

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

In the Matter of)	
)	
Dominion Nuclear North Anna, LLC,)	Docket No. 52-008
Virginia Electric and Power Company, and)	
Old Dominion Electric Cooperative)	Early Site Permit
)	ESP-003
(ESP for North Anna ESP Site))	

ORDER APPROVING TRANSFER OF EARLY SITE PERMIT
AND CONFORMING AMENDMENT

I.

Dominion Nuclear North Anna, LLC (DNNA) holds Early Site Permit 003 (ESP-003) issued on November 27, 2007, pursuant to Section 52.24 "Issuance of Early Site Permit," of Title 10 of the *Code of Federal Regulations* (10 CFR Section 52.24). The permit expires on November 27, 2027.

II.

Under cover of a letter dated April 24, 2008, DNNA, Virginia Electric and Power Company, doing business as Dominion Virginia Power (DVP), and Old Dominion Electric Cooperative (ODEC), submitted an application requesting an order consenting to the transfer of ESP-003 from DNNA to DVP and ODEC. The application also requests approval of a conforming amendment to ESP-003 to delete references to DNNA, reflect DVP and ODEC as the permit holders, and delete certain provisions that are no longer applicable because they applied only to DNNA. According to the application, transfer of the early site permit to DVP and ODEC will allow DVP to take advantage of the incentives and rate treatment afforded under new legislation enacted by the Commonwealth of Virginia to regulated public utilities. DVP is a

regulated public utility in Virginia. Additionally, DVP and ODEC are the owners of the North Anna Power Station (NAPS) and DVP is the licensed operator of the existing nuclear units at that site. Further, DVP and ODEC submitted a joint application on November 27, 2007, for a combined license (COL) for a new Unit 3 at NAPS. According to the application, transferring the ESP to DVP and ODEC will consolidate the responsibility for the ESP and the COL application into entities that are seeking a license to own and operate the new unit, and will thus facilitate the licensing process. To effectuate DVP's assumption of responsibilities for activities previously performed by DNNA, DNNA will be merged into DVP with DVP being the surviving entity. DVP will then assume all of DNNA's rights and obligations, including all rights and obligations under the ESP. The merger will become effective after receipt of required regulatory approvals, which include in addition to this Order, approval of the merger by the Virginia State Corporation Commission and the North Carolina Utilities Commission. The applicants requested approval of the transfer of the ESP and conforming amendment pursuant to 10 CFR 52.28, 10 CFR 50.80, and 10 CFR 50.90.

Notice of the request for approval and opportunity for a hearing were published in the *Federal Register* on August 27, 2008 (73 FR 50647). No comments and no requests for hearing or petitions for leave to intervene were received.

Pursuant to 10 CFR 52.28 and 10 CFR 50.80, no ESP, shall be transferred, directly or indirectly, through transfer of control of the ESP to any person, unless the Commission gives its consent in writing. Upon review of the information in the application and other information before the Commission, and relying upon the representations and agreements contained in the application, the NRC staff has determined that DVP and ODEC are qualified to hold ESP-003, and the transfer of ESP-003, as proposed in the application is otherwise consistent with applicable provisions of law, regulations, and orders issued by the Commission. The NRC staff has also found that the application for the proposed conforming amendment to the ESP 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; activities at the site will be in conformity with the application, the provisions of the Act, and the rules and regulations of the Commission; there is reasonable assurance that the activities authorized by the proposed ESP conforming amendment can be conducted without endangering the health and safety of the public and that such activities will be conducted in compliance with the Commission's regulations; the issuance of the proposed conforming amendment will not be inimical to the common defense and security or to the health and safety of the public; and issuance of the proposed amendment will be in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied.

The findings set forth above are supported by an NRC safety evaluation dated October 6, 2008.

III.

Accordingly, pursuant to Sections 161b, 161i, and 184 of the Act, 42 U.S.C. Sections 2201(b), 2201(i), and 2234; 10 CFR 52.28 and 10 CFR 50.80, IT IS HEREBY ORDERED that the transfer of the ESP, as described herein, to Virginia Electric and Power Company doing business as Dominion Virginia Power (DVP), and the Old Dominion Electric Cooperative (ODEC) is approved.

IT IS FURTHER ORDERED that, consistent with 10 CFR 2.1315(b), a conforming amendment that makes changes as indicated in Enclosure 2 to the cover letter forwarding this Order, to conform the ESP to reflect the subject permit transfer is approved. The amendment shall be issued and made effective at the time such proposed ESP transfer is completed.

IT IS FURTHER ORDERED that DVP and ODEC shall inform the Director of the Office of New Reactors in writing of the date of the merger of DNNA into DVP no later than 5 business days prior to the closing of the merger and transfer of the ESP. Should the transfer of the ESP not be completed by October 30, 2009, this Order shall become null and void, provided

however, that upon written application and good cause shown, such date may be extended by order.

This Order is effective upon issuance.

For further details with respect to this action, see the application dated April 24, 2008, and the safety evaluation dated October 6, 2008, which are available for public inspection at the Commission's Public Document Room (PDR), located at One White Flint North, 11555 Rockville Pike (first floor), Rockville, Maryland, and accessible electronically from the Agencywide Documents Access and Management System (ADAMS) Public Electronic Reading Room on the Internet at the NRC web site, <http://www.nrc.gov/reading-rm/adams.html>. The documents are also available at <http://www.nrc.gov/reactors/new-licensing/esp.html>. Persons who do not have access to ADAMS or who encounter problems in accessing the documents located in ADAMS, should contact the NRC PDR Reference Staff by telephone at 1-800-397-4209, 301-415-4737, or by e-mail to pdr@nrc.gov.

Dated at Rockville, Maryland this 30th day of October 2008.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

Michael R. Johnson, Director
Office of New Reactors