

I. GENERAL INFORMATION AS TO APPLICANTS

A. Background

Seabrook Station Units No. 1 and No. 2 are being constructed as part of the regional construction program for generation facilities for utilities participating in the New England Power Pool and other New England utilities. The Units are being constructed pursuant to an Agreement for Joint Ownership, Construction and Operation of New Hampshire Nuclear Units, dated May 1, 1973 (the "Joint Ownership Agreement") and will be owned in the same proportions by the group of participating New England utilities, each participant owning the same percentage of both Units.

The original License Application for the Construction Permits (filed March 30, 1973) indicated that nine participants were then firmly committed to become owners, collectively of 100% of both Units, and that thirteen other utilities were then potential additional participants which might subsequently acquire Ownership Shares by transfer of fractional interests from eight of the committed participants. As noted in the License Application, there were unresolved issues, involving legislative changes and municipal authorization, which affected these additional participants.

As of March 30, 1973, the nine committed participants and their Ownership Shares were as follows:

<u>Participant</u>	<u>Ownership Share</u>
Public Service Company of New Hampshire	50.0000%
The United Illuminating Company	20.0000
Central Maine Power Company	2.5505
The Connecticut Light and Power Company	11.9776
Fitchburg Gas and Electric Light Company	.1716
Montaup Electric Company	1.9064
New Bedford Gas and Edison Light Company	1.3539
New England Power Company	8.9430
Vermont Electric Power Company, Inc.	<u>3.0970</u>
	100.0000%

The thirteen potential additional participants were:

<u>Applicant</u>	<u>Ownership Share</u>
Ashburnham Municipal Light Plant	.01195%
Burlington Electric Light Department	.22175
Eastern Maine Electric Cooperative, Inc.	.00256
Holyoke Gas and Electric Department	.09946
Hudson Light and Power Department	.05780
Hull Municipal Lighting Plant	.01345
Marblehead Municipal Light Department	.05565
Middleborough Gas & Electric Department	.05598
Middleton Municipal Light Department	.02563
New Hampshire Electric Cooperative, Inc.	2.41542
North Attleborough Electric Department	.03648
South Norwalk Electric Works	.00855
Templeton Municipal Light Plant	<u>.03023</u>
	3.03491%

During the course of the construction permit proceedings, some adjustment of participations occurred: Amendment 28 to

the License Application, dated January 17, 1975, documented the transfer by Vermont Electric Power Company, Inc. of portions of its ownership interest to two other Vermont utilities, Central Vermont Public Service Corporation and Green Mountain Power Corporation; testimony presented during the course of the hearing (Appl. Direct No. 1, post Tr. 1177) noted the pending transfer by Green Mountain Power Corporation of its interest to New England Power Company and Amendment No. 36 to the License Application, dated October, 1975, contained a copy of the Agreement to Transfer Ownership in Seabrook Units between those two companies. The latter transfer was actually consummated on December 17, 1975, after the hearing record in this proceeding was closed but prior to issuance of the Initial Decision. Therefore, as of July 7, 1976, the date the Construction Permits were issued, the Ownership Shares were as follows:

<u>Participant</u>	<u>Ownership Share</u>
Public Service Company of New Hampshire	50.0000%
The United Illuminating Company	20.0000
Central Maine Power Company	2.5505
Central Vermont Public Service Corporation	1.7971
The Connecticut Light and Power Company	11.9776
Fitchburg Gas & Electric Light Company	0.1716
Montaup Electric Company	1.9064
New Bedford Gas & Edison Light Company	1.3539
New England Power Company	10.1103
Vermont Electric Power Company, Inc.	<u>0.1326</u>
	100.0000%

The firmly committed participants are parties to the Joint Ownership Agreement (initially filed as Appl. Ex. 1, Amend. 14, Question 3; also attached hereto as Exhibit 1) which sets out their respective rights and obligations, including the obligation under Paragraph 3 thereof to make portions of their ownership interests available to the additional participants. Financial information as to both the firmly committed and the additional participants was submitted as part of the License Application. But determinations by the Commission Staff (Safety Evaluation Report, pp. 20 et seq.) and the Atomic Safety and Licensing Board (Initial Decision, pp. 23-26, 199) as to the financial qualifications of applicants in the original licensing proceeding were made only with respect to the utilities firmly committed to the project.

By Amendment No. 39, as amplified by Supplement No. 1 thereto, to the License Application, the Applicants requested approval of certain partial transfers of the Construction Permits in recognition of certain transfers mandated by Paragraph 3 of the Joint Ownership Agreement and of certain other transfers the participants had agreed to make, such transfers being subject to the jurisdiction of certain state regulatory agencies as well as the Commission. Amendment No. 39 culminated in the issuance of Amendments Nos. 1 and 2 to the Construction Permits authorizing certain transfers of ownership interests which would result in the participants' and their Ownership Shares being as follows:

<u>Participant</u>	<u>Ownership Share</u>
Public Service Company of New Hampshire	50.00000%
The United Illuminating Company	20.00000
New England Power Company	9.95766
Central Maine Power Company	2.54178
Central Vermont Public Service Corporation	1.59096
Fitchburg Gas and Electric Light Company	0.60432
Montaup Electric Company	2.93531
New Bedford Gas and Edison Light Company	4.37370
Town of Hudson, Massachusetts Light and Power Department	0.05780
Vermont Electric Cooperative, Inc.	0.41259
Bangor Hydro-Electric Company	0.37249
Taunton Municipal Lighting Plant Commission	0.10034
Massachusetts Municipal Wholesale Electric Company	5.59249
Maine Public Service Company	<u>1.46056</u>
	100.00000%

