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John P. Stetz
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December 13, 1996

U. S. Nuclear Regulatory Commission
Document Control Desk
Washington, DC 20555

Davis-Besse Nuclear Power Station
Docket No. 50-346
Serial Number 2426
Application For Transfers
Of Control Regarding Operating
License No. NPF-3 For the
Davis-Besse Nuclear Power Station

Ladies and Gentlemen:

Pursuant to Section 184 of the Atomic Energy Act, as amended, Section 50.80 of Title 10 of the Code of Federal Regulations (10CFR 50.80) and NRC Administrative Letter 96-02: Licensee Responsibilities Related to Financial Qualifications, the Toledo Edison Company ("TE") and Centerior Service Company ("CSC"), the licensed operators of the Davis-Besse Nuclear Power Station ("DBNPS"), hereby submit the enclosed Application for Transfers of Control of the DBNPS Operating License No. NPF-3 on behalf of licensees TE, CSC and The Cleveland Electric Illuminating Company ("CEI"), (hereinafter referred to as the "Licensee Applicants"). The Application requests the consent of the Nuclear Regulatory Commission ("NRC") to the indirect transfers of control of Licensee Applicants' interests in the DBNPS Operating License that will occur under a proposed merger of the Centerior Energy Corporation (the parent holding company of TE, CSC and CEI) and Ohio Edison Company, resulting in the formation of a new single holding company, FirstEnergy Corp. ("FirstEnergy").

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 Licensee Applicants' financial resources to possess and operate DBNPS.

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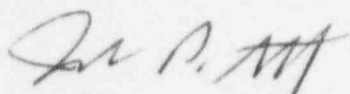
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In order to maximize the significant cost savings and efficiencies upon consummation of the merger, the Licensee Applicants request expeditious review of this Application by the NRC and the issuance of a 10 CFR 50.80 consent letter by the NRC. The Licensee Applicants believe that the NRC should be able to consent to the indirect transfers of control occasioned by the proposed merger, since the merger will have no adverse effect on either the technical management or operation of DBNPS; will not require a specific demonstration of financial qualifications since the Licensee Applicants' status as electric utilities under 10 CFR 50.2 will remain unchanged; and will not require any additional NRC antitrust review for reasons stated in the enclosed Application.

The proposed merger requires approval of other regulatory agencies in addition to obtaining consent from the NRC. The NRC Project Manager for DBNPS 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 DBNPS license no later than September 1, 1997.

If you have 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 and Trowbridge, at (202) 663-8474.

Very truly yours,



John P. Stetz

Enclosure

cc: A. B. Beach, Regional Administrator, NRC Region III
A. G. Hanson, DB-1 NRC/NRR Project Manager
S. Stasek, DB-1 NRC Senior Resident Inspector
Utility Radiological Safety Board of Ohio

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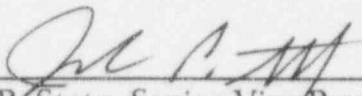
Docket Number 50-346
License Number NPF-3
Serial Number 2426

APPLICATION FOR TRANSFERS OF CONTROL
REGARDING
OPERATING LICENSE NUMBER NPF-3
DAVIS-BESSE NUCLEAR POWER STATION
UNIT NUMBER 1

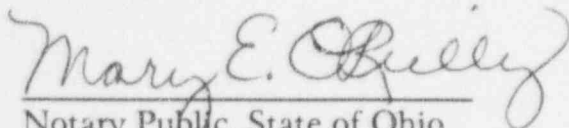
Attached is an Application for Transfers of Control for the Davis-Besse Nuclear Power Station ("DBNPS"), Unit Number 1 Facility Operating License Number NPF-3.

This Application is submitted under cover letter Serial Number 2426 on behalf of the DBNPS owners and licensees, The Toledo Edison Company, The Cleveland Electric Illuminating Company, and Centerior Service Company.

By:


John P. Stetz, Senior Vice President - Nuclear

Sworn to and subscribed before me this 13th day of December, 1996.



Notary Public, State of Ohio

MARY E. O'REILLY

Attorney at Law

Notary Public — State of Ohio

My Commission has no Expiration Date

Section O.R.C. 147.03