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10CFR50.90

10CFR50.4

October 23, 1995

Document Control Desk  
U.S. NUCLEAR REGULATORY COMMISSION  
Mail Station P1-137  
Washington, DC 20555

Gentlemen:

DOCKET 30-11549  
DOCKETS 50-266 AND 50-301  
LICENSE AMENDMENT REQUEST  
CHANGE IN LICENSEE NAME TO WISCONSIN ENERGY COMPANY

Wisconsin Electric Power Company, licensee for the Point Beach Nuclear Plant, hereby requests amendments to Facility Operating Licenses DPR-24 and DPR-27 for Units 1 and 2 respectively. This request is submitted in accordance with the provisions of 10CFR50.90.

The amendments are requested in support of the pending merger between Northern States Power Company (NSP) and Wisconsin Energy Corporation, the parent holding company of Wisconsin Electric Power Company (WEPCo).<sup>1</sup> Following the merger, NSP will become a wholly owned subsidiary of Wisconsin Energy Corporation, which will be renamed Primergy Corporation. WEPCo will remain a wholly owned subsidiary of Wisconsin Energy Corporation (renamed Primergy). Northern States Power Company-Wisconsin, a combination electric and gas public utility, presently a wholly owned subsidiary of NSP, will be merged into WEPCo. As a result, WEPCo's non-nuclear utility assets will increase. WEPCo will be renamed Wisconsin

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<sup>1</sup> Wisconsin Energy Corporation owns all outstanding shares of WEPCo common stock, approximately 33 million shares, reflecting an equity interest of about \$1.4 billion. There is, however, a small amount of WEPCo preferred stock outstanding, in public ownership, comprised of 300,000 shares, with a par value of \$30 million.

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*A subsidiary of Wisconsin Energy Corporation*

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Energy Company and remain the licensee for PBNP, Units 1 and 2. Wisconsin Energy Company will continue to own existing WEPCo facilities and be responsible for activities conducted under the existing Byproduct Materials License. This merger transaction is summarized in the slides provided as Attachment B to this letter and is described in detail in the stockholder proxy provided to the Commission by letter dated September 13, 1995.

We have reviewed the requirements of Section 184 of the Atomic Energy Act, 10 CFR 50.80 and 10 CFR 30.34(b) in relation to whether the proposed merger effects a direct or indirect transfer of control of the Point Beach Nuclear Plant operating licenses and WEPCo byproducts materials license. We have concluded that no direct or indirect transfer of control of the licenses will occur.

Section 184 of the Atomic Energy Act prohibits the "transfer of control to any person" without the consent of the Commission, 42 U.S.C. § 2234 (emphasis added). With respect to a corporate licensee, "control" is "the power to determine corporate policy and thus the direction of the activities under the license." Safety Light Corporation (Bloomsberg Site Decontamination), ALAB-931, 31 NRC 350, 367 (1990). As stated by the Commission in a slightly different context, "the words 'owned, controlled or dominated' refer to relationships where the will of one party is subjugated to the will of another ...." General Electric Company and Southwest Atomic Energy Association, 3 AEC 99, 101 (1966). "Person" is defined by the Atomic Energy act to mean "any individual, corporation, partnership, firm, association, trust, estate, public or private institution, group, and various governmental entities, 42 USC § 2014(s).

Since both before and after the merger, WEPCo will be wholly owned by Wisconsin Energy Corporation, there is no transfer of control.

The merger does result in certain changes to Wisconsin Energy Corporation, but these changes do not rise to a "transfer of control" to a new "person" within the meaning of the Atomic Energy Act. Wisconsin Energy Corporation is currently owned by a desegregated group of common stockholders and has about 110 million shares of common stock outstanding. At the time of the merger, Northern States Power common stock will be converted into Primergy Corporation common stock at a ratio of 1.626 shares of Primergy common stock for each share of NSP common stock. The former NSP stockholders will be added to the existing Primergy stockholders such that they will own about 50 percent of the outstanding common stock, with the other 50 percent remaining with the pre-merger group of Wisconsin Energy Corporation stockholders.

Since NSP is owned by a desegregated group of common stockholders, the addition of the former NSP stockholders will not change the diverse nature of the Primergy stockholder group. In principle, the addition of the former NSP stockholders is similar to what could occur presently if Wisconsin Energy Corporation issued additional common stock. There should be no unusual concentration of common stock ownership, thus no transfer of control to a new "person" as defined by the Atomic Energy Act.

The Wisconsin Energy Corporation Board of Directors is comprised of eight positions. The Bylaws give the Board the authority to change the number of directors. At the time of the merger, the Primergy Board will be increased to 12 positions, with 6 designated by NSP and 6 designated, prior to the merger, by Wisconsin Energy Corporation. Both prior to and following the merger, Wisconsin Energy Corporation (renamed Primergy) will be incorporated in Wisconsin and under the provisions of Wisconsin corporation law, directors have a fiduciary duty to the shareholders. Consequently, increasing the number of directors, all of whom have a duty to the shareholders, will not result in a transfer of control.

To summarize; Wisconsin Energy Company (formerly WEPCo) will remain a Wisconsin public utility, will continue to own and be responsible for operating the Point Beach Nuclear Plant, and will experience an increase in non-nuclear utility assets as a result of the proposed merger. Primergy (formerly WEC) will gain an additional group of diverse shareholders and expand its Board of Directors by four positions. Neither of these events will transfer control of Primergy.

By letter dated September 13, 1995, we provided to staff a copy of the Wisconsin Energy Corporation stockholder proxy which contains the merger agreement between NSP and Wisconsin Energy Corporation. Attachment B contains a pictorial summary of the merger transaction. We also provided with that letter a copy of the joint filing on the proposed merger to the Federal Energy Regulatory Commission. These documents support our previously stated conclusion that no transfer of control of the PBNP licenses occurs and that the reviews and approvals required by 10CFR50.80 and 10CFR30.34(b) do not apply to Wisconsin Electric Power Company in relation to this merger.

Attachment A contains the description of proposed changes to the PBNP licenses to reflect the name change to from Wisconsin Electric Power Company to Wisconsin Energy Company as well as miscellaneous administrative changes. A safety evaluation, no significant

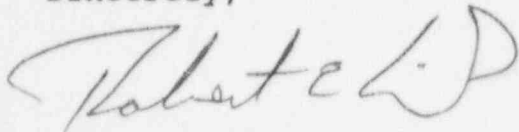
hazards determination and copies of the Point Beach licenses, including Technical Specifications pages, with the proposed changes indicated are also included.

We request that the proposed amendments be reviewed and approved no later than June 1, 1996, and be made effective on the effective date of the pending merger. This date has yet to be determined and

will occur following receipt of all regulatory approvals. We will keep the Commission staff informed of progress toward approval and the planned date of the merger.

Please contact us if you require further information related to this request.

Sincerely,



Robert E. Link  
Vice President  
Nuclear Power


TGM

cc: NRC Regional Administrator  
NRC Resident Inspector  
NRC Materials Licensing Section, RIII  
Public Service Commission of Wisconsin

Attachments: A - License Amendment Request, Facility Operating  
Licenses DPR-24 and DPR-27.

B - Summary of Merger Transaction

Subscribed to and sworn to before me  
this 23<sup>rd</sup> day of October, 1995.

