

September 20, 2011
L-11-282

10 CFR 50.90

ATTN: Document Control Desk
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

SUBJECT:

Beaver Valley Power Station, Unit Nos. 1 and 2
Docket No. 50-334, License No. DPR-66
Docket No. 50-412, License No. NPF-73
Davis-Besse Nuclear Power Station, Unit No. 1
Docket No. 50-346, License No. NPF-3
Perry Nuclear Power Plant, Unit No. 1
Docket No. 50-440, License No. NPF-58
License Amendment Request to Change the Name of an Owner Licensee to
FirstEnergy Nuclear Generation, LLC

In accordance with the provisions of 10 CFR 50.90, FirstEnergy Nuclear Operating Company (FENOC) is submitting a request for amendments to the operating licenses (OLs) of Beaver Valley Power Station, Unit Nos. 1 and 2; Davis-Besse Nuclear Power Station, Unit No. 1 (DBNPS); and Perry Nuclear Power Plant, Unit No. 1 (PNPP). The proposed amendment is administrative in nature and will revise the licenses to reflect the name change of an owner licensee from "FirstEnergy Nuclear Generation Corp." to "FirstEnergy Nuclear Generation, LLC."

The proposed amendment will also correct errors regarding the name of FirstEnergy Nuclear Generation Corp. in the DBNPS and PNPP OLs.

The enclosure contains an evaluation of the proposed amendment. Attachments in the enclosure provide the pages of the existing OLs marked up to show the proposed changes, and OL pages with the proposed changes incorporated for information only.

NRC approval is requested by December 15, 2011 with the amendments being implemented within 120 days.

Beaver Valley Power Station, Unit Nos. 1 and 2
Davis-Besse Nuclear Power Station, Unit No. 1
Perry Nuclear Power Plant, Unit No. 1
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Page 2

There are no regulatory commitments contained in this submittal. If there are any questions or if additional information is required, please contact Mr. Phil H. Lashley, Supervisor - Fleet Licensing, at (330) 315-6808.

I declare under penalty of perjury that the foregoing is true and correct. Executed on September 20, 2011.

Sincerely,



Peter P. Sena III
President and Chief Operating Officer

Enclosure:

EVALUATION OF PROPOSED LICENSE AMENDMENT

cc: NRC Region I Administrator
NRC Region III Administrator
NRC Project Manager - Beaver Valley Power Station
NRC Project Manager - Davis-Besse Nuclear Power Station
NRC Project Manager - Perry Nuclear Power Plant
NRC Resident Inspector - Beaver Valley Power Station
NRC Resident Inspector - Davis-Besse Nuclear Power Station
NRC Resident Inspector - Perry Nuclear Power Plant
Director BRP/DEP
Site Representative BRP/DEP
Executive Director, Ohio Emergency Management Agency,
State of Ohio (NRC Liaison)
Utility Radiological Safety Board

EVALUATION OF PROPOSED LICENSE AMENDMENT

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Subject: Amendment Request to change the name of an owner licensee of the Beaver Valley Power Station, Unit Nos. 1 and 2; Davis-Besse Nuclear Power Station, Unit No. 1; and Perry Nuclear Power Plant, Unit No. 1.

1.0 SUMMARY DESCRIPTION

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1. Proposed Beaver Valley Power Station, Unit No. 1 Operating License Changes (Mark Up)

2. Proposed Beaver Valley Power Station, Unit No. 2 Operating License Changes (Mark Up)

3. Proposed Davis-Besse Nuclear Power Station, Unit No. 1 Operating License Changes (Mark Up)

4. Proposed Perry Nuclear Power Plant, Unit No. 1 Operating License Changes (Mark Up)

5. Proposed Beaver Valley Power Station, Unit No. 1 Operating License Changes (Re-typed – For Information Only)

6. Proposed Beaver Valley Power Station, Unit No. 2 Operating License Changes (Re-typed – For Information Only)

7. Proposed Davis-Besse Nuclear Power Station, Unit No. 1 Operating License Changes (Re-typed – For Information Only)

8. Proposed Perry Nuclear Power Plant, Unit No. 1 Operating License Changes (Re-typed – For Information Only)

1.0 SUMMARY DESCRIPTION

This evaluation supports a request to amend the operating licenses of Beaver Valley Power Station, Unit Nos. 1 and 2 (DPR-66 and NPF-73, respectively); Davis-Besse Nuclear Power Station, Unit No. 1 (NPF-3); and Perry Nuclear Power Plant, Unit No. 1 (NPF-58). The proposed amendment will revise the licenses to reflect the new name of one of the owner licensees of the aforementioned facilities which has changed from "FirstEnergy Nuclear Generation Corp." to "FirstEnergy Nuclear Generation, LLC."

2.0 DETAILED DESCRIPTION

FirstEnergy Nuclear Generation Corp. is an owner licensee for the following Nuclear Regulatory Commission (NRC) facilities:

- 100% of Beaver Valley Power Station, Unit No. 1 (BVPS-1)
- 60.08% of Beaver Valley Power Station, Unit No. 2 (BVPS-2)
- 100% of Davis-Besse Nuclear Power Station, Unit No. 1 (DBNPS)
- 87.42% of Perry Nuclear Power Plant, Unit No. 1 (PNPP)

FirstEnergy Corp. (FE), the overall parent of FirstEnergy Nuclear Generation Corp., proposes converting FirstEnergy Nuclear Generation Corp. from a corporation organized under the laws of the State of Ohio to a limited liability company (LLC) organized under the laws of the State of Ohio. The proposed conversion will occur by operation of the State of Ohio law. As a result, FirstEnergy Nuclear Generation Corp. will change its name to FirstEnergy Nuclear Generation, LLC. Therefore, the operating licenses for the aforementioned units will need to be amended to reflect the revised company name.

The proposed amendment will also correct errors in the DBNPS and PNPP operating licenses regarding the name of FirstEnergy Nuclear Generation Corp. The word "Nuclear" was inadvertently omitted in an entry in both operating licenses, and the word "Corporation" was inadvertently used instead of "Corp." in the DBNPS operating license.

Mark-ups of the Beaver Valley Power Station, Unit Nos. 1 and 2; Davis-Besse Nuclear Power Station, Unit No. 1; and Perry Nuclear Power Plant, Unit No. 1 operating licenses reflecting these changes are included in Attachments 1 through 4, respectively.

For informational purposes only, typed versions of the Beaver Valley Power Station, Unit Nos. 1 and 2; Davis-Besse Nuclear Power Station, Unit No. 1; and Perry Nuclear Power Plant, Unit No. 1 operating licenses reflecting these changes are included in Attachments 5 through 8, respectively.

3.0 TECHNICAL EVALUATION

FirstEnergy Nuclear Generation Corp. will be converted to an Ohio LLC pursuant to Sections 1701.792 and 1705.361 of the Ohio Revised Code. The entity, previously known as FirstEnergy Nuclear Generation Corp., will remain the owner licensee both before and after the conversion, but will have a new corporate form as a limited liability company. In accordance with Section 1705.391 of the Ohio Revised Code, this entity will remain responsible for providing funding for the operation of its ownership shares in the above-listed facilities and fulfill all other obligations as an owner licensee, including providing decommissioning funding assurance for its ownership shares in compliance with 10 CFR 50.75. There will be no ownership or management changes as a result of the conversion. The proposed conversion will result in a name change for this entity. The name will become "FirstEnergy Nuclear Generation, LLC."

The proposed amendment will change the operating licenses for BVPS-1, BVPS-2, DBNPS, and PNPP to reflect this change. The proposed amendment is considered administrative in nature.

4.0 REGULATORY EVALUATION

The FirstEnergy Nuclear Operating Company (FENOC) requests Nuclear Regulatory Commission (NRC) review and approval of an amendment to change the name of an owner licensee of Beaver Valley Power Station, Unit Nos. 1 and 2; Davis-Besse Nuclear Power Station, Unit No. 1; and Perry Nuclear Power Plant, Unit No. 1. The proposed amendment will revise the name of owner licensee FirstEnergy Nuclear Generation Corp. to FirstEnergy Nuclear Generation, LLC.

4.1 Significant Hazards Consideration

FENOC has evaluated whether or not a significant hazards consideration is involved with the proposed amendment by focusing on the three standards set forth in 10 CFR 50.92, "Issuance of amendment," as discussed below.

1. Does the proposed amendment involve a significant increase in the probability or consequences of an accident previously evaluated?

Response: No.

The proposed amendment changes a name of an owner licensee. The proposed amendment is considered administrative in nature. The functions of the owner licensee will not change. There is no impact upon the other facility licensees.

FENOC will remain the operator of the facilities. The proposed amendment does not alter the design, function, or operation of any plant equipment. As such, the accident and transient analyses contained in the facility updated final safety analysis reports will not be impacted. Therefore, the proposed amendment does not affect the probability or consequences of an accident previously evaluated.

2. Does the proposed amendment create the possibility of a new or different kind of accident from any accident previously evaluated?

Response: No.

The proposed amendment is considered administrative in nature. The functions of the owner licensee will not change. The proposed amendment does not alter the design, function, or operation of any plant equipment. Therefore, the proposed amendment does not create the possibility of a new or different kind of accident from any accident previously evaluated.

3. Does the proposed amendment involve a significant reduction in a margin of safety?

Response: No.

The proposed amendment is a name change to reflect the new name of an owner licensee. The proposed amendment is considered administrative in nature. The functions of the owner licensee will not change. There is no impact upon the other facility licensees. FENOC will remain the operator of the facilities. The proposed amendment does not alter the design, function, or operation of any plant equipment. As such, the accident and transient analyses contained in the facility updated final safety analysis reports will not be impacted. Therefore, the proposed amendment does not involve a significant reduction in a margin of safety.

Based on the above, FENOC concludes that the proposed amendment does not involve a significant hazards consideration under the standards set forth in 10 CFR 50.92(c), and, accordingly, a finding of "no significant hazards consideration" is justified.

4.2 Applicable Regulatory Requirements/Criteria

In accordance with 10 CFR 50.80, Transfer of licenses, no license for a utilization facility can be transferred through transfer of control of the license to any entity unless the NRC consents in writing.

FE proposes converting FirstEnergy Nuclear Generation Corp. from a corporation organized under the laws of the State of Ohio to a limited liability company (LLC) organized under the laws of the State of Ohio. The proposed conversion will occur by operation of the State of Ohio law. As a result, the entity, previously known as FirstEnergy Nuclear Generation Corp., will remain the owner licensee both before and after the conversion, but with a new corporate form as a limited liability company. This entity will remain responsible for providing funding for the operation of its ownership shares in BVPS-1, BVPS-2, DBNPS, and PNPP and fulfill all other obligations as an owner licensee.

The proposed amendment does not involve the transfer of control to another entity. It is a name change. FirstEnergy Nuclear Generation Corp. will change its name to FirstEnergy Nuclear Generation, LLC. There is no impact upon 10 CFR 50.80.

4.3 Precedent

By letter dated May 14, 1999, Texas Utilities Electric Company submitted an amendment to the NRC for Comanche Peak Steam Electric Station, Units 1 and 2 to change the name of the company to TXU Electric Company. The proposed amendment indicated that it was an administrative change. The NRC approved the amendment on August 31, 1999 [Agencywide Documents Access and Management System (ADAMS) Accession No. ML021820283]. The proposed amendment for the FENOC facilities is similar in that it describes a name change and the entity will still remain responsible for fulfilling its obligations as an owner licensee.

4.4 Conclusions

In conclusion, based on the considerations discussed above, (1) there is reasonable assurance that the health and safety of the public will not be endangered by operation in the proposed manner, (2) such activities will be conducted in compliance with the Nuclear Regulatory Commission's regulations, and (3) the issuance of the amendment will not be inimical to the common defense and security or to the health and safety of the public.

5.0 ENVIRONMENTAL CONSIDERATION

A review has determined that the proposed amendment would: 1) change a licensee's name, and 2) makes editorial, corrective or other minor revisions to the license. Accordingly, the proposed amendment meets the eligibility criterion for categorical exclusion set forth in 10 CFR 51.22(c)(10)(iii) and (v). Therefore, pursuant to 10 CFR 51.22(b), no environmental impact statement or environmental assessment need be prepared in connection with the proposed amendment.

6.0 REFERENCES

1. Ohio Revised Code Section 1701.792, "Conversion of domestic corporation into another entity," effective date October 12, 2006; 2007 HB134 January 1, 2008.
2. Ohio Revised Code Section 1705.361, "Conversion of another entity into domestic limited liability company," effective date October 12, 2006.
3. Ohio Revised Code Section 1705.391, "Legal effect of conversion – action to set aside," effective date October 12, 2006.
4. Letter dated August 31, 1999 from Mr. David H. Jaffe (NRC) to Mr. C. Lance Terry (TU Electric) subject: "COMANCHE PEAK STEAM ELECTRIC STATION, UNITS 1 AND 2 – ISSUANCE OF AMENDMENTS RE: CHANGE IN CORPORATE NAME FROM 'TEXAS UTILITIES ELECTRIC COMPANY' TO 'TXU ELECTRIC COMPANY' (TAC NOS. MA5551 AND MA5552)," (ADAMS Accession No. ML021820283)

Attachment 1
Proposed Beaver Valley Power Station, Unit No. 1
Operating License Changes (Mark Up)
(Nine Pages Follow)

UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

FIRSTENERGY NUCLEAR OPERATING COMPANY

FIRSTENERGY NUCLEAR GENERATION, LLC

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DOCKET NO. 50-334

BEAVER VALLEY POWER STATION, UNIT NO. 1

RENEWED FACILITY OPERATING LICENSE

License No. DPR-66

1. The Nuclear Regulatory Commission (the Commission) having found that:
 - A. The application to renew Facility Operating License No. DPR-66, filed by FirstEnergy Nuclear Operating Company (FENOC)* acting on its own behalf and as agent for FirstEnergy Nuclear Generation, LLC (the licensees) 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 1, and all required notifications to other agencies or bodies have been duly made;
 - B. Construction of the Beaver Valley Power Station, Unit No. 1 (facility), has been substantially completed in conformity with Construction Permit No. CPPR-75 and the application, as amended, the provisions of the Act and the rules and regulations of the Commission;
 - C. The facility will operate in conformity with the application, the provisions of the Act, and the rules and regulations of the Commission;
 - D. There is reasonable assurance: (i) that the activities authorized by this renewed operating license can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the rules and regulations of the Commission;
 - E. FENOC is technically qualified and the licensees are financially qualified to engage in the activities authorized by this renewed operating license in accordance with the rules and regulations of the Commission;
 - F. The licensees have satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements," of the Commission's regulations;

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*FENOC is authorized to act as agent for FirstEnergy Nuclear Generation, LLC, and has exclusive responsibility and control over the physical construction, operation, and maintenance of the facility.

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Amendment No. |
Renewed Operating License DPR-66

- G. The issuance of this renewed operating license will not be inimical to the common defense and security or to the health and safety of the public;
- H. After weighing the environmental, economic, technical and other benefits of the facility against environmental and other costs and considering available alternatives, the issuance of Renewed Facility Operating License No. DPR-66 is in accordance with 10 CFR Part 51 (formerly Appendix D of 10 CFR Part 50) of the Commission's regulations and all applicable requirements have been satisfied; and
- I. The receipt, possession, and use of source, by-product, and special nuclear material as authorized by this renewed operating license will be in accordance with the Commission's regulations in 10 CFR Parts 30, 40, and 70, including 10 CFR Sections 30.33, 40.32, 70.23, and 70.31.
- J. Actions have been identified and have been or will be taken with respect to: (1) managing the effects of aging on the functionality of structures and components that have been identified to require review under 10 CFR 54.21(a)(1) during the period of extended operation, and (2) time-limited aging analyses that have been identified to require review under 10 CFR 54.21(c), such that there is reasonable assurance that the activities authorized by this renewed operating license will continue to be conducted in accordance with the current licensing basis, as defined in 10 CFR 54.3 for the facility, and that any changes made to the facility's current licensing basis in order to comply with 10 CFR 54.29(a) are in accordance with the Act and the Commission's regulations;

2. Renewed Facility Operating License No. DPR-66 is hereby issued to FENOC and FirstEnergy Nuclear Generation, LLC to read as follows:

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A. This renewed license applies to the Beaver Valley Power Station, Unit No. 1, a pressurized water nuclear reactor and associated equipment (the facility), owned by FirstEnergy Nuclear Generation, LLC, and operated by FENOC. The facility is located in Beaver County, Pennsylvania, on the southern shore of the Ohio River, and is described in the "Updated Final Safety Analysis Report" as supplemented and amended and the Environmental Report as supplemented and amended.