The foregoing reflected, among other things, transfers from The Connecticut Light and Power Company (CL&P) to seven other participants, including Montaup, New Bedford and Fitchburg. All of the transfers authorized by Amendments Nos. 1 and 2 have been consummated as of the date hereof, except the transfers by CL&P of 0.43332% to Fitchburg, 1.03542% to Montaup and 3.02443% to New Bedford. As to those three transfers, proceedings have been pending before the Massachusetts Department of Public Utilities since October, 1978. On December 26, 1979, New Bedford announced that it would not be extending its Sales Agreement with CL&P relating to the 3.02443% interest, which Sales Agreement subsequently expired by its terms on December 31, 1979. Therefore, even if the transfers to Fitchburg and Montaup are ultimately consummated, CL&P will continue

to be a participant owning 3.02443%, unless some further transfer is hereafter approved by the Commission and any other regulatory agencies having jurisdiction.

B. Proposed Transfers

On March 3, 1979, the Board of Directors of Public Service Company of New Hampshire ("PSCo") directed the officers of PSCo to effect a reduction in PSCo's Ownership Share of the Seabrook Units. Promptly thereafter, a proposal was made to the other joint owners of the project to amend the Joint Ownership Agreement to provide that the Ownership Shares of PSCo and the other participants taking part in the adjustment be determined on the basis of the several amounts advanced by them rather than a stated fixed percentage as presently provided in the Joint Ownership Agreement, such reallocation of ownership interests to be gradually effected by the assumption of a greater share of ongoing construction costs by certain participants and a corresponding decrease in the contributions by PSCo. As a result of the subsequent negotiations, an initial agreement was reached (in the form of the Seventh Amendment, dated as of April 18, 1979, to the Joint Ownership Agreement) which provided for reallocation of a 22% Ownership Share of the Seabrook Units. However, the ownership modifications contemplated by the Seventh Amendment were subsequently revised because MMWEC was unable to obtain commitments from its constituent members for the full amount initially subscribed for and because CV and GMPC determined they could not go forward because of conditions imposed by the Vermont Public Service Board. Therefore, a Tenth Amendment to the Joint Owner-

ship Agreement (in the form heretofore filed as part of Supplement No. 3 to Amendment No. 40) was entered into, which provides for a reallocation between PSCo and the other participants, on substantially the same basis as set forth in the Seventh Amendment, of the following interests:

<u>Licensee</u>	<u>Additional Ownership Share</u>
Massachusetts Municipal Wholesale Electric Company	6.00091%
New Bedford Gas and Edison Light Company	2.17390
Bangor Hydro-Electric Company	1.80142
Montaup Electric Company	1.00000
Central Maine Power Company	1.00000
Taunton Municipal Lighting Plant Commission	0.13065
Town of Hudson, Massachusetts Light and Power Department	<u>0.01957</u>
	12.12645%

The Adjustment Period relating to such adjustments is to become effective as soon as requisite regulatory approvals have been obtained.

The Tenth Amendment also provides for other transferees to assume increased Ownership Shares on the same terms and conditions. On October 11, 1979 PSCo reoffered to other utilities the remaining 10% interest which it desired to divest on the terms contained in the Tenth Amendment. The following utilities have accepted that offer:

<u>Transferee</u>	<u>Ownership Share</u>
New Hampshire Electric Coopera- tive, Inc.	2.17391%
Fitchburg Gas and Electric Light Company	0.26087
Taunton Municipal Lighting Plant Commission	0.20380

Proceedings before state regulatory agencies in Massachusetts and New Hampshire to obtain approval of the foregoing reallocations were initiated and the necessary approval was received from the New Hampshire Public Utilities Commission on December 31, 1979. The Adjustment Period as to each such adjustment will commence upon receipt of the remaining requisite regulatory approvals, including Commission approval of the financial qualifications of the allottees.

On April 30, 1979, The United Illuminating Company (UI) executed contracts with Central Maine Power Company and Montaup Electric Company to sell a portion of its Ownership Share to each of those participants as follows:

<u>Transferee</u>	<u>Ownership Share</u>
Central Maine Power Company	2.50000%
Montaup Electric Company	1.06469

Copies of the sales contracts are included with the financial information with respect to such transferees found in the succeeding sections of this material. These transfers are subject to regulatory approval by state regulatory agencies in Connecticut, Massachusetts and New Hampshire as well as to Commission approval of the financial qualifications of the transferees.

Current financial information with respect to each of the above allottees and transferees, and reflecting such increased participations, is found in the succeeding sections of this material.

After consummation of the reallocations presently provided for in the Tenth Amendment and the transfers by U⁷ the Ownership Share of each participant in Seabrook will be as follows:

<u>Participant</u>	<u>Ownership Share</u>
Public Service Company of New Hampshire	35.23497%
The United Illuminating Company	16.43531
Central Maine Power Company	6.04178
Fitchburg Gas and Electric Light Company	0.86519
Montaup Electric Company	5.00000
New England Power Company	9.95766
Central Vermont Public Service Corporation	1.59096
New Bedford Gas & Edison Light Company	3.52317
The Connecticut Light and Power Company	3.02443
New Hampshire Electric Cooperative, Inc.	2.17391
Town of Hudson, Massachusetts Light and Power Department	0.07737
Vermont Electric Cooperative, Inc.	0.41259
Massachusetts Municipal Wholesale Electric Company	11.59340
Maine Public Service Company	1.46056
Bangor Hydro-Electric Company	2.17391
Taunton Municipal Lighting Plant Commission	<u>0.43479</u>
	100.00000%