  
Jacqueline Gouchi  
Notary Public, State of Wisconsin  
My commission expires 10-27-96.

## Attachment A

DOCKETS 50-266 AND 50-301  
LICENSE AMENDMENT REQUEST 183  
CHANGE IN LICENSEE NAME TO WISCONSIN ENERGY COMPANY  
POINT BEACH NUCLEAR PLANT, UNITS 1 AND 2

Wisconsin Electric Power Company, licensee for the Point Beach Nuclear Plant, hereby requests amendments to Facility Operating Licenses DPR-24 and DPR-27 for Units 1 and 2 respectively. The requested amendments will change the licensee name from Wisconsin Electric Power Company to Wisconsin Energy Company within the main body of the license as well as the related Technical Specifications. Miscellaneous administrative changes are also proposed.

### Reason for Changes

Wisconsin Energy Corporation (WEC), the parent company of Wisconsin Electric Power Company, is presently seeking approval of a merger between itself and Northern States Power Company (NSP). Effective with this merger, Wisconsin Energy Corporation will be renamed Primergy and will remain the parent company of Wisconsin Electric Power Company. Wisconsin Electric Power Company will retain ownership of Point Beach Nuclear Plant, Units 1 and 2, and be renamed Wisconsin Energy Company.

### Description of Proposed Changes

1. Where appropriate, within the body of the license, Wisconsin Electric Power Company has been changed to Wisconsin Energy Company.
2. The existing footnote to Item a) in DPR-24 for PBNP Unit 1 and identical footnote to Item d) in DPR-27 for PBNP Unit 2, designated by a "\*", has been redesignated Footnote 1.
3. A new footnote, designated Footnote 2, has been added following Wisconsin Energy Company in Item e) in DPR-24 for PBNP Unit 1 and Item d) in DPR-27 for PBNP Unit 2. This footnote states:

"Wisconsin Electric Power Company was renamed Wisconsin Energy Company effective MM/DD/YY. This license as amended, was amended effective this date to reflect the change to Wisconsin Energy Company."

(MM/DD/YY is the yet to be determined.)

4. Miscellaneous typographical errors have been corrected throughout.

5. The cover sheet for Appendix A to the facility operating licenses has been changed to reflect the name change.
6. Specification 15.5.1, "Site," has been changed to reflect the name change.

### Safety Evaluation

This application does not involve a request for any change in the design or operation of the Point Beach Nuclear Plant, nor any change in the terms and conditions of the existing licenses or technical specifications. Following the merger of Wisconsin Energy Corporation, the parent of Wisconsin Electric Power Company, with Northern States Power Company; Wisconsin Electric Power Company, the licensee for the Point Beach Nuclear Plant, will remain the owner and licensee of the facilities. Wisconsin Electric Power Company will be renamed Wisconsin Energy Company. This amendment is administrative only and involves no change to either the organizations or personnel directly responsible for operation of the facility. Wisconsin Energy Company, a regulated utility, (as owner and operator) will remain financially qualified to be the holder of the Facility Operating Licenses. Therefore, the requested amendments cannot result in a reduction in a level of safety and does not effect the health and safety of the public or employees.

### Determination of No Significant Hazards Considerations

Wisconsin Electric Power Company has evaluated the proposed changes to the operating license in accordance with requirements of 10CFR50.91 against the standards of 10CFR50.92 and has determined that operation of the Point Beach Nuclear Plant in accordance with the proposed amendments does not result in a significant hazards consideration. The amendments are purely administrative changes to the licenses in order for them to reflect Wisconsin Electric Power Company's new name, Wisconsin Energy Company. As noted by the Commission in Long Island Lighting Co. (Shoreham Nuclear Power Station, Unit 1), CLI-92-4, 35 N.R.C 69, 77, n.6 (1992), a license amendment that is merely an administrative change to the name of the licensee "presents no safety questions and clearly involves not significant hazards considerations." Our analysis against each of the standards in 10CFR50.92 follows:

1. Operation of the Point Beach Nuclear Plant in accordance with the proposed amendments will not involve a significant increase in the probability or consequences of an accident previously evaluated.

As a result of the proposed license amendment, there will be no physical change to the facilities and all Limiting Conditions for Operation, Limiting Safety System Settings, and Safety Limits specified in the Technical Specifications will remain unchanged. Also, the facilities' Quality

Assurance Program, Emergency Plan, Security Plan, and Operator Training and Regualification Program will be unaffected. Therefore, this amendment will not cause a significant increase in the probability or consequences of an accident previously evaluated.

2. **Operation of the Point Beach Nuclear Plant in accordance with the proposed amendments will not create the possibility of a new or different kind of accident from any accident previously evaluated.**

The proposed amendment will have no effect on the physical configuration of the facilities or the manner in which they will operate. The design and design basis of the plants will remain the same. The current plant safety analysis will therefore remain complete and accurate in addressing the design basis events and in analyzing plant response and consequences for the facilities. The Limiting Conditions for Operations, Limiting Safety System Settings, and Safety Limits specified in the Technical Specifications for the facilities are not affected by the proposed license amendment. The plant conditions for which the design basis accident analysis have been performed will remain valid. Therefore, the proposed license amendment cannot create the possibility of a new or different kind of accident from any accident previously evaluated.

3. **Operation of the Point Beach Nuclear Plant in accordance with the proposed amendments will not involve a significant reduction in the margin of safety.**

Plant safety margins are established through Limiting Conditions for Operation, Limiting Safety System Settings, and Safety Limits specified in the Technical Specifications. Since there will be no change to the physical design or operation of the plant, there will be no change to any of these margins. Thus, the proposed license amendment will not involve a reduction in any margin of safety.

### **Environmental Assessment**

Wisconsin Electric Power Company has reviewed the proposed amendments to the Point Beach Nuclear Plant licenses, and has determined the proposed changes are administrative only. Accordingly, the amendments meet the eligibility criteria for categorical exclusion set forth in 10CFR51.22(c)(10). Pursuant to 10CFR51.22(b), no environmental impact statement or environmental assessment need be prepared in connection with the issuance of the proposed amendment. Alternatively, Wisconsin Electric Power Company requests the NRC to issue and publish a finding of no significant environmental impact pursuant to 10 CFR §§ 51.21, 51.32 and 51.35.

## Attachment B

### SUMMARY OF THE MERGER TRANSACTION BETWEEN WISCONSIN ENERGY CORPORATION AND NORTHER STATES POWER COMPANY

The slides presented in this attachment summarize the merger transaction between Wisconsin Energy Corporation and Northern States Power Company. The transaction is discussed in detail in the Wisconsin Energy Corporation stockholder proxy provided on Dockets 50-266 and 50-301 to the Commission by letter dated September 13, 1995.

