

October 27, 1998

Mr. Bruce L. Drawbridge
Director of Services
North Atlantic Energy Service Corporation
P.O. Box 300
Seabrook, NH 03874

SUBJECT: PROPOSED CORPORATE RESTRUCTURING OF MONTAUP ELECTRIC
COMPANY, SEABROOK STATION, UNIT NO. 1 (TAC NO. MA1588)

Dear Mr. Drawbridge:

In a letter of April 14, 1998, you informed the NRC staff that North Atlantic Energy Service Corporation (North Atlantic), both for itself and as agent for the Joint Owners of Seabrook Station, Unit No. 1 (Seabrook 1), requested NRC consent to the indirect transfer of control of the interest of one of these Joint Owners, Montaup Electric Company (Montaup), in Operating License No. NPF-86 as that transfer may relate to a proposed corporate restructuring involving Montaup. The proposed restructuring would rearrange ownership relationships within Eastern Utilities Associates (EUA), which currently owns Montaup as an indirect subsidiary, such that EUA would own Montaup directly through transfer of legal ownership of the capital stock of Montaup to EUA from Eastern Edison Company, a direct subsidiary of EUA and the current owner of Montaup. The staff reviewed your letter and its attachments.

The staff performed a threshold review in consideration of 10 CFR 50.80 and concluded that the proposed restructuring of Montaup through its ownership being placed directly under EUA does not involve a transfer, direct or indirect, of Montaup's operating license for Seabrook 1, because the direct owner of Montaup is being eliminated as Montaup's owner, and the ultimate ownership and control of Montaup will still remain with EUA as before the restructuring. Therefore, no NRC consent is needed.

Furthermore, the staff concluded that the proposed restructuring: (1) will not adversely affect Montaup's ability to own Seabrook 1; (2) will not affect Montaup's qualifications as a licensee; and (3) appears to be otherwise consistent with applicable provisions of law, regulations, and orders issued by the Commission. Accordingly, the staff has no basis to object to the proposed restructuring.

This completes our effort on your submittal.

Sincerely,

Original signed by

9810300179 981027
PDR ADOCK 05000443
P PDR

Cecil O. Thomas, Director
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Division of Reactor Projects - I/II
Office of Nuclear Reactor Regulation

DFO 1/10

Docket No. 50-443

cc w/encl: See next page

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*See previous concurrences

OFFICE	PGEB	PGEB	SC:PGEB	(A)C:PGEB
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DATE	10/15/98	9/28/98	9/25/98	10/15/98
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DATE	10/22/98	10/22/98	10/27/98	10/26/98

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North Atlantic Energy Service Corporation

Seabrook Station, Unit No. 1

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