

July 20, 2001

Mr. Mark Reddemann
Site Vice President
Kewaunee and Point Beach Nuclear Plants
Nuclear Management Company, LLC
6610 Nuclear Road
Two Rivers, WI 54241

SUBJECT: KEWAUNEE NUCLEAR POWER PLANT- NOTICE OF CONSIDERATION OF APPROVAL OF TRANSFER OF FACILITY OPERATING LICENSE AND CONFORMING AMENDMENT, AND OPPORTUNITY FOR A HEARING (TAC NO. MB1877)

Dear Mr. Reddemann:

Enclosed is a copy of a "Notice of Consideration of Approval of Transfer of Facility Operating License and Conforming Amendment, and Opportunity for a Hearing" related to the application dated April 30, 2001, filed by Nuclear Management Company, LLC (NMC). The application (pursuant to 10 CFR 50.80) seeks approval of the proposed transfer of the Kewaunee Nuclear Power Plant (KNPP) Facility Operating License No. DPR-43 to the extent held by Madison Gas and Electric Company (MG&E) in connection with its current 17.8 percent ownership interest in KNPP to Wisconsin Public Service Corporation (WPSC). The current holder of operating authority under the license is NMC and will remain NMC. The application also seeks (pursuant to 10 CFR 50.90) approval of a conforming amendment to the license to reflect the transfer.

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

Sincerely,

/RA/

John G. Lamb, Project Manager, Section 1
Project Directorate III
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket No. 50-305

Enclosure: Notice

cc w/encl: See next page

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DATE	7/20/01	7/20/01	7/20/01	7/20/01

ACCESSION NO. ML012010415

OFFICIAL RECORD COPY

Kewaunee Nuclear Power Plant

cc:

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Madison, WI 53701-1497

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Wisconsin Public Service Corporation
600 N. Adams Street
Green Bay, WI 54307-9002

Chairman
Town of Carlton
Route 1
Kewaunee, WI 54216

Plant Manager
Kewaunee Nuclear Power Plant
Nuclear Management Company, LLC
North 490, Highway 42
Kewaunee, WI 54216-9511

Mr. Gerald Novickis, Chairman
Kewaunee County Board
Kewaunee County Courthouse
613 Dodge Street
Kewaunee, WI 54216

Attorney General
114 East, State Capitol
Madison, WI 53702

U.S. Nuclear Regulatory Commission
Resident Inspectors Office
Route #1, Box 999
Kewaunee, WI 54216

Regional Administrator - Region III
U.S. Nuclear Regulatory Commission
801 Warrenville Road
Lisle, IL 60532-4531

James D. Loock, Chief Engineer
Public Service Commission
of Wisconsin
610 N. Whitney Way
Madison, WI 53707-7854

Mr. Roy A. Anderson
Executive Vice President and
Chief Nuclear Officer
Nuclear Management Company, LLC
700 First Street
Hudson, WI 54016

UNITED STATES NUCLEAR REGULATORY COMMISSION
NUCLEAR MANAGEMENT COMPANY, LLC
KEWAUNEE NUCLEAR POWER PLANT
DOCKET NO. 50-305
NOTICE OF CONSIDERATION OF APPROVAL OF TRANSFER
OF FACILITY OPERATING LICENSE AND CONFORMING AMENDMENT,
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 transfer of Facility Operating License No. DPR-43 for the Kewaunee Nuclear Power Plant (KNPP), to the extent held by Madison Gas and Electric Company (MG&E) in connection with MG&E's 17.8 percent ownership interest in KNPP. The transfer would be to Wisconsin Public Service Corporation (WPSC), currently a 41.2 percent owner of KNPP. Wisconsin Power and Light Company (WP&L), the only other co-owner of KNPP, is not involved in the transfer. Nuclear Management Company, LLC (NMC), the licensed operator of KNPP, would remain as such. The Commission is also considering amending the license for administrative purposes to reflect the proposed transfer.

According to an application for approval filed by NMC, WPSC would acquire MG&E's ownership interest in the facility following approval of the proposed license transfer, and would become responsible for the decommissioning costs for KNPP that are currently the responsibility of MG&E, in addition to remaining responsible for such costs associated with WPSC's current ownership interest. MG&E will transfer a certain amount of the decommissioning trust funds accumulated by it, and make certain additional payments, to WPSC such that the total amount of decommissioning funds held by WPSC following the

transfer of MG&E's ownership interest in KNPP to WPSC would exceed the Commission's required minimum amount on a pro rata basis. No physical changes to the facility or operational changes are being proposed in the application.

The proposed amendment would delete references to MG&E in the license to reflect the proposed transfer.

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 transfer of a license, if the Commission determines that the proposed transferee is qualified to hold the license, and that the transfer is otherwise consistent with applicable provisions of law, regulations, and orders issued by the Commission pursuant thereto.

Before issuance of the proposed conforming license amendment, the Commission will have made findings required by the Atomic Energy Act of 1954, as amended (the Act), and the Commission's regulations.

As provided in 10 CFR 2.1315, unless otherwise determined by the Commission with regard to a specific application, the Commission has determined that any amendment to the license of a utilization facility which does no more than conform the license to reflect the transfer action involves no significant hazards consideration. No contrary determination has been made with respect to this specific license amendment application. In light of the generic determination reflected in 10 CFR 2.1315, no public comments with respect to significant hazards considerations are being solicited, notwithstanding the general comment procedures contained in 10 CFR 50.91.

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 August 16, 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 Bradley D. Jackson, Esq., Foley & Lardner, One South Pinckney Street, P.O. Box 1497 Madison, WI 53701-1497, telephone number 608-258-4262, fax number 608-258-4258, and e-mail BJackson@foleylaw.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 August 27, 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 April 30, 2001, supplemental submittal dated June 27, 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 July 2001.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

John G. Lamb, Project Manager Section 1
Project Directorate III
Division of Licensing Project Management
Office of Nuclear Reactor Regulation