

# SHAW, PITTMAN, POTTS & TROWBRIDGE

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

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December 13, 1996

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## By Hand Delivery

U.S. Nuclear Regulatory Commission  
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Beaver Valley Power Station, Units 1 and 2

Docket Nos. 50-334 & 50-412

Application for Transfers of Control Regarding Operating  
License Nos. DPR-66 and NPF-73 For the Beaver Valley Power Station

Ladies and Gentlemen:

Pursuant to Section 184 of the Atomic Energy Act, as amended, 10 CFR § 50.80, and NRC Administrative Letter 96-02, Cleveland Electric Illuminating Company (CEI), The Toledo Edison Company (TE), Ohio Edison Company and Pennsylvania Power Company hereby submit an Application for Transfers of Control of the Beaver Valley Operating Licenses, Nos. DPR-66 and NPF-73. The Application requests the consent of the Nuclear Regulatory Commission ("NRC") to the indirect transfers of control of these licensees' possessory interests in the Beaver Valley licenses that will occur under a proposed merger of the Centerior Energy Corporation (the parent holding company of CEI and TE) and Ohio Edison Company, resulting in the formation of a new single holding company, FirstEnergy Corp. ("FirstEnergy"). Duquesne Light Company, which is the licensed owner of the Beaver Valley Power Station, is not involved in the merger.

The merger will create a stronger, more competitive enterprise led by a strong management team. It is expected to generate over \$1 billion in net savings during the first ten years of FirstEnergy operation, thereby enhancing the applicants' financial resources to possess the Beaver Valley units.

In order to maximize the significant cost savings and efficiencies upon consummation of the merger, the applicants request expeditious review of this Application by the NRC and the issuance of a 10 CFR 50.80 consent by the NRC. The applicants believe that the NRC should be able to consent to the indirect transfers of control occasioned by the proposed

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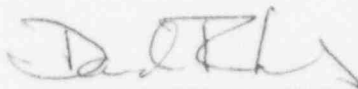
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merger, since the merger will have no adverse affect on either the technical management or operation of Beaver Valley, will not require a specific demonstration of financial qualifications since the applicants' status as utilities under 10 CFR 50.2 will remain unchanged, and will not require any additional NRC antitrust review for reasons stated in the Application.

The proposed merger requires approval of other regulatory agencies in addition to consent from the NRC. The NRC Project Manager for Beaver Valley will be kept informed of the progress made by the other regulatory agencies. The merger is expected to be completed by September 1, 1997, enabling FirstEnergy to come into corporate existence on that date. Accordingly, it is requested that the NRC consent to the indirect transfer of control of the Beaver Valley licenses no later than September 1, 1997.

If you have any questions or require additional information, please contact Ms. Mary O'Reilly of the Centerior Legal Department at (216) 447-3206 or Mr. David Lewis of Shaw, Pittman, Potts & Trowbridge at (202) 663-8474.

Very truly yours,



David R. Lewis  
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Enclosure

cc (w/ encl.): Resident Inspector, BVPS  
Regional Administrator, NRC Region I  
D. Brinkman, Project Manager