

Docket Number 50-346
License Number NPF-3
Serial Number 2540
Enclosure
Page 1

APPLICATION FOR AMENDMENT

TO

FACILITY OPERATING LICENSE NUMBER NPF-3

DAVIS-BESSE NUCLEAR POWER STATION

UNIT NUMBER 1

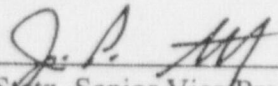
Attached are the requested changes to the Davis-Besse Nuclear Power Station, Unit Number 1 Facility Operating License Number NPF-3. Also included is the Safety Assessment and Significant Hazards Consideration, and the Environmental Assessment.

The proposed changes (submitted under cover letter Serial Number 2540) concern:

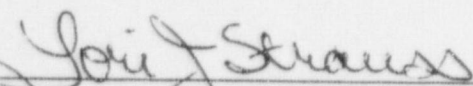
Facility Operating License Number NPF-3

I, John P. Stetz, being duly sworn state that (1) I am Senior Vice President - Nuclear of the Centerior Service Company, (2) I am duly authorized to execute and file this certification on behalf of the Toledo Edison Company and The Cleveland Electric Illuminating Company, and (3) the statements set forth herein are true and correct to the best of my knowledge, information and belief.

By:


J. P. Stetz, Senior Vice President - Nuclear

Affirmed and subscribed before me this 29th day of June, 1998.


Notary Public, State of Ohio

LORI J. STRAUSS
Notary Public, State of Ohio
My Commission Expires 3/24/2003

The following information is provided to support issuance of the requested changes to the Davis-Besse Nuclear Power Station (DBNPS), Unit Number 1 Facility Operating License Number NPF-3.

I. SUMMARY OF REQUEST

This application requests that the Nuclear Regulatory Commission (NRC), pursuant to 10 CFR 50.80, "Transfer of Licenses," issue an order consenting to the transfer of operating authority for the Davis-Besse Nuclear Power Station (DBNPS) from The Toledo Edison Company (TE) and Centerior Service Company (CSC) to a new operating company called the FirstEnergy Nuclear Operating Company (FENOC). This application also requests a conforming amendment to Facility Operating License No. NPF-3 (the "License") to include FENOC as a licensee thereunder and to authorize FENOC to use the DBNPS and to possess and use related licensed nuclear materials in accordance with the same conditions and authorizations included in the current operating license. By virtue of this order and amendment, FENOC will also act as the general licensee for the Independent Spent Fuel Storage Installation at the DBNPS pursuant to 10 CFR 72.210.

TE and The Cleveland Electric Illuminating Company (CEI), both wholly-owned subsidiaries of the FirstEnergy Corporation (FE) (hereinafter jointly referred to as "the Owners") along with CSC are currently the holders of the License for the DBNPS. The License presently authorizes TE and CEI to possess the DBNPS as owners, and authorizes TE and CSC to use and operate the DBNPS in accordance with the terms and conditions of the License. TE and CSC are authorized to act for the Owners and presently have exclusive responsibility and control over the operation and maintenance of the facility under the License.

As explained in more detail below, the Owners will enter into an Operating Agreement with FENOC, which will also be a wholly-owned subsidiary of FE. In accordance with the proposed Operating Agreement, FENOC will assume exclusive responsibility for the operation and maintenance of the DBNPS following approval of the transfer of operating authority requested by this application. After issuance of the transfer order and conforming license amendment, the Owners will be authorized only to possess the facility and CSC will be removed entirely from the license. As explained later, this revised operating arrangement is expected to enhance the already high level of public safety, operational efficiency, and cost-effective operations at the DBNPS.

Ownership of the DBNPS will not be affected by the proposed transfer of operating authority. Each Owner will retain its current ownership interest, and FENOC will not own any portion of the DBNPS. Likewise, the Owners' entitlement to capacity and energy from the DBNPS will not be affected by the proposed transfer of operating responsibility.

FENOC will be dedicated solely to the operation of the FE nuclear power plants. Once the transfer has been approved, substantially all personnel of TE and CSC who are dedicated to the operation of the DBNPS will be transferred to and become employees of FENOC. Therefore, the technical qualifications of the proposed FENOC organization will be at least equivalent to those of the existing organization.

Under the terms of the proposed Operating Agreement between FENOC and the Owners, all costs associated with operating the DBNPS will continue to be borne by the Owners to the same extent as they are now. Further, the status of the owners as "electric utilities" under the NRC's financial qualifications requirements of 10 CFR 50.33(f) will be unaffected by this reorganization. Accordingly, there will be no change in the financial qualifications associated with the DBNPS.

II. BACKGROUND AND DESCRIPTION OF REORGANIZATION

The DBNPS is a single unit nuclear powered electric generating facility that was constructed by TE and CEI and is being operated by TE and CSC on behalf of CEI pursuant to an Operating Agreement dated as of November, 1977, as amended, and in accordance with the DBNPS Operating License and certain other permits and licenses. Under the current Operating Agreement, TE acts as plant operator for the Owners and has exclusive responsibility and control over the construction, operation and maintenance of the DBNPS. CEI owns a 51.38% interest in the facility, and TE owns the remaining 48.62%.

Once all organizational arrangements are finalized, FENOC will be established as an Ohio corporation wholly-owned by FirstEnergy Corporation. FENOC's sole corporate purpose will be the operation of FirstEnergy Corporation's nuclear power plants on behalf of and for the benefit of their owners. A new Operating Agreement will be executed with the Owners to govern operation of the DBNPS by FENOC, and will become effective after receipt of all necessary regulatory agency approvals.

The relationship between the Owners and FENOC will be defined in the new Operating Agreement. This Operating Agreement will define FENOC's rights,

responsibilities, and limitations of its authority regarding the operation of the DBNPS and will state that FENOC has the sole authority, as the operator of the DBNPS, to make all decisions within the scope of the Operating License relating to public health and safety. The Owners will continue to provide all funds for the operation, maintenance, and decommissioning by FENOC of the DBNPS. The responsibility of the Owners will include funding for any emergency situations that might arise at the DBNPS.

Upon the effective date of the transfer, substantially all employees of TE and CSC who are presently dedicated to the operation of the DBNPS will become employees of FENOC.

III. REQUESTED APPROVALS

This application requests that the NRC, pursuant to 10 CFR 50.80, issue an order consenting to the transfer of operating authority for the DBNPS from TE and CSC to FENOC. It is requested that this order be issued as soon as practicable, be made immediately effective, and implemented no later than December 31, 1999, subject to extension for good cause.

This application also requests that the NRC issue a conforming license amendment to Operating License No. NPF-3. This amendment would be issued by the NRC upon notification by applicants that all actions and approvals required for the transfers have been completed. The conforming amendment would designate FENOC as the entity authorized to operate the DBNPS (the facility) and possess and use the related licensed nuclear materials, and more specifically, change the license to provide that:

- (1) FENOC, pursuant to Section 103 of the Act and 10 CFR Part 50, "Licensing of Production and Utilization Facilities," is licensed to possess, use, and operate the facility;
- (2) TE and CEI are licensed to possess the facility at the designated location in Ottawa County, Ohio, in accordance with the procedures and limitations set forth in the license;
- (3) FENOC, pursuant to the Act and 10 CFR Part 70, is licensed to receive, possess and use at any time special nuclear material as reactor fuel, in accordance with the limitations for storage and amounts required for reactor operation, as described in the Final Safety Analysis Report, as supplemented and amended;

- (4) FENOC, pursuant to the Act and 10 CFR Parts 30, 40, and 70, is licensed to receive, possess, and use at any time any byproduct, source and special nuclear material as sealed neutron sources for reactor startup, sealed sources for reactor instrumentation and radiation monitoring equipment calibration, and as fission detectors in amounts as required;
- (5) FENOC, pursuant to the Act and 10 CFR Parts 30, 40, and 70, is licensed to receive, possess and use in amounts as required any byproduct, source or special nuclear material without restriction to chemical or physical form, for sample analysis or instrument calibration or associated with radioactive apparatus or components; and
- (6) FENOC, pursuant to the Act and 10 CFR Parts 30 and 70, is licensed to possess, but not separate, such byproduct and special nuclear materials as may be produced by the operation of the facility.

Other proposed conforming license amendment changes are described in Attachment 1. As described in Attachment 1, the proposed changes have been reviewed pursuant to the standards provided in 10 CFR 50.92(c), and it has been determined that the proposed changes do not involve a significant hazards consideration.

Conforming changes, if necessary, in insurance and indemnity agreements will be made in due course by separate correspondence.

IV. SUPPORTING INFORMATION

A. Address:

(To be provided by supplemental letter.)

B. Description of Business or Occupation:

FENOC will be organized by FirstEnergy Corporation as an Ohio corporation and the Owners will take necessary corporate action to authorize it to operate the DBNPS, subject to regulatory approval. FENOC's sole purpose will be to operate and maintain FirstEnergy's nuclear power plants for the Owners.

C. Organization and Management of Operating Corporation:

FENOC will be a corporation organized and existing under the laws of the State of Ohio. FENOC will be a wholly-owned subsidiary of FirstEnergy Corporation, and will be neither owned, controlled nor dominated by an alien, a foreign corporation or a foreign government.

All directors and principal officers of FENOC will be citizens of the United States. Their names and addresses will be as follows:

Directors

(To be provided by supplemental letter.)

Principal Officers

(To be provided by supplemental letter.)

D. Technical Qualifications

The technical qualifications of FENOC to carry out its responsibilities under the Operating License for the DBNPS, as amended, will be equivalent to the present technical qualifications of TE and CSC. When the transfer becomes effective, the present DBNPS nuclear organization will be transferred essentially intact to FENOC. The technical qualifications of the proposed FENOC organization, therefore, will be at least equivalent to those of the existing organization.

