

August 21, 2000

Mr. James A. Hutton
Director-Licensing
PECO Energy Company
Nuclear Group Headquarters
Correspondence Control Desk
P.O. Box 160
Kennett Square, PA 19348

SUBJECT: PEACH BOTTOM ATOMIC POWER STATION, UNIT NOS. 2 AND 3 - ISSUANCE OF CONFORMING AMENDMENT RE: TRANSFER OF LICENSES FOR PEACH BOTTOM ATOMIC POWER STATION, UNITS 2 AND 3, TO THE EXTENT HELD BY PUBLIC SERVICE ELECTRIC AND GAS COMPANY, TO PSEG NUCLEAR LIMITED LIABILITY COMPANY (TAC NOS. MA9772 AND MA9773)

Dear Mr. Hutton:

By Order dated February 16, 2000, the U.S. Nuclear Regulatory Commission (NRC) approved the transfer of the license for the Peach Bottom Atomic Power Station (PBAPS), Units 2 and 3, to the extent held by Public Service Electric and Gas Company (PSE&G), to PSEG Nuclear Limited Liability Company (PSEG Nuclear) and approved the conforming amendment pursuant to Sections 50.80 and 50.90 of Title 10 of the *Code of Federal Regulations*. The Order was published in the *Federal Register* on February 23, 2000 (65 FR 8999).

By letter dated August 11, 2000, PSE&G notified the NRC that the closing of the license transfer is anticipated to occur on August 21, 2000, and that all regulatory approvals have been obtained to the extent necessary to proceed. In addition, on August 18, 2000, PSE&G provided documentary evidence that PSEG Nuclear obtained the appropriate amount of insurance required of licensees under 10 CFR Part 140 of the Commission's regulations.

Accordingly, the Commission has issued the enclosed Amendment Nos. 234 and 238 to Facility Operating License Nos. DPR-44 and DPR-56 for PBAPS, Units 2 and 3. The conforming amendments reflect the transfer of PSE&G's ownership of PBAPS, Units 2 and 3, to PSEG Nuclear. The safety evaluation supporting the conforming amendment was enclosed with the Order issued on February 16, 2000.

Enclosure 3 contains six copies of Indemnity Agreement No. B-74 Amendment No. 16, which is required in connection with the transfer of the licence. Please keep five copies for your records and sign and return the other copy.

J. Hutton

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Notice of Issuance will be included in the Commission's biweekly *Federal Register* notice.

Sincerely,

/RA by Bartholomew C. Buckley for/

John Boska, Project Manager, Section 2
Project Directorate I
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket Nos. 50-277 and 50-278

Enclosures: 1. Amendment No. 234 to
License No. DPR-44
2. Amendment No. 238 to
License No. DPR-56
3. Indemnity Agreement

cc w/encls: See next page

Peach Bottom Atomic Power Station,
Units 2 and 3

cc:

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Sr. V.P. & General Counsel
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PECO Energy Company
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Manager-Financial Control & Co-Owner
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Kennett Square, PA 19348

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cc w/encls: See next page

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DATE	8/21/00	8/21/00	8/21/00	8/21/00

OFFICIAL RECORD COPY

PECO ENERGY COMPANY

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

DELMARVA POWER AND LIGHT COMPANY

ATLANTIC CITY ELECTRIC COMPANY

DOCKET NO. 50-277

PEACH BOTTOM ATOMIC POWER STATION, UNIT NO. 2

AMENDMENT TO FACILITY OPERATING LICENSE

Amendment No. 234
License No. DPR-44

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for amendment filed by PECO Energy Company, et al. (the licensee) dated July 1, 1999, as supplemented August 11 and September 1, 1999, 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;
 - B. The facility will operate in conformity with the application, the provisions of the Act, and the rules and regulations of the Commission;
 - C. There is reasonable assurance: (i) that the activities authorized by this amendment can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the Commission's regulations set forth in 10 CFR Chapter I;
 - D. The issuance of this amendment will not be inimical to the common defense and security or to the health and safety of the public; and
 - E. The issuance of this amendment is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied.
2. Accordingly, the license is amended to reflect the transfer of Public Service Electric and Gas Company's (PSE&G's) non-operating ownership interests in Facility Operating License No. DPR-44 for Peach Bottom Atomic Station, Unit 2, to PSEG Nuclear LLC.

3. This license amendment is effective as of its date of issuance and shall be implemented within 30 days of issuance.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

Samuel J. Collins, Director
Office of Nuclear Reactor Regulation

Attachment: Changes to License DPR-44

Date of Issuance: August 21, 2000

ATTACHMENT TO LICENSE AMENDMENT NO. 234

FACILITY OPERATING LICENSE NO. DPR-44

DOCKET NO. 50-277

Replace the following pages of the Facility Operating License with the attached revised pages. The revised pages are identified by amendment number and contain marginal lines indicating the areas of change.

Remove Pages

1
2
4
5

Insert Pages

1
2
4
5
6

PECO ENERGY COMPANY

PUBLIC SERVICE ELECTRIC AND GAS COMPANY

DELMARVA POWER AND LIGHT COMPANY

ATLANTIC CITY ELECTRIC COMPANY

DOCKET NO. 50-278

PEACH BOTTOM ATOMIC POWER STATION, UNIT NO. 3

AMENDMENT TO FACILITY OPERATING LICENSE

Amendment No. 238
License No. DPR-56

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application for amendment filed by PECO Energy Company, et al. (the licensee) dated July 1, 1999, as supplemented August 11 and September 1, 1999, 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;
 - B. The facility will operate in conformity with the application, the provisions of the Act, and the rules and regulations of the Commission;
 - C. There is reasonable assurance: (i) that the activities authorized by this amendment can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the Commission's regulations set forth in 10 CFR Chapter I;
 - D. The issuance of this amendment will not be inimical to the common defense and security or to the health and safety of the public; and
 - E. The issuance of this amendment is in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied.
2. Accordingly, the license is amended to reflect the transfer of Public Service Electric and Gas Company's (PSE&G's) non-operating ownership interests in Facility Operating License No. DPR-56 for Peach Bottom Atomic Station, Unit 3, to PSEG Nuclear LLC.

3. This license amendment is effective as of its date of issuance and shall be implemented within 30 days of issuance.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

Samuel J. Collins, Director
Office of Nuclear Reactor Regulation

Attachment: Changes to License DPR-56

Date of Issuance: August 21, 2000

ATTACHMENT TO LICENSE AMENDMENT NO. 238

FACILITY OPERATING LICENSE NO. DPR-56

DOCKET NO. 50-278

Replace the following pages of the Facility Operating License with the attached revised pages. The revised pages are identified by amendment number and contain marginal lines indicating the areas of change.

Remove Pages

1
2
3a
4
5

Insert Pages

1
2

4
5
6