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B. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses:

(1) FENOC, pursuant to Section 104b of the Act and 10 CFR Part 50, "Licensing of Production and Utilization Facilities," to possess, use, and operate the facility, and FirstEnergy Nuclear Generation, LLC to possess the facility at the designated location in Beaver County, Pennsylvania in accordance with the procedures and limitations set forth in this renewed license;

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(2) FENOC, pursuant to the Act and 10 CFR Part 70, to receive, possess, and use at any time special nuclear material as reactor fuel, in accordance with the limitations for storage and amounts required for reactor operation, as described in the Updated Final Safety Analysis Report, as supplemented and amended;

Beaver Valley Unit 1

Amendment No.
 Renewed Operating License DPR-66

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- (3) FENOC, pursuant to the Act and 10 CFR Parts 30, 40 and 70, to receive, possess and use at any time any byproduct, source and special nuclear material as sealed neutron sources for reactor startup, sealed sources for reactor instrumentation and radiation monitoring equipment calibration, and as fission detectors in amounts as required;
- (4) FENOC, pursuant to the Act and 10 CFR Parts 30, 40 and 70, to receive, possess and use in amounts as required any byproduct, source, or special nuclear material without restriction to chemical or physical form, for sample analysis or instrument calibration or associated with radioactive apparatus or components;
- (5) FENOC, pursuant to the Act and 10 CFR Parts 30, 40, and 70, to possess, but not separate, such byproduct and special nuclear materials as may be produced by the operation of the facility.

C. This renewed operating license shall be deemed to contain and is subject to the conditions specified in the following Commission regulations in 10 CFR Chapter 1: Part 20, Section 30.34 of Part 30, Section 40.41 of Part 40, Sections 50.54 and 50.59 of Part 50, and Section 70.32 of Part 70; and is subject to all applicable provisions of the Act and to the rules, regulations, and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified or incorporated below:

(1) Maximum Power Level

FENOC is authorized to operate the facility at a steady state reactor core power level of 2900 megawatts thermal.

(2) Technical Specifications

The Technical Specifications contained in Appendix A, as revised through Amendment No. , are hereby incorporated in the license. The licensee shall operate the facility in accordance with the Technical Specifications.

(3) Auxiliary River Water System

(Deleted by Amendment No. 8)

Amendment No. ,

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(10) Additional Conditions

The Additional Conditions contained in Appendix C, as revised through Amendment No. , are hereby incorporated into this license. FENOC shall operate the facility in accordance with the Additional Conditions.

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(11) Mitigation Strategy License Condition

The licensee shall develop and maintain strategies for addressing large fires and explosions and that include the following key areas:

- (a) Fire fighting response strategy with the following elements:
 - 1. Pre-defined coordinated fire response strategy and guidance
 - 2. Assessment of mutual aid fire fighting assets
 - 3. Designated staging areas for equipment and materials
 - 4. Command and control
 - 5. Training of response personnel

- (b) Operations to mitigate fuel damage considering the following:
 - 1. Protection and use of personnel assets
 - 2. Communications
 - 3. Minimizing fire spread
 - 4. Procedures for implementing integrated fire response strategy
 - 5. Identification of readily-available pre-staged equipment
 - 6. Training on integrated fire response strategy
 - 7. Spent fuel pool mitigation measures

- (c) Actions to minimize release to include consideration of:
 - 1. Water spray scrubbing
 - 2. Dose to onsite responders

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APPENDIX C

ADDITIONAL CONDITIONS
OPERATING LICENSE NO. DPR-66

FirstEnergy Nuclear Operating Company and FirstEnergy Nuclear Generation, LLC shall comply with the following conditions on the schedules noted below:

Deleted: Corp.

Amendment Number	Additional Condition	Implementation Date
202	The licensee is authorized to relocate certain Technical Specification requirements to licensee-controlled documents. Implementation of this amendment shall include the relocation of these technical specification requirements to the appropriate documents, as described in the licensee's application dated September 9, 1996, and evaluated in the staff's safety evaluation attached to this amendment.	The amendment shall be implemented within 60 days from April 14, 1997
209	The licensee is authorized to relocate certain Technical Specification requirements to licensee-controlled documents. Implementation of this amendment shall include the relocation of these technical specification requirements to the appropriate documents, as described in the licensee's application dated March 14, 1997, as supplemented July 29 and August 13, 1997, and evaluated in the staff's safety evaluation attached to this amendment.	The amendment shall be implemented within 60 days from December 10, 1997
210	The licensee is authorized to relocate certain Technical Specification requirements to licensee-controlled documents. Implementation of this amendment shall include the relocation of these technical specification requirements to the appropriate documents, as described in the licensee's application dated September 11, 1997, and evaluated in the staff's safety evaluation attached to this amendment.	The amendment shall be implemented within 30 days from January 20, 1998

APPENDIX C

ADDITIONAL CONDITIONS
OPERATING LICENSE NO. DPR-66

FirstEnergy Nuclear Operating Company and FirstEnergy Nuclear Generation, LLC shall comply with the following conditions on the schedules noted below:

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Amendment Number	Additional Condition	Implementation Date
225	The licensee is authorized to relocate certain Technical Specification requirements to licensee-controlled documents. Implementation of this amendment shall include the relocation of these Technical Specification requirements to the appropriate documents as described in the licensee's application dated December 24, 1998, as supplemented June 15, June 17, and July 7, 1999, and evaluated in the staff's safety evaluation attached to this amendment.	The amendment shall be implemented within 60 days from August 30, 1999
269	On the closing date(s) of the transfers to FENGenCo* of their interests in Beaver Valley Power Station, Unit No. 1, Pennsylvania Power Company and Ohio Edison Company shall transfer to FENGenCo* all of each transferor's respective accumulated decommissioning funds for Beaver Valley Power Station, Unit No. 1, and tender to FENGenCo* additional amounts equal to remaining funds expected to be collected in 2005, as represented in the application dated June 1, 2005, but not yet collected by the time of closing. All of the funds shall be deposited in a separate external trust fund for the reactor in the same amount as received with respect to the unit to be segregated from other assets of FENGenCo* and outside its administrative control, as required by NRC regulations, and FENGenCo* shall take all necessary steps to ensure that this external trust fund is maintained in accordance with the requirements of the order approving the transfer of the license and consistent with the safety evaluation supporting the order and in accordance with the requirements of 10 CFR Section 50.75, "Reporting and recordkeeping for decommissioning planning."	The amendment shall be implemented within 30 days from December 16, 2005

* FirstEnergy Nuclear Generation Corp. (FENGenCo) has been renamed FirstEnergy Nuclear Generation, LLC.

APPENDIX C

ADDITIONAL CONDITIONS
OPERATING LICENSE NO. DPR-66

FirstEnergy Nuclear Operating Company and FirstEnergy Nuclear Generation, LLC shall comply with the following conditions on the schedules noted below:

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Amendment Number	Additional Condition	Implementation Date
269	<p>By the date of closing of the transfer of the ownership interests in Beaver Valley Power Station, Unit No. 1 from Pennsylvania Power Company to FENGenCo*, FENGenCo* shall obtain a parent company guarantee from FirstEnergy in an initial amount of at least \$80 million (in 2005 dollars) to provide additional decommissioning funding assurance regarding such ownership interests. Required funding levels shall be recalculated annually and, as necessary, FENGenCo* shall either obtain appropriate adjustments to the parent company guarantee or otherwise provide any additional decommissioning funding assurance necessary for FENGenCo* to meet NRC requirements under 10 CFR 50.75.</p> <p>The Support Agreements described in the applications dated May 18, 2005 (up to \$80 million), and June 1, 2005 (up to \$400 million), shall be effective consistent with the representations contained in the applications. FENGenCo* shall take no action to cause FirstEnergy, or its successors and assigns, to void, cancel, or modify the Support Agreements without the prior written consent of the NRC staff, except, however, the \$80 million Support Agreement in connection with the transfer of the Pennsylvania Power Company interests may be revoked or rescinded if and when the \$400 million support agreement described in the June 1, 2005, application becomes effective. FENGenCo* shall inform the Director of the Office of Nuclear Reactor Regulation, in writing, no later than ten days after any funds are provided to FENGenCo* by FirstEnergy under either Support Agreement.</p>	The amendment shall be implemented within 30 days from December 16, 2005

* FirstEnergy Nuclear Generation Corp. (FENGenCo) has been renamed FirstEnergy Nuclear Generation, LLC.

APPENDIX C

ADDITIONAL CONDITIONS
OPERATING LICENSE NO. DPR-66

FirstEnergy Nuclear Operating Company and FirstEnergy Nuclear Generation, LLC shall comply with the following conditions on the schedules noted below:

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Amendment Number	Additional Condition	Implementation Date
278	<p><u>Schedule for New and Revised Surveillance Requirements (SRs)</u></p> <p>The schedule for performing SRs that are new or revised in Amendment No. 278 shall be as follows:</p> <p>For SRs that are new in this amendment, the first performance is due at the end of the first surveillance interval, which begins on the date of implementation of this amendment.</p> <p>For SRs that existed prior to this amendment, whose intervals of performance are being reduced, the first reduced surveillance interval begins upon completion of the first surveillance performed after implementation of this amendment.</p> <p>For SRs that existed prior to this amendment, whose intervals of performance are being extended, the first extended surveillance interval begins upon completion of the last surveillance performed prior to implementation of this amendment.</p> <p>For SRs that existed prior to this amendment that have modified acceptance criteria, the first performance subject to the modified acceptance criteria is due at the end of the first surveillance interval that began on the date the surveillance was last performed prior to the implementation of this amendment.</p>	<p>The amendment shall be implemented within 150 days from date of issuance</p>
278	<p><u>Relocation of Certain Technical Specification Requirements</u></p> <p>License Amendment No. 278 authorizes the relocation of certain Technical Specifications to other licensee-controlled documents. Implementation of this amendment shall include relocation of the requirements to the specified documents, as described in (1) Sections 4D and 4E of the NRC staff's Safety Evaluation, and (2) Table LA, Removed Detail Changes, and Table R, Relocated Specifications, attached to the NRC staff's Safety Evaluation, which is enclosed in this amendment.</p>	<p>The amendment shall be implemented within 150 days from date of issuance</p>

APPENDIX C

ADDITIONAL CONDITIONS
OPERATING LICENSE NO. DPR-66

FirstEnergy Nuclear Operating Company and FirstEnergy Nuclear Generation, LLC shall comply with the following conditions on the schedules noted below:

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Amendment Number	Additional Condition	Implementation Date
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281	<u>Initial Performance of New Surveillance and Assessment Requirements</u>	
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Upon implementation of Amendment No. 281 adopting TSTF-448, Revision 3, the determination of control room envelope (CRE) unfiltered air leakage as required by Surveillance Requirement (SR) 3.7.10.4, in accordance with Specification 5.5.14.c(i), the assessment of CRE habitability as required by Specification 5.5.14.c(ii), and the measurement of CRE pressure as required by Specification 5.5.14.d, shall be considered met. Following implementation:

The amendment shall be implemented within 120 days from date of issuance

- (a) The first performance of SR 3.7.10.4, in accordance with Specification 5.5.14.c(i), shall be within the specified Frequency of 6 years, plus the 18-month allowance of SR 3.0.2, as measured from the date of the most recent successful tracer gas test, or within the next 18 months if the time period since the most recent successful tracer gas test is greater than 6 years.
- (b) The first performance of the periodic assessment of CRE habitability, Specification 5.5.14.c(ii), shall be within 3 years, plus the 9-month allowance of SR 3.0.2, as measured from the date of the most recent successful tracer gas test, or within the next 9 months if the time period since the most recent successful tracer gas test is greater than 3 years.
- (c) The first performance of the periodic measurement of CRE pressure, Specification 5.5.14.d, shall be within 18 months, plus the 138 days allowed by SR 3.0.2, as measured from the date of the most recent successful pressure measurement test.

Attachment 2
Proposed Beaver Valley Power Station, Unit No. 2
Operating License Changes (Mark Up)
(Thirteen Pages Follow)

UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

FIRSTENERGY NUCLEAR OPERATING COMPANY

FIRSTENERGY NUCLEAR GENERATION, LLC

OHIO EDISON COMPANY

THE TOLEDO EDISON COMPANY

DOCKET NO. 50-412

BEAVER VALLEY POWER STATION, UNIT 2

RENEWED FACILITY OPERATING LICENSE

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License No. NPF-73

1. The Nuclear Regulatory Commission (the Commission or the NRC) has found that:
 - A. The application to renew Facility Operating License No. NPF-73 filed by FirstEnergy Nuclear Operating Company (FENOC)* acting on its own behalf and as agent for FirstEnergy Nuclear Generation, LLC, Ohio Edison Company, and The Toledo Edison Company (the licensees), complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's regulations set forth in 10 CFR Chapter I, and all required notifications to other agencies or bodies have been duly made;
 - B. Construction of the Beaver Valley Power Station, Unit 2 (the facility), has been substantially completed in conformity with Construction Permit No. CPPR-105 and the application, as amended, the provisions of the Act, and the regulations of the Commission;
 - C. The facility will operate in conformity with the application, the provisions of the Act, and the regulations of the Commission (except as exempted from compliance in Section 2.D. below);
 - D. There is reasonable assurance: (i) that the activities authorized by this renewed operating license can be conducted without endangering the health and safety of the public and (ii) that such activities will be conducted in compliance with the Commission's regulations set forth in 10 CFR Chapter I (except as exempted from compliance in Section 2.D. below);

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*FENOC is authorized to act as agent for FirstEnergy Nuclear Generation, LLC, Ohio Edison Company, and The Toledo Edison Company and has exclusive responsibility and control over the physical construction, operation, and maintenance of the facility.

Deleted: Corp.

Amendment No.
Renewed Operating License NPF-73

- E. FENOC is technically qualified to engage in the activities authorized by this renewed operating license in accordance with the Commission's regulations set forth in 10 CFR Chapter I;
- F. The licensees have satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements," of the Commission's regulations;
- G. The issuance of this renewed operating license will not be inimical to the common defense and security or to the health and safety of the public;
- H. After weighing the environmental, economic, technical, and other benefits of the facility against environmental and other costs and considering available alternatives, the issuance of this Renewed Operating License No. NPF-73 is subject to the conditions for protection of the environment set forth in the Environmental Protection Plan attached as Appendix B, is in accordance with 10 CFR Part 51 of the Commission's regulations, and all applicable requirements have been satisfied;
- I. The receipt, possession and use of source, byproduct and special nuclear material as authorized by this license will be in accordance with the Commission's regulations in 10 CFR Parts 30, 40, and 70.
- J. Actions have been identified and have been or will be taken with respect to: (1) managing the effects of aging on the functionality of structures and components that have been identified to require review under 10 CFR 54.21(a)(1) during the period of extended operation, and (2) time-limited aging analyses that have been identified to require review under 10 CFR 54.21(c), such that there is reasonable assurance that the activities authorized by this renewed operating license will continue to be conducted in accordance with the current licensing basis, as defined in 10 CFR 54.3 for the facility, and that any changes made to the facility's current licensing basis in order to comply with 10 CFR 54.29(a) are in accordance with the Act and the Commission's regulations;

2. Renewed Facility Operating License NPF-73 is hereby issued to FENOC, FirstEnergy Nuclear Generation, LLC, Ohio Edison Company, and The Toledo Edison Company (the licensees) to read as follows:

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A. This renewed license applies to the Beaver Valley Power Station, Unit 2, a pressurized water reactor and associated equipment (the facility), owned by FirstEnergy Nuclear Generation, LLC (owner), leased to Ohio Edison Company (lessee), and The Toledo Edison Company (lessee) and operated by FENOC (collectively the licensees). The facility is located on the licensees' site on the southern shore of the Ohio River in Beaver County, Pennsylvania, approximately 22 miles northwest of Pittsburgh and 5 miles east of East Liverpool, Ohio, and is described in FENOC's Updated Final Safety Analysis Report, as supplemented and amended, and in its Environmental Report, as supplemented and amended;

Deleted: Corp.

B. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses:

- (1) Pursuant to Section 103 of the Act and 10 CFR Part 50, FENOC to possess, use, and operate the facility at the designated location in Beaver County, Pennsylvania, in accordance with the procedures and limitations set forth in this license;

Beaver Valley Unit 2

Amendment No.
 Renewed Operating License NPF-73

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- (2) Pursuant to the Act and 10 CFR Part 50, FirstEnergy Nuclear Generation, LLC, Ohio Edison Company, and The Toledo Edison Company to possess the facility at the designated location in Beaver County, Pennsylvania, in accordance with the procedures and limitations set forth in the license;
- (3) Pursuant to the Act and 10 CFR Part 70, FENOC, to receive, possess, and use at any time special nuclear material as reactor fuel, in accordance with the limitations for storage and amounts required for reactor operation, as described in the Updated Final Safety Analysis Report, as supplemented and amended;
- (4) Pursuant to the Act and 10 CFR Parts 30, 40, and 70, FENOC to receive, possess, and use at any time any byproduct, source, and special nuclear material such as sealed neutron sources for reactor startup, sealed sources for reactor instrumentation and radiation monitoring equipment calibration, and as fission detectors in amounts as required;
- (5) Pursuant to the Act and 10 CFR Parts 30, 40, and 70, FENOC to receive, possess, and use in amounts as required any byproduct, source, or special nuclear material without restriction to chemical or physical form, for sample analysis or instrument calibration or other activity associated with radioactive apparatus or components;
- (6) Pursuant to the Act and 10 CFR Parts 30, 40, and 70, FENOC to possess, but not separate, such byproduct and special nuclear materials as may be produced by the operation of the facility authorized herein.
- (7) (a) Ohio Edison Company and The Toledo Edison Company are authorized to transfer any portion of their respective leased interests in BVPS Unit 2 and a proportionate share of their leased interests in the BVPS common facilities to certain potential investors identified in their submittals of July 14, 16, 22 and 31, and September 14, 17 and 18, 1987, and at the same time to lease back from such purchasers such interest transferred in the BVPS Unit 2 facility. The term of the lease is for approximately 29-1/2 years subject to a right of renewal. Such sale and leaseback transactions are subject to the representations and conditions set forth in the aforementioned submittals. Specifically, a lessor and anyone else who may acquire an interest under these transactions are prohibited from exercising directly or indirectly any control over the license of BVPS Unit 2. For purposes of this condition the limitations in 10 CFR 50.81, as now in effect and as may be subsequently amended, are fully applicable to the lessor and any successor in interest to that lessor as long as the license for BVPS Unit 2 remains in effect; these financial transactions shall have no effect on the license for the BVPS Unit 2 facility throughout the term of the license.

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- (b) Further, the licensees are also required to notify the NRC in writing prior to any change in: (i) the term or conditions of any lease agreements executed as part of these transactions; (ii) the BVPS Operating Agreement, (iii) the existing property insurance coverage for BVPS Unit 2, and (iv) any action by a lessor or others that may have adverse effect on the safe operation of the facility.

C. This renewed operating license shall be deemed to contain and is subject to the conditions specified in the following Commission regulations set forth in 10 CFR Chapter 1 and is subject to all applicable provisions of the Act and to the rules, regulations, and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified or incorporated below:

(1) Maximum Power Level

FENOC is authorized to operate the facility at a steady state reactor core power level of 2900 megawatts thermal.

(2) Technical Specifications

The Technical Specifications contained in Appendix A, as revised through Amendment No. , and the Environmental Protection Plan contained in Appendix B, both of which are attached hereto are hereby incorporated in the license. FENOC shall operate the facility in accordance with the Technical Specifications and the Environmental Protection Plan.

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(8) Detailed Control Room Design Review (DCRDR)

Deleted

(9) Safety Parameter Display System (SPDS)

Deleted

(10) Fire Protection Modifications (Section 9.5.1 of SER Supplement 6)

Deleted

(11) Additional Conditions

The Additional Conditions contained in Appendix D, as revised through Amendment No. are hereby incorporated into this license. FENOC shall operate the facility in accordance with the Additional Conditions.

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(12) Steam Generator Surveillance Interval Extension

Deleted

(13) Mitigation Strategy License Condition

The licensee shall develop and maintain strategies for addressing large fires and explosions and that include the following key areas:

- (a) Fire fighting response strategy with the following elements:
 - 1. Pre-defined coordinated fire response strategy and guidance
 - 2. Assessment of mutual aid fire fighting assets
 - 3. Designated staging areas for equipment and materials
 - 4. Command and control
 - 5. Training of response personnel

- (b) Operations to mitigate fuel damage considering the following:
 - 1. Protection and use of personnel assets
 - 2. Communications
 - 3. Minimizing fire spread
 - 4. Procedures for implementing integrated fire response strategy
 - 5. Identification of readily-available pre-staged equipment
 - 6. Training on integrated fire response strategy
 - 7. Spent fuel pool mitigation measures

- (c) Actions to minimize release to include consideration of:
 - 1. Water spray scrubbing
 - 2. Dose to onsite responders

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APPENDIX B
TO FACILITY OPERATING LICENSE NO. NPF-73
BEAVER VALLEY POWER STATION
UNIT 2
FIRSTENERGY NUCLEAR OPERATING COMPANY, ET AL
DOCKET NO. 50-412
ENVIRONMENTAL PROTECTION PLAN
(NONRADIOLOGICAL)
AUGUST 1987

NO CHANGES THIS PAGE. INCLUDED FOR CONTEXT.

APPENDIX B
TO FACILITY OPERATING LICENSE NO. NPF-73
BEAVER VALLEY POWER STATION
UNIT 2
ENVIRONMENTAL PROTECTION PLAN
(NONRADIOLOGICAL)

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NO CHANGES THIS PAGE. INCLUDED FOR CONTEXT.

1.0 Objectives of the Environmental Protection Plan

The Environmental Protection Plan (EPP) is to provide for protection of nonradiological environmental values during operation of the Beaver Valley Power Station, Unit 2 (facility). The principal objectives of the EPP are as follows:

- (1) Verify that the facility is operated in an environmentally acceptable manner, as established by the Final Environmental Statement - Operating License Stage (FES-OL) and other NRC environmental impact assessments.
- (2) Coordinate NRC requirements and maintain consistency with other Federal, State, and local requirements for environmental protection.
- (3) Keep NRC informed of the environmental effects of facility construction and operation and of actions taken to control those effects.

Environmental concerns identified in the FES-OL (September 1985, NUREG-1094) which relate to water quality matters are regulated by way of the licensee's* NPDES permit.

2.0 Environmental Protection Issues

In the FES-OL (NUREG-1094, September 1985), the staff considered the environmental impacts associated with the operation of the Beaver Valley Power Station, Unit 2. No aquatic/water quality, terrestrial, or noise issues were identified.

3.0 Consistency Requirements

3.1 Plant Design and Operation

The licensee may make changes in station design or operation or perform tests or experiments affecting the environment provided such activities do not involve an unreviewed environmental question and do not involve a change in the EPP*. Changes in station design or operation or performance of tests or experiments which do not affect the environment are not subject to the requirements of this EPP. Activities governed by Section 3.3 are not subject to the requirements of this Section.

Before engaging in additional construction or operational activities which may significantly affect the environment, the licensee shall prepare and record an environmental evaluation of such activity. Activities are excluded from this requirement if all measurable nonradiological environmental effects are confined to the on-site areas previously disturbed during site preparation and plant construction. When the evaluation indicates that such activity involves an unreviewed environmental question, the licensee shall provide a written evaluation of such activity and obtain prior NRC approval. Such activity and change to the EPP may be implemented only in accordance with an appropriate license amendment as set forth in Section 5.3 of this EPP.

*"Licensee" refers to FirstEnergy Nuclear Operating Company, operator of the facility, and acting as agent for FirstEnergy Nuclear Generation, LLC, Ohio Edison Company, and The Toledo Edison Company, owners or lessees of the facility.

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APPENDIX D

ADDITIONAL CONDITIONS
OPERATING LICENSE NO. NPF-73

FirstEnergy Nuclear Operating Company, FirstEnergy Nuclear Generation, LLC, Ohio Edison Company, and The Toledo Edison Company shall comply with the following conditions on the schedules noted below:

Deleted: Corp.

Amendment Number	Additional Condition	Implementation Date
83	The licensee is authorized to relocate certain Technical Specification requirements to licensee-controlled documents. Implementation of this amendment shall include the relocation of these technical specification requirements to the appropriate documents, as described in the licensee's application dated September 9, 1996, and evaluated in the staff's safety evaluation attached to this amendment.	The amendment shall be implemented within 60 days from April 14, 1997
87	The licensee is authorized to relocate certain Technical Specification requirements to licensee-controlled documents. Implementation of this amendment shall include the relocation of these technical specification requirements to the appropriate documents, as described in the licensee's application dated March 14, 1997, as supplemented July 29 and August 13, 1997, and evaluated in the staff's safety evaluation attached to this amendment.	The amendment shall be implemented within 60 days from December 10, 1997
88	The licensee is authorized to relocate certain Technical Specification requirements to licensee-controlled documents. Implementation of this amendment shall include the relocation of these technical specification requirements to the appropriate documents, as described in the licensee's application dated September 11, 1997, and evaluated in the staff's safety evaluation attached to this amendment.	The amendment shall be implemented within 30 days from January 20, 1998
98	The licensee commits to perform visual acceptance examinations of sleeve welds; post weld heat treatment of sleeve welds; and the NRC-recommended inspections of repaired tubes as described in the licensee's application dated March 10, 1997, as supplemented July 28, 1997, September 17, 1997, April 30, 1998, and January 29, 1999, and evaluated in the staff's safety evaluation attached to this amendment.	The amendment shall be implemented within 60 days from March 26, 1999

APPENDIX D

ADDITIONAL CONDITIONS
OPERATING LICENSE NO. NPF-73

FirstEnergy Nuclear Operating Company, FirstEnergy Nuclear Generation, LLC, Ohio Edison Company, and The Toledo Edison Company shall comply with the following conditions on the schedules noted below:

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Amendment Number	Additional Condition	Implementation Date
102	The licensee is authorized to relocate certain Technical Specification requirements to licensee-controlled documents. Implementation of this amendment shall include the relocation of these Technical Specification requirements to the appropriate documents as described in the licensee's application dated December 24, 1998, as supplemented June 15, June 17, and July 7, 1999, and evaluated in the staff's evaluation attached to this amendment.	The amendment shall be implemented within 60 days from August 30, 1999
151	On the closing date(s) of the transfers to FENGenCo* of their interests in Beaver Valley Power Station, Unit No. 2, Pennsylvania Power Company, The Cleveland Electric Illuminating Company, Ohio Edison Company, and The Toledo Edison Company shall transfer to FENGenCo* all of each transferor's respective accumulated decommissioning funds for Beaver Valley Power Station, Unit No. 2, except for funds associated with the leased portions of Beaver Valley Power Station, Unit No. 2, and tender to FENGenCo* additional amounts equal to remaining funds expected to be collected in 2005, as represented in the application dated June 1, 2005, but not yet collected by the time of closing. All of the funds shall be deposited in a separate external trust fund for the reactor in the same amount as received with respect to the unit to be segregated from other assets of FENGenCo* and outside its administrative control, as required by NRC regulations, and FENGenCo* shall take all necessary steps to ensure that this external trust fund is maintained in accordance with the requirements of the order approving the transfer of the license and consistent with the safety evaluation supporting the order and in accordance with the requirements of 10 CFR Section 50.75, "Reporting and recordkeeping for decommissioning planning."	The amendment shall be implemented within 30 days from December 16, 2005

* FirstEnergy Nuclear Generation Corp. (FENGenCo) has been renamed FirstEnergy Nuclear Generation, LLC.

APPENDIX D

ADDITIONAL CONDITIONS
OPERATING LICENSE NO. NPF-73

FirstEnergy Nuclear Operating Company, FirstEnergy Nuclear Generation, LLC, Ohio Edison Company, and The Toledo Edison Company shall comply with the following conditions on the schedules noted below:

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Amendment Number	Additional Condition	Implementation Date
151	<p>By the date of closing of the transfer of the ownership interests in Beaver Valley Power Station, Unit No. 2 from Pennsylvania Power Company to FENGenCo*, FENGenCo* shall obtain a parent company guarantee from FirstEnergy in an initial amount of at least \$80 million (in 2005 dollars) to provide additional decommissioning funding assurance regarding such ownership interests. Required funding levels shall be recalculated annually and, as necessary, FENGenCo* shall either obtain appropriate adjustments to the parent company guarantee or otherwise provide any additional decommissioning funding assurance necessary for FENGenCo* to meet NRC requirements under 10 CFR 50.75.</p> <p>The Support Agreements described in the applications dated May 18, 2005 (up to \$80 million), and June 1, 2005 (up to \$400 million), shall be effective consistent with the representations contained in the applications. FENGenCo* shall take no action to cause FirstEnergy, or its successors and assigns, to void, cancel, or modify the Support Agreements without the prior written consent of the NRC staff, except, however, the \$80 million Support Agreement in connection with the transfer of the Pennsylvania Power Company interests may be revoked or rescinded if and when the \$400 million support agreement described in the June 1, 2005, application becomes effective. FENGenCo* shall inform the Director of the Office of Nuclear Reactor Regulation, in writing, no later than ten days after any funds are provided to FENGenCo* by FirstEnergy under either Support Agreement.</p>	The amendment shall be implemented within 30 days from December 16, 2005

* FirstEnergy Nuclear Generation Corp. (FENGenCo) has been renamed FirstEnergy Nuclear Generation, LLC.

APPENDIX D

ADDITIONAL CONDITIONS
OPERATING LICENSE NO. NPF-73

FirstEnergy Nuclear Operating Company, FirstEnergy Nuclear Generation, LLC, Ohio Edison Company, and The Toledo Edison Company shall comply with the following conditions on the schedules noted below:

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Amendment Number	Additional Condition	Implementation Date
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161	<u>Schedule for New and Revised Surveillance Requirements (SRs)</u>	
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The schedule for performing SRs that are new or revised in Amendment No. 161 shall be as follows:

The amendment shall be implemented within 150 days from date of issuance

For SRs that are new in this amendment, the first performance is due at the end of the first surveillance interval, which begins on the date of implementation of this amendment.

For SRs that existed prior to this amendment, whose intervals of performance are being reduced, the first reduced surveillance interval begins upon completion of the first surveillance performed after implementation of this amendment.

For SRs that existed prior to this amendment, whose intervals of performance are being extended, the first extended surveillance interval begins upon completion of the last surveillance performed prior to implementation of this amendment.

For SRs that existed prior to this amendment that have modified acceptance criteria, the first performance subject to the modified acceptance criteria is due at the end of the first surveillance interval that began on the date the surveillance was last performed prior to the implementation of this amendment.

161	<u>Relocation of Certain Technical Specification Requirements</u>	
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License Amendment No. 161 authorizes the relocation of certain Technical Specifications to other licensee-controlled documents. Implementation of this amendment shall include relocation of the requirements to the specified documents, as described in (1) Sections 4D and 4E of the NRC staff's Safety Evaluation, and (2) Table LA, Removed Detail Changes, and Table R, Relocated Specifications, attached to the NRC staff's Safety Evaluation, which is enclosed in this amendment.

