February 27, 1996

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Mr. Donald C. Shelton Acting Vice President Nuclear - Perry Centerior Service Company P. O. Box 97, A200 Perry, OH 44081

SUBJECT: AMENDMENT NO. 81 TO FACILITY OPERATING LICENSE NO. NPF-58 - PERRY NUCLEAR POWER PLANT, UNIT NO. 1 (TAC NO. M94094)

Dear Mr. Shelton:

The Commission has issued the enclosed Amendment No. 81 to Facility Operating License No. NPF-58 for the Perry Nuclear Power Plant, Unit No. 1. This amendment revises the license in response to your application dated November 22, 1995.

This amendment adds OES Nuclear, Inc. as an owner.

A copy of the Safety Evaluation is also enclosed. Notice of issuance will be included in the Commission's next biweekly <u>Federal Register</u> notice.

Sincerely,

ORIGINAL SIGNED BY:

Jon B. Hopkins, Sr. Project Manager Project Directorate III-3 Division of Reactor Projects III/IV Office of Nuclear Reactor Regulation

DFO(

Docket No. 50-440

Enclosures: 1. Amendment No. 81 to License No. NPF-58 2. Safety Evaluation

cc w/encls: See next page

#### DOCUMENT NAME:G:\PERRY\M94094.AMD

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## UNITED STATES NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

February 27, 1996

Mr. Donald C. Shelton Acting Vice President Nuclear - Perry Centerior Service Company P. O. Box 97, A200 Perry, OH 44081

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Sincerely,

Jon B. Hopkins, Sr. Project Manager Project Directorate III-3 Division of Reactor Projects III/IV Office of Nuclear Reactor Regulation

Docket No. 50-440

Enclosures: 1. Amendment No. 81 to License No. NPF-58 2. Safety Evaluation

cc w/encls: See next page

Mr. Donald C. Shelton Centerior Service Company

cc:

Jay E. Silberg, Esq. Shaw, Pittman, Potts & Trowbridge 2300 N Street, N. W. Washington, D. C. 20037

Ms. Mary E. O'Reilly Centerior Energy Corporation 300 Madison Avenue Toledo, Ohio 43652

Resident Inspector's Office U. S. Nuclear Regulatory Commission Parmly at Center Road Perry, Ohio 44081

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

Lake County Prosecutor Lake County Administration Bldg. 105 Main Street Painesville, Ohio 44077

Ms. Sue Hiatt OCRE Interim Representative 8275 Munson Mentor, Ohio 44060

Terry J. Lodge, Esq. 618 N. Michigan Street, Suite 105 Toledo, Ohio 43624

Ashtabula County Prosecutor 25 West Jefferson Street Jefferson, Ohio 44047

Mr. James D. Kloosterman Regulatory Affairs Manager Cleveland Electric Illuminating Company Perry Nuclear Power Plant P. O. Box 97, E-210 Perry, Ohio 44081

Mr. James R. Williams, Chief of Staff Ohio Emergency Management Agency 2825 West Granville Road Worthington, Ohio 43085 Perry Nuclear Power Plant Unit Nos. 1 and 2

Mr. James W. Harris, Director Division of Power Generation Ohio Dept. of Industrial Relations P.O. Box 825 Columbus, Ohio 43216

The Honorable Lawrence Logan Mayor, Village of Perry 4203 Harper Street Perry, Ohio 44081

The Honorable Robert V. Orosz Mayor, Village of North Perry North Perry Village Hall 4778 Lockwood Road North Perry Village, Ohio 44081

Attorney General Department of Attorney General 30 East Broad Street Columbus, Ohio 43216

Radiological Health Program Ohio Department of Health P.O. Box 118 Columbus, Ohio 43266-0118

Ohio Environmental Protection Agency DERR--Compliance Unit ATTN: Mr. Zack A. Clayton P.O. Box 1049 Columbus, Ohio 43266-0149

