



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D. C. 20555  
December 20, 1986

Docket No. 50-416

Mr. Oliver D. Kingsley, Jr.  
Vice President, Nuclear Operations  
Mississippi Power & Light Company  
Post Office Box 23054  
Jackson, Mississippi 39205

Dear Mr. Kingsley:

Subject: AUTHORIZATION FOR TRANSFER OF CONTROL OVER LICENSED ACTIVITIES

Re: Grand Gulf Nuclear Station, Unit 1

By application dated September 2, 1986, as amended by letters dated October 4, 13 and 24, 1986, and as supplemented by letters dated November 20, 21 and December 2 and 3, 1986, the Mississippi Power & Light Company (MP&L), Middle South Energy Inc. (MSE, recently renamed System Energy Resources, Inc., SERI) and the South Mississippi Electric Power Association (SMEPA), (joint licensees), requested, pursuant to 10 CFR 50.80, the NRC's written consent to the transfer of control over licensed activities from MP&L to SERI. The requested action would transfer the responsibility and authority for operation and control of licensed activities concerning the Grand Gulf Nuclear Station, Unit 1 (GGNS) from MP&L to SERI. MP&L has heretofore been licensed to operate the GGNS, Unit 1, pursuant to license NPF-29. MP&L has also acted as an agent for SERI and SMEPA in the operation of Unit 1. SERI and SMEPA own 90% and 10%, respectively, of the GGNS; the requested action does not involve any change in ownership of the GGNS. Notice of the request for consent to the transfer of control was published in the Federal Register on November 3, 1986 (51 FR 39927). An environmental assessment and finding of no significant impact was published in the Federal Register on December 9, 1986 (51 FR 44395).

The request was made for the purpose of allowing the licensed activities now being performed by MP&L to be shifted to SERI (formerly MSE), which heretofore was limited to ownership of 90% of the GGNS but will now also be the operating entity for the GGNS. Specifically, the transfer has been requested to: (1) enable the GGNS management to focus its full attention on the GGNS versus also having responsibility for certain non-nuclear activities in the present organizational structure; (2) permit management to focus on the development of human resources needed for nuclear plant operations and construction; (3) enable certain corpo-rate support functions to be more effectively focussed on the requirements of a nuclear generating company; and (4) enable a consolidation of the responsibility for control of licensed activities to be brought within the organization which is also the principal owner of the GGNS rather than within a contracted agent.

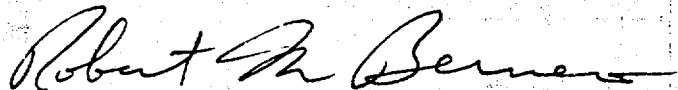
The NRC has evaluated, in a safety evaluation report accompanying Amendment No. 27 to license NPF-29 as issued on December 20, 1986, the technical qualifications and staffing for the SERI organization, the arrangements to

ensure continuance of emergency planning activities, arrangements to ensure continuance of offsite power supplies, arrangements to ensure adequate control of activities within the site exclusion area, and financial aspects of operation of GGNS, Unit 1. The Commission's review, in this regard, deals only with the requested transfer of responsibility and authority for control and other non-antitrust related issues; a later review will deal with those antitrust aspects raised in the licensee's September 2, 1986 submittal. The antitrust license conditions applicable to MP&L are not affected by the transfer of control. As noted in the safety evaluation report, the staff found that the proposed SERI nuclear organization and staff and their associated technical qualifications are acceptable and that there is reasonable assurance that licensed activities will be conducted in accordance with the Commission's regulations.

In accordance with 10 CFR 50.80, the Commission has determined that: (1) The proposed transferee, Systems Energy Resources, Inc. (SERI), is qualified to be the holder of the license and responsible for the control of licensed activities; and (2) transfer of the license is otherwise consistent with applicable provisions of law, regulations and orders issued by the Commission pursuant thereto.

Accordingly, the Commission hereby consents to the proposed transfer of control from MP&L to SERI.