A central objective in planning the proposed transfer of employees and operating responsibilities from TE and CSC to FENOC will be to ensure there is no disruption to the operation of the plant, and to respect the integrity of the existing, successful organization. When the transfer becomes effective, FENOC will operate, manage and maintain the DBNPS in accordance with the conditions and requirements established by the NRC and with the same regard for public and personal safety heretofore exemplified by TE and CSC. Therefore, in the proposed FENOC organization, the nuclear organization of the DBNPS will be preserved, with the only change being that the senior nuclear executive will report to the Directors of FENOC rather than to the President and Chief Executive Officer of CSC. The current DBNPS Vice President, Nuclear will become

a Vice President of FENOC and will continue to be the officer at the site responsible for the overall safe operation and maintenance of the DBNPS.

The Quality Assurance organization for the plant will have direct access to the site Vice President of FENOC on matters related to quality; therefore, the effectiveness of this organization will not be reduced by the proposed change.

The above organizational approach allows the transfer of TE and CSC personnel to FENOC with minimal organizational changes and with no anticipated disruption to the existing, dedicated site organizations.

E. Statement of Benefits of the Order and License Amendment

The assumption of operational responsibility for the DBNPS by FENOC will provide benefits inherent in this type of operating arrangement. Some of the expected benefits are as follows:

- (1) As a result of the formation of FENOC, FENOC's senior management will be more greatly focused on the business of nuclear plant operations. Such single-purpose management will be able to pursue overall excellence in nuclear power operations without distractions from the requirements and duties of other areas of the electric utility business.
- (2) FENOC will be a repository of the Owners' nuclear operating and management expertise and experience. Further consolidation of nuclear operations talent into one company will provide opportunities to enhance both public safety and economic plant operation.
- (3) As a result of the formation of FENOC, the salary structures, career path policies and procedures for nuclear employees of FENOC will be separate and distinct from FE's non-nuclear employees and will be determined by the management and Board of Directors of FENOC. This will permit nuclear managers to focus on the special needs, qualifications, and requirements of nuclear power plant employees. Human resource and compensation policies tailored to nuclear operations will allow FENOC to be competitive in the market for skilled nuclear professionals without being influenced by the potential impact on non-nuclear power plant personnel. The ability to attract superior nuclear talent and to retain quality

individuals, once recruited, will have a direct and positive impact on the quality of overall nuclear power plant operations.

F. Financial Considerations

The proposed order and license amendment will not adversely impact the Owners' ability to obtain or provide the funds necessary to cover all costs for the operation, maintenance, repair, decontamination, and decommissioning of the DBNPS. The Owners will remain liable for such costs, on a pro rata basis, under the Operating Agreement. The Owners' financial responsibility for the DBNPS and their sources of funds to support the facility will remain the same as under the present License.

FENOC will be an operating company with no ownership interest in the DBNPS. FENOC, under the proposed Operating Agreement with the Owners, will be authorized to operate the plant on behalf of the Owners. Further, as discussed below, the Owners will be committed under the proposed Operating Agreement to provide all funds necessary for safe operation and decommissioning of the DBNPS in conformance with NRC regulations.

To summarize, the following interrelations will be established by the Operating Agreement between the Owners and FENOC:

- (1) FENOC will not have any ownership interest in the DBNPS; however, it will have overall responsibility for the safe operation of the DBNPS. FENOC will operate the DBNPS in accordance with the Operating License and shall have exclusive responsibility for making safety decisions.
- (2) The Owners will retain their current authority to review and approve budgets. This will not encumber FENOC's ability to make operational safety decisions and will have no impact on safe operation of the DBNPS.
- (3) Pursuant to the Operating Agreement, all costs, including costs for the operation, maintenance, repair, decontamination and decommissioning of the DBNPS, incurred or accrued are liabilities of the Owners when incurred or accrued and are borne in proportion to their respective undivided interests in the DBNPS, and the Owners will commit to provide FENOC funds to pay these costs.

Thus, the sources of funds for operating the DBNPS will remain unchanged.

A full financial qualifications review is not necessary as a result of the proposed license amendment. Under the terms of the proposed Operating Agreement between FENOC and the Owners, all costs associated with operating the DBNPS will continue to be borne by the Owners to the same extent as they are now, and accordingly, there will be no change in the financial qualifications associated with the DBNPS. Further, the status of the Owners as electric utilities under the NRC's financial qualifications rule will be unaffected by this reorganization. Therefore, the information required under 10 CFR 50.33(f) regarding the financial qualifications of FENOC to carry out the activities described in this application is not necessary.

G. Antitrust Considerations

The plan for FENOC to operate the DBNPS will not affect the existing ownership of the DBNPS or existing ownership of or entitlement to power. FENOC will be solely dedicated to the operation of FirstEnergy's nuclear power plants. It will not be involved in the marketing or brokering of power or energy from the facility. To reinforce this aspect of the reorganization, it is proposed that License Condition 2.C(6) be modified to include the following additional language:

FENOC shall not market or broker power or energy from the Davis-Besse Nuclear Power Station, Unit No. 1. The Owners are responsible and accountable for the actions of FENOC to the extent that said actions affect the marketing or brokering of power or energy from the Davis-Besse Nuclear Power Station, Unit No. 1.

With this condition, the NRC staff has determined in similar cases that the addition of a new non-owner operator does not require any further antitrust review (see SECY-91-246, Antitrust Consideration for License Amendments Authorizing New Operating Entities (August 7, 1991)). Moreover, the proposal to designate FENOC as the entity authorized to use and operate the DBNPS will not alter the existing antitrust License Conditions applicable to the Owners. Those conditions will remain applicable to all Owners. Accordingly, the requested amendments will have no impact whatsoever on the market for electric power and raise no issues with respect to antitrust considerations affecting that market.

H. Restricted Data

This application does not contain any Restricted Data or other classified defense information, and it is not expected that any such information will become involved in the licensed activities. However, in the event that such information does become involved, FENOC agrees that it will appropriately safeguard such information and it will not permit any individual to have access to Restricted Data until the Civil Service Commission shall have made an investigation and report to the NRC on the character, associations and loyalty of such individual, and the NRC shall have determined that permitting such individual to have access to Restricted Data will not endanger the common defense and security of the United States.

V. SPECIFIC INFORMATION REGARDING RELATED ISSUES

A. Public Health, Safety and Welfare Considerations

The proposed order and license amendment will not affect the physical configuration of the DBNPS or adversely affect the Technical Specifications under which the DBNPS operates. Moreover, as described in this application, the technical qualifications of FENOC to operate the DBNPS will be at least equivalent to those of TE and CSC. The proposed order and license amendment will therefore not have any adverse impact on the public health, safety and welfare.

B. Emergency Planning

Upon approval of the transfer, FENOC will assume authority and responsibility for functions necessary to fulfill the emergency planning requirements specified in 10 CFR 50.47(b) and Part 50, Appendix E. No substantive changes will be made to the existing DBNPS Emergency Plan presently implemented by TE and CSC, nor will there be any immediate changes to the existing Emergency Response Organization as a result of the proposed license amendment.

Appropriate action will also be taken with respect to existing agreements for support from organizations and agencies not affiliated with the Licensees, to notify the parties to such agreements of FENOC's relationship with the Owners and FENOC's responsibility for management and operation of the DBNPS. This will be accomplished by TE and CSC prior to the change of responsibility.

In sum, the proposed order and license amendment will not impact compliance with the emergency planning requirements. Because the effectiveness of the Emergency Plan will not be decreased, specific Emergency Plan and procedure changes to reflect the change in the entity responsible for plant operation will be submitted to the NRC after the changes are made, in accordance with 10 CFR 50.54(q) and Appendix E, Section V, as appropriate.

C. Offsite Power

Offsite power is currently provided to the DBNPS over transmission facilities owned or controlled by the Owners. These arrangements will not change as a result of the change in operational control requested by this application. The proposed order and license amendment to authorize assumption of operating responsibility by FENOC involve no changes in the ownership or design of the offsite power system for the DBNPS, or in its operation, maintenance or testing. Upon approval of the transfer, TE (which will remain a licensee as an owner) will continue to fulfill its current responsibilities with respect to compliance with 10 CFR 50 Appendix A General Design Criterion (GDC) 17.

Based on the foregoing, there is adequate assurance that independent sources of off-site power will continue to be provided to the DBNPS.

D. Exclusion Area

Upon approval of the transfer, FENOC will have authority to determine all activities within the DBNPS exclusion area, to the extent required by 10 CFR Part 100.

Currently, the Owners control all surface and subsurface property rights within the exclusion area boundary of the DBNPS with the exception of approximately 733 acres currently leased to the U.S. Fish and Wildlife Service for operation and maintenance of the Navarre Marsh. With respect to property rights owned by the Owners, TE and CSC currently have authority, as the Plant Operators, to exercise appropriate exclusion area control. Under the Operating Agreement to be entered into between the Owners and FENOC, it will be expressly agreed that FENOC will have unrestricted access to the property constituting the DBNPS site including all land, facilities, switchyard, equipment, and personal property on the site. The Operating Agreement also will grant FENOC authority to exercise complete control over the exclusion area as defined in the Updated Final Safety Analysis Report (USAR) and to determine all activities in that area.

With respect to the activities unrelated to plant operation that will occur within the exclusion area identified in Section 2.1.2 of the USAR, there will be no change. FENOC will assume responsibility for the Emergency Plan as discussed above.

E. Security

The proposed transfer will not impact compliance with the physical security requirements of 10 CFR Part 73. Upon assumption of operating responsibility, FENOC will assume ultimate responsibility for implementation of all aspects of the present security program. Appropriate action will be taken with respect to existing agreements for support from organizations and agencies not affiliated with the Licensees to notify the parties to such agreements of FENOC's relationship with the Owners and FENOC's responsibility for management and operation of the DBNPS. Changes to the plans reflecting this transition will not decrease the effectiveness of the plans and will be submitted to the NRC within two months after the changes are made, in accordance with 10 CFR 50.54(p).