The amendment shall be implemented within 150 days from date of issuance

APPENDIX D

ADDITIONAL CONDITIONS
OPERATING LICENSE NO. NPF-73

FirstEnergy Nuclear Operating Company, FirstEnergy Nuclear Generation, LLC, Ohio Edison Company, and The Toledo Edison Company shall comply with the following conditions on the schedules noted below:

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Amendment Number	Additional Condition	Implementation Date
163	<p><u>Initial Performance of New Surveillance and Assessment Requirements</u></p> <p>Upon implementation of Amendment No. 163 adopting TSTF-448, Revision 3, the determination of control room envelope (CRE) unfiltered air leakage as required by Surveillance Requirement (SR) 3.7.10.4, in accordance with Specification 5.5.14.c(i), the assessment of CRE habitability as required by Specification 5.5.14.c(ii), and the measurement of CRE pressure as required by Specification 5.5.14.d, shall be considered met. Following implementation:</p> <ul style="list-style-type: none">(a) The first performance of SR 3.7.10.4, in accordance with Specification 5.5.14.c(i), shall be within the specified Frequency of 6 years, plus the 18-month allowance of SR 3.0.2, as measured from the date of the most recent successful tracer gas test, or within the next 18 months if the time period since the most recent successful tracer gas test is greater than 6 years.(b) The first performance of the periodic assessment of CRE habitability, Specification 5.5.14.c(ii), shall be within 3 years, plus the 9-month allowance of SR 3.0.2, as measured from the date of the most recent successful tracer gas test, or within the next 9 months if the time period since the most recent successful tracer gas test is greater than 3 years.(c) The first performance of the periodic measurement of CRE pressure, Specification 5.5.14.d, shall be within 18 months, plus the 138 days allowed by SR 3.0.2, as measured from the date of the most recent successful pressure measurement test.	The amendment shall be implemented within 120 days from date of issuance

Attachment 3
Proposed Davis-Besse Nuclear Power Station, Unit No. 1
Operating License Changes (Mark Up)
(Seven Pages Follow)

UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

FIRSTENERGY NUCLEAR OPERATING COMPANY

AND

FIRSTENERGY NUCLEAR GENERATION, LLC

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DOCKET NO. 50-346

DAVIS-BESSE NUCLEAR POWER STATION, UNIT NO. 1

FACILITY OPERATING LICENSE

License No. NPF-3

1. The Nuclear Regulatory Commission (the Commission) having found that:
 - A. The application for license filed by FirstEnergy Nuclear Operating Company (FENOC)¹, acting on its own behalf and as agent for FirstEnergy Nuclear Generation, LLC (licensees) 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 and all required notifications to other agencies or bodies have been duly made;
 - B. Construction of the Davis-Besse Nuclear Power Station, Unit No. 1 (the facility) has been substantially completed in conformity with Construction Permit No. CPPR-80 and the application, as amended, the provisions of the Act and the rules and regulations of the Commission;
 - C. The facility will operate in conformity with the application, as amended, the provisions of the Act, and the rules and regulations of the Commission;

Deleted: Corp.

¹ FENOC is authorized to act as agent for FirstEnergy Nuclear Generation, LLC, and has exclusive responsibility and control over the physical construction, operation, and maintenance of the facility.

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- 1.D. There is reasonable assurance: (i) that the activities authorized by this operating license can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the rules and regulations of the Commission;
- E. The FirstEnergy Nuclear Operating Company is technically qualified and the licensees are financially qualified to engage in the activities authorized by this operating license in accordance with the rules and regulations of the Commission;
- F. The licensees have satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements," of the Commission's regulations;
- G. The issuance of this operating license will not be inimical to the common defense and security or to the health and safety of the public;
- H. After weighing the environmental, economic, technical, and other benefits of the facility against environmental and other costs and considering available alternatives, the issuance of Facility Operating License No. NPF-3 subject to the conditions for protection of the environment set forth herein is in accordance with 10 CFR Part 51 (formerly Appendix D to 10 CFR Part 50), of the Commission's regulations and all applicable requirements have been satisfied; and
- I. The receipt, possession, and use of source, byproduct and special nuclear material as authorized by this license will be in accordance with the Commission's regulations in 10 CFR Part 30, 40, and 70, including 10 CFR Sections 30.33, 40.32, 70.23, and 70.31.

2. Facility Operating License No. NPF-3 is hereby issued to FirstEnergy Nuclear Operating Company (FENOC), and FirstEnergy Nuclear Generation, LLC to read as follows:

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- A. This license applies to the Davis-Besse Nuclear Power Station, Unit No. 1, a pressurized water nuclear reactor and associated equipment (the facility), owned by FirstEnergy Nuclear Generation, LLC. The facility is located on the south-western shore of Lake Erie in Ottawa County, Ohio, approximately 21 miles east of Toledo, Ohio, and is described in the "Final Safety Analysis Report" as supplemented and amended (Amendments 14 through 44) and the Environmental Report as supplemented and amended (Supplements 1 through 2).

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2.B. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses:

- (1) FENOC, pursuant to Section 103 of the Act and 10 CFR Part 50, "Licensing of Production and Utilization Facilities," to possess, use, and operate the facility;
- (2) FirstEnergy Nuclear Generation, LLC, to possess the facility at the designated location in Ottawa County, Ohio in accordance with the procedures and limitations set forth in this license;
- (3) FENOC, pursuant to the Act and 10 CFR Part 70, to receive, possess and use at any time special nuclear material as reactor fuel, in accordance with the limitations for storage and amounts required for reactor operation, as described in the Final Safety Analysis Report, as supplemented and amended;
- (4) FENOC, pursuant to the Act and 10 CFR Parts 30, 40, and 70 to receive, possess and use at any time any byproduct, source and special nuclear material as sealed neutron sources for reactor startup, sealed sources for reactor instrumentation and radiation monitoring equipment calibration, and as fission detectors in amounts as required;
- (5) FENOC, pursuant to the Act and 10 CFR Parts 30, 40 and 70, to receive, possess and use in amounts as required any byproduct, source or special nuclear material without restriction to chemical or physical form, for sample analysis or instrument calibration or associated with radioactive apparatus or components; and
- (6) FENOC, pursuant to the Act and 10 CFR Parts 30 and 70, to possess, but not separate, such byproduct and special nuclear materials as may be produced by the operation of the facility.

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2.C. This license shall be deemed to contain and is subject to the conditions specified in the following Commission regulations in 10 CFR Chapter I: Part 20, Section 30.34 of Part 30, Section 40.41 of Part 40, Sections 50.54 and 50.59 of Part 50, and Section 70.32 of Part 70; and is subject to all applicable provisions of the Act and to the rules, regulations, and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified or incorporated below:

(1) Maximum Power Level

FENOC is authorized to operate the facility at steady state reactor core power levels not in excess of 2817 megawatts (thermal). Prior to attaining the power level, Toledo Edison Company shall comply with the conditions identified in Paragraph (3) (o) below and complete the preoperational tests, startup tests and other items identified in Attachment 2 to this license in the sequence specified. Attachment 2 is an integral part of this license.

(2) Technical Specifications

The Technical Specifications contained in Appendix A, as revised through Amendment No. , are hereby incorporated in the license. FENOC shall operate the facility in accordance with the Technical Specifications.

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(3) Additional Conditions

The matters specified in the following conditions shall be completed to the satisfaction of the Commission within the stated time periods following the issuance of the license or within the operational restrictions indicated. The removal of these conditions shall be made by an amendment to the license supported by a favorable evaluation by the Commission:

- (a) FENOC shall not operate the reactor in operational Modes 1 and 2 with less than three reactor coolant pumps in operation.
- (b) Deleted per Amendment 6
- (c) Deleted per Amendment 5

Deleted: 278, 279, 280

2.C(4) Fire Protection

FENOC shall implement and maintain in effect all provisions of the approved Fire Protection Program as described in the Updated Safety Analysis Report and as approved in the SERs dated July 26, 1979, and May 30, 1991, subject to the following provision:

FENOC may make changes to the approved Fire Protection Program without prior approval of the Commission only if those changes would not adversely affect the ability to achieve and maintain safe shutdown in the event of a fire.

(5) Deleted per Amendment No. 279.

(6) Antitrust Conditions

FENOC and FirstEnergy Nuclear Generation, LLC shall comply with the antitrust conditions delineated in Condition 2.E of this license as if named therein. FENOC shall not market or broker power or energy from the Davis-Besse Nuclear Power Station, Unit No. 1. FirstEnergy Nuclear Generation, LLC is responsible and accountable for the actions of FENOC to the extent that said actions affect the marketing or brokering of power or energy from the Davis-Besse Nuclear Power Station, Unit No. 1, and in any way, contravene the antitrust license conditions contained in the license.

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L-6 Amendment No. v

Deleted: 15, 47, 174, 228, 270, 279

- G. In accordance with the requirement imposed by the October 8, 1976, order of the United States Court of Appeals for the District of Columbia Circuit in Natural Resources Defense Council v. Nuclear Regulatory Commission, No. 74-1385 and 74-1586, that the Nuclear Regulatory Commission "shall make any licenses granted between July 21, 1976 and such time when the mandate is issued subject to the outcome of such proceedings herein," this license shall be subject to the outcome of such proceedings.
- H. This license is effective as of the date of issuance and shall expire at midnight April 22, 2017.

- 3. Based on the Commission's Order dated December 16, 2005 and conforming Amendment No. 270 dated December 16, 2005 regarding the direct transfer of the license from the Cleveland Electric Illuminating Company (Cleveland Electric) and the Toledo Edison Company (Toledo Edison) to FirstEnergy Nuclear Generation Corp., (FENGenCo)*, FirstEnergy Nuclear Operating Company and FENGenCo* shall comply with the following conditions noted below:

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- A. On the closing date of the transfers to FENGenCo* of their interests in Davis-Besse, Cleveland Electric and Toledo Edison shall transfer to FENGenCo* all of each transferor's respective accumulated decommissioning funds for Davis-Besse and tender to FENGenCo* additional amounts equal to remaining funds expected to be collected in 2005, as represented in the application dated June 1, 2005, but not yet collected by the time of closing. All of the funds shall be deposited in a separate external trust fund for the reactor in the same amount as received with respect to the unit to be segregated from other assets of FENGenCo* and outside its administrative control, as required by NRC regulations, and FENGenCo* shall take all necessary steps to ensure that this external trust fund is maintained in accordance with the requirements of the order approving the transfer of the license and consistent with the safety evaluation supporting the order and in accordance with the requirements of 10 CFR Section 50.75, "Reporting and recordkeeping for decommissioning planning."

* FirstEnergy Nuclear Generation Corp. (FENGenCo)* has been renamed FirstEnergy Nuclear Generation, LLC.

Deleted: 151, 270

- B. The Support Agreement described in the application dated June 1, 2005 (up to \$400 million), shall be effective consistent with the representations contained in the application. FENGenCo* shall take no action to cause FirstEnergy, or its successors and assigns, to void, cancel, or modify the Support Agreement without the prior written consent of the NRC staff. FENGenCo* shall inform the Director of the Office of Nuclear Reactor Regulation, in writing, no later than ten days after any funds are provided to FENGenCo* by FirstEnergy under either Support Agreement.

FOR THE NUCLEAR REGULATORY COMMISSION

Original Signed by
R. C. DeYoung (for)
Roger S. Boyd, Director
Division of Project Management
Office of Nuclear Reactor Regulation

Attachments:

1. Appendices A & B - Technical Specifications
2. Preoperational Tests, Startup Tests and Other Items Which Must Be Completed Prior to Proceeding to Succeeding Operational Modes

Date of Issuance: (APR 22 1977)

* FirstEnergy Nuclear Generation Corp. (FENGenCo)* has been renamed FirstEnergy Nuclear Generation, LLC.

Attachment 4
Proposed Perry Nuclear Power Plant, Unit No. 1
Operating License Changes (Mark Up)
(Eight Pages Follow)

UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 29555-0001

FIRSTENERGY NUCLEAR OPERATING COMPANY
FIRSTENERGY NUCLEAR GENERATION, LLC
OHIO EDISON COMPANY

Deleted: CORP.

DOCKET NO. 50-440
PERRY NUCLEAR POWER, PLANT, UNIT NO. 1
FACILITY OPERATING LICENSE

License No. NPF-58

1. The Nuclear Regulatory Commission (the Commission) has found that:

- A. The application for license filed by FirstEnergy Nuclear Operating Company (FENOC)¹ acting on its own behalf and as agent for FirstEnergy Nuclear Generation, LLC and Ohio Edison Company, (licensees) complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's regulations set forth in 10 CFR Chapter I, and all required notifications to other agencies or bodies have been duly made;
- B. Construction of the Perry Nuclear Power Plant, Unit No. 1 (the facility), has been substantially completed in conformity with Construction Permit No. CPPR-148 and the application, as amended, the provisions of the Act, and the regulations of the Commission;

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¹FENOC is authorized to act as agent for FirstEnergy Nuclear Generation, LLC and Ohio Edison Company, and has exclusive responsibility and control over the physical construction, operation, and maintenance of the facility.

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Amendment No. ▾

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- C. The facility will operate in conformity with the application, as amended, the provisions of the Act, and the regulations of the Commission (except as exempted from compliance in Section 2.D below);
- D. There is reasonable assurance: (i) that the activities authorized by this operating license can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the Commission's regulations set forth in 10 CFR Chapter I (except as exempted from compliance in Section 2.D below);
- E. The FirstEnergy Nuclear Operating Company is technically qualified to engage in the activities authorized by this license in accordance with the Commission's regulations set forth in 10 CFR Chapter I;
- F. The licensees have satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements," of the Commission's regulations;
- G. The issuance of this license will not be inimical to the common defense and security or to the health and safety of the public;
- H. After weighing the environmental, economic, technical, and other benefits of the facility against environmental and other costs and considering available alternatives, the issuance of this Facility Operating License No. NPF-58, subject to the conditions for protection of the environment set forth in the Environmental Protection Plan attached as Appendix B, is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied; and
- I. The receipt, possession, and use of source, byproduct, and special nuclear material as authorized by this license will be in accordance with the Commission's regulations in 10 CFR Parts 30, 40, and 70.

2. Based on the foregoing findings regarding this facility, the Partial-Initial Decisions issued December 2, 1983, and September 3, 1985, by the Atomic Safety and Licensing Board in regard to this facility (affirmed by ALAB-841, dated July 25, 1986) and pursuant to approval by the Nuclear Regulatory Commission at a meeting on November 7, 1986, Facility Operating License No. NPF-58, which supersedes the license for fuel loading and low power testing, License No. NPF-45, issued on March 18, 1986, is hereby issued to FirstEnergy Nuclear Operating Company, FirstEnergy Nuclear Generation, LLC, and Ohio Edison Company, (the licensees) to read as follows:

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A. The license applies to the Perry Nuclear Power Plant, Unit No. 1, a boiling water nuclear reactor and associated equipment (the facility), owned by FirstEnergy Nuclear Generation, LLC (owner) and leased to Ohio Edison Company (lessee) (collectively the licensees).

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The facility is located on the shore of Lake Erie in Lake County, Ohio, approximately 35 miles northeast of Cleveland, Ohio, and is described in the licensees' Final Safety Analysis Report, as supplemented and amended, and in the licensees' Environmental Report, as supplemented and amended.

B. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses:

- (1) FENOC, pursuant to Section 103 of the Act and 10 CFR Part 50, to possess, use, and operate the facility at the designated location in Lake County, Ohio, in accordance with the procedures and limitations set forth in this license;
- (2) FirstEnergy Nuclear Generation, LLC and Ohio Edison Company, to possess the facility at the designated location in Lake County, Ohio, in accordance with the procedures and limitations set forth in this license;
- (3) FENOC, pursuant to the Act and 10 CFR Part 70, to receive, possess, and use at any time special nuclear material as reactor fuel, in accordance with the limitations for storage and amounts required for reactor operation, as described in the Final Safety Analysis Report, as supplemented and amended;
- (4) FENOC, pursuant to the Act and 10 CFR Parts 30, 40, and 70, to receive, possess, and use at any time any byproduct, source, and special nuclear material such as sealed neutron sources for reactor startup, sealed sources for reactor instrumentation and radiation monitoring equipment calibration, and fission detectors in amounts as required;
- (5) FENOC, pursuant to the Act and 10 CFR Parts 30, 40, and 70, to receive, possess, and use in amounts as required any byproduct, source, or special nuclear material without restriction as to chemical or physical form, for sample analysis or instrument calibration or associated with radioactive apparatus or components; and
- (6) FENOC, pursuant to the Act and 10 CFR Parts 30, 40, and 70, to possess, but not separate, such byproduct and special nuclear materials as may be produced by the operation of the facility.
- (7)(a) Ohio Edison Company is authorized to transfer any portion of its 30.0% ownership share of PNPP Unit 1 and a proportionate share of its interest in the PNPP common facilities to certain equity investors identified in its submission of January 23, 1987, as supplemented on March 3, 1987, and at the same time to lease back from such purchasers such interest sold in the PNPP Unit 1 facility. The term of the lease is for approximately 29½ years subject to a right of

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Amendment No.

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renewal. Such sale and leaseback transactions are subject to the representations and conditions set forth in the above mentioned application of January 23, 1987, as supplemented on March 3, 1987, as well as the letter of the Director of the Office of Nuclear Reactor Regulation dated March 16, 1987, consenting to such transactions. Specifically, a lessor and anyone else who may acquire an interest under these transactions are prohibited from exercising directly or indirectly any control over the licenses of PNPP Unit 1. For purposes of this condition the limitations of 10 CFR 50.81, as now in effect and as may be subsequently amended, are fully applicable to the lessor and any successor in interest to that lessor as long as the license for PNPP Unit 1 remains in effect; these financial transactions shall have no effect on the license for the Perry Nuclear facility throughout the term of the license.

