

April 20, 1995

Mr. Edwin A. Guiles
Vice President
Engineering and Operations
San Diego Gas & Electric Company
101 Ash Street
San Diego, California 92112

SUBJECT: APPROVAL OF PROPOSED CORPORATE RESTRUCTURING OF SAN DIEGO GAS & ELECTRIC COMPANY (TAC NOS. M90913, M91260, AND M91261)

Dear Mr. Guiles:

Enclosed is the staff evaluation of the proposed corporate restructuring of San Diego Gas & Electric Company (SDG&E) as described in the November 15, 1994, letter from Richard A. Meserve of Covington & Burling (Counsel for SDG&E). Our evaluation also included the information provided in the March 24, 1995, letter from Edwin A. Guiles of SDG&E on the same subject. The staff has reviewed the information included in these letters, and has found the proposed restructuring of SDG&E to be acceptable. The findings of our antitrust review and financial analysis included in the evaluation provide the basis for our approval of the organizational and financial changes to SDG&E under the provisions of 10 CFR 50.80. Accordingly, the Commission hereby consents to the proposed restructuring of San Diego Gas & Electric Company.

If you have any questions regarding the staff's evaluation, please contact Mel Fields at (301) 415-3062.

Sincerely,

ORIGINAL SIGNED BY J. STONE FOR:
William H. Bateman, Director
Project Directorate IV-2
Division of Reactor Projects III/IV
Office of Nuclear Reactor Regulation

ORIGINAL SIGNED BY:
Seymour H. Weiss, Chief
Non-Power Reactors and Decommissioning
Project Directorate
Division of Project Support
Office of Nuclear Reactor Regulation

Docket Nos. 50-206, 50-361
and 50-362

Enclosure: Safety Evaluation

cc w/encl: See next page

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EPeyton	RWood
MFields	SNewberry
MWebb	

DOCUMENT NAME: SDG&E.LTR

OFC	PDIV-2/LA	PDIV-2/PM	NRR:ONBD	NRR:PDLR	OGC
NAME	EPeyton	MFields:pk	MWebb	SNewberry	S.Hom
DATE	4/11/95	4/11/95	4/12/95	4/12/95	4/19/95

OFC	NRR:ONDD	PDIV-2/D
NAME	SWeiss	WBateman
DATE	4/20/95	4/20/95

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OFC	NRR:ONDD	PDIV-2/D
NAME	SWeiss	WBateman
DATE	4/20/95	4/20/95

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Mr. Edward A. Guiles

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cc:

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