The following abbreviations are used in the slides:

- NEW NSP - NSP (M) following incorporation in the State of Wisconsin
- NSP (M) - Northern States Power Company (Minnesota), the existing Northern States Power Company.
- NSP (W) - Northern States Power Company (Wisconsin), a wholly owned subsidiary of NSP (M).
- WEC - Wisconsin Energy Corporation
- WEPCO - Wisconsin Electric Power Company, a wholly owned subsidiary of WEC
- WNG - Wisconsin Natural Gas, a wholly owned subsidiary of Wisconsin Energy Corporation

## Attachment A

DOCKETS 50-266 AND 50-301  
LICENSE AMENDMENT REQUEST 183  
CHANGE IN LICENSEE NAME TO WISCONSIN ENERGY COMPANY  
POINT BEACH NUCLEAR PLANT, UNITS 1 AND 2

Wisconsin Electric Power Company, licensee for the Point Beach Nuclear Plant, hereby requests amendments to Facility Operating Licenses DPR-24 and DPR-27 for Units 1 and 2 respectively. The requested amendments will change the licensee name from Wisconsin Electric Power Company to Wisconsin Energy Company within the main body of the license as well as the related Technical Specifications. Miscellaneous administrative changes are also proposed.

### Reason for Changes

Wisconsin Energy Corporation (WEC), the parent company of Wisconsin Electric Power Company, is presently seeking approval of a merger between itself and Northern States Power Company (NSP). Effective with this merger, Wisconsin Energy Corporation will be renamed Primergy and will remain the parent company of Wisconsin Electric Power Company. Wisconsin Electric Power Company will retain ownership of Point Beach Nuclear Plant, Units 1 and 2, and be renamed Wisconsin Energy Company.

### Description of Proposed Changes

1. Where appropriate, within the body of the license, Wisconsin Electric Power Company has been changed to Wisconsin Energy Company.
2. The existing footnote to Item a) in DPR-24 for PBNP Unit 1 and identical footnote to Item d) in DPR-27 for PBNP Unit 2, designated by a "\*", has been redesignated Footnote 1.
3. A new footnote, designated Footnote 2, has been added following Wisconsin Energy Company in Item e) in DPR-24 for PBNP Unit 1 and Item d) in DPR-27 for PBNP Unit 2. This footnote states:

"Wisconsin Electric Power Company was renamed Wisconsin Energy Company effective MM/DD/YY. This license as amended, was amended effective this date to reflect the change to Wisconsin Energy Company."

(MM/DD/YY is the yet to be determined.)

4. Miscellaneous typographical errors have been corrected throughout.

5. The cover sheet for Appendix A to the facility operating licenses has been changed to reflect the name change.
6. Specification 15.5.1, "Site," has been changed to reflect the name change.

#### Safety Evaluation

This application does not involve a request for any change in the design or operation of the Point Beach Nuclear Plant, nor any change in the terms and conditions of the existing licenses or technical specifications. Following the merger of Wisconsin Energy Corporation, the parent of Wisconsin Electric Power Company, with Northern States Power Company; Wisconsin Electric Power Company, the licensee for the Point Beach Nuclear Plant, will remain the owner and licensee of the facilities. Wisconsin Electric Power Company will be renamed Wisconsin Energy Company. This amendment is administrative only and involves no change to either the organizations or personnel directly responsible for operation of the facility. Wisconsin Energy Company, a regulated utility, (as owner and operator) will remain financially qualified to be the holder of the Facility Operating Licenses. Therefore, the requested amendments cannot result in a reduction in a level of safety and does not effect the health and safety of the public or employees.

#### Determination of No Significant Hazards Considerations

Wisconsin Electric Power Company has evaluated the proposed changes to the operating license in accordance with requirements of 10CFR50.91 against the standards of 10CFR50.92 and has determined that operation of the Point Beach Nuclear Plant in accordance with the proposed amendments does not result in a significant hazards consideration. The amendments are purely administrative changes to the licenses in order for them to reflect Wisconsin Electric Power Company's new name, Wisconsin Energy Company. As noted by the Commission in Long Island Lighting Co. (Shoreham Nuclear Power Station, Unit 1), CLI-92-4, 35 N.R.C 69, 77, n.6 (1992), a license amendment that is merely an administrative change to the name of the licensee "presents no safety questions and clearly involves not significant hazards considerations." Our analysis against each of the standards in 10CFR50.92 follows:

1. Operation of the Point Beach Nuclear Plant in accordance with the proposed amendments will not involve a significant increase in the probability or consequences of an accident previously evaluated.

As a result of the proposed license amendment, there will be no physical change to the facilities and all Limiting Conditions for Operation, Limiting Safety System Settings, and Safety Limits specified in the Technical Specifications will remain unchanged. Also, the facilities' Quality

Assurance Program, Emergency Plan, Security Plan, and Operator Training and Regualification Program will be unaffected. Therefore, this amendment will not cause a significant increase in the probability or consequences of an accident previously evaluated.

2. Operation of the Point Beach Nuclear Plant in accordance with the proposed amendments will not create the possibility of a new or different kind of accident from any accident previously evaluated.

The proposed amendment will have no effect on the physical configuration of the facilities or the manner in which they will operate. The design and design basis of the plants will remain the same. The current plant safety analysis will therefore remain complete and accurate in addressing the design basis events and in analyzing plant response and consequences for the facilities. The Limiting Conditions for Operations, Limiting Safety System Settings, and Safety Limits specified in the Technical Specifications for the facilities are not affected by the proposed license amendment. The plant conditions for which the design basis accident analysis have been performed will remain valid. Therefore, the proposed license amendment cannot create the possibility of a new or different kind of accident from any accident previously evaluated.

3. Operation of the Point Beach Nuclear Plant in accordance with the proposed amendments will not involve a significant reduction in the margin of safety.

Plant safety margins are established through Limiting Conditions for Operation, Limiting Safety System Settings, and Safety Limits specified in the Technical Specifications. Since there will be no change to the physical design or operation of the plant, there will be no change to any of these margins. Thus, the proposed license amendment will not involve a reduction in any margin of safety.

#### Environmental Assessment

Wisconsin Electric Power Company has reviewed the proposed amendments to the Point Beach Nuclear Plant licenses, and has determined the proposed changes are administrative only. Accordingly, the amendments meet the eligibility criteria for categorical exclusion set forth in 10CFR51.22(c)(10). Pursuant to 10CFR51.22(b), no environmental impact statement or environmental assessment need be prepared in connection with the issuance of the proposed amendment. Alternatively, Wisconsin Electric Power Company requests the NRC to issue and publish a finding of no significant environmental impact pursuant to 10 CFR §§ 51.21, 51.32 and 51.35.

WISCONSIN ELECTRIC POWER ENERGY COMPANY

DOCKET NO. 50-266

FACILITY OPERATING LICENSE

License No. DPR-24

~~Amendment No. 30~~

The Atomic Energy Commission (the Commission) now the Nuclear Regulatory Commission having found that:

- a. The application for facility license filed by Wisconsin Electric Power Company and Wisconsin Michigan Power Company,\*<sup>1</sup> dated March 12, 1969, as amended by Supplements Nos. 1 through 10, thereto, dated September 2, 1969, January 19, 1970, February 11, 1970, March 13, 1970, April 2, 1970, April 7, 1970, April 21, 1970, June 5, 1970, June 17, 1970, and July 27, 1970, respectively, complies with the requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's regulations set forth in 10 CFR Chapter 1; and
- b. Construction of the Point Beach Nuclear Plant Unit No. 1 (the facility) has been substantially completed, in conformity with Provisional Construction Permit No. CPPR-32, as amended, the application as amended, the provisions of the Act, and the rules and regulations of the Commission; and
- c. The facility will operate in conformity with the application as amended, the provisions of the Act, and the rules and regulations of the Commission; and
- d. There is reasonable assurance (i) that the activities authorized by the operating license can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the regulations of the Commission set forth in 10 CFR Chapter 1; and
- e. The licensee (Wisconsin Energy Company<sup>2</sup>) is technically and financially qualified to engage in the activities authorized by this operating license, in accordance with the regulations of the Commission set forth in 10 CFR Chapter 1; and

\*1 On December 31, 1977, Wisconsin Electric Power Company and Wisconsin Michigan Power Company (formerly the licensees) merged with Wisconsin Electric Power Company surviving the merger. This license, as amended, was amended, as of the effective date of the merger with Wisconsin Electric Power Company remaining as the licensee.

