

November 3, 2003

Mr. David A. Christian
Sr. Vice President and Chief Nuclear Officer
Dominion Nuclear Connecticut, Inc.
Innsbrook Technical Center
5000 Dominion Boulevard
Glen Allen, VA 23060-6711

SUBJECT: REQUEST FOR ADDITIONAL INFORMATION REGARDING PROPOSED
CORPORATE RESTRUCTURING AND REQUEST FOR INDIRECT LICENSE
TRANSFERS, MILLSTONE POWER STATION, UNIT NOS. 1, 2, AND 3
(TAC NOS. MC0999, MC1000, AND MC1001)

Dear Mr. Christian:

By letter dated October 8, 2003, Dominion Nuclear Connecticut, Inc. (DNC) notified the U.S. Nuclear Regulatory Commission (NRC) of a proposed corporate restructuring involving the dissolution and creation of certain intermediate subsidiaries of Dominion Resources, Inc. affecting the chain of ownership of DNC. As such, your letter requested the NRC's consent, to the extent necessary, to the indirect transfer of control of the licenses held by DNC for Millstone Power Station, Unit Nos. 1, 2, and 3. The DNC request was made pursuant to the requirements of Section 50.80(a) of Title 10 of the *Code of Federal Regulations*.

The NRC staff is reviewing your submittal and has determined that the information contained in the enclosed request for additional information (RAI) is required for the staff to complete its review. An advance copy of these RAI questions was faxed to Mr. Paul Willoughby of your staff on October 29, 2003. We request that the additional information be provided by November 7, 2003. The response timeframe was discussed with Mr. Willoughby on October 30, 2003. If circumstances result in the need to revise your response date, or if you have any questions, please contact me at (301) 415-1420.

Sincerely,

/RA/

Richard B. Ennis, Senior Project Manager, Section 2
Project Directorate I
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket Nos. 50-245, 50-336, and
50-423

Enclosure: As stated

cc w/encl: See next page

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Project Directorate I
Division of Licensing Project Management
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Millstone Power Station, Unit Nos. 1, 2, and 3

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Millstone Power Station, Unit Nos. 1, 2, and 3

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REQUEST FOR ADDITIONAL INFORMATION
REGARDING PROPOSED CORPORATE RESTRUCTURING AND
REQUEST FOR INDIRECT LICENSE TRANSFERS
MILLSTONE POWER STATION, UNIT NOS. 1, 2, AND 3
DOCKET NOS. 50-245, 50-336, AND 50-423

By letter dated October 8, 2003, Dominion Nuclear Connecticut, Inc. (DNC) notified the U.S. Nuclear Regulatory Commission (NRC) of a proposed corporate restructuring involving the dissolution and creation of certain intermediate subsidiaries of Dominion Resources, Inc. affecting the chain of ownership of DNC. As such, DNC's letter requested the NRC's consent, to the extent necessary, to the indirect transfer of control of the licenses held by DNC for Millstone Power Station, Unit Nos. 1, 2, and 3. The DNC request was made pursuant to the requirements of Section 50.80(a) of Title 10 of the *Code of Federal Regulations* (10 CFR).

The NRC staff is reviewing the DNC submittal and has determined that the following additional information is required to complete the review:

- 1) Provide five-year financial projections for DNC that cover the years 2004, 2005, 2006, 2007 and 2008. The elements of the five-year projections should include: total revenue; total operating expense; income before taxes and interest; taxes and interest; and net income.
- 2) In order for the NRC staff to determine the sensitivity that any potential changes in revenue might have on net income, please provide the following financial projection scenarios:
 - a) a five-year financial projection reflecting a ten-percent reduction in the price for a megawatt-hour of electricity; and
 - b) if your projected capacity factor is higher than your historical capacity factor for the past five years, provide a five-year financial projection reflecting the historical capacity factor (if the projected capacity factor is equal or lower than your historical capacity factor, then no additional sensitivity analysis is necessary).
- 3) For the new entity, Dominion Energy Marketing, Inc., provide the following information required by 10 CFR 50.33(d)(3):
 - a) the state where it is incorporated or organized and the principal location where it does business;
 - b) the names, addresses, and citizenship of its directors and of its principal officers; and
 - c) whether it is owned, controlled, or dominated by an alien, a foreign corporation, or foreign government, and if so, give details.

Enclosure