

UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION

In the Matter of	)	
	)	
PACIFICORP	)	Docket No. 50-344
	)	
(Trojan Nuclear Plant)	)	

ORDER APPROVING APPLICATION REGARDING PROPOSED MERGER

I.

Portland General Electric is authorized to act as agent for the joint owners of the Trojan Nuclear Plant and has exclusive responsibility and control over the physical construction, operation, maintenance, and decommissioning of the facility as reflected in Facility Operating License No. NPF-1. PacifiCorp, one of the joint owners, holds a 2.5 percent interest in Trojan. The other two owners of Trojan are Portland General Electric with a 67.5 percent interest and the Eugene Water and Electric Board with a 30 percent interest. The Nuclear Regulatory Commission issued Facility Operating License No. NPF-1 on November 21, 1975. The facility is located on the west bank of the Columbia River in Columbia County, Oregon, and is permanently shutdown and being decommissioned.

II.

By an application dated May 24, 1999, PacifiCorp requested approval of an indirect transfer of the license for the Trojan Nuclear Plant, to the extent held by PacifiCorp, in connection with a proposed change in ownership of PacifiCorp. The application was supplemented September 20 and September 23, 1999 (collectively herein referred to as "the application").

PacifiCorp is a diversified energy company headquartered in Portland, Oregon. The requested approval of the indirect transfer relates to a proposed merger under which PacifiCorp would remain a domestic corporation but become an indirect wholly-owned subsidiary of ScottishPower plc, a public limited company incorporated under the laws of Scotland which owns and operates electric generation, transmission, and distribution facilities in Scotland, England, and Wales. ScottishPower plc will become a subsidiary of New ScottishPower plc, a public limited company also incorporated in Scotland, which will register as a public utility holding company. No direct transfer of the license will occur as a result of the proposed merger, as PacificCorp would continue to hold the license to the same extent it now holds the license. The other co-owners of Trojan are not involved in the proposed merger. No changes to decommissioning activities or to the license are being proposed in the application.

Approval of the indirect transfer was requested pursuant to 10 CFR 50.80. Notice of the application for approval and an opportunity for a hearing was published in the FEDERAL REGISTER on August 2, 1999 (64 FR 41972). No hearing requests were filed.

Under 10 CFR 50.80, no license, or any right thereunder, shall be transferred, directly or indirectly, through transfer of control of the license, unless the Commission gives its consent in writing. Upon review of the information in the application, and other information before the Commission, the NRC staff has determined that the proposed merger will not affect the qualifications of PacifiCorp as a holder of Facility Operating License No. NPF-1, and that the indirect transfer of the license, to the extent effected by the proposed merger, is otherwise consistent with applicable provisions of law, regulations, and orders issued by the Commission, subject to the conditions set forth herein. These findings are supported by a safety evaluation dated November 10, 1999.

III.

Accordingly, pursuant to Sections 161b, 161i, 161o, and 184 of the Atomic Energy Act of 1954, as amended, 42 USC §§ 2201(b), 2201(i), 2201(o), and 2234; and 10 CFR 50.80, IT IS HEREBY ORDERED that the application regarding the indirect license transfer referenced above is approved, subject to the following conditions:

1. No later than the time the proposed merger with ScottishPower is consummated, PacifiCorp shall establish and make operational a Special Nuclear Committee, as described in the application, having the composition, authority, responsibilities, and obligations specified in the application. No material changes with respect to the Special Nuclear Committee may be made without the prior written consent of the Director, Office of Nuclear Reactor Regulation. The foregoing provisions may be modified by the Commission upon application and for good cause shown.
2. The Special Nuclear Committee shall have the responsibility and exclusive authority to ensure, and shall ensure, that the business and activities of PacifiCorp with respect to the Trojan license are at all times conducted in a manner consistent with the protection of the public health and safety and common defense and security of the United States.
3. PacifiCorp shall provide the Director, Office of Nuclear Reactor Regulation, with a copy of any application, at the time it is filed, to transfer (excluding grants of security interests or liens) from PacificCorp to its direct or indirect parent, or to any other affiliated company, facilities for the production, transmission, or distribution of electric energy having a depreciated book value exceeding 10

percent of PacifiCorp's consolidated net utility plant, as recorded on PacifiCorp's books of account.

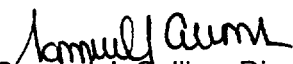
4. Should the proposed merger not be completed by October 30, 2000, this Order shall become null and void, provided, however, upon application and for good cause shown, such date may be extended.

IV.

This Order is effective upon issuance.

For further details with respect to this Order, see the initial application dated May 24, 1999, supplemental submissions dated September 20 and September 23, 1999, and the safety evaluation dated November 10, 1999, which are available for public inspection at the Commission's Public Document Room, the Gelman Building, 2120 L Street NW., Washington DC, and accessible electronically through the ADAMS Public Electronic Reading Room link at the NRC Web site (<http://www.nrc.gov>).

FOR THE NUCLEAR REGULATORY COMMISSION

  
Samuel J. Collins, Director  
Office of Nuclear Reactor Regulation

Dated at Rockville, Maryland,  
this 10th day of November 1999