2 Wisconsin Electric Power Company was renamed Wisconsin Energy Company effective MM/DD/YY. This license, as amended, was amended effective this date to reflect the change to Wisconsin Energy Company.

Wisconsin ~~Electric Power~~ Energy Company<sup>2</sup>-

- f. The applicable provisions of 10 CFR Part 140 have been satisfied; and
  - g. The issuance of this license will not be inimical to the common defense and security or to the health and safety of the public.
1. This license applies to the Point Beach Unit No. 1 facility, a closed cycle, pressurized, light water moderated and cooled reactor, and associated steam generators and electric generating equipment (the facility). The facility is located on the Point Beach site, in the Town of Two Creeks, Manitowoc County, about 90 miles north-northeast of Milwaukee, Wisconsin, and is described in the application as amended.
  2. Subject to the conditions and requirements incorporated herein, the Commission hereby licenses
    - A. Pursuant to Section 104b of the Act and 10 CFR Part 50, "Licensing of Production and Utilization Facilities," to possess, use, and operate the facility at the designated location on the Point Beach site in accordance with the procedures and limitations set forth in this license;
    - B. Pursuant to the Act and 10 CFR Part 70, to receive, possess and use at any time special nuclear material as reactor fuel, in accordance with the limitations for storage and amounts, required for reactor operation, as described in Final facility Description and Safety Analysis Report, as supplemented and amended as of March 17, 1976;
    - C. Pursuant to the Act and 10 CFR Parts 30, 40 and 70 to receive, possess and use at any time any byproduct, source, and special nuclear material as sealed neutron sources for reactor startup, sealed source for reactor instrumentation and radiation monitoring equipment calibration, and as fission detectors in amounts as required;
    - D. Pursuant to the Act and 10 CFR Parts 30, 40 and 70, to receive, possess and use in amounts as required any byproduct, source or special nuclear material without restriction to chemical or physical form, for sample analysis or instrument calibration or associated with radioactive apparatus or components;

3. This amended license shall be deemed to contain and is subject to the conditions specified in the following Commission regulations: 10 CFR Part 20, Section 30.34 of 10 CFR Part 30, Section 40.41 of 10 CFR Part 40, Sections 50.54 and 50.59 of 10 CFR Part 50, and Section 70.32 of 10 CFR Part 70; and is subject to all applicable provisions of the Act and to the rules, regulations, and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified below:

A. Maximum Power Levels

The licensee is authorized to operate the facility at reactor core power levels not in excess of 1518 megawatts thermal.

B. Technical Specifications

The Technical Specifications contained in Appendices A and B, as revised through Amendment No. 162, are hereby incorporated in the license. The licensee shall operate the facility in accordance with Technical Specifications.

C. Report

The licensee shall make certain reports in accordance with the requirements of the Technical Specifications.

D. Records

The licensee shall keep facility operating records in accordance with the requirements of the Technical Specifications.

E. Spent Fuel Pool Modification

The licensee is authorized to modify the spent fuel storage pool to increase its storage capacity from 351 to 1502 assemblies as described in licensee's application dated March 21, 1978, as supplemented and amended. In the event that the on-site verification check for poison material in the poison assemblies discloses any missing boron plates, the NRC shall be notified and an on-site test on every poison assembly shall be performed.

3. F. The licensee shall maintain in effect and fully implement all provisions of the NRC approved physical security plan, including amendments and changes made pursuant to 10 CFR 50.54(p). The approved security plan, withheld from public disclosure pursuant to 10 CFR 2.790(d), is identified as "Point Beach Nuclear Plant Physical Security Plan", dated May 24, 1977 as revised September 25, 1978, February 2, 1979, March 29, 1979, December 7, 1979, and May 29, 1980. This plan includes as the NRC approved Safeguards Contingency Plan the revised Chapter 8, Revision 3 submitted with letter dated March 6, 1981 which, in accordance with 10 CFR 73.40(b), shall be fully implemented within 30 days of this approval by the Commission.

G. Safety Injection Logic

The licensee is authorized to modify the safety injection actuation logic and actuation power supplies and related changes as described in licensee's application for amendment dated April 27, 1979, as supplemented May 7, 1979. In the interim period until the power supply modification has been completed, should any DC powered safety injection actuation channel be in a failed condition for greater than one hour, the unit shall thereafter be shutdown using normal procedures and placed in a block-permissive condition for safety injection actuation.

- H. The licensee may proceed with and is required to complete the modifications identified in Paragraphs 3.1.1 through 3.1.33 of the NRC's Fire Protection Safety Evaluation Report (SER) for the facility dated August 2, 1979. These modifications shall be completed as specified in Table 3.1 of the SER or supplements thereto.

The licensee is required to implement and maintain the administrative controls identified in Section 6 of the NRC's Fire Protection Safety Evaluation Report on the Facility dated August 2, 1979 and supplements thereto.

"I. Secondary Water Chemistry Monitoring Program

The licensee shall implement a secondary water chemistry monitoring program to inhibit steam generator tube degradation. This program shall include:

1. Identification of a sampling schedule for the critical parameters and control points for these parameters;
2. Identification of the procedures used to quantify parameters that are critical to control points;
3. Identification of process sampling points
4. Procedure for the recording and management of data;
5. Procedures defining corrective actions for off control point chemistry conditions; and
6. A procedure for identifying the authority responsible for the interpretation of the data, and the sequence and timing of administrative events required to initiate corrective action."

Wisconsin Electric Power Energy Company5-

4. The licensee shall observe such standards and requirements for the protection of the environment as are validly imposed pursuant to authority established under Federal and State law and as are determined by the Commission to be applicable to the facility covered by this operating license. this condition does not apply to (a) radiological effects since such effects are dealt with in other provisions of the operating license or (b) matters of water quality covered by Section 21 (b) of the Federal Water Pollution Control Act.
5. This license is effective as of the date of issuance, and shall expire at midnight October 5, 2010.

