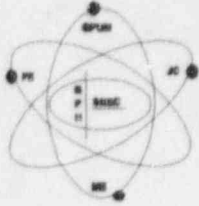


SAXTON NUCLEAR EXPERIMENTAL CORPORATION

GENERAL PUBLIC UTILITIES SYSTEM



Jersey Central Power & Light
General Public Utilities Nuclear Corporation
Metropolitan Edison Company
Pennsylvania Electric Company

MAILING ADDRESS:
One Upper Pond Road
Parsippany, NJ 07054

November 21, 1995
C301-95-2030
6575-952-742

U. S. Nuclear Regulatory Commission
Attn: Document Control Desk
Washington, D.C. 20555

Subject: Saxton Nuclear Experimental Corporation
Operating License No. DPR-4
Docket No. 50-146
License Transfer and Amendment Request for Inclusion of
GPU Nuclear as a Licensee

Gentlemen,

Saxton Nuclear Experimental Corporation (SNEC), on behalf of itself and GPU Nuclear Corporation (GPU Nuclear), hereby files the enclosed application to transfer from SNEC to GPU Nuclear all management-related responsibilities for the Saxton Nuclear Experimental Facility (Saxton), and to amend the Saxton license accordingly. Ownership and financial responsibilities for Saxton will remain with SNEC. The purpose of the requested transfer and amendment is to make GPU Nuclear directly responsible as licensee for activities it is already performing at Saxton as a contractor. This will enable Saxton, without the extra step of contracting, to take direct advantage of the nuclear experience represented by GPU Nuclear's technical and managerial staff, thus strengthening the overall management and control of Saxton's maintenance, characterization, decontamination, dismantlement and ultimate decommissioning. The enclosed application, together with its attachments, includes justifications for the requested transfer and amendment, a no significant hazards consideration analysis, and proposed mark-ups to the Saxton license.

This application supersedes the SNEC Technical Specification Change Request (TSCR) No. 56 and its Addendum, respectively dated June 2 and June 23, 1995. The organizational aspects of TSCR No. 56 are wholly superseded and mooted by the enclosed application.

The withdrawal of TSCR No. 56, and its addendum also renders moot the Commission's Request for Additional Information dated October 5, 1995 (TAC No. M92457), which related to organization matters. In any event, in as much as the enclosed application seeks the formal transfer to GPU Nuclear of management responsibilities under the Saxton license and makes clear that all individuals in the Saxton organization will be employees of a licensee, GPU Nuclear, the application fully addresses and ameliorates the concerns raised in the Commission's Request. Under the arrangements proposed in the application, responsibilities under the Saxton license will be assigned to a licensee and not to a contractor.

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Also enclosed is the Certificate of Service for this request certifying service to the chief executives of Liberty Township and Bedford County, Pennsylvania, in which the facility is located, as well as the designated representative of the Commonwealth of Pennsylvania, Bureau of Radiation Protection.

Sincerely,



G. A. Kuehn
Vice President

WGH

Attachments A) Certificate of Service for License Amendment Request
B) Certificate of Concurrence
C) Application for Transfer of License
D) Listing of Company Directors and Officers
E) SNEC/GPU Nuclear Agreement
F) Revised License and Appendix A
G) Explanation of Appendix A revision

cc: Administrator, Region I
NRC Senior Project Manager NRR
NRC Project Scientist, Region I

SAXTON NUCLEAR FACILITY

COMMONWEALTH OF PENNSYLVANIA)
) SS:
COUNTY OF DAUPHIN)

Member, Pennsylvania Association of Notaries

ATTACHMENT A
CERTIFICATE OF SERVICE FOR THE
LICENSE AMENDMENT REQUEST
1 PAGE

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

IN THE MATTER OF LICENSE NO. DPR-4
SAXTON NUCLEAR EXPERIMENTAL FACILITY DOCKET NO. 50-146

CERTIFICATE OF SERVICE

This is to certify that a copy of the application to transfer management-related responsibilities under the license of the Saxton Nuclear, and to amend facility license No. DPR-4 has, on the date given below, been filed with executives of Liberty Township; Bedford County; and Pennsylvania Department of Environmental Resources, Bureau of Radiation Protection, by deposit in the United States mail, addressed as follows:

Mr. Donald Weaver, Chairman
Liberty Township Supervisors
R.D. #1
Saxton, PA 16678

Mr. Richard Rice, Chairman
Bedford County Commissioners
County Courthouse
203 South Juliana Street
Bedford, PA 15522

Director, Bureau of Radiation Protection
PA Department of Environmental Resources
Fifth Floor, Fulton Building
Third and Locust Streets
P. O. Box 2063
Harrisburg, PA 17120
ATTN: S. P. Maingi

SAXTON NUCLEAR EXPERIMENTAL CORPORATION

By:



G. A. Kuehn
Vice President, SNEC

Date:

11/21/95

ATTACHMENT B
CERTIFICATE OF CONCURRENCE OF
GPU NUCLEAR CORPORATION
1 PAGE

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

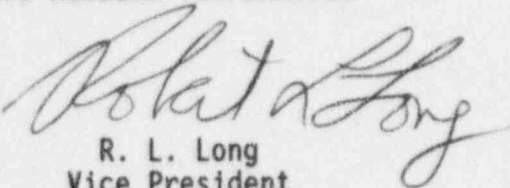
In the Matter of)	
)	
Saxton Nuclear Experimental)	
Corporation)	Docket No. 50-146
)	
Saxton Nuclear Experimental Facility)	

CERTIFICATE OF CONCURRENCE OF
GPU NUCLEAR CORPORATION

GPU Nuclear Corporation concurs in and supports the filing by SNEC of the
"Application to Transfer Management-Related Responsibilities Under License for
Saxton Nuclear Facility, and to Amend Facility License No. DPR-4".

GPU NUCLEAR CORPORATION

By:


R. L. Long
Vice President

Date:

11-21-95

ATTACHMENT C
APPLICATION TO TRANSFER MANAGEMENT-RELATED
RESPONSIBILITIES UNDER LICENSE FOR
SAXTON NUCLEAR FACILITY, AND TO
AMEND FACILITY LICENSE NO. DPR-4
PAGES 1 TO 12

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

In the Matter of)	
)	
Saxton Nuclear Experimental)	
Corporation)	Docket No. 50-146
)	
Saxton Nuclear Experimental Facility))	

APPLICATION TO TRANSFER MANAGEMENT-RELATED
RESPONSIBILITIES UNDER LICENSE FOR
SAXTON NUCLEAR FACILITY, AND TO
AMEND FACILITY LICENSE NO. DPR-4

Saxton Nuclear Experimental Corporation (SNEC) is the current holder of Facility License No. DPR-4, originally issued on November 15, 1961 ("the facility license" or "the license"). The license, as amended, authorizes SNEC to possess but not operate the Saxton Nuclear Experimental Corporation Facility ("the Saxton facility" or "Saxton") in accordance with the procedures and limitations which the license sets forth. SNEC also is the Saxton facility's owner, and was its operator under the facility license until Saxton terminated operations in 1972. SNEC now has responsibility under the facility license for safely managing the Saxton facility, maintaining its containment vessel and performing characterization activities in support of decommissioning.