F. Quality Assurance Program

The proposed transfer will not impact compliance with the quality assurance requirements of 10 CFR 50, Appendix B, nor will it reduce the commitments in the NRC-accepted quality assurance program description for the DBNPS. Upon assumption of operating responsibility, FENOC will assume the ultimate responsibility for present functions associated with the DBNPS Quality Assurance Program. As discussed above, the Quality Assurance organization will have direct access to the site Vice President of FENOC on matters related to quality. Otherwise, the organization, function and structure of the DBNPS Quality Assurance organization will not be affected. Changes to reflect the transition, which will be handled in accordance with 10 CFR 50.54(a), will not reduce the commitments in the quality assurance program description.

G. Updated Final Safety Analysis Report

With the exception of areas discussed in this application, the proposed transfer will not change or invalidate information presently appearing in the DBNPS USAR. Revisions to the USAR necessary to reflect the assumption of operating authority by FENOC will be incorporated into the DBNPS USAR following NRC approval in accordance with 10 CFR 50.71(e).

H. Training

The proposed transfer will not impact compliance with the operator requalification program requirements of 10 CFR 50.54 and related sections, nor maintenance of the Institute of Nuclear Power Operations accreditation for licensed and non-licensed personnel training. Upon assumption of operating responsibility for the DBNPS, FENOC will assume ultimate responsibility for implementation of present training programs. Changes to the programs to reflect the transition will not decrease the scope of the approved operator requalification program in accordance with 10 CFR 50.54(i-1).

I. Decommissioning

In accordance with 10 CFR 50.75, the Owners have certified that sufficient funding will be made available for the proper decommissioning of the DBNPS. The funding mechanisms for each Owner are in place, and the proposed change to the licensed operator for the DBNPS will not impact each Owner's obligations for its pro rata share of the DBNPS decommissioning costs.

VI. CORRESPONDENCE

On the effective date of the transfer, all NRC correspondence related to Docket No. 50-346, including any NRC response to license amendment applications which were submitted earlier than and remain outstanding as of the effective date of the transfer, should be directed to FENOC. All applicable correspondence related to the DBNPS will be transmitted by FENOC to the NRC. FENOC will notify NRC in writing of any exceptions to this policy.

VII. ENVIRONMENTAL CONSIDERATIONS

An Environmental Assessment has been prepared and is included as Attachment 2. As described in Attachment 2, the proposed license amendment has been reviewed against the criteria of 10 CFR 51.30 for an environmental assessment. The proposed amendment does not involve a significant hazards consideration, does not increase the types or amounts of effluents that may be released offsite, and does not increase individual or cumulative occupational radiation exposures. Accordingly, the proposed license amendment, if approved by the Nuclear Regulatory Commission, will have no significant impact on the environment, and no Environmental Impact Statement is required.

VIII. EFFECTIVE DATE

The proposed operation of the DBNPS by FENOC is conditioned upon the consummation of the proposed business agreement. It is intended that the change in licensed operator of the DBNPS take place as soon as possible after all regulatory approvals have been obtained, and in any event prior to December 31, 1999. It is requested that the NRC review this request on a schedule that will permit issuance of an immediately effective order consenting to the transfer as promptly as possible, and in any event before December 31, 1998. TE will keep the NRC Staff informed as to the status of any changes in the estimated date for consummation, and will notify the NRC staff when it is ready for the conforming license amendment to be issued.

ATTACHMENTS

1. Safety Assessment and Significant Hazards Consideration
2. Environmental Assessment

Docket Number 50-346
License Number NPF-3
Serial Number 2540
Attachment 1.

**SAFETY ASSESSMENT AND SIGNIFICANT HAZARDS CONSIDERATION
FOR
LICENSE AMENDMENT REQUEST NUMBER 98-0009**

(31 pages follow)

**SAFETY ASSESSMENT AND SIGNIFICANT HAZARDS CONSIDERATION
FOR
LICENSE AMENDMENT REQUEST NUMBER 98-0009**

TITLE:

Proposed Modification to the Davis-Besse Nuclear Power Station (DBNPS) Unit Number 1, Facility Operating License NPF-3 to Transfer Operating Authority for the DBNPS from the Toledo Edison Company (TE) and Centerior Service Company (CSC) to a New Operating Company, FirstEnergy Nuclear Operating Company (FENOC)

DESCRIPTION:

This license amendment application proposes that the DBNPS Facility Operating License NPF-3 be amended to transfer operating authority for the DBNPS from TE and CSC to a new operating company, FENOC, and to make other associated administrative changes to the license. Each of these changes is described in further detail below.

TE and The Cleveland Electric Illuminating Company (CEI), both wholly-owned subsidiaries of the FirstEnergy Corporation (FE) (hereinafter jointly referred to as "the Owners") along with CSC are currently the holders of the License for the DBNPS. The License presently authorizes TE and CEI to possess the DBNPS as owners, and authorizes TE and CSC to use and operate the DBNPS in accordance with the terms and conditions of the License. TE and CSC are authorized to act for the Owners and presently have exclusive responsibility and control over the operation and maintenance of the facility under the License.

As explained in more detail below, the Owners will enter into an Operating Agreement with FENOC, which will also be a wholly-owned subsidiary of FE. In accordance with the proposed Operating Agreement, FENOC will assume exclusive responsibility for the operation and maintenance of the DBNPS following approval of the transfer of operating authority requested by this application. After issuance of a 10 CFR 50.80 transfer order and conforming license amendment, the Owners will be authorized only to possess the facility and CSC will be removed entirely from the license. As explained later, this revised operating arrangement is expected to enhance the already high level of public safety, operational efficiency, and cost-effective operations at the DBNPS.

Ownership of the DBNPS will not be affected by the proposed transfer of operating authority. Each Owner will retain its current ownership interest, and FENOC will not own any portion of the DBNPS. Likewise, the Owners' entitlement to capacity and

energy from the DBNPS will not be affected by the proposed transfer of operating responsibility.

FENOC will be dedicated solely to the operation of FirstEnergy's nuclear power plants. Once the transfer has been approved, substantially all personnel of TE and CSC who are dedicated to the operation of the DBNPS will be transferred to and become employees of FENOC. Therefore, the technical qualifications of the proposed FENOC organization will be at least equivalent to those of the existing organization.

Besides involving no change in the ownership of the facility, the proposed license amendment involves no physical changes to the plant, no substantive changes to operating procedures, and no changes to the Technical Specifications or Bases.

Once all organizational arrangements are finalized, FENOC will be established as an Ohio corporation wholly-owned by FirstEnergy Corporation. FENOC's sole corporate purpose will be the operation of FirstEnergy Corporation's nuclear plants on behalf of and for the benefit of their owners. A new Operating Agreement will be executed with the Owners to govern operation of the DBNPS by FENOC, and will become effective after receipt of all necessary regulatory agency approvals.

The relationship between the Owners and FENOC will be defined in the new Operating Agreement. This Operating Agreement will define FENOC's rights, responsibilities, and limitations of its authority regarding the operation of the DBNPS and will state that FENOC has the sole authority, as the operator of the DBNPS, to make all decisions within the scope of the Operating License relating to public health and safety. The Owners will continue to provide all funds for the operation, maintenance, and decommissioning by FENOC of the DBNPS. The responsibility of the Owners will include funding for any emergency situations that might arise at the DBNPS.

Further, the status of the owners as "electric utilities" under the NRC's financial qualifications requirements of 10 CFR 50.33(f) will be unaffected by this reorganization. Accordingly, there will be no change in the financial qualifications associated with the DBNPS.

The proposed amendment would make the following changes to the Operating License:

- Revise the heading to add the FirstEnergy Nuclear Operating Company and remove Centerior Service Company.
- Revise paragraph 1.A to remove mention of Centerior Service Company, and revise the asterisked footnote to read as follows:

The Toledo Edison Company and the Cleveland Electric Illuminating Company (hereinafter jointly referred to as "the Owners"), both of which are wholly-owned subsidiaries of FirstEnergy Corporation, were the original licensees.

Centerior Service Company was added as a licensee by Amendment No. 152. Amendment No. (to be added by the NRC) replaced the Centerior Service Company with the FirstEnergy Nuclear Operating Company (FENOC), as a licensee. FENOC, also a wholly-owned subsidiary of FirstEnergy Corporation, has exclusive responsibility and control over the physical construction, operation, and maintenance of the facility.

- Revise paragraph 1.E to replace the reference to "The Toledo Edison Company" with "The FirstEnergy Nuclear Operating Company".

- Revise paragraph 2 to read:

Facility Operating License No. NPF-3 is hereby issued to the FirstEnergy Nuclear Operating Company (FENOC), the Toledo Edison Company, and the Cleveland Electric Illuminating Company to read as follows:

- Revise paragraphs 2.B(1), 2.B(3), 2.B(4), 2.B(5), and 2.B(6), to replace references to "Toledo Edison Company" with "FENOC" and to delete the obsolete asterisked footnote to paragraph 2.B(1).
- Revise paragraph 2.B(2) to replace the reference to "The licensees" with "The Toledo Edison Company and the Cleveland Electric Illuminating Company."
- Revise the first sentence of paragraph 2.C(1) to replace the reference to "Toledo Edison Company" with "FENOC".
- Revise paragraph 2.C(2) to read: "...as revised through Amendment No. (to be added by the NRC)..." In addition, replace the reference to "The Toledo Edison Company" with "FENOC".
- Revise paragraphs 2.C(3)(a) and 2.C(3)(d) to replace references to "Toledo Edison Company" with "FENOC".
- Revise paragraph 2.C(4) to replace two references to "Toledo Edison" with "FENOC".
- Revise paragraph 2.C(5) to replace the reference to "Toledo Edison Company" with "FENOC".
- Revise paragraph 2.C(6) to replace three references to "Centerior Service Company" with "FENOC", and to include the following additional paragraph:

FENOC shall not market or broker power or energy from the Davis-Besse Nuclear Power Station, Unit No. 1. The Owners are responsible and accountable for the actions of FENOC to the extent that said actions affect the marketing or brokering of power or energy from the Davis-Besse Nuclear Power Station, Unit No. 1.

