

NRC FORM 699  
(9-2003)

U.S. NUCLEAR REGULATORY COMMISSION

DATE

**CONVERSATION RECORD**

08/18/2010

TIME

3:30pm

NAME OF PERSON(S) CONTACTED OR IN CONTACT WITH YOU

James Connell

TELEPHONE NO.

TYPE OF CONVERSATION

VISIT

ORGANIZATION

Maine Yankee

CONFERENCE

SUBJECT

Negation Action Plan

TELEPHONE

INCOMING

OUTGOING

SUMMARY (Continue on Page 2)

NRC Attendees: Michael Dusaniwskyj, Thomas Fredrichs, Sarah Rich

The NRC staff conducted a conference call with Maine Yankee to discuss their need for a negation action plan. Emera, Inc., a Canadian company, currently owns 7% of Maine Yankee Atomic Power Company (MYAPC) through multiple subsidiaries. Emera, Inc. is planning to acquire another co-owner of MYAPC, which will give Emera, Inc. an additional 5% ownership. After the acquisition, Emera, Inc. will have a 12% ownership interest in the Maine Yankee facility, but will not be a licensee.

Maine Yankee stated that they don't believe they need a negation action plan, since there is no transfer of control and Emera, Inc. won't have a controlling interest because they have less than 50% ownership. The staff agreed that the proposed acquisition would not be a transfer of control under the provisions of 10 CFR 50.80. However, the existing foreign ownership interest raises the negation action plan issue independently of the transfer issue. The staff explained that the SRP (64 FR 52355) states that the Commission has not established a specific threshold above which it would be conclusive that an applicant is controlled by foreign interests through ownership of a percentage of the applicant's stock. The relevant criteria include whether a foreign interest has the power, direct or indirect, to direct or decide matters affecting the management or operations of the applicant; whether any non-US citizen has responsibility for special nuclear material; or whether a foreign interest has access to restricted data. The SRP provides the full list of considerations and includes acceptable methods to negate foreign ownership, control, or domination. Therefore, an ownership stake less than 50% does not conclusively resolve the issue.

Maine Yankee asked whether the negation action plan should be created by them or by Emera, Inc. The NRC staff stated that the plan should be made at the parent company level, and should include provisions to prevent Emera, Inc. from exerting control or domination over the licensee on nuclear safety or security matters. The plan should, as necessary, apply to the subsidiary companies to assure they comply with the restrictions on foreign ownership, control, or domination.

*Continue on Page 2*

ACTION REQUIRED

NAME OF PERSON DOCUMENTING CONVERSATION

Sarah Rich

SIGNATURE

*Sarah Rich*

DATE

08/25/10

ACTION TAKEN

TITLE OF PERSON TAKING ACTION

SIGNATURE OF PERSON TAKING ACTION

DATE

**CONVERSATION RECORD (Continued)**

SUMMARY (Continue on Page 3)

Maine Yankee agreed to contact the appropriate people at Emera, Inc. and have them contact John Goshen, the project manager, to provide the negation action plan.

The call ended at 4:00pm.

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