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Docket Number 50-346

License Number NPF-3

Serial Number 2324

September 19, 1995

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

Subject: NRC Approval of the Pending Merger of Operating Companies -
Supplemental Information

Ladies and Gentlemen:

The purpose of this letter is to request NRC consent pursuant to 10 CFR 50.80, "Transfer of Licenses," of the pending merger, and 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 (TE) Company submitted an application dated June 6, 1994 (TE Serial Number 2219), to the NRC 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. Both companies are wholly-owned subsidiaries of the Centerior Energy Corporation. Toledo Edison submitted supplemental information to the initial submittal on July 20, 1994 (Serial No. 2239), November 11, 1994 (Serial No. 2259), and April 12, 1995 (Serial No. 2290).

With respect to the license amendment application, a proposed no significant hazards consideration was published in the Federal Register on July 6, 1994 (59FR128), an environmental assessment and finding of no significant impact was published on July 20, 1994 (59FR138), and an antitrust determination was published on August 10, 1994 (59FR153).

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Operating Companies:
Cleveland Electric Illuminating
Toledo Edison

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The initial submittal utilized the nomenclature "NEWCO" as a temporary substitute for the name of the combined operating company. The name of the combined operating company is expected to be approved at a meeting of the Centerior Energy Corporation Board of Directors on September 26, 1995. Notification of the new name will be provided to the NRC following this meeting.

The June 6, 1994 submittal also described the DBNPS organization as consisting of four departments reporting to the Centerior Service Company Vice President, Nuclear - Davis-Besse. As you are aware, the DBNPS was reorganized, and presently consists of three departments, however, the present reporting relationships will remain unaffected by the merger.

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

In order to close the merger transaction, it is necessary to obtain NRC written consent for transfer of the DBNPS license from Toledo Edison to the new successor corporation in accordance with the requirements of 10 CFR 50.80, "Transfer of Licenses." As discussed in the initial submittal, the merger also requires the approval of several other regulatory agencies. Since the completion of the remaining necessary approvals is imminent, Toledo Edison requests that the NRC grant consent to the license transfer pursuant to 10 CFR 50.80 on or before October 30, 1995.

As discussed above, Toledo Edison expects to provide the NRC with the new name of the single combined operating company following the September 26, 1995 Board of Directors meeting. Therefore, Toledo Edison requests that the NRC consent to the license amendment on or before October 30, 1995, conditioning its effectiveness upon receipt of the other necessary regulatory agencies' approval and upon consummation of the merger.

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/laj

cc: L. L. Gundrum, DB-1 NRC/NRR Project Manager
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