SNEC, with the concurrence of GPU Nuclear Corporation (GPU Nuclear), hereby requests the Nuclear Regulatory Commission (NRC), pursuant to 10 CFR § 50.80, to approve the transfer to GPU Nuclear of all maintenance, characterization, decontamination, dismantlement, decommissioning and other management-related responsibilities under the facility license. Under this arrangement, ownership and all financial responsibilities relating to Saxton would remain with SNEC.

The purpose of the requested transfer is to make GPU Nuclear directly responsible as licensee for activities it is already performing at Saxton as a contractor. This will enable Saxton, without the extra step of contracting, to take advantage of the wealth of nuclear experience represented by GPU Nuclear's technical and managerial staff. This organizational change will strengthen the overall management and control of the maintenance, characterization, decontamination, dismantlement and decommissioning activities at the Saxton facility. The transfer will become effective immediately upon receipt of the NRC's approval.

Pursuant to 10 CFR § 50.90, SNEC also requests the NRC to amend the Saxton facility license to substitute GPU Nuclear for SNEC wherever maintenance, characterization, decontamination, dismantlement, decommissioning or other management-related responsibilities are described. These are merely administrative changes implementing the transfer and are appropriate since GPU Nuclear will acquire all management-related responsibilities upon the transfer.

Part I below sets forth the information required by 10 CFR § 50.80 in support of the transfer to GPU Nuclear of SNEC's management-related responsibilities under the facility license. Part II provides other information relevant to the proposed transfer. Part III sets forth the request for the license amendment. Parts IV and V address miscellaneous matters including the effective date for the transfer and license amendment.

I. LICENSE TRANSFER INFORMATION REQUIRED BY 10 CFR § 50.80

A. Name of Transferee: GPU Nuclear Corporation

B. Address: One Upper Pond Road, Parsippany, NJ 07054

C. Description of Business:

GPU Nuclear is a wholly owned subsidiary of General Public Utilities Corporation (GPU), a registered holding company. Other GPU subsidiaries involved in nuclear matters include Jersey Central Power & Light Company (Jersey Central), Metropolitan Edison Company (Met-Ed) and Pennsylvania Electric Company (Penelec). The latter three companies jointly own both units of the Three Mile Island Nuclear Generating Station (TMI) as well as all of SNEC's capital stock. Jersey Central also is the sole owner of the Oyster Creek Nuclear Generating Station (Oyster Creek). TMI-1 and 2, Oyster Creek and Saxton thus belong to the GPU System. GPU Nuclear was formed in 1980 in order to consolidate into a single organizational entity all technical and managerial resources of GPU System companies relating to nuclear matters.

GPU Nuclear was organized and established for the express purpose of assuming responsibility, on behalf of the owners of GPU System nuclear facilities and by contract with them, for the performance of the various activities required of the licensee of a nuclear facility. Shortly after its formation, GPU Nuclear was authorized by the NRC to replace Jersey Central and Met-Ed as the licensed manager of (respectively) Oyster Creek and the TMI units. Specifically, GPU Nuclear is responsible for the operation and maintenance of TMI-1 and Oyster Creek, as well as the monitoring, storage, maintenance and decommissioning of TMI-2. GPU Nuclear is a service company which does not own or finance any nuclear or other utility assets.

D. Incorporation, Directors and Principal Officers

GPU Nuclear is a corporation organized and existing under the laws of the State of New Jersey. Its principal office is located in Parsippany, New Jersey. The names and addresses of GPU Nuclear's directors and principal officers, all of whom are citizens of the United States, are as shown at Attachment D of this document. GPU Nuclear is not owned, controlled or dominated by an alien, foreign corporation or foreign government. GPU Nuclear is not acting as an agent or representative of any other person.

E. Technical Qualifications

Changing the authorized operator or manager of a nuclear facility has no adverse impact on safety issues so long as the authorized operator or manager is qualified from a technical and managerial standpoint. In connection with previous transfers of responsibility within the

GPU System, the NRC has already reviewed GPU Nuclear's technical and managerial qualifications and found them acceptable for the TMI Units and Oyster Creek. Further, in connection with the formal restart proceeding for TMI-1, the NRC found that GPU Nuclear had demonstrated the managerial capability and technical resources to maintain TMI-2 in a safe configuration and carry out planned decontamination and restoration activities for that Unit. See Metropolitan Edison Co. (Three Mile Island Nuclear Station, Unit 1), LBP-81-32, 14 NRC 381 (1981), CLI-85-9, 21 NRC 1118 (1985). GPU Nuclear is, therefore, qualified to perform the same decommissioning-related tasks for the Saxton facility.

Additionally, GPU Nuclear personnel already are performing characterization, maintenance, repair and modification activities at the Saxton facility under an Agreement with SNEC dated March 4, 1985 (see Attachment E to this application). The NRC Staff has been aware of GPU Nuclear's management role at the Saxton facility to this point, and has on several occasions interacted directly with GPU Nuclear personnel regarding Saxton matters. The requested transfer will involve no actual change to either the management organization or technical personnel engaged in Saxton's activities. When the transfer becomes effective, the GPU Nuclear employees currently working on Saxton-related matters, on-site and off-site, will continue performing the same activities but simply will assume the formal status of licensee personnel. Further, GPU Nuclear will employ, or contract for as needed, all of the technically qualified personnel necessary to exercise responsibility for possession, management, use, maintenance, characterization, decontamination, dismantlement and decommissioning of Saxton. It follows that when the requested transfer becomes effective, the technical qualifications of both the on-site and the off-site organizations will be at least equivalent to those currently existing.

All of the existing functions of the currently licensed SNEC organization are incorporated in the proposed GPU Nuclear organization for Saxton. The GPU Nuclear organizational structure is based upon the project concept and is designed and maintained to enable nuclear plant directors to concentrate their efforts on operating and managing the plants safely with administrative and technical support provided by functional divisions. Several significant advantages result from the GPU Nuclear project concept:

- 1) It provides clear lines of authority and responsibility while ensuring that essential corporate support functions which are dedicated to the project report to a single responsible executive.
- 2) The effectiveness of project quality assurance is enhanced by integration with other aspects of project management under the direction of a single executive.
- 3) The project structure provides the project executive the flexibility necessary for managing his resources to achieve optimal results.