- Revise paragraph 2.D to replace the reference to "The licensee" with "FENOC".
- Revise paragraph 2.F(1) to replace the reference to "The Toledo Edison Company" with "FENOC".
- Revise paragraph 2.F(2) to replace two references to "the licensees" with "FENOC".

These proposed changes are shown in the attached marked-up copy of the Operating License. The copy of the Operating License used as the basis for this marked-up copy was provided by the NRC's Project Manager assigned to the DBNPS, and is the NRC's file copy.

The following additional items are also of note:

- The second sentence of paragraph 2.C(1) includes a reference to "Toledo Edison Company". This sentence, along with the third sentence of the same paragraph, refers to conditions as specified in paragraph 2.C(3)(o) and Attachment 2, which were required to be met prior to initially attaining the authorized power level. License Condition 2.C(3)(o) was deleted by License Amendment No. 2. Attachment 2, which also includes several references to "Toledo Edison Company", required the licensee to obtain written authorization prior to initially proceeding to certain specified Operational Modes. Such authorization was granted by NRC letters dated May 10, June 30, July 8, August 9, and August 30, 1977. Therefore, although these conditions are no longer applicable, the second and third sentences of paragraph 2.C(1) and Attachment 2, including their references to "Toledo Edison Company", may be retained as is for historical purposes, or at the discretion of the NRC, may be deleted.
- Paragraph 2.C(3)(k) presently refers to a requirement, to be satisfied within 60 days of startup following the first refueling outage, that the Toledo Edison Company perform tests to verify that faults on non-Class 1E circuits would not propagate to the Class 1E circuits in the Reactor Protection System and the Engineered Safety Features Actuation System. This license condition was closed by NRC letter dated October 29, 1981, however, a license amendment was not issued to reflect the deletion of the license condition. Since this paragraph contains a reference to "Toledo Edison Company", unless the NRC wishes to document the deletion of the license condition in the license amendment to be issued for this license amendment

request, it is considered that the reference to the "Toledo Edison Company" is historical and does not require change.

- Paragraph 2.C(3)(s) presently exempts the Toledo Edison Company from the requirements of Technical Specification 3/4.7.8.1 for the two startup sources to be installed or already installed for use during the first refueling cycle until such time as the sources are replaced. Since these startup sources are no longer installed in the core, this exemption is no longer applicable. Since this paragraph contains a reference to "Toledo Edison Company", unless the NRC wishes to document the deletion of the license condition in the license amendment to be issued for this license amendment request, it is considered that the reference to the "Toledo Edison Company" is historical and does not require change.
- The list of Attachments included on the Operating License signature page refers to Appendix B, "Environmental Technical Specifications", and to Attachment 2, "Preoperational Test, Startup Tests, and Other Items Which Must be Completed Prior to Proceeding to Succeeding Operational Modes." Appendix B was previously deleted by Amendment Number 133, and Attachment 2 only applied to the initial plant startup, and, as noted above, is no longer applicable. It is left to the discretion of the NRC to update this list of Attachments.

SYSTEMS, COMPONENTS, AND ACTIVITIES AFFECTED:

The proposed license amendment affects the organizational structure of the DBNPS with regards to the staff changing from TE and CSC employees to FENOC employees, and FENOC being responsible for the operation and maintenance of the DBNPS, instead of CSC and TE. As discussed above, FENOC will be a wholly-owned subsidiary of the FirstEnergy Corporation just as TE and CSC are presently wholly-owned subsidiaries of FirstEnergy Corporation.

FUNCTIONS OF THE AFFECTED SYSTEMS, COMPONENTS, AND ACTIVITIES:

The function of the staff organization of the DBNPS is to be fully capable and equipped to handle all situations involving the safety of the facility and the public.

EFFECTS ON SAFETY:

The employees of TE and CSC presently engaged in the operation of the DBNPS will become employees of FENOC. Personnel qualifications, therefore, will remain the same as those discussed in the Technical Specifications and the USAR. The technical qualifications of FENOC to carry out its responsibilities under the Operating License

for the DBNPS, as amended, will be equivalent to the present qualifications of TE and CSC. The organizational structure of FENOC will continue to provide for clear management control and effective lines of authority and communication among the organizational units involved in the management, operation, and technical support of the facility.

A central objective in planning the proposed transfer of employees and operating responsibilities from TE and CSC to FENOC will be to ensure there is no disruption to the operation of the plant, and to respect the integrity of the existing, successful organization. When the transfer becomes effective, FENOC will operate, manage and maintain the DBNPS in accordance with the conditions and requirements established by the NRC and with the same regard for public and personal safety heretofore exemplified by TE and CSC. Therefore, in the proposed FENOC organization, the nuclear organization of the DBNPS will be preserved, with the only change being that the senior nuclear executive will report to the Directors of FENOC rather than to the President and Chief Executive Officer of CSC. The current DBNPS Vice President, Nuclear will become a Vice President of FENOC and will continue to be the officer at the site responsible for the overall safe operation and maintenance of the DBNPS.

The Quality Assurance organization for the plant will have direct access to the site Vice President of FENOC on matters related to quality; therefore, the effectiveness of this organization will not be reduced by the proposed change.

The above organizational approach allows the transfer of TE and CSC personnel to FENOC with minimal organizational changes and with no anticipated disruption to the existing, dedicated site organizations.

The proposed changes would not involve physical changes to the facility. The proposed changes would not involve significant changes in the manner in which the plant is operated, or the technical qualifications of the personnel who operate the plant. There would be no material change in the responsibility for the conduct of operational activities including security, quality assurance, emergency planning, and training.

The proposed license amendment will not adversely impact the Owners' ability to obtain or provide the funds necessary to cover all costs for the operation, maintenance, repair, decontamination, and decommissioning of the DBNPS. The Owners will remain liable for such costs, on a pro rata basis, under the Operating Agreement. The Owners' financial responsibility for the DBNPS and their sources of funds to support the facility will remain the same as under the present License.

FENOC will be an operating company with no ownership interest in the DBNPS. FENOC, under the proposed Operating Agreement with the Owners, will be authorized to operate the plant on behalf of the Owners. Further, as discussed below, the Owners will be committed under the proposed Operating Agreement to provide all funds

necessary for safe operation and decommissioning of the DBNPS in conformance with NRC regulations.

To summarize, the following interrelations will be established by the Operating Agreement between the Owners and FENOC:

- (1) FENOC will not have any ownership interest in the DBNPS; however, it will have overall responsibility for the safe operation of the DBNPS. FENOC will operate the DBNPS in accordance with the Operating License and shall have exclusive responsibility for making safety decisions.
- (2) The Owners will retain their current authority to review and approve budgets. This will not encumber FENOC's ability to make operational safety decisions and will have no impact on safe operation of the DBNPS.
- (3) Pursuant to the Operating Agreement, all costs, including costs for the operation, maintenance, repair, decontamination and decommissioning of the DBNPS, incurred or accrued are liabilities of the Owners when incurred or accrued and are borne in proportion to their respective undivided interests in the DBNPS, and the Owners will commit to provide FENOC funds to pay these costs.

Thus, the sources of funds for operating the DBNPS will remain unchanged.

A full financial qualifications review is not necessary as a result of the proposed license amendment. Under the terms of the proposed Operating Agreement between FENOC and the Owners, all costs associated with operating the DBNPS will continue to be borne by the Owners to the same extent as they are now, and accordingly, there will be no change in the financial qualifications associated with the DBNPS. Further, the status of the Owners as electric utilities under the NRC's financial qualifications rule will be unaffected by this reorganization. Therefore, the information required under 10 CFR 50.33(f) regarding the financial qualifications of FENOC to carry out the activities described in this application is not necessary.

The plan for FENOC to operate the DBNPS will not affect the existing ownership of the DBNPS or existing ownership of or entitlement to power. FENOC will be solely dedicated to the operation of FirstEnergy's nuclear power plants. It will not be involved in the marketing or brokering of power or energy from the facility. To reinforce this aspect of the reorganization, it is proposed that License Condition 2.C(6) be modified, as previously described.

With this condition, the NRC staff has determined in similar cases that the addition of a new non-owner operator does not require any further antitrust review (see SECY-91-246, Antitrust Consideration for License Amendments Authorizing New Operating Entities (Aug. 7, 1991)). Moreover, the proposal to designate FENOC as the entity

authorized to use and operate the DBNPS will not alter the existing antitrust License Conditions applicable to the Owners. Those conditions will remain applicable to all Owners. Accordingly, the requested amendments will have no impact whatsoever on the market for electric power and raise no issues with respect to antitrust considerations affecting that market.

The proposed changes are administrative and it is therefore concluded that they would have no adverse effect on plant safety.

SIGNIFICANT HAZARDS CONSIDERATION:

The Nuclear Regulatory Commission has provided standards in 10 CFR 50.92(c) for determining whether a significant hazard exists due to a proposed amendment to an Operating License for a facility. A proposed amendment involves no significant hazards consideration if operation of the facility in accordance with the proposed changes would: (1) Not involve a significant increase in the probability or consequences of an accident previously evaluated; (2) Not create the possibility of a new or different kind of accident from any accident previously evaluated; or (3) Not involve a significant reduction in a margin of safety. The Davis-Besse Nuclear Power Station has reviewed the proposed changes and determined that a significant hazards consideration does not exist because operation of the Davis-Besse Nuclear Power Station, Unit No. 1, in accordance with these changes would:

- 1a. Not involve a significant increase in the probability of an accident previously evaluated because no accident initiators or assumptions are affected. The proposed changes are administrative and have no direct effect on any plant systems. All Limiting Conditions for Operation, Limiting Safety System Settings, and Safety Limits specified in the Technical Specifications will remain unchanged.
- 1b. Not involve a significant increase in the consequences of an accident previously evaluated because no accident conditions or assumptions are affected. The proposed changes do not alter the source term, containment isolation, or allowable radiological consequences. The proposed changes are administrative and have no adverse effect on any plant system.
2. Not create the possibility of a new or different kind of accident from any accident previously evaluated because no new accident initiators or assumptions are introduced by the proposed changes. The proposed changes are administrative and have no direct effect on any plant systems. The changes do not affect the reactor coolant pressure boundary and do not affect any system functional requirements, plant maintenance, or operability requirements.