Mr. Thomas Haas, Chairman Perry Township Board of Trustees 3750 Center Rd., Box 65 Perry, Ohio 44081

State of Ohio Public Utilities Commission East Broad Street Columbus, Ohio 43266-0573

Mr. Richard D. Brandt, Plant Manager Cleveland Electric Illuminating Company Perry Nuclear Power Plant P.O. Box 97, SB306 Perry, Ohio 44081



#### UNITED STATES NUCLEAR REGULATORY COMMISSION WASHINGTON, D.C. 20555-0001

## THE CLEVELAND ELECTRIC ILLUMINATING COMPANY, ET AL.

# DOCKET NO. 50-440

# PERRY NUCLEAR POWER PLANT, UNIT NO. 1

# AMENDMENT TO FACILITY OPERATING LICENSE

Amendment No. 81 License No. NPF-58

- 1. The Nuclear Regulatory Commission (the Commission) has found that:
  - A. The application for amendment by The Cleveland Electric Illuminating Company, Centerior Service Company, Duquesne Light Company, Ohio Edison Company, Pennsylvania Power Company, and Toledo Edison Company (the licensees) dated November 22, 1995, complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations set forth in 10 CFR Chapter I;
  - B. The facility will operate in conformity with the application, the provisions of the Act, and the rules and regulations of the Commission;
  - C. There is reasonable assurance (i) that the activities authorized by this amendment can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the Commission's regulations;
  - D. The issuance of this amendment will not be inimical to the common defense and security or to the health and safety of the public; and
  - E. The issuance of this amendment is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied.
- 2. Accordingly, the license is amended by changes to the license as indicated in the attachment to this license amendment, and paragraph 2.C.(2) of Facility Operating License No. NPF-58 is hereby amended to read as follows:

9603120256 960227 PDR ADOCK 05000440 P PDR (2) <u>Technical Specifications</u>

The Technical Specifications contained in Appendix A and the Environmental Protection Plan contained in Appendix B, as revised through Amendment No. 81 are hereby incorporated into this license. The Cleveland Electric Illuminating Company shall operate the facility in accordance with the Technical Specifications and the Environmental Protection Plan.

3. This license amendment is effective as of its date of issuance.

FOR THE NUCLEAR REGULATORY COMMISSION

w. Junel

William T. Russell, Director Office of Nuclear Reactor Regulation

Attachment: Changes to the license

Date of issuance: February 27, 1996

# ATTACHMENT TO LICENSE AMENDMENT NO. 81

# FACILITY OPERATING LICENSE NO. NPF-58

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# DOCKET NO. 50-440

Replace the following pages of the license with the attached pages. The revised pages are identified by Amendment number and contains vertical lines indicating the area of change.

| Remove     | Insert     |
|------------|------------|
| 1          | 1          |
| 2<br>3     | 2<br>3     |
| 4<br>5     | 4<br>5     |
| 6          | 6<br>7     |
|            | 8          |
| Appendix C | Appendix C |
| 1          | 1          |



#### UNITED STATES NUCLEAR REGULATORY COMMISSION WASHINGTON, D.C. 20555-0001

CLEVELAND ELECTRIC ILLUMINATING COMPANY CENTERIOR SERVICE COMPANY DUQUESNE LIGHT COMPANY OHIO EDISON COMPANY OES NUCLEAR, INC. PENNSYLVANIA POWER COMPANY TOLEDO EDISON COMPANY DOCKET NO. 50-440 PERRY NUCLEAR POWER PLANT, UNIT NO. 1 FACILITY OPERATING LICENSE

