

June 30, 1994

Docket No. 50-443  
Serial No. SEA-94-017

Mr. Ted C. Feigenbaum  
Senior Vice President  
and Chief Nuclear Officer  
North Atlantic Energy Service Corporation  
Post Office Box 300  
Seabrook, New Hampshire 03874

Dear Mr. Feigenbaum:

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Docket File	SNorris
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SUBJECT: ORDER MODIFYING ORDER APPROVING TRANSFER OF LICENSE: TRANSFER OF  
CONTROL OF GREAT BAY POWER CORPORATION INTEREST (TAC M89748)

The Commission has issued the enclosed Order modifying the Orders issued on August 16, 1993, and February 15, 1994, which approved the transfer of control of Great Bay Power Corporation's (formerly EUA Power Corporation) 12.1324 percent ownership in Seabrook Station, Unit No. 1. Today's Order extends the date by which that transfer of control is to be completed and responds to an application submitted for North Atlantic Energy Service Corporation by Ropes & Gray on June 27, 1994. The modified completion date for the transfer is August 31, 1994.

The enclosed Order for Modification of Order Approving Transfer of License is being sent to the Office of the Federal Register for publication.

Sincerely,

Original signed by:

Albert W. De Agazio, Sr. Project Manager  
Project Directorate I-4  
Division of Reactor Projects - I/II  
Office of Nuclear Reactor Regulation

Enclosure:  
Order

cc w/enclosure:  
See next page

OFFICE	LA:PDI-4	TECH ED*	PM:PDI-4	D:PDI-4	OGC*
NAME	SNorris	RSanders	ADeAgazio:cn	JStolz	EHoller
DATE	6/30/94	6/30/94	6/30/94	6/31/94	6/30/94
OFFICE	AD:DRPE	D:DRPE	AD:NRR	D:NRR	
NAME	JCalvo	SVarga	RZimmerman	WRussell	
DATE	6/30/94	6/30/94	6/30/94	6/30/94	

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\*See previous concurrence

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UNITED STATES  
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

June 30, 1994

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Serial No. SEA-94-017

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Sincerely,

A handwritten signature in black ink, reading "Albert W. De Agazio".

Albert W. De Agazio, Sr. Project Manager  
Project Directorate I-4  
Division of Reactor Projects - I/II  
Office of Nuclear Reactor Regulation

Enclosure:  
Order

cc w/enclosure:  
See next page

Mr. Ted C. Feigenbaum

Seabrook Station

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Bethesda, Maryland 20814

UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION

In the Matter of	)	
	)	
NORTH ATLANTIC ENERGY SERVICE	)	Docket No. 50-443
CORPORATION	)	(License No. NPF-86)
(Seabrook Station, Unit No. 1)	)	

ORDER FOR MODIFICATION OF ORDER APPROVING TRANSFER OF LICENSE

I.

Great Bay Power Corporation, formerly EUA Power Corporation, is the holder of a 12.1324 percent ownership share in Seabrook Station, Unit No. 1. Great Bay Power Corporation's interest in Seabrook Station, Unit No. 1, is governed by License No. NPF-86 issued by the U.S. Nuclear Regulatory Commission (NRC), pursuant to Part 50 of Title 10 of the Code of Federal Regulations (10 CFR Part 50), on March 15, 1990, in Docket No. 50-443. Under this license, only North Atlantic Energy Service Corporation, acting as agent and representative of the 11 joint owners listed in the license, has the authority to operate Seabrook Station, Unit No. 1. Seabrook Station, Unit No. 1, is located in Rockingham County, New Hampshire.

II.

The transfer of any right under License No. NPF-86 is subject to the NRC's approval pursuant to 10 CFR 50.80(a). By letter of May 14, 1993, from its counsel, Ropes & Gray, North Atlantic Energy Service Corporation filed two requests with the NRC. One requested NRC approval of the indirect transfer of control of EUA Power Corporation's 12.1324 percent ownership share

in Seabrook Station, Unit No. 1. The other requested an amendment to the Operating License to reflect EUA Power Corporation's change of name to Great Bay Power Corporation. The name of EUA Power Corporation was formally changed to Great Bay Power Corporation in February 1993 following the redemption of all outstanding stock in EUA Power Corporation from its corporate parent, Eastern Utility Associates. Following the redemption of its outstanding stock, EUA Power Corporation was no longer a subsidiary of Eastern Utility Associates, and the name was changed to remove any implication of a continuing relationship with its former corporate parent. The name change did not affect the corporate entity of the debtor in bankruptcy. An indirect transfer of ownership occurs with the elimination of the existing stock of the debtor (now known as Great Bay Power Corporation) and the issuance of new stock to others.