3. Not involve a significant reduction in the margin of safety because the proposed changes do not involve new or significant changes to the initial conditions contributing to accident severity or consequences. The proposed changes are administrative and have no direct effect on any plant systems.

CONCLUSION:

On the basis of the above, the Davis-Besse Nuclear Power Station has determined that the License Amendment Request does not involve a significant hazards consideration. As this License Amendment Request concerns a proposed change to the Operating License that must be reviewed by the Nuclear Regulatory Commission, this License Amendment Request does not constitute an unreviewed safety question.

ATTACHMENT:

Attached are the proposed marked-up changes to the Operating License.

REFERENCES:

1. Davis-Besse Nuclear Power Station, Unit No. 1, Operating License through Amendment No. 221.
2. Davis-Besse Nuclear Power Station, Unit No. 1, Updated Safety Analysis Report through Revision 20.
3. SECY-91-246, Antitrust Consideration for License Amendments Authorizing New Operating Entities, August 7, 1991.



FILE COPY

UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

NOTE: Proposed
LAR changes are
indicated as such

FIRST ENERGY NUCLEAR OPERATING COMPANY

THE TOLEDO EDISON COMPANY

~~CENTERIOR SERVICE COMPANY~~

AND

THE CLEVELAND ELECTRIC ILLUMINATING COMPANY

DOCKET NO. 50-346

DAVIS-BESSE NUCLEAR POWER STATION, UNIT NO. 1

FACILITY OPERATING LICENSE

License No. NPF-3

1. The Nuclear Regulatory Commission (the Commission) having found that:

- A. The application for license filed by the Toledo Edison Company, ~~Centerior Service Company~~, and the Cleveland Electric Illuminating Company (the licensees*) complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations set forth in 10 CFR Chapter I and all required notifications to other agencies or bodies have been duly made;
- B. Construction of the Davis-Besse Nuclear Power Station, Unit No. 1 (the facility) has been substantially completed in conformity with Construction Permit No. CPPR-80 and the application, as amended, the provisions of the Act and the rules and regulations of the Commission;
- C. The facility will operate in conformity with the application, as amended, the provisions of the Act, and the rules and regulations of the Commission;
- D. There is reasonable assurance: (i) that the activities authorized by this operating license can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the rules and regulations of the Commission;
- E. The ~~Toledo Edison Company~~ **FirstEnergy Nuclear Operating** is technically qualified and the licensees are financially qualified to engage in the activities authorized by this operating license in accordance with the rules and regulations of the Commission;

~~*The Toledo Edison Company and Centerior Service Company (both of which are wholly owned subsidiaries of Centerior Energy Corporation) are authorized to act as agent for the Cleveland Electric Illuminating Company, and have exclusive responsibility and control over the physical construction, operation, and maintenance of the facility. Centerior Service Company was added as a licensee by Amendment No. 152.~~

{ INSERT (next page) }

Amendment No. 152

DEC 3 1 1990

Added Amdt. #152,
12-31-90

Amdt. #152,
12-31-90

Added Amdt. #152,
12-31-90

INSERT 1.A (asterisked footnote)

- * The Toledo Edison Company and the Cleveland Electric Illuminating Company (hereinafter jointly referred to as "the Owners"), both of which are wholly-owned subsidiaries of FirstEnergy Corporation, were the original licensees. Centerior Service Company was added as a licensee by Amendment No. 152. Amendment No. (to be added by the NRC) replaced the Centerior Service Company with the FirstEnergy Nuclear Operating Company (FENOC), as a licensee. FENOC, also a wholly-owned subsidiary of FirstEnergy Corporation, has exclusive responsibility and control over the physical construction, operation, and maintenance of the facility.

- F. The licensees have satisfied the applicable provisions of 10 CFR Part 140 "Financial Protection Requirements and Indemnity Agreements," of the Commission's regulations;
- G. The issuance of this operating license will not be inimical to the common defense and security or to the health and safety of the public;
- H. After weighing the environmental, economic, technical, and other benefits of the facility against environmental and other costs and considering available alternatives, the issuance of Facility Operating License No. NPF-3 subject to the conditions for protection of the environment set forth herein is in accordance with 10 CFR Part 51 (formerly Appendix D to 10 CFR Part 50), of the Commission's regulations and all applicable requirements have been satisfied; and
- I. The receipt, possession, and use of source, byproduct and special nuclear material as authorized by this license will be in accordance with the Commission's regulations in 10 CFR Part 30, 40, and 70, including 10 CFR Sections 30.33, 40.32, 70.23, and 70.31.

2. FirstEnergy Nuclear Operating Company (FENOC), the Facility Operating License No. NPF-3 is hereby issued to the Toledo Edison Company, ~~Centerior Service Company~~, and the Cleveland Electric Illuminating Company to read as follows:

Amat.
#152,
12-31-90

- A. This license applies to the Davis-Besse Nuclear Power Station, Unit No. 1, a pressurized water nuclear reactor and associated equipment (the facility) owned by the Toledo Edison Company and the Cleveland Electric Illuminating Company. The facility is located on the south-western shore of Lake Erie in Ottawa County, Ohio, approximately 21 miles east of Toledo, Ohio, and is described in the "Final Safety Analysis Report" as supplemented and amended (Amendments 14 through 44) and the Environmental Report as supplemented and amended (Supplements 1 through 2).

Amat.
#152,
12-31-90

- B. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses:

- (1) FENOC ~~Toledo Edison Company~~, pursuant to Section 103 of the Act and 10 CFR Part 50, "Licensing of Production and Utilization Facilities," to possess, use, and operate the facility:

Amat.
#152,
12-31-90

~~*The Toledo Edison Company's nuclear organization reports to Centerior Service Company.~~

Added
Amat.
#152,
12-31-90

- 3 -

Toledo Edison Company and the
Cleveland Electric Illuminating Company,

DO NOT REMOVE

- (2) The ~~licensees~~ to possess the facility at the designated location in Ottawa County, Ohio in accordance with the procedures and limitations set forth in this license;
- FENOL
- (3) ~~Toledo Edison Company,~~ pursuant to the Act and 10 CFR Part 70, to receive, possess and use at any time special nuclear material as reactor fuel, in accordance with the limitations for storage and amounts required for reactor operation, as described in the Final Safety Analysis Report, as supplemented and amended;
- FENOL
- (4) ~~Toledo Edison Company,~~ pursuant to the Act and 10 CFR Parts 30, 40 and 70 to receive, possess and use at any time any byproduct, source and special nuclear material as sealed neutron sources for reactor startup, sealed sources for reactor instrumentation and radiation monitoring equipment calibration, and as fission detectors in amounts as required;
- FENOL
- (5) ~~Toledo Edison Company,~~ pursuant to the Act and 10 CFR Parts 30, 40 and 70, to receive, possess and use in amounts as required any byproduct, source or special nuclear material without restriction to chemical or physical form, for sample analysis or instrument calibration or associated with radioactive apparatus or components; and
- FENOL
- (6) ~~Toledo Edison Company,~~ pursuant to the Act and 10 CFR Parts 30 and 70, to possess, but not separate, such byproduct and special nuclear materials as may be produced by the operation of the facility.

C. This license shall be deemed to contain and is subject to the conditions specified in the following Commission regulations in 10 CFR Chapter I: Part 20, Section 30.34 of Part 30, Section 40.41 of Part 40, Sections 50.54 and 50.59 of Part 50, and Section 70.32 of Part 70; and is subject to all applicable provisions of the Act and to the rules, regulations, and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified or incorporated below:

(1) Maximum Power Level

FENOL

~~Toledo Edison Company~~ is authorized to operate the facility at steady state reactor core power levels not in excess of 2772 megawatts (thermal). Prior to attaining the power level, Toledo Edison Company shall comply with the conditions identified in Paragraph (3)(o) below and complete the preoperational tests, startup tests and other items identified in Attachment 2 to this license in the sequence specified. Attachment 2 is an integral part of this license.

2.C.(2) Technical Specifications

[to be added by the NRC]

Amdt
#133,

5-18-89

The Technical Specifications contained in Appendix A, as revised through Amendment No. 200, are hereby incorporated in the license.

~~FENOC~~ ~~The Toledo Edison Company~~ shall operate the facility in accordance with the Technical Specifications.

(3) Additional Conditions

The matters specified in the following conditions shall be completed to the satisfaction of the Commission within the stated time periods following the issuance of the license or within the operational restrictions indicated. The removal of these conditions shall be made by an amendment to the license supported by a favorable evaluation by the Commission:

~~FENOC~~

- (a) ~~Toledo Edison Company~~ shall not operate the reactor in operational Modes 1 and 2 with less than three reactor coolant pumps in operation.

- (b) Within four (4) months of the date of issuance of this license, ~~Toledo Edison Company~~ shall complete modifications in the diesel fuel oil storage and transfer system. The modified design shall provide each diesel generator with a 40,000 gallon seismic Category I fuel oil storage tank which shall be installed and protected above ground against tornado forces and tornado missiles. Each fuel oil storage tank shall be provided with its own seismic Category I transfer pump, piping and valves to serve its respective diesel generator day tank.

Deleted per
Amdt. 6
8-26-77

- (c) Within three (3) months of the date of issuance of this license, ~~Toledo Edison Company~~ shall have installed a second oxygen monitor in the caustic waste system to provide redundant oxygen monitors that will alarm locally and in the control room at the set points of two percent and four percent by volume of oxygen, respectively.

Deleted per
Amdt #5
7-21-77

- 2.C.(3)(d) Prior to operation beyond 21 Effective Full Power Years, ~~the Toledo Edison company~~ shall provide to the NRC a reanalysis and proposed modifications, as necessary, to ensure continued means of protection against low temperature reactor coolant system overpressure events.