License No. NPF-58

- The Nuclear Regulatory Commission (the Commission) has found that: 1.
  - The application for license filed by the Cleveland Electric Illuminating Company<sup>1</sup> (CEICO) and Centerior Service Company acting on their own behalf and as agents for the Duquesne Light Company, Ohio Edison Company, OES Nuclear, Inc.<sup>2</sup>, Pennsylvania Power Company, and Α. the Toledo Edison Company (licensees) complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's regulations set forth in 10 CFR Chapter I, and all required notifications to other agencies or bodies have been duly made:
  - Construction of the Perry Nuclear Power Plant, Unit No. 1 (the Β. facility) has been substantially completed in conformity with Construction Permit No. CPPR-148 and the application, as amended, the provisions of the Act, and the regulations of the Commission:

Amendment No. 81

<sup>&</sup>lt;sup>1</sup> The Cleveland Electric Illuminating Company and Centerior Service Company (both of which are wholly-owned subsidiaries of Centerior Energy Corporation) are authorized to act as agents for Duquesne Light Company, Ohio Edison Company, OEC Nuclear, Inc., Pennsylvania Power Company, and the Toledo Edison Company have exclusive responsibility and control over the physical construction, operation and maintenance of the facility. Centerior Service Company was added as a licensee by Amendment No. 36.

OES Nuclear, Inc. is a wholly owned subsidiary of Ohio Edison Company. OES Nuclear, Inc. owns a portion of the 30% interest in Perry Nuclear Power Plant Unit No. 1 attributable to Ohio Edison Company. Ohio Edison Company remains fully responsible for all costs and expenses, including decommissioning expenses, relating to the portion of the Perry Nuclear Power Plant Unit No. 1 owned by OES Nuclear, Inc. for the duration of the license through completion of plant decommissioning. OES Nuclear, Inc. was added as a licensee by Amendment No. 81 to this license.

- C. The facility will operate in conformity with the application, as amended, the provisions of the Act, and the regulations of the Commission (except as exempted from compliance in Section 2.D below);
- D. There is reasonable assurance: (i) that the activities authorized by this operating license can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the Commission's regulations set forth in 10 CFR Chapter I (except as exempted from compliance in Section 2.D below);
- E. The Cleveland Electric Illuminating Company is technically qualified to engage in the activities authorized by this license in accordance with the Commission's regulations set forth in 10 CFR Chapter I;
- F. The licensees have satisfied the applicable provisions of 10 CFR Part 140 "Financial Protection Requirements and Indemnity Agreements," of the Commission's regulations;
- G. The issuance of this license will not be inimical to the common defense and security or to the health and safety of the public;
- H. After weighing the environmental, economic, technical and other benefits of the facility against environmental and other costs and considering available alternatives, the issuance of this Facility Operating License No. NPF-58, subject to the conditions for protection of the environment set forth in the Environmental Protection Plan attached as Appendix B, is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied; and
- I. The receipt, possession, and use of source, byproduct and special nuclear material as authorized by this license will be in accordance with the Commission's regulations in 10 CFR Parts 30, 40 and 70.
- 2. Based on the foregoing findings regarding this facility, the Partial-Initial Decisions issued December 2, 1983 and September 3, 1985, by the Atomic Safety and Licensing Board in regard to this facility (affirmed by ALAB-841 dated July 25, 1986) and pursuant to approval by the Nuclear Regulatory Commission at a meeting on November 7, 1986, Facility Operating License No. NPF-58, which supersedes the license for fuel loading and low power testing, License No. NPF-45, issued on March 18, 1986, is hereby issued to the Cleveland Electric Illuminating Company, Centerior Service Company, Duquesne Light Company, Ohio Edison Company, OES, Nuclear Inc., Pennsylvania Power Company and Toledo Edison Company (the licensees) to read as follows:
  - A. The license applies to the Perry Nuclear Power Plant, Unit No. 1, a boiling water nuclear reactor and associated equipment (the facility), owned by the Cleveland Electric Illuminating Company, Duquesne Light

Amendment No. 36,81

Company, Ohio Edison Company, OES Nuclear, Inc., Pennsylvania Power Company and the Toledo Edison Company. The facility is located on the shore of Lake Erie in Lake County, Ohio, approximately 35 miles northeast of Cleveland, Ohio, and is described in the licensees' Final Safety Analysis Report, as supplemented and amended, and in the licensees' Environmental Report, as supplemented and amended.

