

June 21, 2001

MEMORANDUM TO: Stuart A. Richards, Director
Project Directorate IV
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

FROM: David H. Jaffe, Senior Project Manager, Section 1 */RA/*
Project Directorate IV
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

SUBJECT: SUMMARY OF MEETING HELD ON MAY 21, 2001, WITH
TXU ELECTRIC (TXU) TO DISCUSS TRANSFER OF THE FACILITY
OPERATING LICENSES (FOLS) FOR COMANCHE PEAK STEAM
ELECTRIC STATION (CPSES), UNITS 1 AND 2

On May 21, 2001, the U. S. Nuclear Regulatory Commission (NRC) staff met with representative of TXU, and their legal representatives, to discuss an upcoming corporate reorganization. A list of meeting attendees is attached.

TXU indicated that they must complete a corporate reorganization by January 1, 2002. The reorganization is the result of a Texas law that requires the separation of electric utility transmission and production assets. TXU indicated that the Texas law, and the resulting corporate reorganization, would make the antitrust requirements of Appendix C of the CPSES FOLS unnecessary. Accordingly, TXU will propose deletion of the antitrust requirements contained in Appendix C to the CPSES FOLS. The NRC staff and TXU discussed the financial qualification, decommissioning, technical qualification, and antitrust aspects of the proposed reorganization.

With regard to schedule, TXU indicated that the application for license amendments to implement the reorganization will be submitted in June 2001 and requested that the NRC staff issue the license amendments by December 31, 2001. In responding to TXU's request for prompt NRC staff action on the application for license amendments, the NRC staff stressed the importance of the supporting revenue analysis involving a five-year price and capacity projection. The NRC staff and TXU discussed various issues related to CPSES capacity factors and power uprates. The NRC staff indicated that, after the application is submitted, any changes to the proposed organization (which TXU indicated might be required) could delay issuance of the license amendments.

Docket Nos.: 50-445 and 50-446

Attachment: List of Attendees

cc w/att: See next page

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ACCESSION NO:ML011720048

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NAME	DJaffe	DJohnson	RGramm
DATE	6/18/01	6/18/01	6/20/01

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LIST OF ATTENDEES

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George Edgar	Morgan, Lewis & Bockius
Timothy Matthews	Morgan, Lewis & Bockius
Roger Walker	TXU Electric
David Jaffe	NRR:NRC
Michael Dusaniwskyj	NRR:NRC
Michael Davis	NRR:NRC
Robert Gramm	NRR:NRC
Susan Uttal	OGC:NRC
Steven Hom	OGC:NRC

NRR = Office of Nuclear Reactor Regulation

OGC = Office of the General Counsel

Comanche Peak Steam Electric Station

cc:

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