~~FENOC~~
theAmdt.
#199,

7-20-95

DO NOT REMOVE

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per Amdt. 33
dtd 10-1-80

~~(e) Prior to startup following the first (1st) regularly scheduled refueling outage, Toledo Edison Company shall modify the reactor coolant system flow indication to meet the single failure criterion with regard to pressure sensing lines to the flow differential pressure transmitters.~~

~~(f) Prior to startup following the first (1st) regularly scheduled refueling outage, Toledo Edison Company shall modify the auxiliary feedwater system by providing diverse direct current power to one of the redundant auxiliary feedwater trains.~~

~~(g) Prior to startup following the first (1st) regularly scheduled refueling outage, Toledo Edison Company shall modify the emergency core cooling system by providing motor operated valves with control and position indication in the control room in lieu of the manually operated valves in each of the two crossover connection lines installed between the high pressure makeup pump suction and the low pressure injection discharge.~~

~~(h) Within three (3) years of the date of issuance of this license except as noted below, Toledo Edison Company shall increase the level of fire protection in the facility to the levels recommended in Appendix A to the Standard Review Plan 9.5.1, Revision 2, "Fire Protection System," or with alternatives acceptable to the Commission.~~

~~Prior to startup following the first (1st) regularly scheduled refueling outage, Toledo Edison Company shall implement Section B of Appendix A, "Administrative Procedures, Controls and Fire Brigade," and Section C of Appendix A, "Quality Assurance Program."~~

~~(i) If the Babcock & Wilcox proposed rod bow model has not been approved by the Commission upon completion of one hundred (100) effective full power days of operation for the facility, the Toledo Edison Company must revise the plant technical specifications to reflect the rod bow model used by the Commission for Babcock & Wilcox plants which requires the following DNBR penalties as a function of burnup:~~

<u>Burnup (MWD/MTU)</u>	<u>DNBR Penalty</u>
0-5,151	5.9 percent
5,651-15,000	8.2 percent
15,000-24,000	9.8 percent
24,000-33,000	11.2 percent

Deleted by
Amdt # 24
4/22/90

Deleted by
Amdt # 11
6-16-78

~~regarding the potential for and consequences of an inadvertent closure of a decay heat removal system valve during shutdown operations, Toledo Edison Company shall maintain power on decay heat removal isolation valves DH 11 and DH 12 and shall operate one decay heat removal train at a time.~~

~~This license condition shall not preclude performance of specific surveillance or preoperational test requirements related to this equipment and associated instrumentation as provided in the technical specification.~~

~~For those periods of time during which only one decay heat removal train is available for operation or during the time that the standby decay heat removal train is being brought on-line, an operator shall be stationed in the control room so as to immediately secure the reactor heat removal pump(s) should loss of flow occur due to the inadvertent closure of DH 11 or DH 12.~~

- 2.C.(3)(k) Within 60 days of startup following the first (1st) regularly scheduled refueling outage, Toledo Edison Company shall complete tests and obtain test results as required by the Commission to verify that faults on non-Class IE circuits would not propagate to the Class IE circuits in the Reactor Protection System and the Engineered Safety Features Actuation System.

Amdt. 17
6-18-79

- ~~2.C.(3)(l) Within thirty (30) days following two (2) weeks of sustained reactor power operation at a power level of 90 percent or greater of rated thermal power, the Toledo Edison Company shall provide operating reactor coolant system flow data for the facility which can be used to document reactor coolant system total pressure drops.~~

Deleted Per
Amdt. 15
6-5-79

- ~~(m) Within six (6) months from the issuance of this license, Toledo Edison Company shall modify the existing low pressure and high pressure injection flow indication system to one which has been seismically qualified and powered from essential power sources with flow indication in the main control room.~~

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per
Amdt. 7
11-29-77

- ~~(n) Prior to startup following the first (1st) regularly scheduled refueling outage, Toledo Edison Company shall install flow measuring devices to measure at least 40 gpm for boron dilution when the plant is operating in either the hot leg drain mode or the pressurizer spray mode.~~

Deleted per
Amdt. 10
5-26-78

- ~~(o) Deleted as to amendment No. 2 6-14-77~~

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Amdt. 29
8-11-80

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per
Amdt. 7,
11-29-77

Deleted per
Amdt. 30
dtd. 8-27-80

- ~~(p) Prior to startup following the first (1st) regularly scheduled refueling outage, Toledo Edison Company shall have submitted an analysis of design modification alternatives to the present key lock control in the manual bypass valves DH21 and DH23 around the decay heat removal suction line isolation valves, that will decrease the likelihood of the bypass path being opened inadvertently during periods when isolation of the decay heat removal loop is required; and subsequently have completed the installation of the approved design modifications.~~
- ~~(q) Within four (4) months from the issuance of this license, Toledo Edison Company shall submit an evaluation and proposed modifications, if required, so that the facility design will assure adequate breaker coordination and isolation of its onsite system in sufficient time to permit the required Class IE equipment to operate in the event of offsite grid degradation. Prior to the Commission approval of the modification, Toledo Edison Company shall maintain the normal operating range for the grid system voltage between 98.3 percent to 102.3 percent of rated voltage (with corresponding safety-related bus voltage as defined in Attachment 1 of Toledo Edison Company's letter to the Commission dated November 13, 1976). In the event the system conditions exceed these values, Toledo Edison Company shall proceed in an orderly manner to reduce load to 5 percent of rated power and take corrective action to stabilize the system to within the values stated above prior to return to higher power levels.~~
- ~~(r) Toledo Edison Company shall submit a seismic reanalysis and evaluation to the Commission for its review and approval in sufficient time to obtain Commission approval of the adequacy of the plant systems needed to accomplish safe shutdown of the reactor and continued shutdown heat removal prior to startup following the first (1st) regularly scheduled refueling outage. In performing the reanalysis a safe shutdown earthquake acceleration of 0.20g shall be applied at the foundation level of the plant and the response spectra shall be used as specified in Regulatory Guide 1.60, "Design Response Spectra for Seismic Design of Nuclear Power Plants." The seismic reanalysis and evaluation shall be conducted in accordance with guidelines to be specified by the Commission.~~
- (s) Toledo Edison Company shall be exempted from the requirements of Technical Specification 3/4.7.8.1 for the two (2) Americium-Beryllium-Copper startup sources to be installed or already installed for use during the first refueling cycle until such time as the sources are replaced.

Added per Amdt #83

1-8-85

2.C.(3)(t)

Toledo Edison shall operate the Startup Feedwater Pump (SUFP) System with the following operational restrictions:

1. Toledo Edison will station an operator in the Startup Feedwater Pump/Auxiliary Feedwater Pump (SUFP/AFW) area during operation of the SUFP to monitor SUFP/Turbine Plant Cooling Water (TPCW) piping status in the AFW Pump Rooms. In the event of SUFP/TPCW pipe leakage, the operator will trip the SUFP locally or notify the Control Room to trip the SUFP, and isolate the SUFP/TPCW piping.
2. Toledo Edison will isolate and maintain isolation outside the SUFP/AFW area of the SUFP suction, discharge, and turbine plant cooling water piping, when the SUFP is not in operation (Modes 1, 2 and 3).
3. Toledo Edison will install a SUFP, associated piping, and valves, to remove the hazards to the AFW pumps before commencing Cycle 6.

*Deleted per Amdt #122
9-30-88*

2.C.(4) Fire Protection**FENOC**

~~Toledo Edison~~ shall implement and maintain in effect all provisions of the approved Fire Protection Program as described in the Updated Safety Analysis Report and as approved in the SERs dated July 26, 1979, and May 30, 1991, subject to the following provision:

FENOC

~~Toledo Edison~~ may make changes to the approved Fire Protection Program without prior approval of the Commission only if those changes would not adversely affect the ability to achieve and maintain safe shutdown in the event of a fire.

Amdt. # 174,
0-27-91

2.C.(5)

FENOC

~~Toledo Edison Company~~ shall maintain in effect and implement a secondary water chemistry monitoring program to inhibit steam generator tube degradation. The program shall include:

- Identification of a sampling schedule for the critical parameters and control points for these parameters;
- Identification of the procedures used to quantify parameters that are critical to control points;
- Identification of process sampling points;
- Procedure for the recording and management of data;
- Procedures defining corrective actions for off control point chemistry conditions; and
- A procedure identifying the authority responsible for the interpretation of the data, and the sequence and timing of administrative events required to initiate corrective action.

Added per Amdt. #47,
10-15-822.C.(6) Antitrust Conditions**FENOC**

~~Gentorian Service Company~~ shall comply with the antitrust conditions delineated in Condition 2.E of this license as if named therein.

FENOC

~~Toledo Edison Company~~ is responsible and accountable for the actions of ~~Gentorian Service Company~~ to the extent that ~~Gentorian Service~~

FENOC's

~~Company's~~ actions contravene the antitrust license conditions of Condition 2.E of this license.

Added per
Amdt. # 15,
2-31-90

2.D

FENOC

~~The licensee~~ shall fully implement and maintain in effect all provisions of the Commission-approved physical security, guard training and qualification, and safeguards contingency plans including amendments made pursuant to provisions of the Miscellaneous Amendments and Search Requirements revisions to 10 CFR 73.55 (51 FR 27817 and 27822) and to the authority of 10 CFR 50.90 and 10 CFR 50.54(p). The plans, which contain Safeguards Information protected under 10 CFR 73.21, are entitled: "Davis-Besse Nuclear Power Station Physical Security Plan," with revisions submitted through January 29, 1988; "Davis-Besse Nuclear Power Station Guard Training and Qualification Plan," with revisions submitted through February 20, 1987; and "Davis-Besse Nuclear Power Station Safeguards Contingency Plan," with revisions submitted through February 20, 1987. Changes made in accordance with 10 CFR 73.55 shall be implemented in accordance with the schedule set forth therein.

