

June 5, 2002

MEMORANDUM TO: Lakshminaras Raghaven Chief
Project Directorate III, Section 1
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

FROM: Brian E. Thomas, Chief */RA/*
Financial Regulatory Analysis Section
Policy and Rulemaking Program
Division of Regulatory Improvement Programs
Office of Nuclear Reactor Regulation

SUBJECT: SAFETY EVALUATION FOR THE PROPOSED FORMATION
OF INTERMEDIATE PARENT COMPANY OF OWNER OF
DONALD C. COOK NUCLEAR PLANT

The attached analysis constitutes our financial qualifications review input to the safety evaluation for the Donald C. Cook Nuclear Station, Units 1 and 2 (CNP), on the application submitted by Indiana Michigan Power Company (I&M), dated March 28, 2002. The application requests the Commission's consent to the indirect transfer of the facility operating licenses for CNP due to a corporate restructuring of American Electric Power Company (current parent company) that will result in an affiliate company, Central and South West Corporation, becoming an intermediate parent company of I&M.

The basis for the staff's review is 10 CFR 50.80(a) which states, "No license for a production or utilization facility, or any right thereunder, shall be transferred, assigned, or in any manner disposed of, either voluntarily or involuntarily, through transfer of control of the license to any person, unless the Commission shall give its consent in writing."

With respect to our financial qualifications review, the staff concludes that I&M will be qualified to continue to hold the owner-operator licenses of CNP as described herein, and that the indirect transfer of control of I&M is otherwise consistent with applicable provisions of law, regulation, and orders issued by the Commission.

Docket Nos.: 50-315, 50-316

Attachment: As stated

CONTACT: Ronald B. Uleck
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(301) 415-3741

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ADAMS Accession Nos.:
Package: ML021570074
Memo: ML021570058
Safety Eval: ML021570083

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