FOR THE ATOMIC ENERGY COMMISSION

Original Signed By

Peter A. Morris, Director  
Division of Reactor Licensing

Attachments:

1. Appendix A -Technical Specifications
2. Appendix B - Environmental Technical Specifications

Date of Issuance: October 5, 1970

WISCONSIN ELECTRIC POWER ENERGY COMPANY

DOCKET NO. 50-301

FACILITY OPERATING LICENSE

License No. DPR-27

~~Amendment No. 34~~

The Atomic Energy Commission (the Commission), now the Nuclear Regulatory Commission, having found that:

- a. Construction of the Point Beach Nuclear Plant Unit No. 2 (the facility) has been substantially completed, in conformity with Provisional Construction Permit No. CPPR-47, the application, as amended, the provisions of the Act, and the rules and regulations of the Commission; and
- b. The facility will operate in conformity with the application as amended, the provisions of the Act, and the rules and regulations of the commission; and
- c. There is reasonable assurance (i) that the activities authorized by the operating license can be conducted without endangering the health and safety of the public, and (ii) that such activities will be conducted in compliance with the rules and regulations of the Commission; and
- d. The licensee<sup>\*1</sup>, (Wisconsin Electric Power Energy Company<sup>2</sup>) is technically and financially qualified to engage in the activities authorized by this operating license in accordance with the rules and regulations of the Commission; and
- e. The licensee has satisfied the applicable provisions of 10 CFR Part 140, "Financial Protection Requirements and Indemnity Agreements" of the Commission's regulations; and
- f. The issuance of this amended license will not be inimical to the common defense and security or to the health and safety of the public.
- g. In accordance with the requirements of Appendix D to 10 CFR Part 50, the operating license should be issued subject to conditions for protection of the environment set forth in the Technical Specifications incorporated herein.

<sup>\*1</sup> On December 31, 1977, Wisconsin Electric Power Company and Wisconsin Michigan Power Company (formerly the licensees) merged with Wisconsin Electric Power Company surviving the merger. This license, as amended, was amended, as of the effective date of the merger with Wisconsin Electric Power Company remaining as the licensee.

<sup>2</sup> Wisconsin Electric Power Company was renamed Wisconsin Energy Company effective MM/DD/YY. This license, as amended, was amended effective this date to reflect the change to Wisconsin Energy Company.

Wisconsin Electric Power Energy Company<sup>2</sup>-

1. This amended license applies to the Point Beach Nuclear Plant Unit No. 2 facility, a closed cycle, pressurized, light water moderated and cooled reactor, and associated steam generators and electric generating equipment (the facility). The facility is located on the licensee's Point Beach site, in the Town of Two Creeks, Manitowoc County, Wisconsin, and is described in the "Final Safety Analysis Report", as supplemented and amended.
2. Subject to the conditions and requirements incorporated here in the Commission hereby licenses
  - A. Pursuant to Section 104b of the Act and 10 CFR Part 50, "Licensing of Production and Utilization Facilities," to possess, use, and operate the facility at the designated location on the Point Beach site in accordance with the procedures and limitations set forth in this license;
  - B. Pursuant to the Act and 10 CFR Part 70, to receive, possess and use at any time special nuclear material as reactor fuel, in accordance with the limitations for storage and amounts, required for reactor operation, as described in Final Facility Description and Safety Analysis Report, as supplemented and amended as of March 17, 1976;
  - C. Pursuant to the Act and 10 CFR Parts 30, 40 and 70 to receive, possess and use at any time any byproduct, source, and special nuclear material as sealed neutron sources for reactor startup, sealed source for reactor instrumentation and radiation monitoring equipment calibration, and as fission detectors in amounts as required;
  - D. Pursuant to the Act and 10 CFR Parts 30, 40 and 70, to receive, possess and use in amounts as required any byproduct, source or special nuclear material without restriction to chemical or physical form, for sample analysis or instrument calibration or associated with radioactive apparatus or components;
  - E. Pursuant to the Act and 10 CFR Parts 30 and 70, to possess such byproduct and special nuclear materials as may be produced by the operation of the facility, but not to separate such materials retained within the fuel cladding.

3. This amended license shall be deemed to contain and is subject to the conditions specified in the following Commission regulations: 10 CFR Part 20, Section 30.34 of 10 CFR Part 30, Section 40.41 of 10 CFR part 40, Sections 50.54 and 50.59 of 10 CFR Part 50, and Section 70.32 of 10 CFR Part 70; and is subject to all applicable provisions of the Act and to the rules, regulations, and orders of the Commission now or hereafter in effect; and is subject to the additional conditions specified below:

A. Maximum Power Levels

The licensee is authorized to operate the facility at reactor core power levels not in excess of 1518 megawatts thermal.

B. Technical Specifications

The Technical Specifications contained in Appendices A and B, as revised through Amendment No. 166, are hereby incorporated in the license. The licensee shall operate the facility in accordance with Technical Specifications.

C. Report

The licensee shall make certain reports in accordance with the requirements of the Technical Specifications.

D. Records

The licensee shall keep facility operating records in accordance with the requirements of the Technical Specifications.

E. Spent Fuel Pool Modification

The licensee is authorized to modify the spent fuel storage pool to increase its storage capacity from 351 to 1502 assemblies as described in licensee's application dated March 21, 1978, as supplemented and amended. In the event that the on-site verification check for poison material in the poison assemblies discloses any missing boron plates, the NRC shall be notified and an on-site test on every poison assembly shall be performed.

3. F. The licensee shall maintain in effect and fully implement all provisions of the NRC approved physical security plan, including amendments and changes made pursuant to 10 CFR 50.54(p). The approved security plan, withheld from public

disclosure pursuant to 10 CFR 2.790(d), is identified as "Point Beach Nuclear Plant Physical Security Plan", dated May 24, 1977 as revised September 25, 1978, February 2, 1979, March 29, 1979, December 7, 1979, and May 29, 1980. This plan includes as the NRC approved Safeguards Contingency Plan the revised Chapter 8, Revision 3 submitted with latter dated March 6, 1981 which, in accordance with 10 CFR 73.40(b), shall be fully implemented within 30 days of this approval by the Commission.

G. Safety Injection Logic

The licensee is authorized to modify the safety injection actuation logic and actuation power supplies and related changes as described in licensee's application for amendment dated April 27, 1979, as supplemented May 7, 1979. In the interim period until the power supply modification has been completed, should any DC powered safety injection actuation channel be in a failed condition for greater than one hour, the unit shall thereafter be shutdown using normal procedures and placed in a block-permissive condition for safety injection actuation.

- n. The licensee may proceed with and is required to complete the modifications identified in Paragraphs 3.1.1 through 3.1.33 of the NRC's Fire Protection Safety Evaluation Report (SER) for the facility dated August 2, 1979. These modifications shall be completed as specified in Table 3.1 of the SER or supplements thereto.

The licensee is required to implement and maintain the administrative controls identified in Section 6 of the NRC's Fire Protection Safety Evaluation Report on the Facility dated August 2, 1979 and supplements thereto.

"I. Secondary Water Chemistry Monitoring Program

The licensee shall implement a secondary water chemistry monitoring program to inhibit steam generator tube degradation. This program shall include:

1. Identification of a sampling schedule for the critical parameters and control points for these parameters;
2. Identification of the procedures used to quantify parameters that are critical to control points;
3. Identification of process sampling points
4. Procedure for the recording and management of data;
5. Procedures defining corrective actions for off control point chemistry conditions; and
6. A procedure for identifying the authority responsible for the interpretation of the data, and the sequence and timing of administrative events required to initiate corrective action."

4. The issuance of this amended license is without prejudice to subsequent licensing action which may be taken by the Commission with regard to the on-going rulemaking hearing on the Interim Acceptance Criteria for Emergency Cooling Systems (Docket No. RM 50-1).