- B. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses:
  - (1) The Cleveland Electric Illuminating Company (CEICO)<sup>3</sup> pursuant to Section 103 of the Act and 10 CFR Part 50, to possess, use and operate the facility at the designated location in Lake County, Ohio, in accordance with the procedures and limitations set forth in this license;
  - (2) Duquesne Light Company, Ohio Edison Company, OES Nuclear, Inc., Pennsylvania Power Company and Toledo Edison Company to possess the facility at the designated location in Lake County, Ohio, in accordance with the procedures and limitations set forth in this license;
  - (3) CEICO, pursuant to the Act and 10 CFR Part 70, to receive, possess and use at any time special nuclear material as reactor fuel, in accordance with the limitations for storage and amounts required for reactor operation, as described in the Final Safety Analysis Report, as supplemented and amended;
  - (4) CEICO, pursuant to the Act and 10 CFR Parts 30, 40 and 70, to receive, possess, and use at any time any byproduct, source and special nuclear material such as sealed neutron sources for reactor startup, sealed sources for reactor instrumentation and radiation monitoring equipment calibration, and as fission detectors in amounts as required;
  - (5) CEICO, pursuant to the Act and 10 CFR Parts 30, 40 and 70, to receive, possess and use in amounts as required any byproduct, source or special nuclear material without restriction as to chemical or physical form, for sample analysis or instrument calibration or associated with radioactive apparatus or components; and
  - (6) CEICO, pursuant to the Act and 10 CFR Parts 30, 40 and 70, to possess, but not separate, such byproduct and special nuclear materials as may be produced by the operation of the facility.

(7)(a) Ohio Edison Company is authorized to transfer any portion of

Amendment No. 36,81

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<sup>&</sup>lt;sup>3</sup> The CEICO nuclear organization reports to Centerior Service Company.

its 30.0% ownership share of PNPP Unit 1 and a proportionate share of its interest in the PNPP common facilities to certain equity investors identified in its submission of January 23. 1987, as supplemented on March 3, 1987, and at the same time to lease back from such purchasers such interest sold in the PNPP Unit 1 facility. The term of the lease is for approximately 29-1/2 years subject to a right of renewal. Such sale and leaseback transactions are subject to the representations and conditions set forth in the above mentioned application of January 23, 1987, as supplemented on March 3, 1987, as well as the letter of the Director of the Office of Nuclear Reactor Regulation dated March 16, 1987, consenting to such transactions. Specifically, a lessor and anyone else who may acquire an interest under these transactions are prohibited from exercising directly or indirectly any control over the licenses of PNPP, Unit 1. For purposes of this condition the limitations of 10 CFR 50.81, as now in effect and as may be subsequently amended, are fully applicable to the lessor and any successor in interest to that lessor as long as the license for PNPP Unit 1 remains in effect; these financial transactions shall have no effect on the license for the Perry Nuclear facility throughout the term of the license.

- (b) Further, the licensees are also required to notify the NRC in writing prior to any change in: (i) the terms or conditions of any lease agreements executed as part of these transactions; (ii) the PNPP Operating Agreement; (iii) the existing property insurance coverage for PNPP, Unit 1; and (iv) any action by a lessor or others that may have an adverse effect on the safe operation of the facility.
- C. This license shall be deemed to contain and is subject to the conditions specified in the Commission's regulations set forth in 10 CFR Chapter I and is subject to all applicable provisions of the Act and to the rules, regulations, and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified or incorporated below:
  - (1) Maximum Power Level

CEICO is authorized to operate the facility at reactor core power levels not in excess of 3579 megawatts thermal (100% power) in accordance with the conditions specified herein.

