

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

In the Matter of)	
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DUKE ENERGY PROGRESS, INC.)	Docket No. 50-400
)	
NORTH CAROLINA EASTERN)	
MUNICIPAL POWER AGENCY)	License No. NPF-63
)	
)	
Shearon Harris Nuclear Power Plant)	
Unit 1)	

ORDER APPROVING DIRECT TRANSFER OF LICENSE AND APPROVING
CONFORMING AMENDMENT

I.

Duke Energy Progress, Inc. (Duke Energy), and North Carolina Eastern Municipal Power Agency (NCEMPA), are the owners of Shearon Harris Nuclear Power Plant, Unit 1 (Harris). With respect to their ownership, they are co-holders of Renewed Facility Operating License No. NPF-63. The Harris facility consists of a Westinghouse three-loop pressurized-water reactor located in Wake and Chatham Counties, North Carolina. The facility operating license authorizes Duke Energy to possess, use, and operate the Harris facility.

II.

By application dated December 22, 2014 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML14358A253), as supplemented by letters

dated March 4, 2015 (ADAMS Accession No. ML15075A102); June 1, 2015 (ADAMS Accession No. ML15152A205); June 10, 2015 (ADAMS Accession No. ML15161A289); and June 24, 2015 (ADAMS Accession No. ML15175A036), Duke Energy and NCEMPA requested, pursuant to Title 10 of the *Code of Federal Regulations* (10 CFR), Section 50.80 (10 CFR 50.80), that the U.S. Nuclear Regulatory Commission (NRC) consent to the direct transfer of Operating License No. NPF-63 for the Harris facility, to the extent currently held by NCEMPA, to co-owner Duke Energy.

The interest in Harris held by Duke Energy is 83.83 percent undivided ownership interest and that held by NCEMPA is 16.17 percent undivided ownership interest. Duke Energy is the licensed operator for the facility. Following approval of the proposed direct transfer of control of the licenses, Duke Energy would acquire NCEMPA's ownership interest in the facility and would hold 100 percent of the facility.

The applicant also requested approval of the conforming license amendment that would remove references to NCEMPA in the license. The proposed direct transfer of control of the Harris operating license will not result in any change in the role of Duke Energy as the licensed operator and owner of the licensed facility and will not result in any changes to its financial qualifications, decommissioning funding assurance, or technical qualifications.

Approval of the direct transfer of the facility operating license and conforming license amendment was requested by Duke Energy and NCEMPA pursuant to 10 CFR sections 50.80 and 50.90. A notice entitled, "Notice of Consideration of Approval of Transfer of Licenses and Conforming Amendment," was published in the *Federal Register* on April 21, 2015 (80 FR 22224). No comments or hearing requests were received.

Under 10 CFR 50.80, no license, or any right thereunder, shall be transferred, directly or indirectly, through transfer of control of the license, unless the Commission gives its consent in

writing. Upon review of the information in the licensee's application, and other information before the Commission, the NRC staff has determined that Duke Energy is qualified to hold 100 percent of the license as proposed by the transfer of NCEMPA's 16.17 percent ownership interests, and that the transfer of the license is otherwise consistent with the applicable provisions of law, regulations, and orders issued by the NRC and subject to the conditions set forth below. The NRC staff has further found that the application for the proposed license amendment 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; the facility will operate in conformity with the application, the provisions of the Act and the rules and regulations of the Commission; there is reasonable assurance that the activities authorized by the proposed license amendment can be conducted without endangering the health and safety of the public and that such activities will be conducted in compliance with the Commission's regulations; the issuance of the proposed license amendment will not be inimical to the common defense and security or to the health and safety of the public; and the issuance of the proposed amendment will be in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied. The findings set forth above are supported by a safety evaluation dated July 6, 2015.

III.

Accordingly, pursuant to Sections 161b, 161i, 161.o, and 184 of the Atomic Energy Act of 1954, as amended (the Act), 42 USC Sections 2201(b), 2201(i), 2201(o), and 2234; and 10 CFR 50.80, IT IS HEREBY ORDERED that the application regarding the proposed direct license transfer is approved, subject to the following condition:

1. Duke Energy shall provide satisfactory documentary evidence to the Director of the Office of Nuclear Reactor Regulation that it has obtained the appropriate amount of insurance required of a licensee under 10 CFR Part 140 within 30 days of the transfer.

IT IS FURTHER ORDERED that consistent with 10 CFR 2.1315(b), the license amendment that make changes, as indicated in Enclosure 5 to the cover letter forwarding this order, to reflect the subject direct transfer, is approved. The amendment shall be issued and made effective at the time the proposed direct transfer action is completed.

IT IS FURTHER ORDERED that after receipt of all required regulatory approvals of the proposed direct transfer action, Duke Energy shall inform the Director of the Office of Nuclear Reactor Regulation in writing of such receipt no later than 2 business days prior to the date of the closing of the direct transfer. Should the proposed direct transfer not be completed within 1 year of this order's date of issue, this order shall become null and void. However, upon written application and good cause shown, such date may be extended by order.

This order is effective upon issuance.

For further details with respect to this order, see the initial application dated December 22, 2014 (ADAMS Accession No. ML14358A253), as supplemented by letters dated March 4, 2015 (ADAMS Accession No. ML15075A102); June 1, 2015 (ADAMS Accession No. ML15152A205); June 10, 2015 (ADAMS Accession No. ML15161A289); and June 24, 2015 (ML15175A036), and the safety evaluation dated July 6, 2015 (ADAMS Accession No. ML15159A632), which are available for public inspection at the NRC's Public Document Room (PDR), located at One White Flint North, Room O1-F21, 11555 Rockville Pike, Rockville, Maryland 20852. You may obtain publicly-available documents online in the ADAMS Public Documents collection at <http://www.nrc.gov/reading-rm/adams.html>. Persons who do not have

access to ADAMS or who encounter problems in accessing the documents located in ADAMS, should contact the NRC's PDR reference staff at 1-800-397-4209 or 301-415-4737 or by e-mail to pdr.resource@nrc.gov.

Dated at Rockville, Maryland this 6th day of July 2015.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

William M. Dean, Director
Office of Nuclear Reactor Regulation