

September 6, 2007

Mr. David W. Turner, Manager  
Vallecitos Nuclear Center  
General Electric Company  
6705 Vallecitos Road  
Sunol, CA 94586

Mr. Harold Neems  
General Counsel and Secretary  
GE-Hitachi Nuclear Energy Americas, LLC  
P. O. Box 780 M/C A-11  
Wilimington, NC 28401

SUBJECT: ORDER APPROVING TRANSFER OF LICENSES AND CONFORMING  
AMENDMENTS RELATING TO THE VALLECITOS BOILING WATER  
REACTOR, THE GENERAL ELECTRIC TEST REACTOR, THE NUCLEAR  
TEST REACTOR, AND THE ESADA VALLECITOS EXPERIMENTAL  
SUPERHEAT REACTOR (TAC NO. MD4115)

Dear Messrs. Turner and Neems:

In a letter to the U.S. Nuclear Regulatory Commission (NRC) dated January 19, 2007, the General Electric Company (GE) submitted an application requesting that the NRC approve, pursuant to 10 CFR 50.80, the direct transfer of GE's 100 percent interest in License No. DPR-1 for the Vallecitos Boiling Water Reactor, License No. TR-1 for the General Electric Test Reactor, License No. R-33 for the Nuclear Test Reactor, and License No. DR-10 for the ESADA Vallecitos Experimental Superheat Reactor (all hereinafter referred to as "the licenses") to GE-Hitachi Nuclear Energy Americas, LLC (GE-Hitachi). The application also requested approval of the conforming amendments to the licenses pursuant to 10 CFR 50.90, "Application for Amendment of License or Construction Permit." The "Notice of Consideration of Approval of Transfer of Facility Licenses and Conforming Amendments, and Opportunity for a Hearing" was published in the *Federal Register* (FR) (72 FR 14621-14622) on March 28, 2007. (The application also requested transfer of one Independent Spent Fuel Storage Installation license under 10 CFR Part 72 and materials licenses under 10 CFR Part 70, which the NRC will address separately.)

The NRC staff has completed its review of the application as supplemented, and has issued the Order approving the direct transfers subject to the conditions in the Order, and approving the conforming amendments. The Order is enclosed as Enclosure 1. The conforming amendments are enclosed as Enclosure 2, and will be issued and made effective at the time the transfers are consummated in accordance with the Order. The non-proprietary version of the NRC staff's safety evaluation (SE) related to the preceding actions is also enclosed as Enclosure 3. The conforming amendments and the non-proprietary version of the SE will be placed in the NRC public document room and added to the Agencywide Documents Access

When Enclosure 4 is removed this letter and other enclosures are not Proprietary Information.

D. Turner and H. Neems

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and Management System's Publicly Available Records System Library. Also enclosed to this letter as Enclosure 4 is the proprietary version of the SE, which will be withheld from public disclosure in accordance with 10 CFR 2.390.

The Order has been forwarded to the Office of Federal Register for publication.

The Order requires that GE inform the Directors of the Office of Nuclear Reactor Regulation and the Office of Federal and State Materials and Environmental Management Programs in writing of the date of closing of the transfer of the interests in the licenses at least (five) 5 business days prior to transfer to GE-Hitachi. The Order requires satisfactory documentary evidence of a Parent Company guarantee or other authorized method for all decommissioning costs regarding the subject licenses, and proof of appropriate insurance coverage under the Price-Anderson Act.

If you have any further questions, please contact me at 301-415-1128 or by e-mail at [mmm@nrc.gov](mailto:mmm@nrc.gov).

Sincerely,

/RA/

Marvin M. Mendonca, Senior Project Manager  
Research and Test Reactors Branch B  
Division of Policy and Rulemaking  
Office of Nuclear Reactor Regulation

Docket Nos.: 50-18  
50-70  
50-73  
50-183

Enclosures as stated:

1. Order Approving the Transfer of Licenses and Conforming Amendments
2. Conforming Amendments to Facility Licenses Nos. DPR-1, TR-1, R-33, and DR-10
- 3: Safety Evaluation (Non-Proprietary)
4. Safety Evaluation (Proprietary)

cc w/o Enclosure 4: See next page

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General Electric Company

Docket No. 50-18, 50-70, 50-73 and 50-183

cc:

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The Order has been forwarded to the Office of Federal Register for publication.

The Order requires that GE inform the Directors of the Office of Nuclear Reactor Regulation and the Office of Federal and State Materials and Environmental Management Programs in writing of the date of closing of the transfer of the interests in the licenses at least (five) 5 business days prior to transfer to GE-Hitachi. The Order requires satisfactory documentary evidence of a Parent Company guarantee or other authorized method for all decommissioning costs regarding the licenses, and proof of appropriate insurance coverage under the Price-Anderson Act.

If you have any further questions, please contact me at 301-415-1128 or by e-mail at mmm@nrc.gov.

Sincerely,

/RA/

Marvin M. Mendonca, Senior Project Manager  
Research and Test Reactors Branch B  
Division of Policy and Rulemaking  
Office of Nuclear Reactor Regulation

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cc w/o enclosure 4: please see next page

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\*see previous concurrence \*\*includes review of Commission Plan \*\*\*via email \*\*\*\*via telecon

**ADAMS Accession Nos.: Package: ML071500598 Letter: ML071450156**

**Enclosure 1: ML071450174 Enclosure 2: ML071500618 Enclosure 3: ML071500624**

**Enclosure 4: ML071450166**

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