

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

In the Matter of)	
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FIRSTENERGY NUCLEAR OPERATING COMPANY)	Docket No. 50-440
)	
FIRSTENERGY NUCLEAR GENERATION, LLC)	License No. NPF-58
)	
OHIO EDISON COMPANY)	
)	
Perry Nuclear Power Plant, Unit 1)	

ORDER APPROVING DIRECT TRANSFER OF LICENSE AND APPROVING
CONFORMING AMENDMENT

I.

FirstEnergy Nuclear Operating Company (FENOC), FirstEnergy Nuclear Generation, LLC (FENGen), and the Ohio Edison Company (OE) are the licensees of Perry Nuclear Power Plant, Unit 1 (PNPP). FENOC acts as agent for itself and the other licensees and has exclusive responsibility for and control over the physical construction, operation, and maintenance of PNPP, Unit 1, as reflected in Facility Operating License NPF-58. The facility is located on the shore of Lake Erie in Lake County, Ohio.

II.

By application dated June 30, 2015 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML15181A366), as supplemented by letter dated January 18, 2016 (ADAMS Accession No. ML16018A003), FENOC, acting as agent for and on behalf of FENGen and OE, pursuant to Title 10 of the *Code of Federal Regulations* (10 CFR)

50.80, "Transfer of licenses," requested that the U.S. Nuclear Regulatory Commission (NRC) consent to the direct transfer of leased interests in Facility Operating License No. NPF-58 from OE to FENGen. The application is in connection with the expiration of OE's lease of 12.58-percent interest in PNPP, which expires at midnight on May 30, 2016, and the related transfer of the leased interests to FENGen.

Supplemental information was provided by letter dated January 18, 2016 (hereinafter, the June 30, 2015, application and the January 18, 2016, supplemental information will be referred to collectively as the "application"). FENOC also requested approval of a conforming license amendment that would delete references to OE in the license to reflect the transfer of the leased interest. No physical changes to the facilities or operational changes were proposed in the application. After completion of the proposed transfer, FENGen and FENOC will be the owner and operator, respectively, of the facility.

Approval of the transfer of the facility operating license and conforming license amendment was requested by the applicant pursuant to 10 CFR 50.80 and 10 CFR 50.90, "Application for amendment of license, construction permit, or early site permit." A notice entitled "Consideration of Approval of Transfer of License and Conforming Amendment," was published in the *Federal Register* on September 16, 2015 (80 FR 55656), as corrected on September 29, 2015 (80 FR 58508). No comments or hearing requests were received.

Under 10 CFR 50.80, no license, or any right thereunder, shall be transferred, directly or indirectly, through transfer of control of the license, unless the NRC shall give its consent in writing. Upon review of the information in the licensee's application, and other information before the Commission, the NRC staff has determined that FENGen is qualified to hold the ownership interests in the facility previously held by OE, and FENOC is qualified to hold the operating authority under the license, and that the transfer of ownership interests in the facility to FENGen, as described in the application, is otherwise consistent with applicable provisions of law, regulations, and orders issued by the NRC, pursuant thereto, subject to the condition set

forth below. The NRC staff has further found that the application for the proposed license amendment 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; the facility will operate in conformity with the application, the provisions of the Act, and the rules and regulations of the Commission; there is reasonable assurance that the activities authorized by the proposed license amendment can be conducted without endangering the health and safety of the public and that such activities will be conducted in compliance with the Commission's regulations; the issuance of the proposed license amendment will not be inimical to the common defense and security or to the health and safety of the public; and the issuance of the proposed amendment will be in accordance with 10 CFR Part 51 of the Commission's regulations and all applicable requirements have been satisfied. The findings set forth above are supported by an NRC safety evaluation dated April 15, 2016.

III.

Accordingly, pursuant to Sections 161b, 161i, 161o, and 184 of the Act; 42 U.S.C. Sections 2201(b), 2201(i), 2201(o), and 2234; and 10 CFR 50.80, IT IS HEREBY ORDERED that the application regarding the proposed direct transfer of the license is approved, subject to the following condition:

FirstEnergy Nuclear Operating Company and FirstEnergy Nuclear Generation, LLC, shall provide satisfactory documentary evidence to the Director of the Office of Nuclear Reactor Regulation, that as of the date of license transfer, the licensees reflected in the amended license have obtained the appropriate amount of insurance required by 10 CFR Part 140 and 10 CFR 50.54(w).

IT IS FURTHER ORDERED that, consistent with 10 CFR 2.1315(b), the license amendment that makes changes, as indicated in Enclosure 3 to the cover letter forwarding

this order, to reflect the subject direct license transfer is approved. The amendment shall be issued and made effective at the time the proposed direct license transfer action is completed.

IT IS FURTHER ORDERED that, after receipt of all required regulatory approvals of the proposed direct transfer action, FENOC shall inform the Director of the Office of Nuclear Reactor Regulation in writing of such receipt no later than 1 business day prior to the date of the closing of the direct transfer. Should the proposed transfer of the license not be completed within 1 year of this order's date of issue, this order shall become null and void, provided, however, upon written application and good cause shown, such date may be extended by order.

This order is effective upon issuance.

For further details with respect to this order, see the initial application dated June 30, 2015, as supplemented by letter dated January 18, 2016, and the safety evaluation dated the same date as this order (ADAMS Accession No. ML16078A092), which are available for public inspection at the Commission's Public Document Room (PDR), located at One White Flint North, 11555 Rockville Pike, Room O-1 F21 (first floor), Rockville, Maryland. Publicly available documents created or received at the NRC are accessible electronically through ADAMS in the NRC Library at <http://www.nrc.gov/reading-rm/adams.html>. Persons who do not have access to ADAMS or who encounter problems in accessing the documents located in ADAMS should contact the NRC PDR Reference staff by telephone at 1-800-397-4209, 301-415-4737, or by e-mail at pdr.resource@nrc.gov.

Dated at Rockville, Maryland, this 15th day of April 2016.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

William M. Dean, Director
Office of Nuclear Reactor Regulation