



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

November 9, 1999

The Honorable Mike Veon
Pennsylvania House of Representatives
Room 428, Main Capitol Building
Harrisburg, PA 17120-2020

Dear Mr. Veon:

I am responding to your letter of September 16, 1999, to Mr. William Beecher, Director of Public Affairs, U.S. Nuclear Regulatory Commission (NRC), in which you requested that the NRC deny the request for the "transfer of ownership interests in certain nuclear generating facilities from Duquesne Light Company to FirstEnergy." We subsequently confirmed with your staff (Mr. D. Myers on October 8, 1999) that you were referring to the Beaver Valley Power Station located in Beaver County, Pennsylvania.

The NRC staff has considered the issues you raised in your letter. Regarding your concern that the proposed reductions in force threatens the safety and the workers at Beaver Valley and the general public, as a general matter, business decisions regarding staffing levels are not specifically subject to the NRC's regulatory oversight. Plant staffing levels are the responsibility of the licensee. However, requirements regarding the shift operating crew, personnel qualification, and organizational structure are specified in the plants' Technical Specifications and Updated Final Safety Analysis Reports. In addition, NRC requirements focus on the need for the licensee to perform maintenance and surveillance in accordance with the conditions of its license. It is the licensee's responsibility to ensure that plant staffing is sufficient to accomplish these functions. Our inspection programs monitor the licensee's compliance with its license conditions in these areas.

As we advised Mr. Myers, by the time your letter was received, the time for filing comments or a request for a hearing on the proposed transfer had already expired. However, similar issues were raised by the International Brotherhood of Electrical Workers, Local 29, in petitions it filed before the NRC. The Commission issued Orders and Memoranda, dated July 23 and September 24, 1999, regarding Local 29's petitions, which directed the NRC staff to consider Local 29's concerns as comments in the staff's evaluation of the transfers. The staff concluded that there is no safety concern associated with the transfer of ownership of Beaver Valley from Duquesne Light Company to Pennsylvania Power Company, or transfer of operating authority of Beaver Valley from Duquesne Light Company to FirstEnergy.

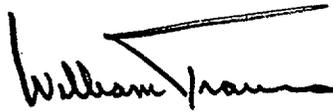
As with any license, FirstEnergy will be required to meet all NRC requirements with respect to ensuring safe operation of the facility and will be subject to any appropriate NRC remedies in this regard. The existing requirements will be unchanged in connection with the proposed license transfers and conforming amendments. These include requirements pertaining to shift operating crews, personnel qualification, organizational structure, as well as the operation and maintenance of equipment important to safety. FirstEnergy is currently the licensed operator for

both the Perry and the Davis-Besse nuclear power plants and has adequately demonstrated its ability to safely manage, operate, and maintain nuclear power plants. Moreover, the NRC will be engaged in ongoing and routine inspection activities at Beaver Valley to ensure that units 1 and 2 continue to be operated and maintained safely in accordance with the existing license requirements.

Regarding your concern that FirstEnergy's posed reduction in staffing violates the collective bargaining agreement with the workers at the plant and the terms of a Pennsylvania Public Utility Commission Order, the NRC does not have regulatory authority to enforce collective bargaining agreements or state public utility commission orders. These issues should be raised with the National Labor Relations Board and the Pennsylvania Public Utility Commission directly.

We appreciate your comments and hope this letter is responsive to your concerns and those of your constituents. A copy of the NRC staff's safety evaluation for the proposed transfer of Beaver Valley ownership and operating authority is enclosed. If you have any further questions regarding this matter, please contact me.

Sincerely,

A handwritten signature in black ink that reads "William D. Travers". The signature is written in a cursive style with a long horizontal stroke extending to the right.

William D. Travers
Executive Director
for Operations

Enclosure: Safety Evaluation

cc w/encl: Representative Nick Colafella
Representative Susan Laughlin
Representative Victor Lescovitz



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November 9, 1999

The Honorable Bea Schulte, Chairman
Beaver County Commissioner
810 Third Street
Beaver, PA 15009-2193

Dear Ms. Schulte:

I am responding to your letter of September 16, 1999, to Mr. William Beecher, Director of Public Affairs, U.S. Nuclear Regulatory Commission (NRC), in which you requested that the NRC deny the request for the "transfer of ownership interests in certain nuclear generating facilities from Duquesne Light Company to FirstEnergy." We subsequently confirmed with Mr. Veon's staff (Mr. D. Myers on October 8, 1999) that you were referring to the Beaver Valley Power Station located in Beaver County, Pennsylvania.

The NRC staff has considered the issues you raised in your letter. Regarding your concern that the proposed reductions in force threatens the safety and the workers at Beaver Valley and the general public, as a general matter, business decisions regarding staffing levels are not specifically subject to the NRC's regulatory oversight. Plant staffing levels are the responsibility of the licensee. However, requirements regarding the shift operating crew, personnel qualification, and organizational structure are specified in the plants' Technical Specifications and Updated Final Safety Analysis Reports. In addition, NRC requirements focus on the need for the licensee to perform maintenance and surveillance in accordance with the conditions of its license. It is the licensee's responsibility to ensure that plant staffing is sufficient to accomplish these functions. Our inspection programs monitor the licensee's compliance with its license conditions in these areas.

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William D. Travers
Executive Director
for Operations

Enclosure: Safety Evaluation

cc w/encl: Commissioner Dan Donatella
Commissioner Nancy Loxley