(2) <u>Technical Specifications</u>

The Technical Specifications contained in Appendix A and the Environmental Protection Plan contained in Appendix B, as revised through Amendment No. 81 are hereby incorporated into

Amendment No.-2,81

the license. Cleveland Electric Illuminating Company shall operate the facility in accordance with the Technical Specifications and the Environmental Protection Plan.

- (3) <u>Antitrust Conditions</u>
  - a. Cleveland Electric Illuminating Company, Duquesne Light Company, Ohio Edison Company, OES Nuclear Inc., Pennsylvania Power Company and the Toledo Edison Company shall comply with the antitrust conditions delineated in Appendix C to this license; Appendix C is hereby incorporated into this license.
  - b. Centerior Service Company (CSC) shall comply with the antitrust conditions delineated in Appendix C to this license as if named therein. CEICO is responsible and accountable for the actions of CSC to the extent that CSC's actions contravene the antitrust license conditions in Appendix C to this license.
- (4) <u>Post-Fuel Loading Initial Test Program (Section 14, SSER #3)</u><sup>4</sup>

Any changes to the Initial Test Program described in Section 14 of the FSAR made in accordance with the provisions of 10 CFR 50.59 shall be reported in accordance with 50.59(b) within one month of such change.

(5) Inservice Inspection Program (Section 6.6.3, SSER #7)

Within six (6) months after exceeding 5% of rated thermal power, CEICO shall submit the Initial Inservice Inspection Program required by 10 CFR 50.55(a) for the NRC staff's review and approval.

(6) Fire Protection (Section 9.5, SER, SSER #1, 2, 3, 4, 7 and 8)<sup>4</sup>

CEICO shall comply with the following requirements of the fire protection program: CEICO shall implement and maintain in effect all provisions of the approved fire protection program as described in the Final Safety Analysis Report as amended, for the Perry Nuclear Power Plant and as approved in the Safety Evaluation Report (NUREG-0887) dated May 1982 and Supplement Nos. 1 thru 10 thereto, subject to the following provisions:

a. CEICO may make changes to the approved fire protection

Amendment No. 36,80,81

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<sup>&</sup>lt;sup>4</sup> The parenthetical notation following the title of many license conditions denotes the section of the Safety Evaluation Report (SER) and/or its supplements wherein the license condition is discussed.

program without prior approval of the Commission only if those changes would not adversely affect the ability to achieve and maintain safe shutdown in the event of a fire.

#### (7) <u>Detailed Control Room Design Review (Section 18, SSER #10)</u>

CEICO shall implement the remaining activities to complete the Detailed Control Room Design Review and correct all human engineering discrepancies (HED's) identified in Attachment 1. Attachment 1 is hereby incorporated into this license.

#### (8) Emergency Planning (Section 13.3, SSER #10)

In the event that the NRC finds that the lack of progress in completion of the procedures in the Federal Emergency Management Agency's final rule (44 CFR Part 350) indicates that a major substantive problem exists in achieving or maintaining an adequate state of emergency preparedness, the provisions of 10 CFR 50.54(s)(2) will apply.

- (9) Deleted
- (10) Primary Containment air lock penetrations may be open during CORE ALTERNATIONS and movement of irradiated fuel within the primary containment, except when moving recently irradiated fuel (i.e., fuel that has occupied part of a critical reactor core within the previous seven days), provided the following conditions exist:
  - One door in each air lock is capable of being closed.
  - Hoses and cables running through the air lock employ a means to allow safe, quick disconnect or severance, and are tagged at the air lock with specific instructions to expedite removal.
  - The air lock door is not blocked in such a way that it cannot be expeditiously closed.
  - A designated individual is available to expeditiously close the air lock door.

