



## GE Energy

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January 19, 2007

U.S. Nuclear Regulatory Commission  
Attention: Jack R. Strosnider, Jr.  
Director, Office of Nuclear Material Safety and Safeguards  
11555 Rockville Pike  
Rockville, Maryland 20852

U.S. Nuclear Regulatory Commission  
Attention: James E. Dyer  
Director, Office of Nuclear Reactor Regulation  
11555 Rockville Pike  
Rockville, Maryland 20852

**Subject: Request for NRC Consent to the Transfer of Control of  
GE Licenses to GE-Hitachi Nuclear Energy America, LLC  
and for Approval of Conforming Amendments**

Pursuant to Section 184 of the Atomic Energy Act of 1954, as amended (the Act), and 10 CFR §§ 50.80, 70.36 and 72.50, General Electric Company (GE) hereby requests that the Nuclear Regulatory Commission (NRC) consent to the transfer of control of certain NRC licenses presently held by GE (GE Licenses) to GE-Hitachi Nuclear Energy Americas, LLC. GE also requests NRC approval of conforming amendments to the GE Licenses and certain listed Certificates of Compliance to reflect GE-Hitachi Nuclear Energy Americas, LLC as the licensee, Certificate holder, or registered user.

As described in the attached request: (1) GE will transfer certain of its nuclear businesses and operations in the United States to GE-Hitachi Nuclear Energy Americas, LLC, a newly formed entity; (2) this new entity will be wholly owned by GE-Hitachi Nuclear Energy Holdings, LLC; (3) GE (through various subsidiaries) will retain a 60% ownership interest in GE-Hitachi Nuclear Energy Americas, LLC; and (4) a U.S. subsidiary or subsidiaries of Hitachi Ltd., a Japanese company, will assume an

indirect 40% ownership interest in GE-Hitachi Nuclear Energy Americas, LLC. There will be a direct transfer of control of GE's existing licenses to GE-Hitachi Nuclear Energy Americas, LLC when GE transfers assets and the GE Licenses to this entity and indirect transfer of control through the creation of its parent company, GE-Hitachi Nuclear Energy Holdings, LLC. The subsequent acquisition of a 40% indirect ownership interest will not involve any direct or indirect transfer of "control," but these arrangements are described herein to provide context for the approvals being sought.

The attached request involves the transfer of control of the NRC licenses identified herein held by GE for its Vallecitos Nuclear Center in Sunol, California, and its Morris-Operation Independent Spent Fuel Storage Installation in Morris, Illinois. The request involves various materials and test reactor licenses that are to be transferred. It also requests approval of conforming license amendments for these licenses. Notice of the planned transfer of various Certificates of Compliance issued under 10 CFR Part 71 and associated quality assurance programs, as well as GE's 10 CFR Part 50 Appendix B Quality Assurance Program governing its reactor services business, is also provided. No prior written NRC consent to these transfers is required; however, GE requests the issuance of conforming amendments to reflect GE-Hitachi Nuclear Energy Americas, LLC as the Certificate holder or registered user. GE will separately request approval from NRC's Office of International Programs for amendments to effect the transfer of certain import and export licenses pursuant to 10 CFR 110.50(b)(6). The request for consent to transfer of control does *not* include License No. SNM-1097 held by Global Nuclear Fuel-Americas, LLC for the Wilmington, North Carolina fuel fabrication facility, nor does it include other NRC licenses to be held by GE or its subsidiaries. There will be no direct or indirect transfer of control of these licenses.

The information in the attached request demonstrates that GE-Hitachi Nuclear Energy Americas, LLC will possess the requisite technical and financial qualifications to hold the NRC licenses; the transfer of control is consistent with the requirements of the Act, NRC regulations, and the relevant NRC licenses; there will be no adverse impact on public health and safety; and the transfer will not be inimical to the common defense and security of the United States. In addition, the information provided describes measures taken to assure that the NRC licenses will not be "owned, controlled or dominated" by any alien, foreign corporation or foreign government within the meaning of those terms as used in Section 104d. of the Act.

The attached request includes a proprietary, separately bound Addendum comprised of "Attachment E-Proprietary," which contains confidential commercial or financial information. GE requests that this proprietary Addendum be withheld from public disclosure pursuant to 10 CFR §§ 9.17(a)(4) and 2.390 as described in the Affidavit of Christopher J. Monetta included with Attachment E, which also provides a non-proprietary version of the material that is suitable for public disclosure.

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Christopher Monetta, GE to NRC  
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To the extent necessary to confirm actions committed and agreements made by GE-Hitachi Nuclear Energy Americas, LLC, as reflected in the attached request, an Affirmation by an officer of GE-Hitachi Nuclear Energy Americas, LLC will be provided to NRC in a subsequent submittal. This is a newly formed entity, and the Affirmation will be executed and submitted following the observation of corporate formalities required for the formation of the company and appointment of its officers.

It is the intention of the parties to close on the transaction as soon as practicable. Accordingly, GE respectfully requests that the NRC issue its written consent and approve the proposed conforming amendments as expeditiously as possible, but in any event, on a schedule that will support a closing by April 30, 2007. Such consent should be made immediately effective upon issuance and should permit the transfer of control at any time prior to December 31, 2007.

If the NRC requires additional information concerning this request, please contact Mr. Christopher J. Monetta, General Manager, Environment Safety and Health, at 910-675-6280 or at [chris.monetta@ge.com](mailto:chris.monetta@ge.com). Service on GE or GE-Hitachi Nuclear Energy Americas, LLC of comments, hearing requests or intervention petitions, or other pleadings, if applicable, should be made to counsel for GE and GE-Hitachi Nuclear Energy Americas, LLC, Mr. Donald J. Silverman, Morgan Lewis & Bockius, LLP, 1111 Pennsylvania Avenue, N.W., Washington, DC 20004 (tel: 202-739-5502; fax: 202-739-3001; email: [dsilverman@morganlewis.com](mailto:dsilverman@morganlewis.com)).

Sincerely,



Christopher J. Monetta  
General Manager,  
Environmental, Health and Safety  
GE Energy - Nuclear

CC: Mary Adams, NMSS  
Robert Pierson, NMSS  
Christopher Regan, NMSS  
Jason Zorn, OGC  
Marvin Mendonca, NRR

Enclosure: Request for NRC Consent to the Transfer of Control of GE Licenses to GE-Hitachi Nuclear Energy America, LLC and for Approval of Conforming Amendments