- (b) Further, the licensees are also required to notify the NRC in writing prior to any change in: (i) the terms or conditions of any lease agreements executed as part of these transactions; (ii) the PNPP Operating Agreement; (iii) the existing property insurance coverage for PNPP Unit 1; and (iv) any action by a lessor or others that may have an adverse effect on the safe operation of the facility.
- C. This license shall be deemed to contain and is subject to the conditions specified in the Commission's regulations set forth in 10 CFR Chapter I and is subject to all applicable provisions of the Act and to the rules, regulations, and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified or incorporated below:

(1) Maximum Power Level

FENOC is authorized to operate the facility at reactor core power levels not in excess of 3758 megawatts thermal (100% power) in accordance with the conditions specified herein.

(2) Technical Specifications

The Technical Specifications contained in Appendix A and the Environmental Protection Plan contained in Appendix B, as revised through Amendment No. _____ are hereby incorporated into the license. FENOC shall operate the facility in accordance with the Technical Specifications and the Environmental Protection Plan

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(3) Antitrust Conditions

a. FirstEnergy Nuclear Generation, LLC and Ohio Edison Company _____

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Amendment No. _____

Deleted: 155

shall comply with the antitrust conditions delineated in Appendix C to this license; Appendix C is hereby incorporated into this license.

- b. FENOC shall comply with the antitrust conditions delineated in Appendix C to this license as if named therein. FENOC shall not market or broker power or energy from the Perry Nuclear Power Plant, Unit No. 1. The Owners are responsible and accountable for the actions of FENOC to the extent that said actions affect the marketing or brokering of power or energy from the Perry Nuclear Power Plant, Unit No. 1, and in any way, contravene the antitrust condition contained in the license.

(4) Deleted

(5) Deleted

(6) Fire Protection (Section 9.5, SER, SSER #1, 2, 3, 4, 7, and 8)

FENOC shall comply with the following requirements of the fire protection program: FENOC shall implement and maintain in effect all provisions of the approved fire protection program as described in the Final Safety Analysis Report, as amended, for the Perry Nuclear Power Plant and as approved in the Safety Evaluation Report (NUREG-0887) dated May 1982 and Supplement Nos. 1 through 10 thereto, subject to the following provisions:

- a. FENOC may make changes to the approved fire protection program without prior approval of the Commission only if those changes would not adversely affect the ability to achieve and maintain safe shutdown in the event of a fire.

(7) Deleted

(8) Deleted

(9) Deleted

(10) Deleted

(11) Mitigation Strategy License Condition

The licensee shall develop and maintain strategies for addressing large fires and explosions and that include the follow key areas:

- (a) Fire fighting response strategy with the following elements:
 1. Predefined coordinated fire response strategy and guidance
 2. Assessment of mutual aid fire fighting assets
 3. Designated staging areas for equipment and materials

NO CHANGES THIS PAGE. INCLUDED FOR CONTEXT.

H. This license is effective as of the date of issuance and shall expire at midnight on March 18, 2026.

3. Based on the Commission's Order dated November 15, 2005 and the Commission's revised Order dated December 16, 2005 and conforming Amendment No. 137 dated December 16, 2005 regarding the direct transfer of the license from Pennsylvania Power Company, Ohio Edison Company, OES Nuclear, Inc., The Cleveland Electric Illuminating Company, and the Toledo Edison Company, to FirstEnergy Nuclear Generation Corp. (FENGenCo)*, FirstEnergy Nuclear Operating Company and FirstEnergy Nuclear Generation Corp.* shall comply with the following conditions noted below:

- A. On the closing date(s) of the transfers to FENGenCo* of their interests in Perry, Pennsylvania Power Company, The Cleveland Electric Illuminating Company, Ohio Edison Company, OES Nuclear, Inc., and Toledo Edison Company shall transfer to FENGenCo* all of each transferor's respective accumulated decommissioning funds for Perry, except for funds associated with the leased portions of Perry, and tender to FENGenCo* additional amounts equal to remaining funds expected to be collected in 2005, as represented in the application dated June 1, 2005, but not yet collected by the time of closing. All of the funds shall be deposited in a separate external trust fund for the reactor in the same amount as received with respect to the unit to be segregated from other assets of FENGenCo* and outside its administrative control, as required by NRC regulations, and FENGenCo* shall take all necessary steps to ensure that this external trust fund is maintained in accordance with the requirements of the order approving the transfer of the license and consistent with the safety evaluation supporting the order and in accordance with the requirements of 10CFR Section 50.75, "Reporting and recordkeeping for decommissioning planning."
- B. By the date of closing of the transfer of the ownership interests in Perry from Pennsylvania Power Company to FENGenCo*, FENGenCo* shall obtain a parent company guarantee from FirstEnergy in an initial amount of at least \$80 million (in 2005 dollars) to provide additional decommissioning funding assurance regarding such ownership interests. Required funding levels shall be recalculated annually and, as necessary, FENGenCo* shall either obtain appropriate adjustments to the parent company guarantee or otherwise provide any additional decommissioning funding assurance necessary for FENGenCo* to meet NRC requirements under 10 CFR 50.75.

* FirstEnergy Nuclear Generation Corp. (FENGenCo)* has been renamed FirstEnergy Nuclear Generation, LLC.

Amendment No. _____

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- C. The Support Agreements described in the applications dated May 18, 2005 (up to \$80 million), and June 1, 2005 (up to \$400 million), shall be effective consistent with the representations contained in the applications. FENGenCo* shall take no action to cause FirstEnergy, or its successors and assigns, to void, cancel, or modify the Support Agreements without the prior written consent of the NRC staff, except, however, the \$80 million Support Agreement in connection with the transfer of the Penn Power interests may be revoked or rescinded if and when the \$400 million support agreement described in the June 1, 2005, application becomes effective. FENGenCo* shall inform the Director of the Office of Nuclear Reactor Regulation, in writing, no later than ten days after any funds are provided to FENGenCo* by FirstEnergy under either Support Agreement.

FOR THE NUCLEAR REGULATORY COMMISSION

ORIGINAL SIGNED BY:

Harold R. Denton, Director
Office of Nuclear Reactor Regulation

Attachments/Appendices

1. Attachments 1 - 2
2. Appendix A - Technical Specifications
(NUREG -1204)
3. Appendix B - Environmental Protection
Plan
4. Appendix C - Antitrust Conditions

Date of Issuance: November 13, 1986

* FirstEnergy Nuclear Generation Corp. (FENGenCo)* has been renamed FirstEnergy Nuclear Generation, LLC.

Amendment No. _____

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APPENDIX C

PERRY NUCLEAR POWER PLANT, UNIT NO. 1

NPF-58

ANTITRUST CONDITIONS

FOR

FIRSTENERGY NUCLEAR GENERATION, LLC
OHIO EDISON COMPANY

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A. The licensees are subject to the following antitrust conditions:

Definitions

Applicants shall mean the two companies listed above.

Entity shall mean any electric generation and/or distribution system or municipality or cooperative with a statutory right or privilege to engage in either of these functions.

Wheeling shall mean transportation of electricity by a utility over its lines for another utility, including the receipt from and delivery to another system of like amounts but not necessarily the same energy. Federal Power Commission, The 1970 National Power Survey, Part 1, P. 1-24-8.

Licensing Conditions

- (1) Applicants shall not condition the sale or exchange of wholesale power or coordination services upon the condition that any other entity:
 - (a) enter into any agreement or understanding restricting the use of or alienation of such energy or services to any customers or territories;
 - (b) enter into any agreement or understanding requiring the receiving entity to, give up any other power supply alternatives or to deny itself any market opportunities;
 - (c) withdraw any petition to intervene or forego participation in any proceeding before the Nuclear Regulatory Commission or refrain from instigating or prosecuting any antitrust action in any other forum.

Amendment No. _____

Deleted: 137

Attachment 5
Proposed Beaver Valley Power Station, Unit No. 1
Operating License Changes
(Re-typed – For Information Only)
(Nine Pages Follow)

UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

Proposed
Page

FIRSTENERGY NUCLEAR OPERATING COMPANY

FIRSTENERGY NUCLEAR GENERATION, LLC

DOCKET NO. 50-334

BEAVER VALLEY POWER STATION, UNIT NO. 1

RENEWED FACILITY OPERATING LICENSE

License No. DPR-66

1. The Nuclear Regulatory Commission (the Commission) having found that:
 - A. The application to renew Facility Operating License No. DPR-66, filed by FirstEnergy Nuclear Operating Company (FENOC)* acting on its own behalf and as agent for FirstEnergy Nuclear Generation, LLC (the licensees) 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 1, and all required notifications to other agencies or bodies have been duly made;
 - B. Construction of the Beaver Valley Power Station, Unit No. 1 (facility), has been substantially completed in conformity with Construction Permit No. CPPR-75 and the application, as amended, the provisions of the Act and the rules and regulations of the Commission;
 - C. The facility will operate in conformity with the application, the provisions of the Act, and the rules and regulations of the Commission;
 - D. There is reasonable assurance: (i) that the activities authorized by this renewed operating license can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the rules and regulations of the Commission;
 - E. FENOC is technically qualified and the licensees are financially qualified to engage in the activities authorized by this renewed operating license in accordance with the rules and regulations of the Commission;
 - F. The licensees have satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements," of the Commission's regulations;

*FENOC is authorized to act as agent for FirstEnergy Nuclear Generation, LLC, and has exclusive responsibility and control over the physical construction, operation, and maintenance of the facility.

Amendment No.
Renewed Operating License DPR-66

- G. The issuance of this renewed operating license will not be inimical to the common defense and security or to the health and safety of the public;
 - H. After weighing the environmental, economic, technical and other benefits of the facility against environmental and other costs and considering available alternatives, the issuance of Renewed Facility Operating License No. DPR-66 is in accordance with 10 CFR Part 51 (formerly Appendix D of 10 CFR Part 50) of the Commission's regulations and all applicable requirements have been satisfied; and
 - I. The receipt, possession, and use of source, by-product, and special nuclear material as authorized by this renewed operating license will be in accordance with the Commission's regulations in 10 CFR Parts 30, 40, and 70, including 10 CFR Sections 30.33, 40.32, 70.23, and 70.31.
 - J. Actions have been identified and have been or will be taken with respect to: (1) managing the effects of aging on the functionality of structures and components that have been identified to require review under 10 CFR 54.21(a)(1) during the period of extended operation, and (2) time-limited aging analyses that have been identified to require review under 10 CFR 54.21(c), such that there is reasonable assurance that the activities authorized by this renewed operating license will continue to be conducted in accordance with the current licensing basis, as defined in 10 CFR 54.3 for the facility, and that any changes made to the facility's current licensing basis in order to comply with 10 CFR 54.29(a) are in accordance with the Act and the Commission's regulations;
2. Renewed Facility Operating License No. DPR-66 is hereby issued to FENOC and FirstEnergy Nuclear Generation, LLC to read as follows:
- A. This renewed license applies to the Beaver Valley Power Station, Unit No. 1, a pressurized water nuclear reactor and associated equipment (the facility), owned by FirstEnergy Nuclear Generation, LLC, and operated by FENOC. The facility is located in Beaver County, Pennsylvania, on the southern shore of the Ohio River, and is described in the "Updated Final Safety Analysis Report" as supplemented and amended and the Environmental Report as supplemented and amended.
 - B. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses:
 - (1) FENOC, pursuant to Section 104b of the Act and 10 CFR Part 50, "Licensing of Production and Utilization Facilities," to possess, use, and operate the facility, and FirstEnergy Nuclear Generation, LLC to possess the facility at the designated location in Beaver County, Pennsylvania in accordance with the procedures and limitations set forth in this renewed license;
 - (2) FENOC, pursuant to the Act and 10 CFR Part 70, to receive, possess, and use at any time special nuclear material as reactor fuel, in accordance with the limitations for storage and amounts required for reactor operation, as described in the Updated Final Safety Analysis Report, as supplemented and amended;

- (3) FENOC, pursuant to the Act and 10 CFR Parts 30, 40 and 70, to receive, possess and use at any time any byproduct, source and special nuclear material as sealed neutron sources for reactor startup, sealed sources for reactor instrumentation and radiation monitoring equipment calibration, and as fission detectors in amounts as required;
- (4) FENOC, pursuant to the Act and 10 CFR Parts 30, 40 and 70, to receive, possess and use in amounts as required any byproduct, source, or special nuclear material without restriction to chemical or physical form, for sample analysis or instrument calibration or associated with radioactive apparatus or components;
- (5) FENOC, pursuant to the Act and 10 CFR Parts 30, 40, and 70, to possess, but not separate, such byproduct and special nuclear materials as may be produced by the operation of the facility.

C. This renewed operating license shall be deemed to contain and is subject to the conditions specified in the following Commission regulations in 10 CFR Chapter 1: Part 20, Section 30.34 of Part 30, Section 40.41 of Part 40, Sections 50.54 and 50.59 of Part 50, and Section 70.32 of Part 70; and is subject to all applicable provisions of the Act and to the rules, regulations, and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified or incorporated below:

(1) Maximum Power Level

FENOC is authorized to operate the facility at a steady state reactor core power level of 2900 megawatts thermal.

(2) Technical Specifications

The Technical Specifications contained in Appendix A, as revised through Amendment No. , are hereby incorporated in the license. The licensee shall operate the facility in accordance with the Technical Specifications.

(3) Auxiliary River Water System

(Deleted by Amendment No. 8)

(10) Additional Conditions

The Additional Conditions contained in Appendix C, as revised through Amendment No. , are hereby incorporated into this license. FENOC shall operate the facility in accordance with the Additional Conditions.

(11) Mitigation Strategy License Condition

The licensee shall develop and maintain strategies for addressing large fires and explosions and that include the following key areas:

- (a) Fire fighting response strategy with the following elements:
 - 1. Pre-defined coordinated fire response strategy and guidance
 - 2. Assessment of mutual aid fire fighting assets
 - 3. Designated staging areas for equipment and materials
 - 4. Command and control
 - 5. Training of response personnel

- (b) Operations to mitigate fuel damage considering the following:
 - 1. Protection and use of personnel assets
 - 2. Communications
 - 3. Minimizing fire spread
 - 4. Procedures for implementing integrated fire response strategy
 - 5. Identification of readily-available pre-staged equipment
 - 6. Training on integrated fire response strategy
 - 7. Spent fuel pool mitigation measures

- (c) Actions to minimize release to include consideration of:
 - 1. Water spray scrubbing
 - 2. Dose to onsite responders

APPENDIX C
ADDITIONAL CONDITIONS
OPERATING LICENSE NO. DPR-66

FirstEnergy Nuclear Operating Company and FirstEnergy Nuclear Generation, LLC shall comply with the following conditions on the schedules noted below:

Amendment Number	Additional Condition	Implementation Date
202	The licensee is authorized to relocate certain Technical Specification requirements to licensee-controlled documents. Implementation of this amendment shall include the relocation of these technical specification requirements to the appropriate documents, as described in the licensee's application dated September 9, 1996, and evaluated in the staff's safety evaluation attached to this amendment.	The amendment shall be implemented within 60 days from April 14, 1997
209	The licensee is authorized to relocate certain Technical Specification requirements to licensee-controlled documents. Implementation of this amendment shall include the relocation of these technical specification requirements to the appropriate documents, as described in the licensee's application dated March 14, 1997, as supplemented July 29 and August 13, 1997, and evaluated in the staff's safety evaluation attached to this amendment.	The amendment shall be implemented within 60 days from December 10, 1997
210	The licensee is authorized to relocate certain Technical Specification requirements to licensee-controlled documents. Implementation of this amendment shall include the relocation of these technical specification requirements to the appropriate documents, as described in the licensee's application dated September 11, 1997, and evaluated in the staff's safety evaluation attached to this amendment.	The amendment shall be implemented within 30 days from January 20, 1998

APPENDIX C

ADDITIONAL CONDITIONS
OPERATING LICENSE NO. DPR-66

FirstEnergy Nuclear Operating Company and FirstEnergy Nuclear Generation, LLC shall comply with the following conditions on the schedules noted below:

Amendment Number	Additional Condition	Implementation Date
225	The licensee is authorized to relocate certain Technical Specification requirements to licensee-controlled documents. Implementation of this amendment shall include the relocation of these Technical Specification requirements to the appropriate documents as described in the licensee's application dated December 24, 1998, as supplemented June 15, June 17, and July 7, 1999, and evaluated in the staff's safety evaluation attached to this amendment.	The amendment shall be implemented within 60 days from August 30, 1999
269	On the closing date(s) of the transfers to FENGenCo* of their interests in Beaver Valley Power Station, Unit No. 1, Pennsylvania Power Company and Ohio Edison Company shall transfer to FENGenCo* all of each transferor's respective accumulated decommissioning funds for Beaver Valley Power Station, Unit No. 1, and tender to FENGenCo* additional amounts equal to remaining funds expected to be collected in 2005, as represented in the application dated June 1, 2005, but not yet collected by the time of closing. All of the funds shall be deposited in a separate external trust fund for the reactor in the same amount as received with respect to the unit to be segregated from other assets of FENGenCo* and outside its administrative control, as required by NRC regulations, and FENGenCo* shall take all necessary steps to ensure that this external trust fund is maintained in accordance with the requirements of the order approving the transfer of the license and consistent with the safety evaluation supporting the order and in accordance with the requirements of 10 CFR Section 50.75, "Reporting and recordkeeping for decommissioning planning."	The amendment shall be implemented within 30 days from December 16, 2005

* FirstEnergy Nuclear Generation Corp. (FENGenCo) has been renamed FirstEnergy Nuclear Generation, LLC.

