

March 15, 2001

Mr. Robert G. Byram
Senior Vice President
and Chief Nuclear Officer
PPL Susquehanna, LLC
2 North Ninth Street
Allentown, PA 18101

SUBJECT: SUSQUEHANNA STEAM ELECTRIC STATION, UNITS 1 AND 2 - RESPONSE
TO REQUEST FOR 10 CFR 50.80 THRESHOLD REVIEW REGARDING
ADDITION OF INDIRECT PARENT COMPANY (TAC NOS. MB1372 AND
MB1373)

Dear Mr. Byram:

By letter dated March 6, 2001, you notified the Nuclear Regulatory Commission (NRC) of a proposed change in the corporate structure of PPL Corporation, the ultimate parent company of PPL Susquehanna, LLC. The proposed change would result in the addition of PPL Energy Supply, LLC, as an intermediary, indirect parent company of PPL Susquehanna, LLC. You requested an expedited threshold review regarding whether NRC's consent pursuant to Title 10 of the *Code of Federal Regulations* (10 CFR) Section 50.80 is required prior to completion of this change.

The NRC staff has determined that the proposed change in the corporate structure of PPL Corporation described in your March 6, 2001, letter will require NRC consent pursuant to 10 CFR 50.80 prior to implementation. In order to complete our review of the proposed change, the staff requires submittal of a complete 10 CFR 50.80 application, including submittal of the request under Oath or Affirmation. Your application should clearly address whether the formation of the new company affects in any way the technical or financial qualifications reviews previously performed regarding the transfer of licenses to PPL Susquehanna, LLC. The application should also provide additional information regarding the proposed new corporate structure, including discussion of any impact the new company will have on the management of PPL Susquehanna, LLC.

The NRC's schedule for completing review of license transfer applications is approximately 6 months. While the change proposed in your March 6, 2001, letter may not present a degree of complexity comparable to other direct and indirect transfers, the impact on other license transfer requests already pending before the NRC must be considered in assigning staff resources to a license transfer application. The extent to which the staff can expedite its

R. Byram

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review depends, in part, on the number of previously submitted applications under staff review, and the complexity, quality and completeness of your application. This information should be considered in your planning regarding proposed corporate structural changes.

Should you have any questions regarding this letter, please contact me at (301) 415-1312.

Sincerely,

/RA/

Robert G. Schaaf, Project Manager, Section 1
Project Directorate I
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

Docket Nos. 50-387 and 50-388

cc: See next page

Susquehanna Steam Electric Station,
Units 1 & 2

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