

Docket Nos. 50-387 and 50-388

Enclosure: Notice

cc w/encl: See next page

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UNITED STATES NUCLEAR REGULATORY COMMISSION  
PPL SUSQUEHANNA, LLC  
SUSQUEHANNA STEAM ELECTRIC STATION, UNITS 1 AND 2  
DOCKET NOS. 50-387 AND 50-388  
NOTICE OF CONSIDERATION OF APPROVAL OF APPLICATION  
REGARDING PROPOSED CORPORATE RESTRUCTURING 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 Licenses Nos. NPF-14 and NPF-22 for the Susquehanna Steam Electric Station (SSES), Units 1 and 2 to the extent held by PPL Susquehanna, LLC (PPL Susquehanna, the licensee). The indirect transfer would result from the establishment of an intermediary parent company that will indirectly own PPL Susquehanna.

PPL Susquehanna is a wholly owned, direct subsidiary of PPL Generation, LLC, which is a wholly owned, direct subsidiary of PPL Energy Funding Corporation. PPL Energy Funding Corporation is a wholly owned, direct subsidiary of PPL Corporation, the ultimate parent of PPL Susquehanna. According to PPL Susquehanna's application dated March 6, 2001, as supplemented on April 4, 2001, PPL Energy Supply, LLC will become an intermediary, indirect parent company of PPL Susquehanna. Specifically, PPL Energy Supply will become a subsidiary of PPL Energy Funding Corporation and the new direct parent of PPL Generation, LLC. The proposed corporate restructuring will not involve any transfer of assets to or from PPL Susquehanna, nor will it affect SSES management, organization, or day-to-day operations.

No physical or operational changes to SSES Units 1 and 2 are proposed in the application. The application does not involve Allegheny Electric Cooperative, Inc., the other owner of and co-holder of the licenses for SSES Units 1 and 2.

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 with regard to the license transfer application, are discussed below.

By May 15, 2001, any person whose interest may be affected by the Commission's action on the application may request a hearing and, if not the applicant, 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

John E. Matthews, counsel for PPL Susquehanna, LLC, at Morgan, Lewis & Bockius, LLP, 1800 M Street, NW, Washington, DC 20036-5869 (tel: 202-467-7524; fax: 877-432-9652; e-mail: jematthews@morganlewis.com); 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 May 25, 2001, 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 20555-0001, Attention: Rulemakings and Adjudications Staff, and should cite the publication date and page number of this FEDERAL REGISTER notice.

For further details with respect to this action, see the application dated March 6, 2001, and supplement dated April 4, 2001, available for public inspection at the Commission's Public

Document Room, located at One White Flint North, 11555 Rockville Pike (first floor), Rockville, Maryland, 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 20th day of April 2001.

FOR THE NUCLEAR REGULATORY COMMISSION

***/RA/***

Robert G. Schaaf, Project Manager, Section 1  
Project Directorate I  
Division of Licensing Project Management  
Office of Nuclear Reactor Regulation