APPENDIX C

ADDITIONAL CONDITIONS
OPERATING LICENSE NO. DPR-66

FirstEnergy Nuclear Operating Company and FirstEnergy Nuclear Generation, LLC shall comply with the following conditions on the schedules noted below:

Amendment Number	Additional Condition	Implementation Date
269	<p>By the date of closing of the transfer of the ownership interests in Beaver Valley Power Station, Unit No. 1 from Pennsylvania Power Company to FENGenCo*, FENGenCo* shall obtain a parent company guarantee from FirstEnergy in an initial amount of at least \$80 million (in 2005 dollars) to provide additional decommissioning funding assurance regarding such ownership interests. Required funding levels shall be recalculated annually and, as necessary, FENGenCo* shall either obtain appropriate adjustments to the parent company guarantee or otherwise provide any additional decommissioning funding assurance necessary for FENGenCo* to meet NRC requirements under 10 CFR 50.75.</p> <p>The Support Agreements described in the applications dated May 18, 2005 (up to \$80 million), and June 1, 2005 (up to \$400 million), shall be effective consistent with the representations contained in the applications. FENGenCo* shall take no action to cause FirstEnergy, or its successors and assigns, to void, cancel, or modify the Support Agreements without the prior written consent of the NRC staff, except, however, the \$80 million Support Agreement in connection with the transfer of the Pennsylvania Power Company interests may be revoked or rescinded if and when the \$400 million support agreement described in the June 1, 2005, application becomes effective. FENGenCo* shall inform the Director of the Office of Nuclear Reactor Regulation, in writing, no later than ten days after any funds are provided to FENGenCo* by FirstEnergy under either Support Agreement.</p>	<p>The amendment shall be implemented within 30 days from December 16, 2005</p>

* FirstEnergy Nuclear Generation Corp. (FENGenCo) has been renamed FirstEnergy Nuclear Generation, LLC.

APPENDIX C

ADDITIONAL CONDITIONS
OPERATING LICENSE NO. DPR-66

FirstEnergy Nuclear Operating Company and FirstEnergy Nuclear Generation, LLC shall comply with the following conditions on the schedules noted below:

Amendment Number	Additional Condition	Implementation Date
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278	<u>Schedule for New and Revised Surveillance Requirements (SRs)</u>	
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	The schedule for performing SRs that are new or revised in Amendment No. 278 shall be as follows:	
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		The amendment shall be implemented within 150 days from date of issuance
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	For SRs that are new in this amendment, the first performance is due at the end of the first surveillance interval, which begins on the date of implementation of this amendment.	
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	For SRs that existed prior to this amendment, whose intervals of performance are being reduced, the first reduced surveillance interval begins upon completion of the first surveillance performed after implementation of this amendment.	
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	For SRs that existed prior to this amendment, whose intervals of performance are being extended, the first extended surveillance interval begins upon completion of the last surveillance performed prior to implementation of this amendment.	
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	For SRs that existed prior to this amendment that have modified acceptance criteria, the first performance subject to the modified acceptance criteria is due at the end of the first surveillance interval that began on the date the surveillance was last performed prior to the implementation of this amendment.	
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278	<u>Relocation of Certain Technical Specification Requirements</u>	
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	License Amendment No. 278 authorizes the relocation of certain Technical Specifications to other licensee-controlled documents. Implementation of this amendment shall include relocation of the requirements to the specified documents, as described in (1) Sections 4D and 4E of the NRC staff's Safety Evaluation, and (2) Table LA, Removed Detail Changes, and Table R, Relocated Specifications, attached to the NRC staff's Safety Evaluation, which is enclosed in this amendment.	
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		The amendment shall be implemented within 150 days from date of issuance
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APPENDIX C

ADDITIONAL CONDITIONS
OPERATING LICENSE NO. DPR-66

FirstEnergy Nuclear Operating Company and FirstEnergy Nuclear Generation, LLC shall comply with the following conditions on the schedules noted below:

Amendment Number	Additional Condition	Implementation Date
281	<p><u>Initial Performance of New Surveillance and Assessment Requirements</u></p> <p>Upon implementation of Amendment No. 281 adopting TSTF-448, Revision 3, the determination of control room envelope (CRE) unfiltered air leakage as required by Surveillance Requirement (SR) 3.7.10.4, in accordance with Specification 5.5.14.c(i), the assessment of CRE habitability as required by Specification 5.5.14.c(ii), and the measurement of CRE pressure as required by Specification 5.5.14.d, shall be considered met. Following implementation:</p> <ul style="list-style-type: none"> (a) The first performance of SR 3.7.10.4, in accordance with Specification 5.5.14.c(i), shall be within the specified Frequency of 6 years, plus the 18-month allowance of SR 3.0.2, as measured from the date of the most recent successful tracer gas test, or within the next 18 months if the time period since the most recent successful tracer gas test is greater than 6 years. (b) The first performance of the periodic assessment of CRE habitability, Specification 5.5.14.c(ii), shall be within 3 years, plus the 9-month allowance of SR 3.0.2, as measured from the date of the most recent successful tracer gas test, or within the next 9 months if the time period since the most recent successful tracer gas test is greater than 3 years. (c) The first performance of the periodic measurement of CRE pressure, Specification 5.5.14.d, shall be within 18 months, plus the 138 days allowed by SR 3.0.2, as measured from the date of the most recent successful pressure measurement test. 	<p>The amendment shall be implemented within 120 days from date of issuance</p>

Attachment 6
Proposed Beaver Valley Power Station, Unit No. 2
Operating License Changes
(Re-typed – For Information Only)
(Eleven Pages Follow)

UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

Proposed
Page

FIRSTENERGY NUCLEAR OPERATING COMPANY
FIRSTENERGY NUCLEAR GENERATION, LLC
OHIO EDISON COMPANY
THE TOLEDO EDISON COMPANY
DOCKET NO. 50-412
BEAVER VALLEY POWER STATION, UNIT 2
RENEWED FACILITY OPERATING LICENSE

License No. NPF-73

1. The Nuclear Regulatory Commission (the Commission or the NRC) has found that:
 - A. The application to renew Facility Operating License No. NPF-73 filed by FirstEnergy Nuclear Operating Company (FENOC)* acting on its own behalf and as agent for FirstEnergy Nuclear Generation, LLC, Ohio Edison Company, and The Toledo Edison Company (the licensees), complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's regulations set forth in 10 CFR Chapter I, and all required notifications to other agencies or bodies have been duly made;
 - B. Construction of the Beaver Valley Power Station, Unit 2 (the facility), has been substantially completed in conformity with Construction Permit No. CPPR-105 and the application, as amended, the provisions of the Act, and the regulations of the Commission;
 - C. The facility will operate in conformity with the application, the provisions of the Act, and the regulations of the Commission (except as exempted from compliance in Section 2.D. below);
 - D. There is reasonable assurance: (i) that the activities authorized by this renewed operating license can be conducted without endangering the health and safety of the public and (ii) that such activities will be conducted in compliance with the Commission's regulations set forth in 10 CFR Chapter I (except as exempted from compliance in Section 2.D. below);

*FENOC is authorized to act as agent for FirstEnergy Nuclear Generation, LLC, Ohio Edison Company, and The Toledo Edison Company and has exclusive responsibility and control over the physical construction, operation, and maintenance of the facility.

- E. FENOC is technically qualified to engage in the activities authorized by this renewed operating license in accordance with the Commission's regulations set forth in 10 CFR Chapter I;
 - F. The licensees have satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements," of the Commission's regulations;
 - G. The issuance of this renewed operating license will not be inimical to the common defense and security or to the health and safety of the public;
 - H. After weighing the environmental, economic, technical, and other benefits of the facility against environmental and other costs and considering available alternatives, the issuance of this Renewed Operating License No. NPF-73 is subject to the conditions for protection of the environment set forth in the Environmental Protection Plan attached as Appendix B, is in accordance with 10 CFR Part 51 of the Commission's regulations, and all applicable requirements have been satisfied;
 - I. The receipt, possession and use of source, byproduct and special nuclear material as authorized by this license will be in accordance with the Commission's regulations in 10 CFR Parts 30, 40, and 70.
 - J. Actions have been identified and have been or will be taken with respect to: (1) managing the effects of aging on the functionality of structures and components that have been identified to require review under 10 CFR 54.21(a)(1) during the period of extended operation, and (2) time-limited aging analyses that have been identified to require review under 10 CFR 54.21(c), such that there is reasonable assurance that the activities authorized by this renewed operating license will continue to be conducted in accordance with the current licensing basis, as defined in 10 CFR 54.3 for the facility, and that any changes made to the facility's current licensing basis in order to comply with 10 CFR 54.29(a) are in accordance with the Act and the Commission's regulations;
2. Renewed Facility Operating License NPF-73 is hereby issued to FENOC, FirstEnergy Nuclear Generation, LLC, Ohio Edison Company, and The Toledo Edison Company (the licensees) to read as follows:
- A. This renewed license applies to the Beaver Valley Power Station, Unit 2, a pressurized water reactor and associated equipment (the facility), owned by FirstEnergy Nuclear Generation, LLC (owner), leased to Ohio Edison Company (lessee), and The Toledo Edison Company (lessee) and operated by FENOC (collectively the licensees). The facility is located on the licensees' site on the southern shore of the Ohio River in Beaver County, Pennsylvania, approximately 22 miles northwest of Pittsburgh and 5 miles east of East Liverpool, Ohio, and is described in FENOC's Updated Final Safety Analysis Report, as supplemented and amended, and in its Environmental Report, as supplemented and amended;
 - B. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses:
 - (1) Pursuant to Section 103 of the Act and 10 CFR Part 50, FENOC to possess, use, and operate the facility at the designated location in Beaver County, Pennsylvania, in accordance with the procedures and limitations set forth in this license;

- (2) Pursuant to the Act and 10 CFR Part 50, FirstEnergy Nuclear Generation, LLC, Ohio Edison Company, and The Toledo Edison Company to possess the facility at the designated location in Beaver County, Pennsylvania, in accordance with the procedures and limitations set forth in the license;
- (3) Pursuant to the Act and 10 CFR Part 70, FENOC, to receive, possess, and use at any time special nuclear material as reactor fuel, in accordance with the limitations for storage and amounts required for reactor operation, as described in the Updated Final Safety Analysis Report, as supplemented and amended;
- (4) Pursuant to the Act and 10 CFR Parts 30, 40, and 70, FENOC to receive, possess, and use at any time any byproduct, source, and special nuclear material such as sealed neutron sources for reactor startup, sealed sources for reactor instrumentation and radiation monitoring equipment calibration, and as fission detectors in amounts as required;
- (5) Pursuant to the Act and 10 CFR Parts 30, 40, and 70, FENOC to receive, possess, and use in amounts as required any byproduct, source, or special nuclear material without restriction to chemical or physical form, for sample analysis or instrument calibration or other activity associated with radioactive apparatus or components;
- (6) Pursuant to the Act and 10 CFR Parts 30, 40, and 70, FENOC to possess, but not separate, such byproduct and special nuclear materials as may be produced by the operation of the facility authorized herein.
- (7) (a) Ohio Edison Company and The Toledo Edison Company are authorized to transfer any portion of their respective leased interests in BVPS Unit 2 and a proportionate share of their leased interests in the BVPS common facilities to certain potential investors identified in their submittals of July 14, 16, 22 and 31, and September 14, 17 and 18, 1987, and at the same time to lease back from such purchasers such interest transferred in the BVPS Unit 2 facility. The term of the lease is for approximately 29-1/2 years subject to a right of renewal. Such sale and leaseback transactions are subject to the representations and conditions set forth in the aforementioned submittals. Specifically, a lessor and anyone else who may acquire an interest under these transactions are prohibited from exercising directly or indirectly any control over the license of BVPS Unit 2. For purposes of this condition the limitations in 10 CFR 50.81, as now in effect and as may be subsequently amended, are fully applicable to the lessor and any successor in interest to that lessor as long as the license for BVPS Unit 2 remains in effect; these financial transactions shall have no effect on the license for the BVPS Unit 2 facility throughout the term of the license.

(b) Further, the licensees are also required to notify the NRC in writing prior to any change in: (i) the term or conditions of any lease agreements executed as part of these transactions; (ii) the BVPS Operating Agreement, (iii) the existing property insurance coverage for BVPS Unit 2, and (iv) any action by a lessor or others that may have adverse effect on the safe operation of the facility.

C. This renewed operating license shall be deemed to contain and is subject to the conditions specified in the following Commission regulations set forth in 10 CFR Chapter 1 and is subject to all applicable provisions of the Act and to the rules, regulations, and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified or incorporated below:

(1) Maximum Power Level

FENOC is authorized to operate the facility at a steady state reactor core power level of 2900 megawatts thermal.

(2) Technical Specifications

The Technical Specifications contained in Appendix A, as revised through Amendment No. , and the Environmental Protection Plan contained in Appendix B, both of which are attached hereto are hereby incorporated in the license. FENOC shall operate the facility in accordance with the Technical Specifications and the Environmental Protection Plan.

(8) Detailed Control Room Design Review (DCRDR)

Deleted

(9) Safety Parameter Display System (SPDS)

Deleted

(10) Fire Protection Modifications (Section 9.5.1 of SER Supplement 6)

Deleted

(11) Additional Conditions

The Additional Conditions contained in Appendix D, as revised through Amendment No. , are hereby incorporated into this license. FENOC shall operate the facility in accordance with the Additional Conditions.

(12) Steam Generator Surveillance Interval Extension

Deleted

(13) Mitigation Strategy License Condition

The licensee shall develop and maintain strategies for addressing large fires and explosions and that include the following key areas:

- (a) Fire fighting response strategy with the following elements:
 - 1. Pre-defined coordinated fire response strategy and guidance
 - 2. Assessment of mutual aid fire fighting assets
 - 3. Designated staging areas for equipment and materials
 - 4. Command and control
 - 5. Training of response personnel

- (b) Operations to mitigate fuel damage considering the following:
 - 1. Protection and use of personnel assets
 - 2. Communications
 - 3. Minimizing fire spread
 - 4. Procedures for implementing integrated fire response strategy
 - 5. Identification of readily-available pre-staged equipment
 - 6. Training on integrated fire response strategy
 - 7. Spent fuel pool mitigation measures

- (c) Actions to minimize release to include consideration of:
 - 1. Water spray scrubbing
 - 2. Dose to onsite responders

1.0 Objectives of the Environmental Protection Plan

The Environmental Protection Plan (EPP) is to provide for protection of nonradiological environmental values during operation of the Beaver Valley Power Station, Unit 2 (facility). The principal objectives of the EPP are as follows:

- (1) Verify that the facility is operated in an environmentally acceptable manner, as established by the Final Environmental Statement - Operating License Stage (FES-OL) and other NRC environmental impact assessments.
- (2) Coordinate NRC requirements and maintain consistency with other Federal, State, and local requirements for environmental protection.
- (3) Keep NRC informed of the environmental effects of facility construction and operation and of actions taken to control those effects.