Amendment No. 80,81

- D. CEICO is exempted from: 1) the requirements of Section III.D.2(b)(ii), containment airlock testing requirements, Appendix J to 10 CFR Part 50, due to the special circumstance described in Section 6.2.6 of SER Supplement No. 7 authorized by 10 CFR 50.12(a)(2)(iii); and 2) the requirements of Section IV.F., Full Participation Exercise, of Appendix E to 10 CFR Part 50, due to the special circumstance described in the Exemption, dated November 6, 1986. These exemptions are authorized by law, will not present an undue risk to the public health and safety and are consistent with the common defense and security. The exemptions are hereby granted pursuant to 10 CFR 50.12. With the granting of these exemptions, the facility will operate, to the extent authorized herein, in conformity with the application, as amended, the provisions of the Act, and the rules and regulations of the Commission.
- E. CEICO shall fully implement and maintain in effect all provisions of the Commission-approved physical security, guard training and qualification, and safeguards contingency plans including amendments made pursuant to provisions of the Miscellaneous Amendments and Search Requirements revisions to 10 CFR 73.55 (51 FR 27817 and 27822) and to the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The plans, which contain Safeguards Information protected under 10 CFR 73.21, are entitled: "Perry Nuclear Power Plant Physical Security Plan," with revisions submitted through September 11, 1987; "Perry Nuclear Power Plant Guard Training and Qualification Plan," with revisions submitted through August 12, 1986; and "Perry Nuclear Power Plant Safeguards Contingency Plan" (Chapter 8 of the Security Plan), with revisions submitted through May 15, 1986. Changes made in accordance with 10 CFR 73.55 shall be implemented in accordance with the schedule set forth therein.
- F. Except as otherwise provided in the Technical Specifications or Environmental Protection Plan, CEICO shall report any violations of the requirements contained in Section 2.C of this license in the following manner: initial notification shall be made within 24 hours to the NRC Operations Center via the Emergency Notification System with written followup within thirty (30) days in accordance with the procedures described in 10 CFR 50.73(b), and (e).
- G. The licensees shall have and maintain financial protection of such type and in such amounts as the Commission shall require in accordance with Section 170 of the Atomic Energy Act of 1954, as amended, to cover public liability claims.

Amendment No. 81

H. This license is effective as of the date of issuance and shall expire at midnight on March 18, 2026.

FOR THE NUCLEAR REGULATORY COMMISSION

ORIGINAL SIGNED BY:

Harold R. Denton, Director Office of the Nuclear Reactor Regulation

Attachments/Appendices:

- 1. Attachments 1 2
- 2. Appendix A Technical Specifications (NUREG-1204)
- 3. Appendix B Énvironmental Protection Plan
- 4. Appendix C Antitrust Conditions

Date of Issuance: November 13, 1986

#### APPENDIX C

#### PERRY NUCLEAR POWER PLANT, UNIT NO. 1

#### <u>NPF-58</u>

#### ANTITRUST CONDITIONS

## <u>For</u>

# CLEVELAND ELECTRIC ILLUMINATING COMPANY DUQUESNE LIGHT COMPANY OHIO EDISON COMPANY OES NUCLEAR, INC. PENNSYLVANIA POWER COMPANY TOLEDO EDISON COMPANY

A. The licensees are subject to the following antitrust conditions:

#### **Definitions**

Applicants shall mean the six companies listed above.

<u>Entity</u> shall mean any electric generation and/or distribution system or municipality or cooperative with a statutory right or privilege to engage in either of these functions.

<u>Wheeling</u> shall mean transportation of electricity by a utility over its lines for another utility, including the receipt from and delivery to another system of like amounts but not necessarily the same energy. Federal Power Commission, <u>The 1970 National Power Survey</u>, Part 1, p. I-24-8.

#### Licensing Conditions

- (1) Applicants shall not condition the sale or exchange of wholesale power or coordination services upon the condition that any other entity:
  - (a) enter into any agreement or understanding restricting the use of or alienation of such energy or services to any customers or territories;
  - (b) enter into any agreement or understanding requiring the receiving entity to give up any other power supply alternatives or to deny itself any market opportunities;
  - (c) withdraw any petition to intervene or forego participation in any proceeding before the Nuclear Regulatory Commission or refrain from instigating or prosecuting any antitrust action in any other forum.