Wisconsin ~~Electric Power~~ Energy Company<sup>5-</sup>

5. This amended license is effective as of the date of issuance, and shall expire at midnight March 8, 2013.

FOR THE ATOMIC ENERGY COMMISSION

Original Signed By

A. Giambusso, Deputy Director  
for Reactor Projects  
Directorate of Licensing

Attachments:

1. Appendix A - Technical Specifications
2. Appendix B - Environmental Technical Specifications

Date of Issuance: March 8, 1973

APPENDIX A

TO

FACILITY OPERATING LICENSE DPR-24

AND

FACILITY OPERATING LICENSE DPR-27

FOR POINT BEACH NUCLEAR PLANT UNIT NOS. 1 AND 2

WISCONSIN ~~ELECTRIC POWER~~ ENERGY COMPANY

~~WISCONSIN MICHIGAN POWER COMPANY~~

DOCKET NOS. 50-266 AND 50-301

## 15.5      DESIGN FEATURES

### 15.5.1      SITE

#### Applicability

Applies to the location and extent of the reactor site.

#### Objective

To define those aspects of the site which affect the overall safety of the installation.

#### Specification

The Point Beach Nuclear Plant is located on property owned by Wisconsin Electric Power Energy Company at a site on the shore of Lake Michigan, approximately 30 miles southeast of the city of Green Bay. The minimum distance from the reactor containment center line to the site exclusion boundary as defined in 10 CFR 100.3 is 1200 meters.

## Attachment B

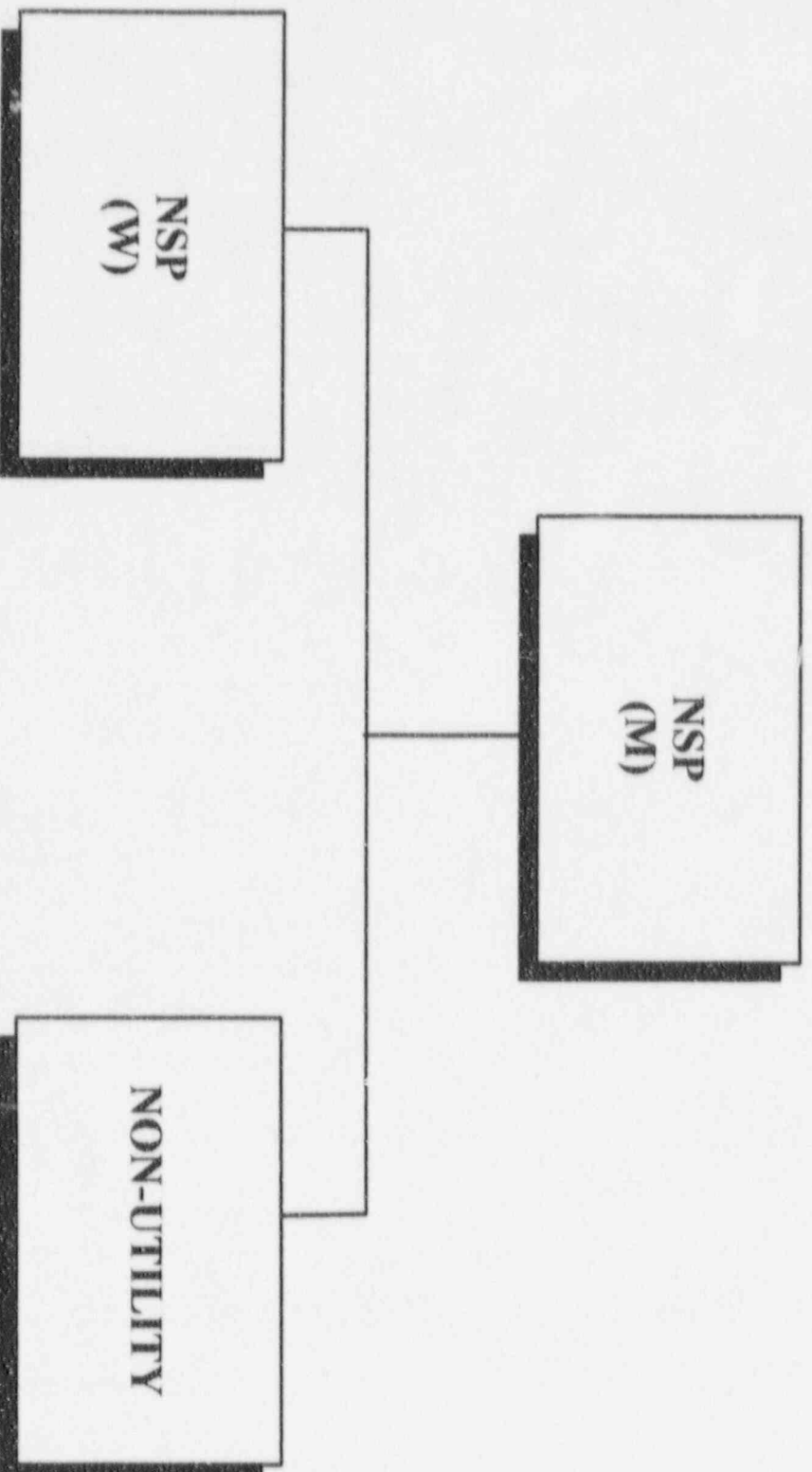
### SUMMARY OF THE MERGER TRANSACTION BETWEEN WISCONSIN ENERGY CORPORATION AND NORTHER STATES POWER COMPANY

The slides presented in this attachment summarize the merger transaction between Wisconsin Energy Corporation and Northern States Power Company. The transaction is discussed in detail in the Wisconsin Energy Corporation stockholder proxy provided on Dockets 50-266 and 50-301 to the Commission by letter dated September 13, 1995.

