

**NORTHEAST UTILITIES**

THE CONNECTICUT LIGHT AND POWER COMPANY  
WESTERN MASSACHUSETTS ELECTRIC COMPANY  
HOLYOKE WATER POWER COMPANY  
NORTHEAST UTILITIES SERVICE COMPANY  
NORTHEAST NUCLEAR ENERGY COMPANY

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June 11, 1991

Docket No. 50-423

B13851

Re: 56 FR 22024

Mr. Martin J. Virgilio, Chief  
Policy Development and  
Technical Support Branch  
U.S. Nuclear Regulatory Commission  
Mail Stop 12 E4  
Washington, DC 20555

- References:
1. E. J. Mroczka letter to the U.S. Nuclear Regulatory Commission, "Change in Control of Public Service Company of New Hampshire's Ownership Interest," dated January 23, 1991.
  2. E. J. Mroczka letter to the U.S. Nuclear Regulatory Commission, "License Amendment Request--Change in Control of Public Service Company of New Hampshire's Ownership Interest," March 21, 1991.
  3. Northeast Nuclear Energy Company, Docket No. 50-423; Notice of Consideration of Issuance of Amendment to Facility Operating License, Proposed No Significant Hazards Consideration and Opportunity for a Hearing and Opportunity for Public Comment on Antitrust Issues (56 FR 22024), May 13, 1991.

Dear Mr. Virgilio:

Millstone Nuclear Power Station, Unit No. 3  
Change in Control of Public Service Company  
of New Hampshire's Ownership Interest (TAC No. 79715)

In a letter dated January 23, 1991 (Reference 1), pursuant to 10CFR50.80, Northeast Nuclear Energy Company (NNECO) requested the consent of the U.S. Nuclear Regulatory Commission (NRC) to the acquisition of control by Northeast Utilities (NU) of 2.875 percent undivided ownership interest of Public Service Company of New Hampshire (PSNH) in Millstone Unit No. 3. Subsequently, in a letter dated March 21, 1991 (Reference 2), NNECO proposed to amend Operating License NPF-49 to reflect the fact that PSNH will be a wholly owned subsidiary of NU as of the merger date. On May 13, 1991, the NRC published a notice in the Federal Register (Reference 3) providing the Staff's proposed finding that the amendment involves no significant hazards consideration, and the notice invited views regarding antitrust issues, if any, believed to be raised by the proposed amendment.

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NNECO hereby respectfully submits its comments in response to the above-referenced notice.

The first sentence of the second paragraph of the notice states that "[t]he proposed amendment would change Facility Operating License NPF-49, and authorize the transfer of Public Service Company of New Hampshire's (PSNH's) 2.875 percent ownership in Millstone Unit 3 to a newly formed and wholly owned subsidiary of Northeast Utilities (NU) as of the merger date."

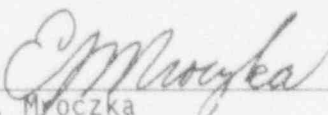
As noted in our application of March 21, 1991, PSNH's 2.875 percent interest in Millstone Unit No. 3 will not technically be transferred as a result of the merger because PSNH, the surviving entity in the merger, will continue to hold this interest after the merger date.

Thus, a more accurate description of the proposed action would be that a transfer of control of PSNH's 2.875 percent ownership in Millstone Unit No. 3 will be effected through the merger of PSNH with a wholly owned subsidiary of NU, with PSNH emerging as the surviving entity from the merger as a wholly owned subsidiary of NU. The distinction is that control of the 2.875 percent interest in Millstone Unit No. 3 will undergo a change by PSNH becoming a wholly owned subsidiary of NU, but there is technically no transfer of the interest itself in that PSNH continues to hold the 2.875 percent interest in Millstone Unit No. 3 following the merger.

If additional information is needed or if you have any questions in this regard, please feel free to contact our licensing staff directly.

Very truly yours,

NORTHEAST NUCLEAR ENERGY COMPANY

  
E. J. Mroczka  
Senior Vice President

cc: T. T. Martin, Region I Administrator  
D. H. Jaffe, NRC Project Manager, Millstone Unit Nos. 1 and 3  
W. J. Raymond, Senior Resident Inspector, Millstone Unit Nos. 1, 2, and 3

U.S. Nuclear Regulatory Commission  
Attention: Document Control Desk  
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