Sincerely,



Robert M. Bernero, Director  
Division of BWR Licensing  
Office of Nuclear Reactor Regulation

cc: See next page

Mr. Oliver D. Kingsley, Jr.  
Mississippi Power & Light Company

cc:  
Robert B. McGehee, Esquire  
Wise, Carter, Child, Steen and Caraway  
P.O. Box 651  
Jackson, Mississippi 39205

Nicholas S. Reynolds, Esquire  
Bishop, Liberman, Cook, Purcell  
and Reynolds  
1200 17th Street, N.W.  
Washington, D. C. 20036

Mr. Ralph T. Lally  
Manager of Quality Assurance  
Middle South Services, Inc.  
P.O. Box 61000  
New Orleans, Louisiana 70161

Mr. Larry F. Dale, Director  
Nuclear Licensing and Safety  
Mississippi Power & Light Company  
P.O. Box 23054  
Jackson, Mississippi 39205

Mr. R. W. Jackson, Project Engineer  
Bechtel Power Corporation  
15740 Shady Grove Road  
Gaithersburg, Maryland 20877-1454

Mr. Ross C. Butcher  
Senior Resident Inspector  
U.S. Nuclear Regulatory Commission  
Route 2, Box 399  
Port Gibson, Mississippi 39150

Regional Administrator, Region II  
U.S. Nuclear Regulatory Commission  
101 Marietta Street, N.W., Suite 2900  
Atlanta, Georgia 30323

Mr. J. E. Cross  
Grand Gulf Nuclear Station Site Director  
Mississippi Power & Light Company  
P.O. Box 756  
Port Gibson, Mississippi 39150

Mr. C. R. Hutchinson  
GGNS General Manager  
Mississippi Power & Light Company  
Post Office Box 756  
Port Gibson, Mississippi 39150

## Grand Gulf Nuclear Station

The Honorable William J. Guste, Jr.  
Attorney General  
Department of Justice  
State of Louisiana  
Baton Rouge, Louisiana 70804

Office of the Governor  
State of Mississippi  
Jackson, Mississippi 39201

Attorney General  
Gartin Building  
Jackson, Mississippi 39205

Mr. Jack McMillan, Director  
Division of Solid Waste Management  
Mississippi Department of Natural  
Resources  
Bureau of Pollution Control  
Post Office Box 10385  
Jackson, Mississippi 39209

Alton B. Cobb, M.D.  
State Health Officer  
State Board of Health  
P.O. Box 1700  
Jackson, Mississippi 39205

President  
Claiborne County Board of Supervisors  
Port Gibson, Mississippi 39150

Mr. Ted H. Cloninger  
Vice President, Nuclear Engineering  
and Support  
Mississippi Power & Light Company  
Post Office Box 23054  
Jackson, Mississippi 39205

ensure continuance of emergency planning activities, arrangements to ensure continuance of offsite power supplies, arrangements to ensure adequate control of activities within the site exclusion area, and financial aspects of operation of GGNS, Unit 1. The Commission's review, in this regard, deals only with the requested transfer of responsibility and authority for control and other non-antitrust related issues; a later review will deal with those antitrust aspects raised in the licensee's September 2, 1986 submittal. The antitrust license conditions applicable to MP&L are not affected by the transfer of control. As noted in the safety evaluation report, the staff found that the proposed SERI nuclear organization and staff and their associated technical qualifications are acceptable and that there is reasonable assurance that licensed activities will be conducted in accordance with the Commission's regulations.

In accordance with 10 CFR 50.80, the Commission has determined that: (1) The proposed transferee, Systems Energy Resources, Inc. (SERI), is qualified to be the holder of the license and responsible for the control of licensed activities; and (2) transfer of the license is otherwise consistent with applicable provisions of law, regulations and orders issued by the Commission pursuant thereto.

Accordingly, the Commission hereby consents to the proposed transfer of control from MP&L to SERI.

Sincerely,

Original signed by

Robert M. Bernero, Director  
Division of BWR Licensing  
Office of Nuclear Reactor Regulation

cc: See next page

DISTRIBUTION

Docket File  
NRC PDR  
Local PDR  
PD#4 Reading  
WButler  
OGC  
EJordan  
BGrimes  
JPartlow  
NThompson  
REMartin  
RCaruso  
MO'Brien  
ACRS (10)

Previously concurred\*:

PD#4/LA  
MO'Brien  
12/14/86

PD#4/PM\*  
REMartin:ca  
12/17&18/86

PD#4/D  
WButler  
12/19/86

OGC\*  
GJohnson  
12/18/86

DBL/DD  
RHouston  
11/19/86

DBL/D  
RBernero  
12/20/86