

**North  
Atlantic**

North Atlantic Energy Service Corporation  
P.O. Box 300  
Seabrook, NH 03874  
(603) 474-9321

The Northeast Utilities System

February 13, 1998

Docket No. 50-443  
NYN-98020

AR #97018404

Samuel J. Collins, Director  
Office of Nuclear Reactor Regulation  
United States Nuclear Regulatory Commission  
Washington, DC 20555-0001

Seabrook Station  
Transmittal of BayCorp Holdings, Ltd. Fourth Quarter 1997 Financial Report

As part of the temporary extension of Great Bay Power Corporation's (Great Bay) exemption from the Nuclear Regulatory Commission's (NRC) decommissioning regulations<sup>1</sup>, the NRC imposed certain conditions. One of those conditions required the transmittal of the next four quarterly financial reports within 45 days of the close of the calendar quarter. Attached to this letter is a release that contains the 1997 fourth quarter and year-end statement of income and loss for BayCorp Holdings, Ltd., the parent corporation of Great Bay. The full year-end financial statement is not yet available since the requirement of the Securities and Exchange Commission for the year-end 10-K report is that the filing must occur within 90 days from the end of the year. BayCorp Holdings, Ltd. will be filing that statement on or before March 30, 1998. A copy of the 10K will be provided at that time.

Should you require further information regarding this matter, please contact Mr. Terry L. Harpster, Director of Licensing Services, at (603) 773-7765.

Very truly yours,

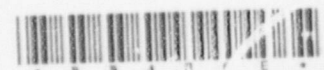
NORTH ATLANTIC ENERGY SERVICE CORP.

Ted C. Feigenbaum  
Executive Vice President  
and Chief Nuclear Officer

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<sup>1</sup> Letter dated July 23, 1997, U. S. NRC to North Atlantic Energy Service Corporation, Extension of Temporary Exemption from Certain Requirements of 10CFR50.75, "Reporting and Recordkeeping for Decommissioning Planning," Seabrook Station, Unit 1 (TAC Nos. M98049 and M99072)

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Office of Nuclear Reactor Regulation  
United States Nuclear Regulatory Commission  
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cc w/enc: H. J. Miller, Region I Administrator  
C. W. Smith, NRC Project Manager, Seabrook Station  
R. K. Lorson, Senior Resident Inspector, Seabrook Station

Document Control Desk  
U. S. Nuclear Regulatory Commission  
Washington, DC 20555

cc w/o enc: Mr. John Tillinghast  
Great Bay Power Corporation  
Cochecho Falls Millworks  
100 Main Street, Suite 201  
Dover, NH 03820



ENCLOSURE TO NYN-98020

# BayCorp

HOLDINGS, LTD.

## FOR IMMEDIATE RELEASE

Contact: Frank W. Getman Jr.  
Chief Operating Officer  
(603) 742-3388

### BAYCORP HOLDINGS, LTD. REPORTS FOURTH QUARTER OPERATING RESULTS

DOVER, NEW HAMPSHIRE, February 6, 1998 --- BayCorp Holdings, Ltd. ("BayCorp") (AMEX: MWH) announced today its operating results for the fourth quarter ended December 31, 1997. BayCorp reported a net loss of \$4,235,000, or 51 cents per share, for the fourth quarter of 1997 as compared to a net loss of \$1,632,000, or 20 cents per share, for the fourth quarter of 1996.

The increased net loss as compared to the fourth quarter of 1996 was primarily attributable to an unscheduled outage at the Seabrook Nuclear Power Plant which lasted from December 5, 1997 until January 15, 1998. There were no unscheduled or scheduled outages during the fourth quarter of 1996. BayCorp incurs losses as a result of scheduled and unscheduled outage periods due to the combination of lack of revenue and the recognition of normal recurring operating and maintenance costs, depreciation and any unscheduled outage costs.

