

Peter P. Sena III
President and Chief Operating Officer

July 10, 2012
L-12-233

10 CFR 50.81

ATTN: Document Control Desk
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

SUBJECT:
Beaver Valley Power Station Unit No. 2
Docket No. 50-412, License No. NPF-73
Notice Regarding Acquisition of Leased Interests by
FirstEnergy Nuclear Generation Corp.

The FirstEnergy Nuclear Operating Company (FENOC), acting as the agent for and on behalf of FirstEnergy Nuclear Generation Corp. (FENGenCo) and Ohio Edison Company (OE) [two of Beaver Valley Power Station Unit No. 2 (BVPS-2) licensees], hereby notifies the Nuclear Regulatory Commission (NRC) of a planned acquisition by FENGenCo of certain owner participant interests in BVPS-2 that are held pursuant to various sale and leaseback arrangements previously approved by the NRC. Under the NRC-authorized arrangements, these interests are currently owned by certain investors as owner participants and leased to OE, which is a licensee for BVPS-2. FENGenCo will increase its stake in the owner participant interests. Though FENGenCo will continue to be a lessor under the existing lease agreements, OE will continue to lease the plant and will remain as the licensee for the affected leased interests in BVPS-2.

Pursuant to License Condition 2.B.(7)(a) of the BVPS-2 license, OE was authorized in 1987 to transfer ownership interests in BVPS-2 to investors pursuant to sale and leaseback transactions and subject to the requirements of 10 CFR 50.81. OE currently retains a 21.66 percent licensed interest in BVPS-2, pursuant to sale-leaseback arrangements, whereby these interests are owned by various investor owner participants, including FENGenCo, and leased to OE. FENGenCo is also a licensed owner of a 60.08 percent interest in BVPS-2.

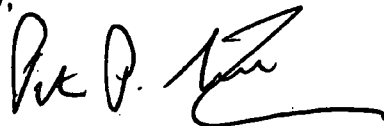
License Condition 2.B.(7)(b) of the BVPS-2 license requires the licensees "to notify the NRC in writing prior to any change in: (i) the term or conditions of any lease agreements." This letter serves as the NRC notification of a change in the lease agreements.

Over the next several weeks, FENGenCo plans to acquire an additional owner participant interest in BVPS-2 from Mission Funding Alpha, a California corporation. FENGenCo will assume this ownership interest subject to the terms and conditions of the lease agreement with the current third party owner participant, and the FENGenCo-owned owner participant interests will continue to be held in trust along with the other third party owner participant interests and leased to OE.

As such, OE will continue to exercise control of and retain responsibility for its 21.66 percent leased interests in BVPS-2. It is anticipated that the lease agreements will terminate at the end of the current lease terms. The lease agreements provide that OE retains various rights vis-à-vis the owner participants at the end of the term of each lease, and OE might regain ownership of the leased interests. However, also among the potential outcomes would be that one or more of the owner participants could assume control over the leased interests. As required for any of the owner participants in such a case, the owner participant would seek and obtain the prior written consent of the NRC in accordance with 10 CFR 50.80, prior to exercising any control over the leased interests that it plans to hold.

There are no regulatory commitments contained in this letter. If there are any questions or if additional information is required, please contact Mr. Phil H. Lashley, Supervisor - Fleet Licensing, at (330) 315-6808.

Sincerely,

A handwritten signature in black ink, appearing to read 'Peter P. Sena III', with a stylized flourish at the end.

Peter P. Sena III

cc: NRC Director, Office of Nuclear Reactor Regulation
NRC Region I Administrator
NRC Project Manager - Beaver Valley Power Station
NRC Resident Inspector - Beaver Valley Power Station
Director BRP/DEP
Site Representative BRP/DEP