On August 16, 1993, the NRC issued Amendment 23 to License No. NPF-86 that incorporated the name change of EUA Power Corporation to Great Bay Power Corporation in the footnote to page 1 of the operating license and issued an order approving the indirect transfer of the ownership interest of EUA Power Corporation. The order was contingent on the transfer of control being completed no later than February 15, 1994, and included the provision that upon application and showing of good cause, the order may be extended for a short period beyond February 15, 1994.

On February 3, 1994, North Atlantic Energy Service Corporation, through their counsel Ropes & Gray, filed an application requesting extension of the Order until June 30, 1994, and identified the reasons why the transfer of control could not be completed by February 15, 1994. In that application, it was asserted that the sole obstacle to final implementation of the Plan of

Reorganization was the difficulty with completing the contemplated \$45 million credit facility for the source of funds to cover Great Bay Power Corporation's cash requirements. In lieu of this credit facility, the debtor's bondholders entered into an agreement in principle with Omega Advisors that provided for an investment of \$35 million by Omega Advisors in exchange for 60 percent equity in Great Bay Power Corporation. This agreement, reached on February 2, 1994, was a modification to the Plan of Reorganization and additional time was required to formalize the agreement, recirculate a revised Disclosure Statement to the creditors, and obtain reconfirmation of the revised Plan of Reorganization from the Bankruptcy Court.

On February 15, 1994, the NRC issued an Order which modified the August 16, 1993, Order Approving Transfer of License by extending the expiration date to June 30, 1994. On April 7, 1994, a Stock Subscription Agreement was entered into with Omega Advisors and Elliot Associates, L.P.,<sup>1</sup> and a revised Disclosure Statement was circulated to all creditors. The Revised Plan of Reorganization was confirmed by the Bankruptcy Court on May 23, 1994, and a closing of the transaction was scheduled for June 15, 1994. However, on June 11, 1994, Omega Advisors notified Great Bay Power Corporation that unanticipated events leading to the delay in the completion of the Seabrook Station, Unit No. 1 third refueling outage from early June 1994 until early

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<sup>1</sup>On April 14, 1994, Ropes & Gray submitted a status report on behalf of North Atlantic Energy Service Corporation and a copy of the Supplemental Disclosure Statement. That statement disclosed that in addition to Omega Advisors, Elliot Associates, L.P., would participate in the acquisition of an aggregate of 60 percent of Great Bay Power Corporation's equity securities. Previously, Omega Advisors was identified as the sole participant in the equity financing. The stock purchase agreement discloses that the Omega entities will purchase 49 percent of the equity position and Elliot Associates will purchase the remaining 11 percent.

August 1994 has the potential to adversely affect Great Bay Power Corporation's financial projections, and the delay constitutes a material adverse change in Great Bay Power Corporation's financial condition. Omega Advisors requested postponement of the scheduled closing while the impact of these events could be assessed by independent financial and engineering consultants retained by Omega Advisors. Because these evaluations will not be available by June 30, 1994, North Atlantic Energy Service Corporation has requested further extension of the Order until August 31, 1994.

On the basis of the information in North Atlantic Energy Service Corporation's application (Ropes & Gray letter dated June 27, 1994), I find good cause to extend the expiration date of the Order Approving Transfer of License dated August 16, 1993.

### III.

Accordingly, pursuant to Sections 161b, 161i, and 184 of the Atomic Energy Act of 1954 (as amended), 42 USC 2201 et seq., and 10 CFR 50.80, IT IS HEREBY ORDERED that: the Order Approving Transfer of License dated August 16, 1993, is modified to change the latest date for completion of the transfer, as specified in Section III of the August 16, 1993, Order, to August 31, 1994. The Order of August 16, 1993, except as modified herein, remains in effect.

FOR THE NUCLEAR REGULATORY COMMISSION  
Original signed by:  
William T. Russell, Director  
Office of Nuclear Reactor Regulation

Dated at Rockville, Maryland  
this 30th day of June 1994

\*See previous concurrence

OFFICE	LA:PDI-4	TECH ED*	PM:PDI-4	D:PDI-4	OGC*
NAME	SNorris	RSanders	ADeAgazio:cn	JStolz	EHoller
DATE	6/30/94	6/30/94	6/30/94	6/30/94	6/30/94
OFFICE	AD:DRPE	D:DRPE	AD:NRR	D:NRR	
NAME	JCalvo	SVerga	RZimmerman	WRussell	
DATE	6/30/94	6/30/94	6/30/94	6/30/94	

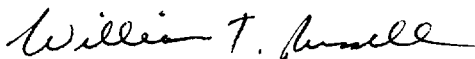
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FOR THE NUCLEAR REGULATORY COMMISSION



William T. Russell, Director  
Office of Nuclear Reactor Regulation

Dated at Rockville, Maryland  
this 30th day of June 1994