Amdt. # 129,
2-14-89

INSERT 2.C.(6)

FENOC shall not market or broker power or energy from the Davis-Besse Nuclear Power Station, Unit No. 1. The Owners are responsible and accountable for the actions of FENOC to the extent that said actions affect the marketing or brokering of power or energy from the Davis-Besse Nuclear Power Station, Unit No. 1.

8a

E. This license is subject to the following antitrust conditions:

Amdt. 22,
12-12-79

Definitions

Entity shall mean any electric generation and/or distribution system or municipality or cooperative with a statutory right or privilege to engage in either of these functions.

Wheeling shall mean transportation of electricity by a utility over its lines for another utility, including the receipt from and delivery to another system of like amounts but not necessarily the same energy. Federal Power Commission, The 1970 National Power Survey, Part 1, p. 1-24-8.

License Conditions Approved By the Atomic Safety and Licensing Appeal Board*

- (1) Applicants shall not condition the sale or exchange of wholesale power or coordination services upon the condition that any other entity:
 - a. enter into any agreement or understanding restricting the use of or alienation of such energy or services to any customers or territories;
 - b. enter into any agreement or understanding requiring the receiving entity to give up any other power supply alternatives or to deny itself any market opportunities;
 - c. withdraw any petition to intervene or forego participation in any proceeding before the Nuclear Regulatory Commission or refrain from instigating or prosecuting any antitrust action in any other forum.

*"Applicants" as used by the Appeal Board refers to the Toledo Edison Company, Cleveland Electric Illuminating Company, Duquesne Light Company, Ohio Edison Company and Pennsylvania Power Company although the Licensees for this facility are the Toledo Edison Company and Cleveland Electric Illuminating Company.

Need to add (3)(c) - see DB TS

- (2) Applicants, and each of them, shall offer interconnections upon reasonable terms and conditions at the request of any other electric entity(ies) in the CCCT, such interconnection to be available (with due regard for any necessary and applicable safety procedures) for operation in a closed-switch synchronous operating mode if requested by the interconnecting entity(ies). Ownership of transmission lines and switching stations associated with such interconnection shall remain in the hands of the party funding the interconnection subject, however, to any necessary safety procedures relating to disconnection facilities at the point of power delivery. Such limitations on ownership shall be the least necessary to achieve reasonable safety practices and shall not serve to deprive purchasing entities of a means to effect additional power supply options.
- (3) Applicants shall engage in wheeling for and at the request of other entities in the CCCT:
 - a. of electric energy from delivery points of Applicants to the entity(ies); and,
 - b. of power generated by or available to the other entity, as a result of its ownership or entitlements* in generating facilities, to delivery points of applicants designated by the other entity.

Such wheeling services shall be available with respect to any unused capacity on the transmission lines of Applicants, the use of which will not jeopardize Applicants' system. In the event Applicants must reduce wheeling services to other entities due to lack of capacity, such reduction shall not be effected until reductions of at least 5% have been made in transmission capacity allocations to other Applicants in these proceedings and thereafter shall be made in proportion to reductions** imposed upon other Applicants to this proceeding.

Applicants shall make reasonable provisions for disclosed transmission requirements of other entities in the CCCT in planning future transmission either individually or within the CAPCO grouping. By "disclosed" is meant the giving of reasonable advance notification of future requirements by entities utilizing wheeling services to be made available by Applicants.

* "Entitlement" includes but is not limited to power made available to an entity pursuant to an exchange agreement.

** The objective of this requirement is to prevent preemption of unused capacity on the lines of one Applicant by other Applicants or by entities the transmitting Applicant deems noncompetitive. Competitive entities are to be allowed opportunity to develop bulk power services options even if this results in reallocation of CAPCO transmission channels. This relief is required in order to avoid prolongation of the effects of Applicants' illegally sustained dominance.

- (4) a. Applicants shall make available membership in CAPCO to any entity in the CCCT with a system capability of 10 Mw or greater;
- b. A group of entities with an aggregate system capability of 10 Mw or greater may obtain a single membership in CAPCO on a collective basis.*
- c. Entities applying for membership in CAPCO pursuant to License Condition 4 shall become members subject to the terms and conditions of the CAPCO Memorandum of Understanding of September 14, 1967, and its implementing agreements, except that new members may elect to participate on an equal percentage of reserve basis rather than a P/N allocation formula for a period of twelve years from date of entrance.** Following the twelfth year of entrance, new members shall be expected to adhere to such allocation methods as are then employed by CAPCO (subject to equal opportunity for waiver or special consideration granted to original CAPCO members which are then in effect).
- d. New members joining CAPCO pursuant to this provision of relief shall not be entitled to exercise voting rights until such time as the system capability of the joining member equals or exceeds the system capability of the smallest member of CAPCO which enjoys voting rights.***

* E.g., Wholesale Customer of Ohio Edison (WCOE).

** The selection of the 12-year period reflects our determination that an adjustment period is necessary since the P/N formula has a recognized effect of discriminating against small systems and forcing them to forego economies of scale in generation in order to avoid carrying excessive levels of reserves. We also found that P/N is not entirely irrational as a method of reserve allocation. We have observed that Applicants themselves provided adjustment periods and waivers to integrate certain Applicants into the CAPCO reserve requirement program. The 12-year period should permit new entrants to avoid initial discrimination but to accommodate and adjust to the CAPCO system over some reasonable period of time. Presumably new entrants will be acquiring ownership shares and entitlements during the 12-year period so that adverse consequences of applying the P/N formula will be mitigated.

*** Our objective is to prevent impediments to the operation and development of an areawide power pool through the inability of lesser entities to respond timely or to make necessary planning commitments. While we grant new member entities the opportunity to participate in CAPCO it is not our intent to relieve joining entities of responsibilities and obligations necessary to the successful operation of the pool. For those smaller entities which do not wish to assume the broad range of obligations associated with CAPCO membership we have provided for access to bulk power service options which will further their ability to survive and offer competition in the CCCT.

- (5) Applicants shall sell maintenance power to requesting entities in the CCCT upon terms and conditions no less favorable than those Applicants make available: (1) to each other either pursuant to the CAPCO agreements or pursuant to bilateral contract; or (2) to non-Applicant entities outside the CCCT.
- (6) Applicants shall sell emergency power to requesting entities in the CCCT upon terms and conditions no less favorable than those Applicants make available: (1) to each other either pursuant to the CAPCO agreements or pursuant to bilateral contract; or (2) to non-Applicant entities outside the CCCT.
- (7) Applicants shall sell economy energy to requesting entities in the CCCT, when available, on terms and conditions no less favorable than those available: (1) to each other either pursuant to the CAPCO agreements or pursuant to bilateral contract; or (2) to non-Applicant entities outside the CCCT.
- (8) Applicants shall share reserves with any interconnected generation entity in the CCCT upon request. The requesting entity shall have the option of sharing reserves on an equal percentage basis or by use of the CAPCO P/N allocation formula or on any other mutually agreeable basis.
- (9) a. Applicants shall make available to entities in the CCCT access to the Davis-Besse 1, 2 and 3 and the Perry 1 and 2 nuclear units and any other nuclear units for which Applicants or any of them, shall apply for a construction permit or operating license during the next 25 years. Such access, at the option of the requesting entity, shall be on an ownership share, or unit participation or contractual pre-purchase of power basis.*

Each requesting entity (or collective group of entities) may obtain up to 10% of the capacity of the Davis-Besse and Perry Units and 20% of future units (subject to the 25-year limitation) except that once any entity or entities have contracted for allocations totaling 10% or 20%, respectively, no further participation in any given units need be offered.

* Requesting entities' election as to the type of access may be affected by provisions of state law relating to dual ownership of generation facilities by municipalities and investor-owned utilities. Such laws may change during the period of applicability of these conditions. Accordingly, we allow requesting entities to be guided by relevant legal and financial considerations (including Commission regulations on nuclear power plant ownership) in fashioning their requests.

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- b. Commitments for the Davis-Besse and Perry Units must be made by requesting entities within two years after this decision becomes final. Commitments for future units must be made within two years after a construction permit application is filed with respect to such a unit (subject to the 25-year limitation) or within two years after the receipt by a requesting entity of detailed written notice of Applicants' plans to construct the unit, whichever is earlier; provided, however, that the time for making the commitment shall not expire until at least three months after the filing of the application for a construction permit. Where an Applicant seeks to operate a nuclear plant with respect to which it did not have an interest at the time of the filing of the application for the construction permit, the time periods for commitments shall be the same except that reference should be to the operating license, not the construction permit.

- (10) Applicants shall sell wholesale power to any requesting entity in the CCCT, in amounts needed to meet all or part of such entity's requirements. The choice as to whether the agreement should cover all or part of the entity's requirements should be made by the entity, not the Applicant or Applicants.
- (11) These conditions are intended as minimum conditions and do not preclude Applicants from offering additional wholesale power or coordination services to entities within or without the CCCT. However, Applicants shall not deny wholesale power or coordination services required by these conditions to non-Applicant entities in the CCCT based upon prior commitments arrived at in the CAPCO Memorandum of Understanding or implementing agreements. Such denial shall be regarded as inconsistent with the purpose and intent of these conditions.

The above conditions are to be implemented in a manner consistent with the provisions of the Federal Power Act and all rates, charges or practices in connection therewith are to be subject to the approval of regulatory agencies having jurisdiction over them.