Environmental concerns identified in the FES-OL (September 1985, NUREG-1094) which relate to water quality matters are regulated by way of the licensee's* NPDES permit.

2.0 Environmental Protection Issues

In the FES-OL (NUREG-1094, September 1985), the staff considered the environmental impacts associated with the operation of the Beaver Valley Power Station, Unit 2. No aquatic/water quality, terrestrial, or noise issues were identified.

3.0 Consistency Requirements

3.1 Plant Design and Operation

The licensee may make changes in station design or operation or perform tests or experiments affecting the environment provided such activities do not involve an unreviewed environmental question and do not involve a change in the EPP*. Changes in station design or operation or performance of tests or experiments which do not affect the environment are not subject to the requirements of this EPP. Activities governed by Section 3.3 are not subject to the requirements of this Section.

Before engaging in additional construction or operational activities which may significantly affect the environment, the licensee shall prepare and record an environmental evaluation of such activity. Activities are excluded from this requirement if all measurable nonradiological environmental effects are confined to the on-site areas previously disturbed during site preparation and plant construction. When the evaluation indicates that such activity involves an unreviewed environmental question, the licensee shall provide a written evaluation of such activity and obtain prior NRC approval. Such activity and change to the EPP may be implemented only in accordance with an appropriate license amendment as set forth in Section 5.3 of this EPP.

*"Licensee" refers to FirstEnergy Nuclear Operating Company, operator of the facility, and acting as agent for FirstEnergy Nuclear Generation, LLC, Ohio Edison Company, and The Toledo Edison Company, owners or lessees of the facility.

APPENDIX DADDITIONAL CONDITIONS
OPERATING LICENSE NO. NPF-73

FirstEnergy Nuclear Operating Company, FirstEnergy Nuclear Generation, LLC, Ohio Edison Company, and The Toledo Edison Company shall comply with the following conditions on the schedules noted below:

Amendment Number	Additional Condition	Implementation Date
83	The licensee is authorized to relocate certain Technical Specification requirements to licensee-controlled documents. Implementation of this amendment shall include the relocation of these technical specification requirements to the appropriate documents, as described in the licensee's application dated September 9, 1996, and evaluated in the staff's safety evaluation attached to this amendment.	The amendment shall be implemented within 60 days from April 14, 1997
87	The licensee is authorized to relocate certain Technical Specification requirements to licensee-controlled documents. Implementation of this amendment shall include the relocation of these technical specification requirements to the appropriate documents, as described in the licensee's application dated March 14, 1997, as supplemented July 29 and August 13, 1997, and evaluated in the staff's safety evaluation attached to this amendment.	The amendment shall be implemented within 60 days from December 10, 1997
88	The licensee is authorized to relocate certain Technical Specification requirements to licensee-controlled documents. Implementation of this amendment shall include the relocation of these technical specification requirements to the appropriate documents, as described in the licensee's application dated September 11, 1997, and evaluated in the staff's safety evaluation attached to this amendment.	The amendment shall be implemented within 30 days from January 20, 1998
98	The licensee commits to perform visual acceptance examinations of sleeve welds; post weld heat treatment of sleeve welds; and the NRC-recommended inspections of repaired tubes as described in the licensee's application dated March 10, 1997, as supplemented July 28, 1997, September 17, 1997, April 30, 1998, and January 29, 1999, and evaluated in the staff's safety evaluation attached to this amendment.	The amendment shall be implemented within 60 days from March 26, 1999

APPENDIX D

ADDITIONAL CONDITIONS
OPERATING LICENSE NO. NPF-73

FirstEnergy Nuclear Operating Company, FirstEnergy Nuclear Generation, LLC, Ohio Edison Company, and The Toledo Edison Company shall comply with the following conditions on the schedules noted below:

Amendment Number	Additional Condition	Implementation Date
102	The licensee is authorized to relocate certain Technical Specification requirements to licensee-controlled documents. Implementation of this amendment shall include the relocation of these Technical Specification requirements to the appropriate documents as described in the licensee's application dated December 24, 1998, as supplemented June 15, June 17, and July 7, 1999, and evaluated in the staff's evaluation attached to this amendment.	The amendment shall be implemented within 60 days from August 30, 1999
151	On the closing date(s) of the transfers to FENGenCo* of their interests in Beaver Valley Power Station, Unit No. 2, Pennsylvania Power Company, The Cleveland Electric Illuminating Company, Ohio Edison Company, and The Toledo Edison Company shall transfer to FENGenCo* all of each transferor's respective accumulated decommissioning funds for Beaver Valley Power Station, Unit No. 2, except for funds associated with the leased portions of Beaver Valley Power Station, Unit No. 2, and tender to FENGenCo* additional amounts equal to remaining funds expected to be collected in 2005, as represented in the application dated June 1, 2005, but not yet collected by the time of closing. All of the funds shall be deposited in a separate external trust fund for the reactor in the same amount as received with respect to the unit to be segregated from other assets of FENGenCo* and outside its administrative control, as required by NRC regulations, and FENGenCo* shall take all necessary steps to ensure that this external trust fund is maintained in accordance with the requirements of the order approving the transfer of the license and consistent with the safety evaluation supporting the order and in accordance with the requirements of 10 CFR Section 50.75, "Reporting and recordkeeping for decommissioning planning."	The amendment shall be implemented within 30 days from December 16, 2005

* FirstEnergy Nuclear Generation Corp. (FENGenCo) has been renamed FirstEnergy Nuclear Generation, LLC.

APPENDIX D

ADDITIONAL CONDITIONS
OPERATING LICENSE NO. NPF-73

FirstEnergy Nuclear Operating Company, FirstEnergy Nuclear Generation, LLC, Ohio Edison Company, and The Toledo Edison Company shall comply with the following conditions on the schedules noted below:

Amendment Number	Additional Condition	Implementation Date
151	<p>By the date of closing of the transfer of the ownership interests in Beaver Valley Power Station, Unit No. 2 from Pennsylvania Power Company to FENGenCo*, FENGenCo* shall obtain a parent company guarantee from FirstEnergy in an initial amount of at least \$80 million (in 2005 dollars) to provide additional decommissioning funding assurance regarding such ownership interests. Required funding levels shall be recalculated annually and, as necessary, FENGenCo* shall either obtain appropriate adjustments to the parent company guarantee or otherwise provide any additional decommissioning funding assurance necessary for FENGenCo* to meet NRC requirements under 10 CFR 50.75.</p> <p>The Support Agreements described in the applications dated May 18, 2005 (up to \$80 million), and June 1, 2005 (up to \$400 million), shall be effective consistent with the representations contained in the applications. FENGenCo* shall take no action to cause FirstEnergy, or its successors and assigns, to void, cancel, or modify the Support Agreements without the prior written consent of the NRC staff, except, however, the \$80 million Support Agreement in connection with the transfer of the Pennsylvania Power Company interests may be revoked or rescinded if and when the \$400 million support agreement described in the June 1, 2005, application becomes effective. FENGenCo* shall inform the Director of the Office of Nuclear Reactor Regulation, in writing, no later than ten days after any funds are provided to FENGenCo* by FirstEnergy under either Support Agreement.</p>	<p>The amendment shall be implemented within 30 days from December 16, 2005</p>

* FirstEnergy Nuclear Generation Corp. (FENGenCo) has been renamed FirstEnergy Nuclear Generation, LLC.

APPENDIX D

ADDITIONAL CONDITIONS
OPERATING LICENSE NO. NPF-73

FirstEnergy Nuclear Operating Company, FirstEnergy Nuclear Generation, LLC, Ohio Edison Company, and The Toledo Edison Company shall comply with the following conditions on the schedules noted below:

Amendment Number	Additional Condition	Implementation Date
161	<p><u>Schedule for New and Revised Surveillance Requirements (SRs)</u></p> <p>The schedule for performing SRs that are new or revised in Amendment No. 161 shall be as follows:</p> <p>For SRs that are new in this amendment, the first performance is due at the end of the first surveillance interval, which begins on the date of implementation of this amendment.</p> <p>For SRs that existed prior to this amendment, whose intervals of performance are being reduced, the first reduced surveillance interval begins upon completion of the first surveillance performed after implementation of this amendment.</p> <p>For SRs that existed prior to this amendment, whose intervals of performance are being extended, the first extended surveillance interval begins upon completion of the last surveillance performed prior to implementation of this amendment.</p> <p>For SRs that existed prior to this amendment that have modified acceptance criteria, the first performance subject to the modified acceptance criteria is due at the end of the first surveillance interval that began on the date the surveillance was last performed prior to the implementation of this amendment.</p>	<p>The amendment shall be implemented within 150 days from date of issuance</p>
161	<p><u>Relocation of Certain Technical Specification Requirements</u></p> <p>License Amendment No. 161 authorizes the relocation of certain Technical Specifications to other licensee-controlled documents. Implementation of this amendment shall include relocation of the requirements to the specified documents, as described in (1) Sections 4D and 4E of the NRC staff's Safety Evaluation, and (2) Table LA, Removed Detail Changes, and Table R, Relocated Specifications, attached to the NRC staff's Safety Evaluation, which is enclosed in this amendment.</p>	<p>The amendment shall be implemented within 150 days from date of issuance</p>

APPENDIX D

ADDITIONAL CONDITIONS
OPERATING LICENSE NO. NPF-73

FirstEnergy Nuclear Operating Company, FirstEnergy Nuclear Generation, LLC, Ohio Edison Company, and The Toledo Edison Company shall comply with the following conditions on the schedules noted below:

Amendment Number	Additional Condition	Implementation Date
163	<u>Initial Performance of New Surveillance and Assessment Requirements</u> Upon implementation of Amendment No. 163 adopting TSTF-448, Revision 3, the determination of control room envelope (CRE) unfiltered air inleakage as required by Surveillance Requirement (SR) 3.7.10.4, in accordance with Specification 5.5.14.c(i), the assessment of CRE habitability as required by Specification 5.5.14.c(ii), and the measurement of CRE pressure as required by Specification 5.5.14.d, shall be considered met. Following implementation: (a) The first performance of SR 3.7.10.4, in accordance with Specification 5.5.14.c(i), shall be within the specified Frequency of 6 years, plus the 18-month allowance of SR 3.0.2, as measured from the date of the most recent successful tracer gas test, or within the next 18 months if the time period since the most recent successful tracer gas test is greater than 6 years. (b) The first performance of the periodic assessment of CRE habitability, Specification 5.5.14.c(ii), shall be within 3 years, plus the 9-month allowance of SR 3.0.2, as measured from the date of the most recent successful tracer gas test, or within the next 9 months if the time period since the most recent successful tracer gas test is greater than 3 years. (c) The first performance of the periodic measurement of CRE pressure, Specification 5.5.14.d, shall be within 18 months, plus the 138 days allowed by SR 3.0.2, as measured from the date of the most recent successful pressure measurement test.	The amendment shall be implemented within 120 days from date of issuance

Attachment 7
Proposed Davis-Besse Nuclear Power Station, Unit No. 1
Operating License Changes
(Re-typed – For Information Only)
(Seven Pages Follow)

UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

FIRSTENERGY NUCLEAR OPERATING COMPANY

AND

FIRSTENERGY NUCLEAR GENERATION, LLC

DOCKET NO. 50-346

DAVIS-BESSE NUCLEAR POWER STATION, UNIT NO. 1

FACILITY OPERATING LICENSE

License No. NPF-3

1. The Nuclear Regulatory Commission (the Commission) having found that:
 - A. The application for license filed by FirstEnergy Nuclear Operating Company (FENOC)¹, acting on its own behalf and as agent for FirstEnergy Nuclear Generation, LLC (licensees) 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 and all required notifications to other agencies or bodies have been duly made;
 - B. Construction of the Davis-Besse Nuclear Power Station, Unit No. 1 (the facility) has been substantially completed in conformity with Construction Permit No. CPPR-80 and the application, as amended, the provisions of the Act and the rules and regulations of the Commission;
 - C. The facility will operate in conformity with the application, as amended, the provisions of the Act, and the rules and regulations of the Commission;

¹ FENOC is authorized to act as agent for FirstEnergy Nuclear Generation, LLC, and has exclusive responsibility and control over the physical construction, operation, and maintenance of the facility.

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- 1.D. There is reasonable assurance: (i) that the activities authorized by this operating license can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the rules and regulations of the Commission;
 - E. The FirstEnergy Nuclear Operating Company is technically qualified and the licensees are financially qualified to engage in the activities authorized by this operating license in accordance with the rules and regulations of the Commission;
 - F. The licensees have satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements," of the Commission's regulations;
 - G. The issuance of this operating license will not be inimical to the common defense and security or to the health and safety of the public;
 - H. After weighing the environmental, economic, technical, and other benefits of the facility against environmental and other costs and considering available alternatives, the issuance of Facility Operating License No. NPF-3 subject to the conditions for protection of the environment set forth herein is in accordance with 10 CFR Part 51 (formerly Appendix D to 10 CFR Part 50), of the Commission's regulations and all applicable requirements have been satisfied; and
 - I. The receipt, possession, and use of source, byproduct and special nuclear material as authorized by this license will be in accordance with the Commission's regulations in 10 CFR Part 30, 40, and 70, including 10 CFR Sections 30.33, 40.32, 70.23, and 70.31.
2. Facility Operating License No. NPF-3 is hereby issued to FirstEnergy Nuclear Operating Company (FENOC), and FirstEnergy Nuclear Generation, LLC to read as follows:
 - A. This license applies to the Davis-Besse Nuclear Power Station, Unit No. 1, a pressurized water nuclear reactor and associated equipment (the facility), owned by FirstEnergy Nuclear Generation, LLC. The facility is located on the south-western shore of Lake Erie in Ottawa County, Ohio, approximately 21 miles east of Toledo, Ohio, and is described in the "Final Safety Analysis Report" as supplemented and amended (Amendments 14 through 44) and the Environmental Report as supplemented and amended (Supplements 1 through 2).

2.B. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses:

- (1) FENOC, pursuant to Section 103 of the Act and 10 CFR Part 50, "Licensing of Production and Utilization Facilities," to possess, use, and operate the facility;
- (2) FirstEnergy Nuclear Generation, LLC, to possess the facility at the designated location in Ottawa County, Ohio in accordance with the procedures and limitations set forth in this license;
- (3) FENOC, pursuant to the Act and 10 CFR Part 70, to receive, possess and use at any time special nuclear material as reactor fuel, in accordance with the limitations for storage and amounts required for reactor operation, as described in the Final Safety Analysis Report, as supplemented and amended;
- (4) FENOC, pursuant to the Act and 10 CFR Parts 30, 40, and 70 to receive, possess and use at any time any byproduct, source and special nuclear material as sealed neutron sources for reactor startup, sealed sources for reactor instrumentation and radiation monitoring equipment calibration, and as fission detectors in amounts as required;
- (5) FENOC, pursuant to the Act and 10 CFR Parts 30, 40 and 70, to receive, possess and use in amounts as required any byproduct, source or special nuclear material without restriction to chemical or physical form, for sample analysis or instrument calibration or associated with radioactive apparatus or components; and
- (6) FENOC, pursuant to the Act and 10 CFR Parts 30 and 70, to possess, but not separate, such byproduct and special nuclear materials as may be produced by the operation of the facility.

2.C. This license shall be deemed to contain and is subject to the conditions specified in the following Commission regulations in 10 CFR Chapter I: Part 20, Section 30.34 of Part 30, Section 40.41 of Part 40, Sections 50.54 and 50.59 of Part 50, and Section 70.32 of Part 70; and is subject to all applicable provisions of the Act and to the rules, regulations, and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified or incorporated below:

(1) Maximum Power Level

FENOC is authorized to operate the facility at steady state reactor core power levels not in excess of 2817 megawatts (thermal). Prior to attaining the power level, Toledo Edison Company shall comply with the conditions identified in Paragraph (3) (o) below and complete the preoperational tests, startup tests and other items identified in Attachment 2 to this license in the sequence specified. Attachment 2 is an integral part of this license.

(2) Technical Specifications

The Technical Specifications contained in Appendix A, as revised through Amendment No. , are hereby incorporated in the license. FENOC shall operate the facility in accordance with the Technical Specifications.