- 4) The project structure provides GPU Nuclear management the advantage of working with proven methods and procedures with which it is thoroughly familiar.
- 5) The effectiveness of a dedicated corporate project support organization is enhanced by identification with and sharing of common goals and objectives.
- 6) GPU Nuclear's functional divisions provide not only expertise but also important checks and balances which enhance safe operations.

Therefore, by making GPU Nuclear a directly responsible licensee rather than a mere contractor, the requested transfer will strengthen the overall management organization for Saxton and increase and concentrate the technical resources for that facility.

F. Financial Considerations

Upon approval of the requested transfer, SNEC will have the same financial responsibility for, and the same sources of funds to support, the Saxton facility as under the present license. SNEC will continue in its commitment to provide all funds necessary to ensure Saxton's safe management and support, and to maintain Saxton in a safe condition in conformance with NRC regulations. All costs incurred or accrued for construction, maintenance, repair, decontamination, dismantlement and decommissioning of Saxton will remain liabilities of SNEC when incurred or accrued. Thus, the source of funds for managing Saxton will remain unchanged.

GPU Nuclear will act solely as a service company, authorized to manage the Saxton facility as an agent of the owner, and will have no ownership interest in Saxton. GPU Nuclear will manage Saxton in accordance with the Saxton facility license and shall have exclusive responsibility for making safety decisions. While GPU Nuclear's budgetary authority will be limited by SNEC's retention of control over ultimate spending limits, this retained authority will not in any way encumber GPU Nuclear's ability to make safety decisions or to prevent hazardous conditions, and thus will have no impact on the safe management of Saxton.

Further, this proposed transfer and license amendment does not warrant a full financial qualifications review under 10 CFR § 50.33(f). This is because all costs associated with management of Saxton will continue to be borne by SNEC, the owner and present licensee, after GPU Nuclear has assumed responsibility for managing the facility. Upon the transfer, therefore, the same financial qualifications will exist as under the present license.

G. Decommissioning Funding

NRC regulations require information showing "reasonable assurance . . . that funds will be available to decommission the facility." 10 CFR § 50.33(k). The proposed transfer will leave the status quo as to decommissioning funds unchanged. After the requested transfer, SNEC will continue to own the facility and thus will remain responsible for assuring the availability of decommissioning funds in accordance with the Decommissioning Financial Assurance Certification

Report and funding plan for the GPU System's facilities which was submitted to the NRC on July 26, 1990.

H. Antitrust Information

Under 10 CFR § 50.80, an applicant for a license transfer is required to provide such information as would be required by § 50.33a to conduct an antitrust review, but only "if the license to be issued is a class 103 license," 10 CFR § 50.80(b). The Saxton facility license was issued under Section 104(b) of the Atomic Energy Act, 42 U.S.C. § 2134(b). It was not issued as a class 103 license. See e.g. Amendment No. 8, License No. DPR-4, par. 2B(1) (Aug. 15, 1972). Therefore, it is not necessary to submit any antitrust-related information in order to transfer management-related responsibilities under the Saxton facility license to GPU Nuclear.

Further, the requested license transfer will not impact the existing ownership of the Saxton facility (by SNEC). And because that facility never operated commercially and is no longer generating power, the proposed transfer can have no impact on any commercial activity that may be related to nuclear plant ownership or control. The transfer will result in no significant changes to the competitive position of GPU Nuclear, will have no significance to any activity that may give rise to antitrust concern, and will not create a situation inconsistent with the antitrust laws such as to warrant an antitrust review.

I. Statement of the Purpose of the License Transfer and the Nature of the Transaction Making the Transfer Necessary or Desirable

The purpose of the proposed transfer is to allow Saxton, like the other nuclear facilities within the GPU System, to take direct advantage of the wealth of nuclear experience represented by GPU Nuclear's managerial and technical staffs. In making GPU Nuclear a directly responsible licensee rather than a contractor, the proposed change will strengthen the overall management and control of the maintenance, decontamination, dismantlement and decommissioning of the deactivated Saxton facility.

Authorizing GPU Nuclear to assume all management-related responsibilities under the Saxton license will permit GPU Nuclear to deal with Saxton in a manner consistent with that for its other nuclear plants. The benefits of utilizing the multi-facility, single-focused GPU Nuclear organization as the licensed manager of Saxton include the following:

- 1) Employment of executive personnel devoted exclusively to management of nuclear matters. Such single-purpose management facilitates the pursuit of excellence in nuclear affairs.
- 2) Use of consolidated nuclear management expertise and experience to enhance both public safety and economical management of the Saxton project. GPU Nuclear personnel can focus greater expertise on any area on short notice and exhibit increased proficiency under crisis conditions due to the use of pre-existing working relationships. As a result of the consolidation of off-site support organizations, there is more

effective, prompt and consistent communication of information such as "lessons learned."

- 3) Ability to provide a consistent vision for the philosophy of managing multiple nuclear units, allowing development of an effective approach to the pursuit of excellence in all aspects of nuclear facility management.

In summary, the transfer to GPU Nuclear of management-related responsibilities will confer direct authority under the Saxton license upon management personnel who are specialized in nuclear matters, and ensure an environment in which the employees are highly motivated toward good performance. These qualities will have a direct and positive impact on the activities remaining to be accomplished leading to the decommissioning of the Saxton facility. The result facilitated by the requested transfer is thus consistent with the views and perspective of the NRC, which have called for strong and focused management of nuclear plants.

J. Restricted Data

This Transfer Application does not contain any Restricted Data or other defense information, and it is not expected that any such information will become involved. However, GPU Nuclear agrees that it will appropriately safeguard such information if it does become involved so as not to endanger the defense and security of the United States of America. Specifically, GPU Nuclear agrees that it will not permit any individual to have access to Restricted Data except under the conditions set forth at 10 CFR § 50.37.

II. OTHER INFORMATION RELATED TO THE TRANSFER

A. Organizational Structure and Management for GPU Nuclear's Saxton Activities

The GPU Nuclear organization for Saxton is as shown in the chart accompanying the proposed license mark-up at Attachment F hereto. The President of GPU Nuclear will be responsible for, and provide full-time dedicated staff management of Saxton for the purpose of maintaining the facility and performing activities in support of decontamination and decommissioning safely and effectively. Reporting directly to the President are GPU Nuclear's Nuclear Services and Technical Functions Divisions, which have the main responsibility for providing support for the maintenance, characterization, decontamination, dismantlement and decommissioning of Saxton.