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F. This license is subject to the following additional conditions for the protection of the environment:

- ~~FENOC~~
- (1) ~~The Toledo Edison Company~~ shall operate Davis-Besse Unit No. 1 within applicable Federal and State air and water quality standards.
- ~~FENOC~~
- (2) Before engaging in an operational activity not evaluated by the Commission, ~~the licensee~~ will prepare and record an environmental evaluation of such activity. When the evaluation indicates that such activity may result in a significant adverse environmental impact that was not evaluated, or that is significantly greater than that evaluated in the Final Environmental Statement, ~~the licensee~~ shall provide a written evaluation of such activities and obtain prior approval of the Director, Office of Nuclear Reactor Regulation for the activities.
- ~~the FENOC~~

AMDT #13:
5/18/89

G. In accordance with the requirement imposed by the October 8, 1976, order of the United States Court of Appeals for the District of Columbia Circuit in Natural Resources Defense Council v. Nuclear Regulatory Commission, No. 74-1385 and 74-1586, that the Nuclear Regulatory Commission "shall make any licenses granted between July 21, 1976 and such time when the mandate is issued subject to the outcome of such proceedings herein," this license shall be subject to the outcome of such proceedings.

H. This license is effective as of the date of issuance and shall expire at midnight April 22, 2017.

Amdt.
#151,

12-31-90

FOR THE NUCLEAR REGULATORY COMMISSION

Original Signed by
R. C. DeYoung, Jr.
Roger S. Boyd, Director
Division of Project Management
Office of Nuclear Reactor Regulation

Attachments:

1. Appendices A & B - Technical Specifications
2. Preoperational Tests, Startup Tests and Other Items Which Must Be Completed Prior to Proceeding to Succeeding Operational Modes

Date of Issuance: APR 22 1977

LICENSE AUTHORITY FILE COPY

ATTACHMENT 2 TO LICENSE NPF-3

DO NOT REMOVE

Preoperational Tests, Startup Tests, and
Other Items Which Must be Completed Prior to Proceeding
to Succeeding Operational Modes

This attachment identifies certain preoperational tests, startup tests, and other items which must be completed to the Commission's satisfaction prior to proceeding to certain specified Operational Modes. Toledo Edison Company shall not proceed beyond the authorized Operational Modes without prior written authorization from the Commission.

- A. Toledo Edison Company may at the license issue date proceed directly to Operational Mode 6 (initial fuel loading), and may subsequently proceed to Operational Mode 5 (cold shutdown), except as noted below.
- B. The following items must be completed prior to proceeding to Operational Mode 5 (cold shutdown):

1. Approval is required of the fifteen listed surveillance procedures

ST5030.02 RPS Monthly Check
 ST5030.09 RPS Response Time
 ST5031.14 RPS Response Time Calculation
 ST5036.02 Remote Shutdown Monitor Instrument Channel Calibration
 ST5036.03 Post Accident Instrument Channel Check
 ST5036.04 Post Accident Instrument Channel Calibration
 ST5050.02 Core Flood System Isolation Valve Check
 ST5051.01 ECCS Subsystem Monthly Test
 ST5061.02 Containment Local Leak Test
 ST5062.01 Containment Spray System Monthly Test
 ST5070.01 Main Steam Safety Valve Setpoint
 ST5020.01 Axial Power Imbalance Manual Calibration
 ST5022.03 Quadrant Power Tilt
 ST5033.02 Incore Monitor System Recorder Calibration
 ST5042.03 Reactor Coolant Flow Rate Test

System Interaction

The Toledo Edison Company's 5000 and 8000 Series EIRs (Engineering Inspection Reports) concerning upgrading of supports and installation of water shields on non-safety related systems such that their failure will not degrade or cause failure of a safety related system must be completed as stated below:

*Items acceptable Completed per Authorization
 dtd. 5/10/77
 Authorization to Proceed to Mode 5 (Cold shutdown)*

*See Authorization
5/10/97*

- a. Upgrading of 29 electrical tray and conduit supports primarily located in the 4160 and 480 volt switch gear rooms and Intake Water Structure.
- b. Final inspection and approval by Toledo Edison Company Quality Control of 24 completed modifications and approval by Engineering.
- c. Final review and approval by Toledo Edison Company Engineering of 26 completed and inspected modifications.
- d. Completion of 24 structural items, primarily shielding devices from water sources.

*See auth.
dtd. 6-30-77*

*Acceptable Completed per Authorization dtd 6-30-77
proceed to Mode 4 hot shutdown*

The following items must be completed prior to proceeding to Operational Mode 4 (hot shutdown):

1. High Pressure Injection Pump Modification

The Toledo Edison Company must provide documentation to establish that the modification work for the pumps is in accordance with the FSAR and the specification requirements.

2. HVAC Systems

The reinspection activity and subsequent repair effort, relative to welds needed to resist seismic design forces, must be completed.

3. Large Pipe Hangers and Anchors

Corrective action relative to 76 large pipe hangers and seven anchors for safety related systems must be completed.

4. Small Pipe Hangers and Anchors

Corrective action relative to small piping system discrepancies must be completed.

5. Valve Stem Locknuts

Stem locknuts for 141 valves with limit torque operators within safety related systems must be verified as being "staked."

6. Leak Tightness Test of Valve Enclosure

Approval of periodic test procedure and completion of a leak tightness test of the enclosure installed around DH 11 and DH 12 valves in containment.

7. Systems Interaction

- a. Upgrading of 20 electrical conduit supports primarily located in hallways and corridors.
- b. Upgrading of 27 pipe supports.

D. The following items must be completed prior to proceeding to Operational Mode 3 (hot standby):

1. Reworked Valves

Five small valves within safety related systems must be hydrostatically tested and accepted to the requirements of the applicable code.

E. The following items must be completed prior to proceeding to Operational Mode 2 (initial criticality):

1. Modification to replace the four level switches in each steam generator inside containment with four level transmitters.

2. Resolution of discrepancies for Preoperational Tests:

PT 232.01, Miscellaneous Radwaste System
PT 230.01, Clean Liquid Radwaste

3. Completion of Preoperational Tests:

PT 230.02, Degassifier
PT 230.03, Boric Acid Evaporator
PT 231.02, Miscellaneous Waste Evaporator

F. The following items must be completed prior to proceeding to Operational Mode 1 (power operation):

1. Emergency Planning Procedures

- a. An isolation emergency plan implementing procedure to cope with weather conditions which require personnel to remain at the station for undetermined periods shall be developed. This procedure shall also address provisions for transportation of emergency personnel to the station when needed during these periods.
- b. The following topics will be incorporated into the Emergency Plan Implementing Procedure:

- (1) Evacuation of personnel to minimize exposure to hazard.
- (2) Personnel accountability to assist the person in charge of emergency response actions to account for missing persons.
- (3) Reentry into previously evacuated areas for the purposes of saving lives, search and rescue of missing and injured persons. Safety equipment to be worn depending on areas or conditions shall be addressed.

2. Completion of Preoperational Tests Solid Waste Compactor, PT 233.02.

3. Electrical Firebarrier Testing

The Toledo Edison Company shall provide documentation of fire barrier testing to assure conformance of the fire barriers installed at the Davis-Besse 1 plant to ASTM E-119.

4. Boron Dilution Mode Tests

Complete flow tests in the hot leg drain mode and the pressurizer spray mode to verify minimum flow of 40 gallons per minute.

ENVIRONMENTAL ASSESSMENT
FOR
LICENSE AMENDMENT REQUEST NUMBER 98-0009

Identification of Proposed Action

This proposed action involves the Davis-Besse Nuclear Power Station (DBNPS), Unit Number 1, Operating License NPF-3. This license amendment application proposes that the DBNPS Facility Operating License NPF-3 be amended to transfer operating authority for the DBNPS from the Toledo Edison Company (TE) and the Centerior Service Corporation (CSC) to a new operating company, the FirstEnergy Nuclear Operating Company (FENOC), and to make other associated administrative changes to the license. These changes are described in detail in the license amendment application.

The proposed license amendment involves no change in the ownership of the facility, no physical changes to the plant, no substantive change to operating procedures, and no change to the Technical Specifications or Bases.

Need for the Proposed Action

The proposed changes to the license are required in order to reflect the effect of the transfer of operating authority for the DBNPS. The reason for the transfer is to further enhance operational efficiency and cost-effective operations at the DBNPS.

Environmental Impacts of the Proposed Action

The technical qualifications of FENOC to fulfill its responsibilities under the proposed amended Operating License will be equivalent to the present technical qualifications of TE and CSC. When the transfer becomes effective, the present DBNPS nuclear organization will be transferred essentially intact to FENOC.

When the transfer of operating authority becomes effective, FENOC will continue to operate, manage, and maintain the DBNPS in accordance with the conditions and requirements established by the NRC and with the same regard for public and personal safety heretofore exemplified by TE and CSC.

The transfer will not affect the corporate financial resources currently available in support of DBNPS operations.

As discussed in the license amendment application, the proposed changes have been reviewed pursuant to the standards provided in 10 CFR 50.92(c), and it has been determined that the proposed changes do not involve a significant hazards

consideration.

The proposed changes do not involve an increase in the amounts, or a change in the types, of any radiological effluents that may be allowed to be released offsite. Furthermore, there is no increase in the individual or cumulative occupational radiation exposure.

With regard to potential non-radiological impacts, the proposed changes involve no increase in the amounts or change in types of any non-radiological effluents that may be released offsite, and have no other environmental impact.

Based on the above, it is concluded that there are no significant radiological or non-radiological environmental impacts associated with the proposed amendment.

Alternative to the Proposed Actions

Since it has been concluded that the environmental effects of the proposed action are not significant, any alternatives will have only similar or greater environmental impacts. The principal alternative would be to deny the requested amendment. This would not reduce the environmental impacts attributable to the facility.

Alternative Use of Resources

This action does not involve the use of resources not previously considered in the Final Environmental Statement Related to the Operation of the Davis-Besse Nuclear Power Station, Unit Number 1 (NUREG 75/097).

Finding of No Significant Impact

The proposed license amendment has been reviewed against the criteria of 10 CFR 51.30 for an environmental assessment. As discussed above, the proposed amendment does not involve a significant hazards consideration, does not increase the types or amounts of effluents that may be released offsite, and does not increase individual or cumulative occupational radiation exposures. Accordingly, this review concludes that the proposed license amendment, if approved by the Nuclear Regulatory Commission, will have no significant impact on the quality of the human environment, and that no Environmental Impact Statement is required.