(3) Additional Conditions

The matters specified in the following conditions shall be completed to the satisfaction of the Commission within the stated time periods following the issuance of the license or within the operational restrictions indicated. The removal of these conditions shall be made by an amendment to the license supported by a favorable evaluation by the Commission:

- (a) FENOC shall not operate the reactor in operational Modes 1 and 2 with less than three reactor coolant pumps in operation.
- (b) Deleted per Amendment 6
- (c) Deleted per Amendment 5

2.C(4) Fire Protection

FENOC shall implement and maintain in effect all provisions of the approved Fire Protection Program as described in the Updated Safety Analysis Report and as approved in the SERs dated July 26, 1979, and May 30, 1991, subject to the following provision:

FENOC may make changes to the approved Fire Protection Program without prior approval of the Commission only if those changes would not adversely affect the ability to achieve and maintain safe shutdown in the event of a fire.

(5) Deleted per Amendment No. 279.

(6) Antitrust Conditions

FENOC and FirstEnergy Nuclear Generation, LLC shall comply with the antitrust conditions delineated in Condition 2.E of this license as if named therein. FENOC shall not market or broker power or energy from the Davis-Besse Nuclear Power Station, Unit No. 1. FirstEnergy Nuclear Generation, LLC is responsible and accountable for the actions of FENOC to the extent that said actions affect the marketing or brokering of power or energy from the Davis-Besse Nuclear Power Station, Unit No. 1, and in any way, contravene the antitrust license conditions contained in the license.

- G. In accordance with the requirement imposed by the October 8, 1976, order of the United States Court of Appeals for the District of Columbia Circuit in Natural Resources Defense Council v. Nuclear Regulatory Commission, No. 74-1385 and 74-1586, that the Nuclear Regulatory Commission "shall make any licenses granted between July 21, 1976 and such time when the mandate is issued subject to the outcome of such proceedings herein," this license shall be subject to the outcome of such proceedings.
- H. This license is effective as of the date of issuance and shall expire at midnight April 22, 2017.
3. Based on the Commission's Order dated December 16, 2005 and conforming Amendment No. 270 dated December 16, 2005 regarding the direct transfer of the license from the Cleveland Electric Illuminating Company (Cleveland Electric) and the Toledo Edison Company (Toledo Edison) to FirstEnergy Nuclear Generation Corp. (FENGenCo)*, FirstEnergy Nuclear Operating Company and FENGenCo* shall comply with the following conditions noted below:
- A. On the closing date of the transfers to FENGenCo* of their interests in Davis-Besse, Cleveland Electric and Toledo Edison shall transfer to FENGenCo* all of each transferor's respective accumulated decommissioning funds for Davis-Besse and tender to FENGenCo* additional amounts equal to remaining funds expected to be collected in 2005, as represented in the application dated June 1, 2005, but not yet collected by the time of closing. All of the funds shall be deposited in a separate external trust fund for the reactor in the same amount as received with respect to the unit to be segregated from other assets of FENGenCo* and outside its administrative control, as required by NRC regulations, and FENGenCo* shall take all necessary steps to ensure that this external trust fund is maintained in accordance with the requirements of the order approving the transfer of the license and consistent with the safety evaluation supporting the order and in accordance with the requirements of 10 CFR Section 50.75, "Reporting and recordkeeping for decommissioning planning."

* FirstEnergy Nuclear Generation Corp. (FENGenCo)* has been renamed FirstEnergy Nuclear Generation, LLC.

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- B. The Support Agreement described in the application dated June 1, 2005 (up to \$400 million), shall be effective consistent with the representations contained in the application. FENGenCo* shall take no action to cause FirstEnergy, or its successors and assigns, to void, cancel, or modify the Support Agreement without the prior written consent of the NRC staff. FENGenCo* shall inform the Director of the Office of Nuclear Reactor Regulation, in writing, no later than ten days after any funds are provided to FENGenCo* by FirstEnergy under either Support Agreement.

FOR THE NUCLEAR REGULATORY COMMISSION

Original Signed by
R. C. DeYoung (for)
Roger S. Boyd, Director
Division of Project Management
Office of Nuclear Reactor Regulation

Attachments:

1. Appendices A & B - Technical Specifications
2. Preoperational Tests, Startup Tests and Other Items Which Must Be Completed Prior to Proceeding to Succeeding Operational Modes

Date of Issuance: (APR 22 1977)

* FirstEnergy Nuclear Generation Corp. (FENGenCo)* has been renamed FirstEnergy Nuclear Generation, LLC.

Attachment 8
Proposed Perry Nuclear Power Plant, Unit No. 1
Operating License Changes
(Re-typed – For Information Only)
(Seven Pages Follow)

UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 29555-0001

FIRSTENERGY NUCLEAR OPERATING COMPANY
FIRSTENERGY NUCLEAR GENERATION, LLC
OHIO EDISON COMPANY

DOCKET NO. 50-440
PERRY NUCLEAR POWER, PLANT, UNIT NO. 1
FACILITY OPERATING LICENSE

License No. NPF-58

1. The Nuclear Regulatory Commission (the Commission) has found that:

- A. The application for license filed by FirstEnergy Nuclear Operating Company (FENOC)¹ acting on its own behalf and as agent for FirstEnergy Nuclear Generation, LLC and Ohio Edison Company, (licensees) complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's regulations set forth in 10 CFR Chapter I, and all required notifications to other agencies or bodies have been duly made;
- B. Construction of the Perry Nuclear Power Plant, Unit No. 1 (the facility), has been substantially completed in conformity with Construction Permit No. CPPR-148 and the application, as amended, the provisions of the Act, and the regulations of the Commission;

¹FENOC is authorized to act as agent for FirstEnergy Nuclear Generation, LLC and Ohio Edison Company, and has exclusive responsibility and control over the physical construction, operation, and maintenance of the facility.

- C. The facility will operate in conformity with the application, as amended, the provisions of the Act, and the regulations of the Commission (except as exempted from compliance in Section 2.D below);
 - D. There is reasonable assurance: (i) that the activities authorized by this operating license can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the Commission's regulations set forth in 10 CFR Chapter I (except as exempted from compliance in Section 2.D below);
 - E. The FirstEnergy Nuclear Operating Company is technically qualified to engage in the activities authorized by this license in accordance with the Commission's regulations set forth in 10 CFR Chapter I;
 - F. The licensees have satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements," of the Commission's regulations;
 - G. The issuance of this license will not be inimical to the common defense and security or to the health and safety of the public;
 - H. After weighing the environmental, economic, technical, and other benefits of the facility against environmental and other costs and considering available alternatives, the issuance of this Facility Operating License No. NPF-58, subject to the conditions for protection of the environment set forth in the Environmental Protection Plan attached as Appendix B, is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied; and
 - I. The receipt, possession, and use of source, byproduct, and special nuclear material as authorized by this license will be in accordance with the Commission's regulations in 10 CFR Parts 30, 40, and 70.
2. Based on the foregoing findings regarding this facility, the Partial-Initial Decisions issued December 2, 1983, and September 3, 1985, by the Atomic Safety and Licensing Board in regard to this facility (affirmed by ALAB-841, dated July 25, 1986) and pursuant to approval by the Nuclear Regulatory Commission at a meeting on November 7, 1986, Facility Operating License No. NPF-58, which supersedes the license for fuel loading and low power testing, License No. NPF-45, issued on March 18, 1986, is hereby issued to FirstEnergy Nuclear Operating Company, FirstEnergy Nuclear Generation, LLC, and Ohio Edison Company, (the licensees) to read as follows:
- A. The license applies to the Perry Nuclear Power Plant, Unit No. 1, a boiling water nuclear reactor and associated equipment (the facility), owned by FirstEnergy Nuclear Generation, LLC (owner) and leased to Ohio Edison Company (lessee) (collectively the licensees).

The facility is located on the shore of Lake Erie in Lake County, Ohio, approximately 35 miles northeast of Cleveland, Ohio, and is described in the licensees' Final Safety Analysis Report, as supplemented and amended, and in the licensees' Environmental Report, as supplemented and amended.

B. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses:

- (1) FENOC, pursuant to Section 103 of the Act and 10 CFR Part 50, to possess, use, and operate the facility at the designated location in Lake County, Ohio, in accordance with the procedures and limitations set forth in this license;
- (2) FirstEnergy Nuclear Generation, LLC and Ohio Edison Company, to possess the facility at the designated location in Lake County, Ohio, in accordance with the procedures and limitations set forth in this license;
- (3) FENOC, pursuant to the Act and 10 CFR Part 70, to receive, possess, and use at any time special nuclear material as reactor fuel, in accordance with the limitations for storage and amounts required for reactor operation, as described in the Final Safety Analysis Report, as supplemented and amended;
- (4) FENOC, pursuant to the Act and 10 CFR Parts 30, 40, and 70, to receive, possess, and use at any time any byproduct, source, and special nuclear material such as sealed neutron sources for reactor startup, sealed sources for reactor instrumentation and radiation monitoring equipment calibration, and fission detectors in amounts as required;
- (5) FENOC, pursuant to the Act and 10 CFR Parts 30, 40, and 70, to receive, possess, and use in amounts as required any byproduct, source, or special nuclear material without restriction as to chemical or physical form, for sample analysis or instrument calibration or associated with radioactive apparatus or components; and
- (6) FENOC, pursuant to the Act and 10 CFR Parts 30, 40, and 70, to possess, but not separate, such byproduct and special nuclear materials as may be produced by the operation of the facility.
- (7)(a) Ohio Edison Company is authorized to transfer any portion of its 30.0% ownership share of PNPP Unit 1 and a proportionate share of its interest in the PNPP common facilities to certain equity investors identified in its submission of January 23, 1987, as supplemented on March 3, 1987, and at the same time to lease back from such purchasers such interest sold in the PNPP Unit 1 facility. The term of the lease is for approximately 29½ years subject to a right of

renewal. Such sale and leaseback transactions are subject to the representations and conditions set forth in the above mentioned application of January 23, 1987, as supplemented on March 3, 1987, as well as the letter of the Director of the Office of Nuclear Reactor Regulation dated March 16, 1987, consenting to such transactions. Specifically, a lessor and anyone else who may acquire an interest under these transactions are prohibited from exercising directly or indirectly any control over the licenses of PNPP Unit 1. For purposes of this condition the limitations of 10 CFR 50.81, as now in effect and as may be subsequently amended, are fully applicable to the lessor and any successor in interest to that lessor as long as the license for PNPP Unit 1 remains in effect; these financial transactions shall have no effect on the license for the Perry Nuclear facility throughout the term of the license.

- (b) Further, the licensees are also required to notify the NRC in writing prior to any change in: (i) the terms or conditions of any lease agreements executed as part of these transactions; (ii) the PNPP Operating Agreement; (iii) the existing property insurance coverage for PNPP Unit 1; and (iv) any action by a lessor or others that may have an adverse effect on the safe operation of the facility.
- C. This license shall be deemed to contain and is subject to the conditions specified in the Commission's regulations set forth in 10 CFR Chapter I and is subject to all applicable provisions of the Act and to the rules, regulations, and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified or incorporated below:

(1) Maximum Power Level

FENOC is authorized to operate the facility at reactor core power levels not in excess of 3758 megawatts thermal (100% power) in accordance with the conditions specified herein.

(2) Technical Specifications

The Technical Specifications contained in Appendix A and the Environmental Protection Plan contained in Appendix B, as revised through Amendment No. , are hereby incorporated into the license. FENOC shall operate the facility in accordance with the Technical Specifications and the Environmental Protection Plan

(3) Antitrust Conditions

- a. FirstEnergy Nuclear Generation, LLC and Ohio Edison Company

- H. This license is effective as of the date of issuance and shall expire at midnight on March 18, 2026.
3. Based on the Commission's Order dated November 15, 2005 and the Commission's revised Order dated December 16, 2005 and conforming Amendment No. 137 dated December 16, 2005 regarding the direct transfer of the license from Pennsylvania Power Company, Ohio Edison Company, OES Nuclear, Inc., The Cleveland Electric Illuminating Company, and the Toledo Edison Company, to FirstEnergy Nuclear Generation Corp. (FENGenCo)*, FirstEnergy Nuclear Operating Company and FirstEnergy Nuclear Generation Corp.* shall comply with the following conditions noted below:
- A. On the closing date(s) of the transfers to FENGenCo* of their interests in Perry, Pennsylvania Power Company, The Cleveland Electric Illuminating Company, Ohio Edison Company, OES Nuclear, Inc., and Toledo Edison Company shall transfer to FENGenCo* all of each transferor's respective accumulated decommissioning funds for Perry, except for funds associated with the leased portions of Perry, and tender to FENGenCo* additional amounts equal to remaining funds expected to be collected in 2005, as represented in the application dated June 1, 2005, but not yet collected by the time of closing. All of the funds shall be deposited in a separate external trust fund for the reactor in the same amount as received with respect to the unit to be segregated from other assets of FENGenCo* and outside its administrative control, as required by NRC regulations, and FENGenCo* shall take all necessary steps to ensure that this external trust fund is maintained in accordance with the requirements of the order approving the transfer of the license and consistent with the safety evaluation supporting the order and in accordance with the requirements of 10CFR Section 50.75, "Reporting and recordkeeping for decommissioning planning."
- B. By the date of closing of the transfer of the ownership interests in Perry from Pennsylvania Power Company to FENGenCo*, FENGenCo* shall obtain a parent company guarantee from FirstEnergy in an initial amount of at least \$80 million (in 2005 dollars) to provide additional decommissioning funding assurance regarding such ownership interests. Required funding levels shall be recalculated annually and, as necessary, FENGenCo* shall either obtain appropriate adjustments to the parent company guarantee or otherwise provide any additional decommissioning funding assurance necessary for FENGenCo* to meet NRC requirements under 10 CFR 50.75.

* FirstEnergy Nuclear Generation Corp. (FENGenCo)* has been renamed FirstEnergy Nuclear Generation, LLC.

- C. The Support Agreements described in the applications dated May 18, 2005 (up to \$80 million), and June 1, 2005 (up to \$400 million), shall be effective consistent with the representations contained in the applications. FENGenCo* shall take no action to cause FirstEnergy, or its successors and assigns, to void, cancel, or modify the Support Agreements without the prior written consent of the NRC staff, except, however, the \$80 million Support Agreement in connection with the transfer of the Penn Power interests may be revoked or rescinded if and when the \$400 million support agreement described in the June 1, 2005, application becomes effective. FENGenCo* shall inform the Director of the Office of Nuclear Reactor Regulation, in writing, no later than ten days after any funds are provided to FENGenCo* by FirstEnergy under either Support Agreement.

FOR THE NUCLEAR REGULATORY COMMISSION

ORIGINAL SIGNED BY:

Harold R. Denton, Director
Office of Nuclear Reactor Regulation

Attachments/Appendices

1. Attachments 1 - 2
2. Appendix A - Technical Specifications
(NUREG -1204)
3. Appendix B - Environmental Protection
Plan
4. Appendix C - Antitrust Conditions

Date of Issuance: November 13, 1986

* FirstEnergy Nuclear Generation Corp. (FENGenCo)* has been renamed FirstEnergy Nuclear Generation, LLC.

Amendment No.

APPENDIX C

PERRY NUCLEAR POWER PLANT, UNIT NO. 1

NPF-58

ANTITRUST CONDITIONS

FOR

FIRSTENERGY NUCLEAR GENERATION, LLC
OHIO EDISON COMPANY

A. The licensees are subject to the following antitrust conditions:

Definitions

Applicants shall mean the two companies listed above.

Entity shall mean any electric generation and/or distribution system or municipality or cooperative with a statutory right or privilege to engage in either of these functions.

Wheeling shall mean transportation of electricity by a utility over its lines for another utility, including the receipt from and delivery to another system of like amounts but not necessarily the same energy. Federal Power Commission, The 1970 National Power Survey, Part 1, P. 1-24-8.

Licensing Conditions

- (1) Applicants shall not condition the sale or exchange of wholesale power or coordination services upon the condition that any other entity:
 - (a) enter into any agreement or understanding restricting the use of or alienation of such energy or services to any customers or territories;
 - (b) enter into any agreement or understanding requiring the receiving entity to, give up any other power supply alternatives or to deny itself any market opportunities;
 - (c) withdraw any petition to intervene or forego participation in any proceeding before the Nuclear Regulatory Commission or refrain from instigating or prosecuting any antitrust action in any other forum.