The Nuclear Services Division (NSD) will, among other activities, plan and direct the Saxton decontamination, dismantlement and decommissioning; ensure the regulatory adequacy of all aspects of nuclear activities; prepare or review, and approve, all licensing procedures and licensing document correspondence; implement the plant radiation and environmental protection programs and other occupational safety programs; and develop and coordinate strategic planning. The departments of this division which will provide services in support of Saxton include: Radiological Health and

Safety, Planning and Regulatory Affairs, Environmental Affairs, Medical, Training and Education, and Human Resources.¹

The NSD's Vice President will assure that all division and corporate activities regarding Saxton are performed in accordance with corporate policies and applicable laws, regulations, licenses and Technical Specifications. Personnel working on-site at Saxton who will report to the Vice President NSD will include the Program Director SNEC Facility, to whom will be transferred the current responsibilities of the SNEC Vice President and General Manager. The Program Director SNEC Facility will be responsible for administration of all Saxton functions, direction of all decontamination, characterization, dismantlement, and decommissioning activities; and assuring that the requirements of the facility license and Technical Specifications are implemented. Reporting to the Program Director SNEC Facility will be the SNEC Facility Site Supervisor, who will provide on-site management and continuing oversight of production activities. The current responsibilities of the SNEC Site Superintendent will be transferred to this individual.

GPU Nuclear's Technical Functions Division (TFD) will provide engineering support to the Saxton on-site organization, assuring technical excellence in all aspects of nuclear activities in order to achieve safe, reliable and efficient accomplishment of such activities. TFD includes Departments of Engineering and Design, Chemistry and Materials, Nuclear Analysis and Fuel, and Projects. Support will also be provided on an as-needed basis by GPU Nuclear's Administration & Finance Division, Corporate Counsel and Secretary (which includes the Legal Staff), and Communications Division.

Additionally, GPU Nuclear's Director of Nuclear Safety Assessment will monitor, review and audit activities at the Saxton facility to promote effective safety and quality assurance programs, to identify any trends or problems with a potential for compromising nuclear safety, and to ensure compliance with all applicable laws, regulations, licenses, corporate policies, and other requirements. Personnel from all the foregoing GPU Nuclear divisions will be assigned and work together to provide technical support and project management capabilities to the Saxton facility. The current responsibilities of the SNEC Technical Support Project Team under the facility license will be transferred to these GPU Nuclear personnel.

The Radiation Safety Committee is to provide independent overview and assessment of all matters with radiological safety implications relative to activities at the Saxton facility. The Committee is to be concerned with activities protecting the public, environment, workers and all aspects of work leading to final dismantling and disposition of Saxton.

¹Departments within divisions are not specifically identified on the chart at Attachment G, in order to preclude the need for additional Technical Specification changes based on a position name change or reporting change within a particular division.

The Committee is to conduct independent technical review of License and Technical Specification changes, characterization, maintenance and decommissioning actions, special nuclear and radioactive material activities, facility changes, planning for removal of the containment vessel, quarterly inspection results, audit and NRC Inspection Reports and corrective actions for deficiencies identified.

The Committee or any individual member thereof may at any time make oral or written comments to the Program Director SNEC Facility concerning matters considered to be within the Committee's area of responsibility. However, the Committee will report to and take general direction from the Vice President NSD.

The Radiation Safety Officer (RSO) will report to the Vice President NSD and will be tied via an indirect reporting relationship to both the President of GPU Nuclear and the Program Director SNEC Facility in order to encourage communication among these positions. The RSO will continue, as under the current license, to be responsible for the conduct and oversight of all radiation safety activities through implementation of a Radiation Protection Plan. All radiological controls personnel shall continue to have stop work authority in matters relating to or impacting radiation safety. The Group Radiological Controls Supervisor (GRCS) will continue, as under the current license, to report to the RSO and directly supervise radiation safety activities. The GRCS also will consult with the SNEC Facility Site Supervisor for production activity direction.

In sum, all of the existing functions of the currently licensed SNEC organization are included in the proposed GPU Nuclear organization for Saxton.

B. Emergency Planning

In 1982, Mr. R. Van Neil of the NRC Staff informed GPU Nuclear that because of the removal of the nuclear fuel and primary coolant from the Saxton site, the Facility was not required to comply with the emergency planning regulations set forth at 10 CFR § 50.47(b) and Part 50, Appendix E. Nevertheless, the potential for fire, flood or intrusion at the Saxton facility has resulted in the development of an Emergency Plan with procedures directing the response to these events. A Radiological and Environmental Monitoring Program is also in effect at Saxton.

Upon the assumption of management-related functions, GPU Nuclear will become responsible for carrying out the provisions of the Emergency Plan, and the Radiological and Environmental Monitoring Program. The transfer of emergency planning responsibilities to GPU Nuclear will be accomplished without decreasing the effectiveness of the aforementioned plan and program.

C. General Design Criterion 17

The requirement in General Design Criterion 17 to provide an assured source of off-site power is not relevant to the transfer to GPU Nuclear of management-related responsibilities for Saxton. The Saxton facility has been shut down and defueled for over two decades, and no longer has any need for an assured source of off-site power to safely shut down the reactor and maintain it in that condition.

D. Exclusion Area

SNEC owns the entire plant Exclusion Area in fee simple, including mineral rights. Upon approval of the transfer to GPU Nuclear of management-related responsibilities for Saxton, GPU Nuclear will have the authority to exercise complete control over the activities within the Exclusion Area, as defined in the Technical Specifications, to the extent required by 10 CFR Part 100. GPU Nuclear will control ingress and egress and order evacuation of the Exclusion Area if necessary. GPU Nuclear will have unrestricted access to the real property adjacent to the Saxton facility, including the facilities, equipment and switchyard owned by Pennsylvania Electric Co. and located thereon.

E. Security

The requested license transfer will not impact compliance with the physical security requirements set forth in the Saxton Technical Specifications. Upon the assumption of management responsibilities, GPU Nuclear will be responsible for ensuring, pursuant to the Technical Specifications, that:

- 1) access points to the Exclusion Area such as gates and doors remain locked except for authorized entry;
- 2) the Containment Vessel is equipped with an operable intrusion alarm to supplement the multiple physical barriers to intrusion; and
- 3) employees located on the Penelec property near the Saxton facility will report to the Program Director SNEC Facility any observation of attempted break-in and take immediate authorized actions.

F. Quality Assurance

The proposed transfer of authority will not reduce the Saxton facility's commitment to quality assurance. In accordance with the existing Technical Specifications for Saxton, GPU Nuclear is already responsible for the performance of audits of those activities designated as within the scope of the facility's Quality Assurance program. GPU Nuclear will become responsible for all quality assurance functions upon its assumption of management responsibilities.