Amendment No. 81



UNITED STATES NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

## SAFETY EVALUATION BY THE OFFICE OF NUCLEAR REACTOR REGULATION

# RELATED TO AMENDMENT NO. 81 TO FACILITY OPERATING LICENSE NO. NPF-58

# THE CLEVELAND ELECTRIC ILLUMINATING COMPANY, ET AL.

# PERRY NUCLEAR POWER PLANT, UNIT NO. 1

## DOCKET NO. 50-440

## 1.0 INTRODUCTION

By letter dated November 22, 1995, the Cleveland Electric Illuminating Company, et al. (licensees), proposed revising the operating license to reflect the license transfer for part of Ohio Edison Company's (Ohio Edison) ownership interest in Perry Nuclear Power Plant, Unit 1 (PNPP) to its wholly owned subsidiary, OES Nuclear, Inc. (OES).

### 2.0 EVALUATION

Under cover of a letter dated November 17, 1995, from Shaw, Pittman, Potts and Trowbridge, Ohio Edison submitted its request for approval of its intended transfer of its 17.42-percent ownership interest (less the ownership interest in the accompanying transmission facilities) to a newly formed wholly owned subsidiary, OES Nuclear, Inc. (OES). The other licensees would remain the same and would not be affected by the proposed transfer.

Ohio Edison would make payments to OES in an amount sufficient for OES to pay its expenses and would retain full responsibility for the costs of operating, maintaining, and decommissioning the interest in PNPP Unit 1 transferred to OES. OES will be an "electric utility" as defined in 10 CFR 50.2, and thus is exempt from further financial qualifications review as specified in 10 CFR 50.33(f). Ohio Edison will continue to be an "electric utility" as defined in 10 CFR 50.2, and thus is also exempt from any further financial qualifications review. Given the financial arrangement between Ohio Edison and OES, and that both will be licensees, the transfer will result in no adverse impact with respect to financial qualifications.

Since the Cleveland Electric Illuminating Company and Centerior Service Company are the only authorized operators and the transfer would not affect their staff, plant operations would not be affected by the transfer. OES will be bound by the existing antitrust license conditions now obligating Ohio Edison, and Ohio Edison will remain obligated to these same antitrust license conditions after the proposed transfer. Ohio Edison has also asserted that it and OES are not owned, controlled, or dominated by an alien, a foreign corporation, or a foreign government. The NRC staff approved the proposed transfer by order dated December 20, 1995, and the transfer has now taken place. Based on the above, and the transfer having been effected, the NRC staff finds that adding OES to the license is acceptable.

### 3.0 STATE CONSULTATION

In accordance with the Commission's regulations, the Ohio State official was notified of the proposed issuance of the amendment. The State official had no comments.

## 4.0 ENVIRONMENTAL CONSIDERATION

This amendment involves a change in administrative requirements to reflect an order issued by the NRC staff. The Commission has previously issued a proposed finding that this amendment involves no significant hazards consideration and there has been no public comment on such finding (60 FR 65685). Accordingly, this amendment meets the eligibility criteria for categorical exclusion set forth in 10 CFR 51.22(c)(10). Pursuant to 10 CFR 51.22(b), no environmental impact statement or environmental assessment need be prepared in connection with the issuance of this amendment.

#### 5.0 CONCLUSION

The staff has concluded, based on the considerations discussed above, that: (1) there is reasonable assurance that the health and safety of the public will not be endangered by operation in the proposed manner, (2) such activities will be conducted in compliance with the Commission's regulations, and (3) the issuance of this amendment will not be inimical to the common defense and security or to the health and safety of the public.

Principal Contributors: R. Wood W. Lambe

Date: February 27, 1996