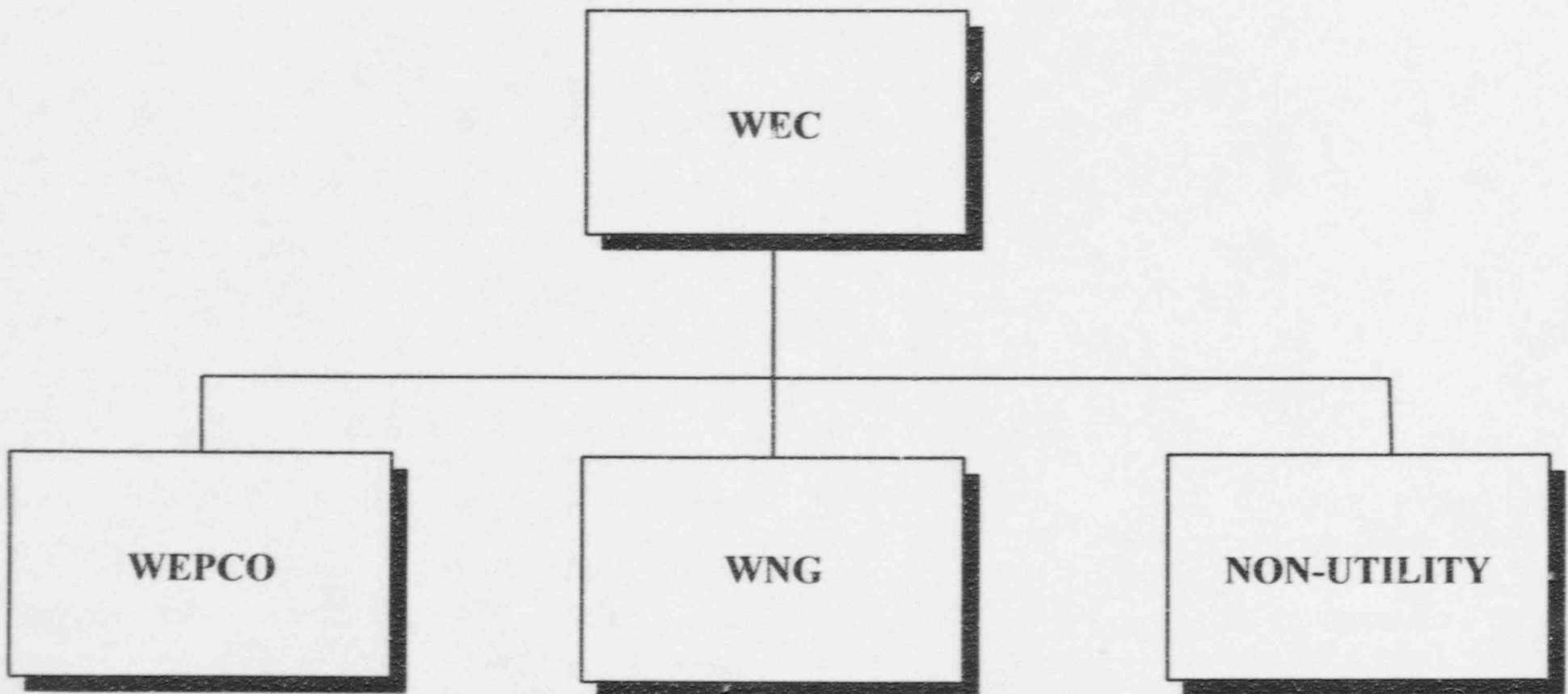
The following abbreviations are used in the slides:

- NEW NSP - NSP (M) following incorporation in the State of Wisconsin
- NSP (M) - Northern States Power Company (Minnesota), the existing Northern States Power Company.
- NSP (W) - Northern States Power Company (Wisconsin), a wholly owned subsidiary of NSP (M).
- WEC - Wisconsin Energy Corporation
- WEPCO - Wisconsin Electric Power Company, a wholly owned subsidiary of WEC
- WNG - Wisconsin Natural Gas, a wholly owned subsidiary of Wisconsin Energy Corporation