G. Price-Anderson Agreements

After the transfer to GPU Nuclear of SNEC's management-related responsibilities for the Saxton facility, SNEC will remain responsible for providing financial protection under the Price-Anderson Act for its current ownership interest in the facility. Nevertheless, SNEC and GPU Nuclear plan to amend the Price-Anderson primary level financial protection agreement for Saxton in order to add GPU Nuclear as a named insured. Additionally, SNEC hereby requests the NRC to make the same amendment to the Saxton indemnification agreement as of the transfer's effective date.

III. APPLICATION FOR LICENSE AMENDMENT

Pursuant to 10 CFR § 50.90, and with the concurrence of GPU Nuclear, provided in Attachment B, SNEC requests the NRC to amend the Saxton facility license upon the transfer's becoming effective. The requested amendment would substitute GPU Nuclear for SNEC wherever maintenance, characterization, decontamination, dismantlement, decommissioning or other management-related responsibilities are described in the license and Appendix A thereto (Technical Specifications).

A. Form of the Amendment

The requested amendment is merely an administrative change to the Saxton facility license. It reflects the transfer to GPU Nuclear of SNEC's management-related responsibilities for the Saxton facility. In Long Island Lighting Co. (Shoreham Nuclear Power Station, Unit 1), CLI-92-4, 35 NRC 69, 77 (1992), the Commission noted that after a license transfer is finalized, there remains a need for administrative purposes to have the license changed to reflect the name of the new licensee. Here, an amendment is necessary to substitute GPU Nuclear for SNEC wherever maintenance, characterization, decontamination, dismantlement, decommissioning or other management-related responsibilities are described in the facility license and its appendix. Attachment F to this application is a mark-up of the current facility license and appendix for Saxton, showing the specific language changes that will be necessitated by the requested transfer. Additionally, Attachment G sets forth a point-by-point explanation of those changes to Appendix A.

In particular, SNEC requests that the NRC amend Facility License No. DPR-4 to read so that:

- 1) GPU Nuclear Corporation, pursuant to Section 104b of the Act and 10 CFR Part 50, "Licensing of Production and Utilization Facilities", is licensed to possess, manage, use and maintain, but not to operate, the Saxton facility at the designated location in Liberty Township, Bedford County, Pennsylvania, in accordance with the procedures and limitations set forth in the facility license;
- 2) Saxton Nuclear Experimental Corporation, pursuant to the Act and 10 CFR Part 50, is licensed to possess, but not to manage, use, maintain or operate, the Saxton facility at the designated location in Liberty Township, Bedford County, Pennsylvania, in accordance with the procedures and limitations set forth in the facility license; and
- 3) GPU Nuclear, pursuant to the Act and 10 CFR Part 30, "Rules of General Applicability to Licensing of Byproduct Material", is licensed to possess, but not to separate, such byproduct material as may have been produced by operation of the Saxton facility.

B. Analysis of No Significant Hazards Consideration

The proposed amendment substituting GPU Nuclear for SNEC wherever management-related responsibilities are described in the Saxton license involves no significant hazards consideration. The Commission noted in Long Island Lighting Co. that a license amendment

reflecting an effective license transfer "presents no safety questions and clearly involves no significant hazards considerations." 35 NRC at 77 n.6.

Under the terms of the proposed amendment, the facility license will designate GPU Nuclear as the legal entity which will provide the technical and managerial resources for the continued safe management and support of the Saxton facility, and as the entity with exclusive responsibility and control over the facility's maintenance, characterization, decontamination, dismantlement and future decommissioning. The proposed license amendment involves no change in ownership and no physical change to the Saxton facility. Aside from organizational changes already described, all of the existing technical specifications will remain in effect. While applicable facility plans and procedures will require some administrative changes to reflect GPU Nuclear's assumption of responsibilities, no changes will be made that decrease the effectiveness of those plans and procedures.

The technical qualifications of GPU Nuclear to carry out its responsibilities under the facility license, as amended, will be equivalent or superior to the technical qualifications of SNEC. Although SNEC is the current licensee, it is already utilizing the services of GPU Nuclear in accordance with an Agreement executed between those parties on March 4, 1985 (Attachment E).

The NRC Staff has been aware of GPU Nuclear's management role at the Saxton facility to this point, and indeed has on several occasions interacted directly with GPU Nuclear personnel regarding Saxton matters. When the requested amendment becomes effective, the GPU Nuclear employees now assigned to work on Saxton (on-site and off-site) will perform the same duties as before, but simply will assume the formal status of licensee personnel. Moreover, the NRC has already found GPU Nuclear technically qualified to manage operational and decommissioning activities at Oyster Creek and TMI Units 1 and 2, the other nuclear facilities in the GPU System. Making GPU Nuclear the licensed manager of Saxton facility will be consistent with GPU Nuclear's express purpose of functioning as an integrated nuclear service company with responsibility for multiple nuclear energy plants, and will help ensure the success of the remaining characterization and the decommissioning efforts at Saxton by permitting direct and effective utilization of the GPU Nuclear organizational structure.

Under the tests set forth in 10 CFR § 50.92(c), the proposed amendment involves no significant hazards consideration. Implementation of the proposed amendment would not increase either the probability or the consequences of an accident previously evaluated. A Safety Evaluation in 1972 identified fire, flood and radiological hazard as the potential accidents applicable to the Saxton site. Implementation of the proposed organizational changes would have no effect on the likelihood or impact of these events. Nor would such implementation create the possibility of a new or different kind of accident from any accident previously evaluated, or involve any reduction in a margin of safety. As explained above, the proposed changes in the organization and position titles for

individuals performing and managing the activities at Saxton are administrative in nature. As such, these changes will not affect the health or safety of the public.

IV. EFFECTIVE DATE

The transfer of management responsibility from SNEC to GPU Nuclear requires the approval of no regulatory authorities other than the NRC. Therefore, SNEC requests that the NRC issue the proposed license amendment immediately upon approving the requested transfer of management responsibility.

V. CORRESPONDENCE AND NOTICES

As of the effective date of the requested transfer, all NRC correspondence related to Docket No. 50-146 should be directed to GPU Nuclear, which also will transmit all licensee correspondence relating to the Saxton Facility. GPU Nuclear will notify the NRC in writing of any exceptions to this policy.

Any notices, questions or correspondence in connection with this filing should be directed to:

Dr. Robert Long
Vice President, Nuclear Services Division
GPU Nuclear Corporation
c/o Regulatory Affairs Department, TMI
P.O. Box 480,
Route 441 South
Middletown, Pennsylvania 17057

VI. CONCLUSION

For the foregoing reasons, SNEC requests the NRC to:

- A. Approve the transfer to GPU Nuclear of all maintenance, characterization, decontamination, decommissioning, and other management-related responsibilities under the license for the Saxton facility.
- B. Amend the Saxton facility license to substitute GPU Nuclear for SNEC wherever maintenance, characterization, decontamination, dismantlement, decommissioning, or other management-related responsibilities are described in the license and Appendix A thereto (titled Technical Specifications).
- C. Amend the Indemnification Agreement for the Saxton facility to add GPU Nuclear as a party to that agreement.
- D. Issue an updated and consolidated version of the license and Appendix A thereto, which sets forth all currently applicable provisions and amendments, as reflected in the revised pages at Attachment G.

