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Docket Number 50-346

License Number NPF-3

Serial Number 2239

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United States Nuclear Regulatory Commission
Document Control Desk
Washington, D. C. 20555

Subject: License Amendment Application to Revise the Facility
Operating License to Reflect the Proposed Merger of
Operating Companies - Supplemental Information

Gentlemen:

The purpose of this letter is to provide supplemental information for a pending license amendment application regarding the Davis-Besse Nuclear Power Station (DBNPS) Unit Number 1 Operating License NPF-3. The Toledo Edison Company submitted an application dated June 6, 1994, for an amendment to the DBNPS Operating License Number NPF-3. The proposed changes reflected the pending merger of the Toledo Edison Company into the Cleveland Electric Illuminating Company. The Toledo Edison Company and the Cleveland Electric Illuminating Company are operating companies of the Centerior Energy Corporation. The Toledo Edison Company, the Cleveland Electric Illuminating Company, and the Centerior Service Company are wholly-owned subsidiaries of the Centerior Energy Corporation.

The company formed from the merger is intended to be renamed, however the name of the combined operating company is yet to be determined. Therefore, the application utilized the nomenclature "NEWCO" as a temporary substitute for the name of the combined operating company.

This license amendment application proposed that License Number NPF-3 be amended to replace the Toledo Edison Company and the Cleveland Electric Illuminating Company with NEWCO as a licensee, to designate NEWCO as the owner of the DBNPS, and to make other associated changes to the license. Centerior Service Company will remain a licensee and is not affected by these proposed changes.

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Operating Companies:
Cleveland Electric Illuminating
Toledo Edison

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The DBNPS Operating License contains conditions relating to antitrust issues applicable to the current owners of the facility (see Operating License NPF-3, Conditions 2.C(6) and 2.E). NEWCO would assume the responsibilities currently applicable to the Toledo Edison Company and the Cleveland Electric Illuminating Company under these antitrust conditions. Under this proposed license amendment application, these conditions would continue to apply to the DBNPS.

As the NRC Staff is aware, the Beaver Valley Power Station (BVPS-2), Unit 2 Operating License Number NPF-73 contains references to the Toledo Edison Company and the Cleveland Electric Illuminating Company. The Duquesne Light Company, as the authorized agent for the Toledo Edison Company and the Cleveland Electric Illuminating Company regarding the construction, operation and maintenance of the BVPS-2, has been notified by the Centerior Energy Corporation of the pending merger and change in company names.

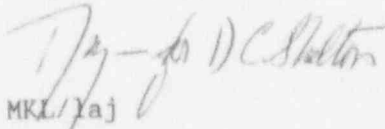
In its proposed license amendment application, the Toledo Edison Company proposed that License Condition 2.C(2) which references the latest Technical Specification amendment number be revised to eliminate the specific amendment number. This could eliminate the administrative burden to revise this paragraph each time a new Technical Specification amendment is approved by the NRC. The NRC Staff has notified the Toledo Edison Company that it will not accept this portion of the proposed license amendment application. Therefore, the Toledo Edison Company withdraws this portion and requests that the paragraph state:

The Technical Specifications contained in Appendix A, as revised through Amendment No. [to be added by the NRC], are hereby incorporated in the license. The NEWCO shall operate the facility in accordance with the Technical Specifications.

The above information does not affect the conclusions stated in the Toledo Edison Company's submittal dated June 6, 1994, that the license amendment application does not involve a significant hazards consideration or have a significant impact on the quality of the human environment.

Should you have any questions or require additional information, please contact Mr. William T. O'Connor, Manager - Regulatory Affairs, at (419) 249-2366.

Very truly yours,


MKL/yaj

cc: J. B. Martin, Regional Administrator, NRC Region III
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