## CURRENT STRUCTURE OF NSP

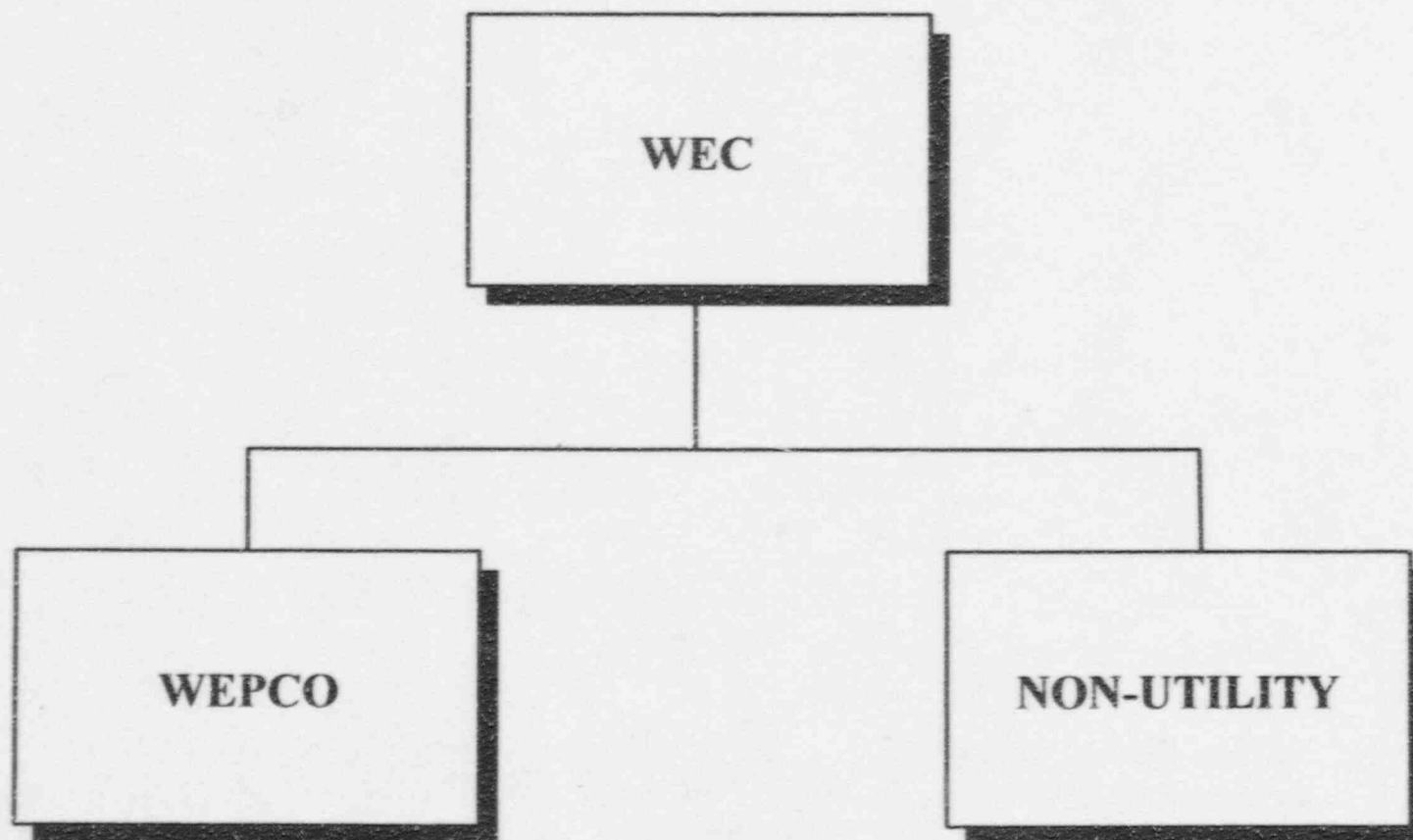


## CURRENT STRUCTURE OF WEC



## **PRELIMINARY STEP UNRELATED TO THE TRANSACTION**

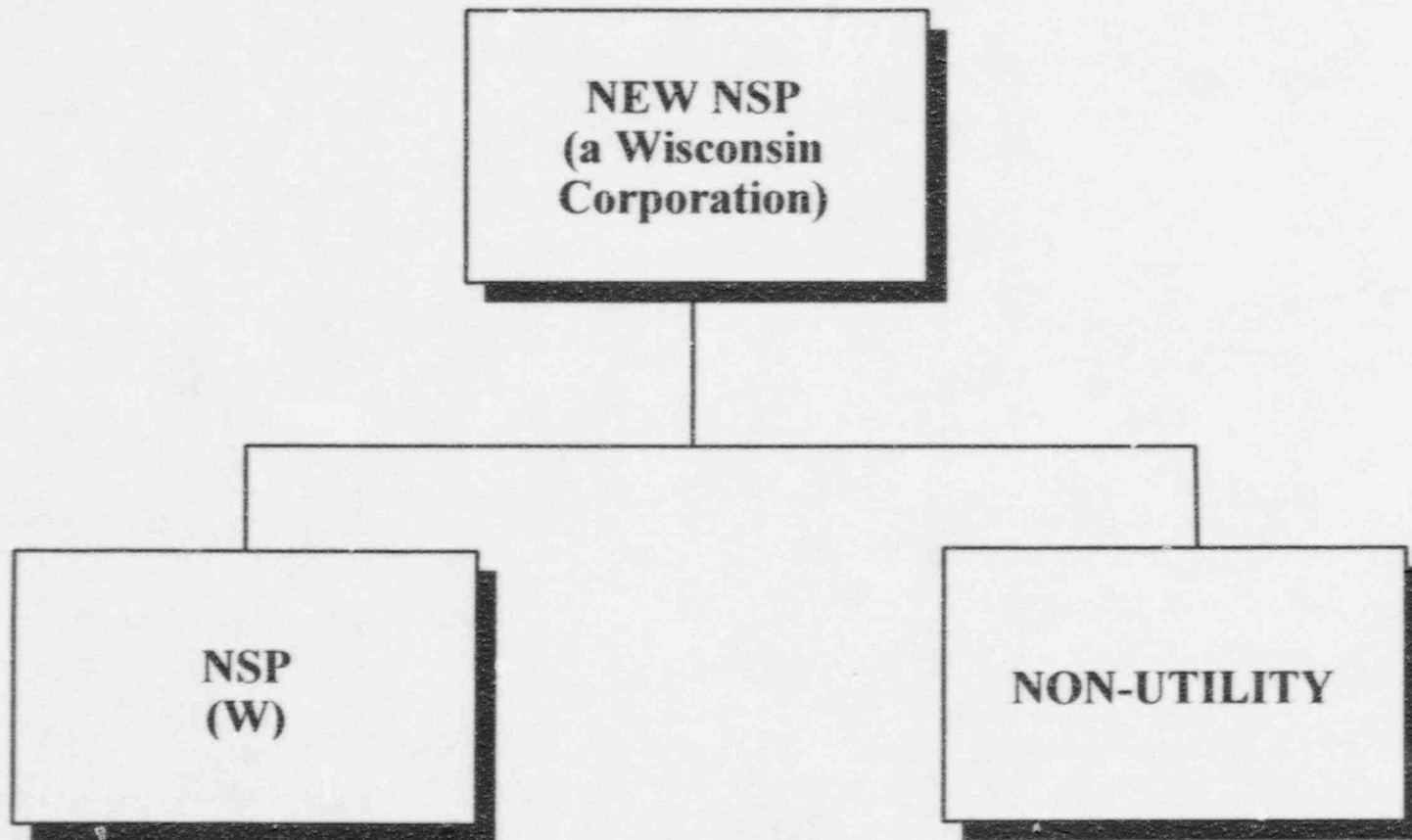
WNG merges into WEPCO.  
Resulting structure of WEC is as follows:



## **STEP ONE:**

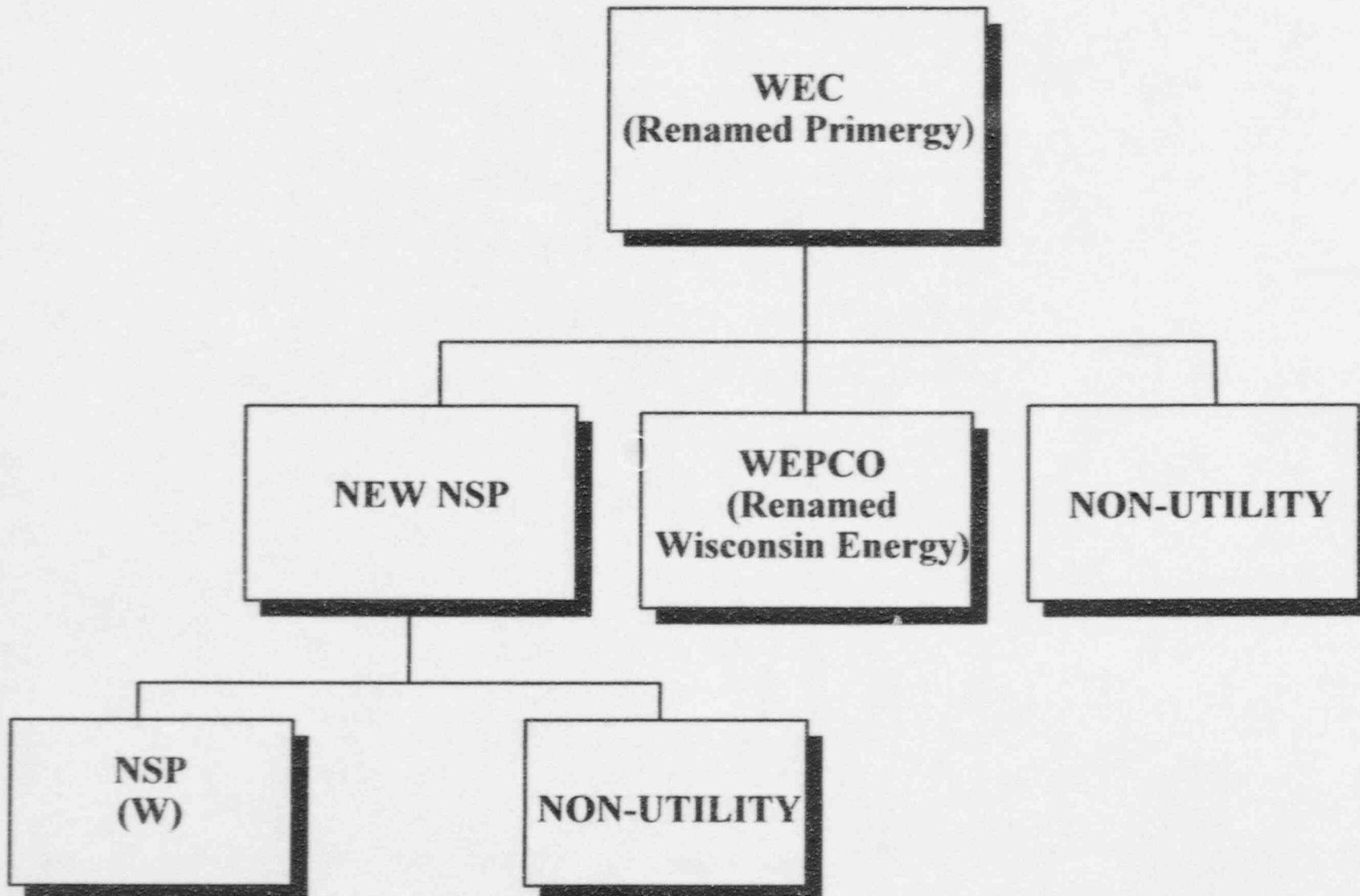
NSP (M) reincorporates in Wisconsin and receives some utility assets in Wisconsin from NSP (W).

Resulting structure is as follows:



## STEP TWO:

New NSP merges with newly-created subsidiary of WEC. Resulting structure is as follows:



## **CLEAN-UP ACTIONS**

NSP-W merged into WEPCO and non-utility  
businesses of NSP transferred to WEC.

Resulting structure will be as follows:

