

June 1, 2005

Mr. Michael G. Gaffney
Site Vice President
Kewaunee Nuclear Power Plant
Nuclear Management Company, LLC
N490 Highway 42
Kewaunee, WI 54216-9511

Mr. David A. Christian
Senior Vice President - Nuclear Operations
and Chief Nuclear Officer
Dominion Energy Kewaunee, Inc.
Innsbrook Technical Center
5000 Dominion Boulevard
Glen Allen, VA 23060

SUBJECT: KEWAUNEE NUCLEAR POWER PLANT - ORDER EXTENDING THE EFFECTIVENESS OF THE APPROVAL OF THE TRANSFER OF THE FACILITY OPERATING LICENSE FROM NUCLEAR MANAGEMENT COMPANY, LLC, WISCONSIN PUBLIC SERVICE CORPORATION, AND WISCONSIN POWER AND LIGHT COMPANY TO DOMINION ENERGY KEWAUNEE, INC. (TAC NO. MC6914)

Dear Mr. Gaffney and Mr. Christian:

The enclosed order is being issued in response to your request dated May 4, 2005, on behalf of Nuclear Management Company, LLC, and Dominion Energy Kewaunee, Inc., for an extension of the effectiveness of the U.S. Nuclear Regulatory Commission's (NRC's) order of June 10, 2004. The June 10, 2004, order approved the transfer of Facility Operating License No. DPR-43, held by Wisconsin Public Service Corporation, Wisconsin Power and Light Company, and Nuclear Management Company, LLC, for the Kewaunee Nuclear Power Plant, to Dominion Energy Kewaunee, Inc., and approved a conforming amendment, pursuant to Title 10 of the *Code of Federal Regulations*, Sections 50.80 and 50.90.

The NRC staff has considered the information presented in your May 4, 2005, request and has determined that you have shown good cause for extending the effectiveness of the order of June 10, 2004, to December 31, 2005. The enclosed order approves the extension. The conforming license amendment will be issued and made effective when the transfer is completed.

The safety evaluation enclosed with the June 10, 2004, order remains valid. This order is being forwarded to the Office of the *Federal Register* for publication.

Sincerely,

/RA/

Carl F. Lyon, Project Manager, Section 1
Project Directorate III
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket No. 50-305

Enclosure: Order

cc w/encl: See next page

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Kewaunee Nuclear Power Plant

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UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

In the matter of)	Docket No. 50-305
)	
WISCONSIN PUBLIC SERVICE CORPORATION,)	License No. DPR-43
WISCONSIN POWER AND LIGHT COMPANY, AND)	
NUCLEAR MANAGEMENT COMPANY, LLC)	
)	
(Kewaunee Nuclear Power Plant, Unit No. 1))	

ORDER EXTENDING THE EFFECTIVENESS OF THE APPROVAL OF THE
TRANSFER OF LICENSE AND CONFORMING AMENDMENT

I.

Wisconsin Public Service Corporation (WPSC), Wisconsin Power and Light Company (WPL), and Nuclear Management Company, LLC (NMC) (the licensees) are the holders of Facility Operating License No. DPR-43, which authorizes operation of Kewaunee Nuclear Power Plant, Unit No. 1 (Kewaunee or the facility). The facility is located at the licensees' site in Kewaunee County, Wisconsin. The license authorizes WPSC and WPL to possess, and NMC to use and operate, Kewaunee.

II.

By order dated June 10, 2004, the Commission approved the transfer of the license for Kewaunee to Dominion Energy Kewaunee, Inc. (Dominion Energy Kewaunee). By its terms, the order of June 10, 2004, becomes null and void if the license transfer is not completed by June 30, 2005, unless upon application and for good cause shown, the Commission extends the effectiveness of the approval.

III.

By letter dated May 4, 2005, NMC, on behalf of itself, WPSC, and WPL, submitted a request to extend the effectiveness of the order of June 10, 2004, until December 31, 2005. According to the letter, Kewaunee is currently in an extended unit shutdown to address certain recently identified design issues. Based on the current asset sales agreement between the owners and Dominion Energy Kewaunee, the license transfer will not occur until the unit has been returned to full power operation. The licensee's present schedule for addressing the plant design issues, returning the unit to full power operation, and completing the license transfer shows that all of these items will be done before June 30, 2005. However, Dominion Energy Kewaunee and NMC consider it prudent to request an extension of the order approving the license transfer if unforeseen circumstances make an extension necessary. Therefore, NMC requests an extension of the order until December 31, 2005, to permit completion of the Kewaunee license transfer. In its May 4, 2005, letter, NMC also stated that no conditions under which the NRC order was granted have been significantly changed or detrimentally affected since the order was issued.

The NRC staff has considered the licensee's May 4, 2005, request and has determined that the licensee has shown good cause for extending the effectiveness of the order of June 10, 2004, as requested.

IV.

Accordingly, pursuant to Sections 161b, 161i, and 184 of the Atomic Energy Act of 1954, as amended, 42 U.S.C. §§ 2201(b), 2201(i), and 2234, and 10 CFR 50.80, IT IS HEREBY ORDERED that the effectiveness of the herein described order of June 10, 2004, is extended such that if the subject license transfer from NMC, WPSC, and WPL to Dominion Energy Kewaunee referenced above is not completed by December 31, 2005, the order of June 10, 2004, shall become null and void, unless upon application and for good cause shown,

the Commission further extends the effectiveness of the order.

This Order is effective upon issuance.

For further details with respect to this action, see the submittal dated May 4, 2005, which is 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 is accessible electronically through the ADAMS Public Electronic Reading Room link at the NRC Web site (<http://www.nrc.gov>).

Dated at Rockville, Maryland, this 1st day of June 2005.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

J. Dyer, Director
Office of Nuclear Reactor Regulation