ATTACHMENT D
LISTING OF COMPANY DIRECTORS AND OFFICERS
GPU NUCLEAR CORPORATION
2 PAGES

GPU NUCLEAR CORPORATION DIRECTORS

<u>Name</u>	<u>Address</u>
J. R. Leva Chairman of the Board	GPU Nuclear Corporation 1 Upper Pond Rd., Parsippany, NJ 07054
D. Baldassari	" "
T. G. Broughton	" "
P. R. Clark	" "
F. D. Hafer	" "
J. D. Townsend OUTSIDE DIRECTOR	" "
C. A. H. Trost OUTSIDE DIRECTOR	" "
W. A. Wilson OUTSIDE DIRECTOR	" "
R. L. Wise	" "

GPU NUCLEAR CORPORATION PRINCIPAL OFFICERS

<u>Name</u>	<u>Address</u>
P. R. Clark (TO BE REPLACED BY T. G. BROUGHTON 1/1/96) President & Chief Executive Officer	GPU Nuclear Corporation 1 Upper Pond Rd., Parsippany, NJ 07054
T. G. Broughton (REPLACES CLARK 1/1/96) Executive Vice President	" "
J. J. Barton (TO BE REPLACED BY M. B. ROCHE 1/1/96) Vice President	" "
P. R. Chatman Assistant Comptroller	" "
C. Clawson Vice President	" "
J. G. Graham Vice President & Chief Financial Officer	" "
T. Howson Vice President & Treasurer	" "
R. W. Keaten Vice President	" "
J. Knubel Vice President	" "
R. L. Long Vice President	" "
P. E. Maricondo Vice President & Comptroller	" "
M. A. Nalewako Assistant Corporate Secretary	" "
R. S. Renzi Assistant Corporate Secretary	" "
M. B. Roche (REPLACES BARTON 1/1/96) Vice President	" "
S. H. Somich Assistant Treasurer	" "
J. F. Wilson Corporate Secretary	" "

ATTACHMENT E
SAXTON NUCLEAR EXPERIMENTAL CORPORATION (SNEC)/
GPU NUCLEAR CORPORATION (GPUN) AGREEMENT
PAGES 1 TO 8

Attach 3

THIS AGREEMENT, made and entered into this 4th day of March, 1985,
between SAXTON NUCLEAR EXPERIMENTAL CORPORATION ("SNEC")

a n d

GPU NUCLEAR CORPORATION ("GPUNC")

W I T N E S S E T H:

WHEREAS, SNEC, a non-profit corporation (the capital stock of which is owned by Jersey Central Power & Light Company, Metropolitan Edison Company and Pennsylvania Electric Company in the following percentages: forty-four (44) percent, thirty-two (32) percent and twenty-four (24) percent, respectively), is the owner of a 5,000 kilowatt (electrical) water-type nuclear reactor ("Station") located on the Raystown Branch of the Juniata River near Saxton, Pennsylvania, constructed and operated for experimental and research purposes; and

WHEREAS, the experimental and research activities of SNEC having terminated and its reactor facility decommissioned, SNEC, pursuant to Amendment No. 9 to Facility Operating License No. DFE-4 issued by the Atomic Energy Commission (now the Nuclear Regulatory Commission ("NRC")), is authorized to possess, but not to operate, its properties until February 11, 2000; and

WHEREAS, because of the existence of certain radioactive material at the Station, under the terms of the aforesaid Amendment No. 9 and the current regulations of the NRC, continued maintenance and surveillance of the Station and various activities leading towards the dismantling thereof is required; and

WHEREAS, GPUNC, an affiliated company, has been organized and established within the GPU System to assume responsibility, on behalf of the owners of nuclear facilities, and by contract with them for the performance of the various activities required of the owner of a nuclear facility; and

WHEREAS, all of the resources of the GPU Companies relating to nuclear matters having been consolidated in GPUNC, it is desirable and to the the advantage of SNEC, that GPUNC be engaged under the terms and conditions hereinafter set forth, to maintain and dismantle the facility and make any necessary repairs, modifications and additions thereto and retirements therefrom on behalf of SNEC;

NOW, THEREFORE, in consideration of these premises, the parties hereto do hereby agree as follows:

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ARTICLE 1Services to be Provided

- 1.1 GPUNC, consistent with such written guidelines as may be jointly developed with SNEC, shall provide and be responsible for the maintenance of the Station and make repairs and modifications as necessary in a safe and reliable manner in accordance with all applicable, lawful licenses and permits and requirements of state and federal regulatory agencies and shall dismantle the Station. "Station", as used in this Agreement, is defined as any and all real, personal and mixed property located on or forming a part of the property commonly known as Saxton Nuclear Experimental Corporation located in Liberty Township, Bedford County, Pennsylvania, excluding only those facilities which comprise Pennsylvania Electric Company's Saxton Line Office and switchyard. GPUNC also shall make such further modifications of and additions to and retirements from the Station as shall be consistent with such maintenance and dismantling. Such services and construction may be provided by GPUNC through its own personnel or in part by others under contractual or other arrangements. In furtherance of the foregoing, GPUNC shall, on behalf of SNEC, among other things:
- a. Select, hire, control and discharge personnel, who will be employees solely of GPUNC, and select and retain the services of contractors and consultants. All systems employees and contractors working at the station will adhere to the policies, plans, procedures, and manuals of GPUNC.
 - b. Arrange for the purchase on behalf of SNEC of repair, modification, maintenance and dismantling materials and dismantling services and supplies.
 - c. Determine and stipulate inventory levels of material and equipment for the Station.
 - d. Keep SNEC informed in a reasonable manner concerning Station repair, modification, maintenance, additions, retirements and dismantling activities.
 - e. Prepare, or arrange for the preparation of, in accordance with normal and customary procedures, annual budgets and forecasts for the Station's repair, modification, maintenance and dismantling costs, capital expenditures and retirements to be submitted to SNEC for approval. Such approval shall be required before action may be taken thereunder, provided that work required to prevent hazardous conditions may be undertaken prior to such approval with prompt notification thereof given to SNEC. Such budgets and forecasts shall be revised from time to time to reflect material changes in circumstances.

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- f. Perform any services and take any action on behalf of SNEC where appropriate, related to the repair, modification, maintenance, renewals, replacements, additions, dismantling and retirements pertaining to the Station as may be necessary or appropriate to comply with the provisions of the Atomic Energy Act or any other applicable statute, rules, regulations, guidelines or similar criteria, as amended or as they may be amended, and any provisions or conditions of licenses, permits or similar authorizations granted or that may be granted in connection with Station and as such permits, licenses or other authorizations may hereafter be amended.
 - g. Provide communications to, and receive communications from, the Nuclear Regulatory Commission and/or any successor governmental agency, as well as any other governmental agency having jurisdiction with respect to any aspect of the Station's maintenance, repair, modification and dismantling and, in such capacities, represent (or engage others to represent) SNEC.
 - h. Perform, or, if deemed desirable by GPUNC, contract on behalf of SNEC with others (including agencies of Government or their contractors) for repair, modification, maintenance, renewals, replacements and dismantlements required to place and/or keep the Station in a safe condition to protect the property and disburse or receive funds in connection therewith. Such work shall be subject to normal and customary GPUNC review and approval procedures.
 - i. Perform any additional services pertaining to the Station to which SNEC and GPUNC shall have mutually agreed.
 - j. Arrange for the maintenance, in accordance with normal and customary procedures, of such necessary books of record, books of account and memoranda of transactions and for the provision of such reports with respect thereto to SNEC as SNEC shall desire to meet its accounting and statistical requirements and to conform to the applicable lawful rules, regulations and requirements of all regulatory bodies having jurisdiction over SNEC. The costs for the Station shall be accumulated in a separate set of accounts.
 - k. Provide, or arrange for the provision of, such other data or information with respect to the Station as may be reasonably requested by SNEC from time to time.
- 1.2 Matters and questions arising in connection with the repair, modification, maintenance and dismantling of the Station which are not within the scope of the authority delegated to GPUNC under this Agreement and are not specifically provided for in this Agreement shall be jointly determined from time to time by SNEC and GPUNC.
- 1.3 The costs for services provided by GPUNC pursuant to the terms, conditions and provisions of this Agreement shall be paid to GPUNC in Article 3.

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ARTICLE 2Working Fund

- 2.1 SNEC shall establish and maintain a fund from which GPUNC shall make payments for all costs pursuant to its services and responsibilities hereunder. SNEC, in consultation with GPUNC, shall determine, initially and from time to time, during the term of this Agreement, the amount or amounts required to maintain a satisfactory balance in the fund, and shall be liable for any such additional amounts required to maintain the agreed-upon balance. SNEC shall reimburse the fund promptly on receipt of notice from GPUNC of its obligations for reimbursement.
- 2.2 On termination of this Agreement, as hereinafter provided, any residual unexpended balance in the working fund shall be credited to SNEC.

ARTICLE 3Charges, Financial Statements, and Billings

- 3.1 GPUNC shall arrange for reporting to SNEC for each month, promptly following the end of such month, by written statements for following:
- a. The costs of repair, modification, maintenance and dismantling, the cost of any plant additions and retirements, including applicable costs of removal and salvage, on an accrual basis, classified as required to meet its obligations under Section 1.1 (j) above.
 - b. A summary statement of the activities during that month of the Working Fund, showing beginning balance, receipts, disbursements and closing balance.
- 3.2 The costs incurred or accrued from all sources during each calendar month in repairing, modifying, maintaining, dismantling and making additions to and retirements from the Station shall become liabilities of SNEC when incurred or accrued and shall be borne by SNEC. All such costs shall be determined in accordance with sound accounting practices, and shall include reasonable and appropriate indirect costs including overheads. In particular, all of the services rendered hereunder by GPUNC will be at actual costs thereof. Direct charges will be made for services where a direct allocation of costs is possible. The methods of determining such costs and the allocation thereof are set forth in Appendix A hereto. These methods shall be reviewed annually and more frequently, if appropriate. Such methods may be modified or changed by GPUNC, with the approval of SNEC, without the necessity of an amendment of this Agreement, provided that in each instance, all services rendered hereunder will be at actual costs thereof, fairly and equitably allocated, and all in accordance with the requirements of the Public Utility Holding Company Act of 1935 and the rules and regulations and orders thereunder.

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- 3.3 SNEC shall report, file returns with respect to, be responsible for and pay all real property, franchise, business or other taxes, except payroll and sales or use taxes, arising out of its ownership of the Station.
- 3.4 SNEC shall have the right, during the term of this Agreement and thereafter as long as the books, records and memoranda referred to in Section 1.1 shall be preserved, to inspect all such items and to make reasonable audits thereof at their own costs as they may deem necessary to protect their interests.
- 3.5 In the event SNEC shall question any statement rendered according to the provisions of Section 3.1 hereof, it shall nevertheless promptly pay the amount indicated in such statement, but such payment shall not be deemed to prevent SNEC from claiming an adjustment of any statement rendered.
- 3.6 If it shall be determined that SNEC has paid more or less than an appropriate amount for any of the costs associated with the Station for the month covered by such statement, an appropriate correction shall be made by GPUNC by proper credit or charge, as the case may be.

ARTICLE 4

Compliance with Provisions of Permits and Requirements of Governmental Agencies

SNEC and GPUNC shall cooperate in taking whatever action may be necessary to comply with the terms and provisions of permits and licenses for the Station and with all applicable lawful requirements of any federal or state agency or regulatory body having jurisdiction in the premises. It is also agreed that any filings made with the NRC be reviewed by the SNEC Manager, in addition to any other reviews and approvals by other appropriate SNEC and GPUNC personnel, prior to submittal.

ARTICLE 5

Damage to Persons or Property; Penalties; Fines

- 5.1 Since GPUNC is undertaking its responsibilities hereunder at cost and in order to assist SNEC in meeting its responsibilities with respect to the Station, the following provisions shall be applicable to damage to the property of either of the parties hereto (including Station property) or third parties, or injuries to or loss of life by any person, including employees of the parties hereto, and to penalties or fines assessed with respect to the Station;

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- a. SNEC and GPUNC will procure and maintain such physical damage, public liability, workers' compensation and other insurance as it may deem appropriate with respect to all losses, damages, liability and claims arising out of its ownership and provision of services hereunder and the premium costs thereof shall be Station costs under Section 3.2, or in the alternative, upon concurrence of the parties hereto, SNEC and GPUNC will jointly procure and maintain such physical damage, public liability, workers' compensation and other insurance as they may deem appropriate with respect to all losses, damages, liability and claims arising out of the ownership of the Station and provisions of services hereunder and the premium costs thereof shall be Station costs under Section 3.2. All insurance shall contain a waiver of subrogation clause against the other party hereunder.
- b. Claims cognizable under workers' compensation acts or temporary disability benefits laws or any other benefits under workers' compensation or analogous statutes and the expenses of defending or disposing of the same, attributable to the ownership of the Station, or the provision of services hereunder, which are not covered in full by insurance procured in accordance with the preceding paragraph shall (to the extent not covered by such insurance) be treated as Station costs under Section 3.2.
- c. All losses, damages, expenses, penalties, liabilities, fines and claims (including those in respect of property damage and personal injury) asserted by third parties and the expenses of defending or disposing of the same, attributable to the ownership of the Station and the provision of services hereunder, which are not covered in full by insurance procured in accordance with the second preceding paragraph shall (to the extent not covered by such insurance) be treated as Station costs under Section 3.2.
- d. The parties hereto expressly waive any right they may have to recover from the other for any losses, damages, penalties, liabilities, fines, claims or expenses (including damage to property of the Station) for any cause, including the negligence of the other, its employees and agents in connection with the ownership of the Station and the provision of services hereunder.

ARTICLE 6

Miscellaneous

- 6.1 Nothing in this Agreement shall be deemed to create or constitute a partnership or joint venture between the parties hereto, the sole purpose of this Agreement being limited to provision for the orderly and efficient repair, modification, maintenance and dismantlement of the Station.
- 6.2 SNEC hereby designates its President as its Representative, who shall receive notices and communications from GPUNC under the provisions of this Agreement and who shall send to the designated Representative of GPUNC all notices and communications under the provisions of this Agreement.

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- 6.3 GPUNC hereby designates its President as its Representative, who shall receive notices and communications from SNEC under the provisions of this Agreement and who shall send to SNEC all notices and communications concerning the provisions of this Agreement.
- 6.4 SNEC shall determine the basis and method it will use for purposes of depreciation and other matters where investment in Station property is relevant.
- 6.5 In performing services under this Agreement on behalf of SNEC, GPUNC shall act as an independent contractor responsible for the result to be attained, consistent with such guidelines as may be jointly developed with SNEC.
- 6.6 Since SNEC may, from time to time, provide goods and services to the Station, GPUNC shall pay for such goods and services at cost determined as herein provided, which payments shall be treated as Station costs under Section 3.2

ARTICLE 7

Effective Date and Termination

- 7.1 Subject to any applicable rules and regulations and associated approvals of any regulatory authority, this Agreement shall become effective as of the date first above written and shall remain in full force and effect unless and until terminated.
- 7.2 This Agreement may be terminated by SNEC upon reasonable notice to GPUNC, provided that adequate provision is made to protect the public health and safety.

ARTICLE 8

Successors and Assigns

This Agreement, and all of the terms and conditions hereof, shall be binding upon and enure to the benefit of the parties hereto and their respective successors and assigns.

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ARTICLE 9Governing Law

This Agreement has been executed and delivered in the State of New Jersey and is intended to be construed in accordance with, and to be governed by, the laws of that State.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed and delivered in Parsippany, New Jersey, as of the day and year first above written.

SAXTON NUCLEAR EXPERIMENTAL CORPORATION

Attest:

W.B. Murray
Secretary

By P.H. Howard 3-4-85
President

GPU NUCLEAR CORPORATION

Attest:

W.B. Murray
Secretary

By P.C. Clark 3-10-85
President

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ATTACHMENT F
REVISED LICENSE, PAGES 1 AND 2
AND APPENDIX A, PAGES 1 TO 8

GPU NUCLEAR CORPORATION
SAXTON NUCLEAR EXPERIMENTAL CORPORATION
DOCKET NO. 50-146
AMENDED FACILITY LICENSE

1. The Nuclear Regulatory Commission (the Commission) has found that:
 - A. The application, as amended, complies with the requirements of the Atomic Energy Act of 1954, as amended (the Act), and the regulations of the Commission set forth in 10 CFR Chapter I:
 - B. There is reasonable assurance (i) that the activities authorized by this amended facility 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 in 10 CFR Part 50:
 - C. GPU Nuclear Corporation is technically qualified, and Saxton Nuclear Experimental Corporation is financially qualified, to engage in the activities authorized by the amended license in accordance with the rules and regulations of the Commission:
 - D. Saxton Nuclear Experimental Corporation has furnished proof of financial protection which satisfied the requirements of 10 CFR Part 140: and
 - E. The issuance of this amendment will not be inimical to the common defense and security or to the health and safety of the public.
2. Operating License DPR-4, as amended, is hereby amended in its entirety to read:
 - A. This license applies to the pressurized water reactor (hereinafter referred to as the "Saxton facility") owned by Saxton Nuclear Experimental Corporation (hereinafter referred to as "SNEC"), located north of the Borough of Saxton in Liberty Township, Bedford County, Pennsylvania, and described in Amendment No. 5 dated April 19, 1961, and amendments thereto including the amendment dated April 14, 1972, to the Saxton facility's license application.
 - B. Subject to the conditions and requirements incorporated herein, the Nuclear Regulatory Commission hereby licenses GPU Nuclear Corporation (GPU Nuclear) and SNEC as follows:
 - 1) GPU Nuclear, pursuant to Section 104b of the Act and 10 CFR Part 50, "Licensing of Production and Utilization Facilities", is licensed to possess, manage, use and maintain, but not to operate, the Saxton facility at the designated location in Liberty Township, Bedford County, Pennsylvania, in accordance with the procedures and limitations set forth in the facility license;

- 2) SNEC, pursuant to the Act and 10 CFR Part 50, is licensed to possess, but not to manage, use, maintain or operate, the Saxton facility at the designated location in Liberty Township, Bedford County, Pennsylvania, in accordance with the procedures and limitations set forth in the facility license; and
 - 3) GPU Nuclear, pursuant to the Act and 10 CFR Part 30, "Rules of General Applicability to Licensing of Byproduct Material", is licensed to possess, but not to separate, such byproduct material as may have been produced by operation of the Saxton facility.
- C. This license shall be deemed to contain and be subject to the conditions specified in Part 20, Section 30.34 of Part 30, and Section 50.54 of Part 50, 10 CFR Chapter I, and to all applicable provisions of the Act and to the rules, regulations and orders of the Commission now or hereafter in effect, and to the additional conditions specified below:
- 1) GPU Nuclear shall not reactivate the facility without prior approval of the Commission.
 - 2) GPU Nuclear shall not dismantle or dispose of the facility or the property occupied by the facility without prior approval of the Commission.
 - 3) The Technical Specifications contained in Appendix A as revised through Amendment No. 13 are hereby incorporated in the license. SNEC and GPU Nuclear shall possess the facility in accordance with the Technical Specifications.
3. This license is effective as of the date of issuance and shall expire at midnight on February 11, 2000, or upon expiration of the corporate charter of Saxton Nuclear Experimental Corporation, whichever occurs first.