BayCorp reported operating revenues of \$6,142,000 for the fourth quarter of 1997 as compared to operating revenues of \$8,026,000 for the fourth quarter of 1996. This represents a decrease of \$1,885,000, or 23.5%, during the fourth quarter of 1997 as compared to the fourth quarter of 1996. For the fourth quarter of 1997, the capacity factor at the Seabrook plant was 71.4% versus a capacity factor of 100% for the fourth quarter of 1996. During the three months ended December 31, 1997, Great Bay's average sales price increased 7.4% to 2.77 cents per kWh as compared with an average sales price of 2.58 cents per kWh for the same period in 1996.

Operating loss increased \$2,422,000 during the fourth quarter of 1997 as compared to the fourth quarter of 1996. The increase in operating loss was the result of the reduction in revenues of \$1,885,000, costs associated with the unscheduled outage of approximately \$370,000 and an increase in operating expenses of approximately \$167,500, or 1.7%, during the fourth quarter of 1997 as compared to the fourth quarter of 1996.



For the twelve months ended December 31, 1997, BayCorp reported a net loss of \$11,215,000, or \$1.35 per share, compared to net income of \$4,100,000, or 51 cents per share, for the twelve months of 1996. The increased net loss was in part attributable to a non-recurring gain of approximately \$7.0 million during the third quarter of 1996 from the sale by the joint owners of the Seabrook Nuclear Power Plant of four unused steam generators from Seabrook Unit 2. There were no significant sales of Unit 2 equipment during 1997. Also during the twelve months ended December 31, 1997, BayCorp realized reduced revenues and increased expenses due to the scheduled refueling outage that took place in the Spring of 1997 and due to the unscheduled outage that began on December 5, 1997. There was no scheduled outage during 1996 and only a short unscheduled outage during January 1996.

Operating revenues for the twelve months ended December 31, 1997 were \$26,642,000 as compared to \$30,324,000 for the twelve months ended December 31, 1996. This represents a decrease of \$3,682,000, or 13.8%, for the twelve months of 1997 as compared to the twelve months of 1996. For the twelve months ended December 31, 1997, the capacity factor at the Seabrook plant was 78.3% as compared to 96.5% for the twelve months of 1996. The Seabrook plant underwent a scheduled refueling outage beginning May 10, 1997 that lasted 50 days and an unscheduled outage beginning December 5, 1997 that lasted 41 days. There was no scheduled outage during 1996 and only a short unscheduled outage during January 1996. For the twelve month period ended December 31, 1997, Great Bay's average sales price increased 9.1% to 2.76 cents per kWh as compared with an average sales price of 2.53 cents per kWh for the same period in 1996.

BayCorp is an unregulated holding company incorporated in Delaware. BayCorp's wholly-owned subsidiary, Great Bay Power Corporation, is an exempt wholesale generator of power in New England. Great Bay owns 12.1% of the Seabrook Nuclear Power Plant in Seabrook, New Hampshire. This ownership interest entitles Great Bay to approximately 140 megawatts of the plant's power output. Incorporated in 1986, Great Bay is a New Hampshire corporation authorized by the New Hampshire Public Utilities Commission to engage in business as a public utility and is a member of NEPOOL.

BAYCORP HOLDINGS, LTD.  
 STATEMENTS OF INCOME AND LOSS  
 (UNAUDITED)  
 (Dollars in thousands, except shares and per share data)

	Three Months		Twelve Months	
	Ended December 31,		Ended December 31,	
	1997	1996	1997	1996
Operating Revenues	\$6,142	\$8,026	\$26,642	\$30,324
Total Operating Expenses	<u>3,133</u>	<u>9,594</u>	<u>36,380</u>	<u>32,563</u>
Operating Loss	(3,991)	(1,568)	(10,238)	(2,239)
Total Other Deductions (Income)	<u>244</u>	<u>64</u>	<u>977</u>	<u>(6,339)</u>
Net Income (Loss)	<u><u>(\$4,235)</u></u>	<u><u>(\$1,632)</u></u>	<u><u>(\$11,215)</u></u>	<u><u>\$4,100</u></u>
Weighted Average Shares Outstanding	8,277,585	8,368,313	8,292,534	8,083,576
Income (Loss) Per Share	(\$0.51)	(\$0.20)	(\$1.35)	\$0.51