

September 3, 2002

MEMORANDUM TO: Docket File

FROM: Jack N. Donohew, Project Manager, Section 2
Project Directorate IV /RA/
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

SUBJECT: LICENSEE AGREEMENT TO REFERENCING ANTITRUST CONDITION
6 IN LICENSE AMENDMENT REQUEST DATED JUNE 27, 2000, FOR
WOLF CREEK GENERATING STATION (TAC NO. MA9379)

The NRC staff has been reviewing the request by Wolf Creek Nuclear Operating Corporation (the licensee) to revise the antitrust conditions for Kansas Gas and Electric Company (KGE). The application is dated June 27, 2000, and has been supplemented by letters dated January 31, May 2, and October 30, 2001, and May 10, 2002.

As part of its review of the licensee's request, the NRC staff had a contractor review the proposed changes to KGE's antitrust conditions. In one recommendation, the contractor stated in its report that the licensee should consider revising its proposed new Condition 11. For a new Condition 11, the licensee had proposed the following: "The conditions set forth in Paragraphs 2, 3, 4, 5, 6(b), 7, 8, and 9 herein do not restrict KEPCo's rights or the Licensee's duties under other license conditions." (The licensee's use of the term "Paragraphs" in proposed Condition 11 is the same as the staff's use of the term "Conditions".) The contractor suggested that the licensee modify its proposed wording to the following: "The obligations and requirements set forth in Conditions 2, 3, 4, 5, 6, 7, 8 and 9 do not restrict KEPCO's rights or the Licensee's duties that may otherwise exist beyond these Antitrust License Conditions." The contractor believes that its recommended revised Condition 11 better reflects the intent of KGE, and also reflects that Condition 6(a) still contains some rights and duties of the licensee.

The licensee submitted a supplemental letter dated May 10, 2002, that proposed a new Condition 11 that followed the contractor's recommendation and a minor clarification recommended by the staff ("... and are not inconsistent with, ...) except that it kept the reference to Condition 6(b) that it submitted in its application of June 27, 2000.

After its review of the May 10, 2002, submittal, the staff, in phone discussions with the licensee, questioned the reference to only Condition 6(b) in that Condition 6(a) did contain rights and duties of the licensee. In the attached email dated July 24, 2002, the licensee agreed to have Condition 6(a) added to the proposed Condition 11 and, therefore, state "Paragraph 6" in Condition 11.

Docket No. 50-482

Enclosure: E-mail dated July 24, 2002

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E-MAIL JULY 24, 2002

From: Yunk Jennifer L <jeyunk@WCNOC.com>
To: "Jack Donohew (E-mail) (E-mail)" <jnd@nrc.gov>
Date: 7/24/02 2:12PM
Subject: Wolf Creek: KGE antitrust conditions--latest NRC change

> -----Original Message-----

> From: Wood Warren B
> Sent: Friday, July 19, 2002 2:54 PM
> To: Yunk Jennifer L
> Cc: Fellers Steven G
> Subject: KGE antitrust conditions--latest NRC change

>

> You advised me that the NRC Staff now wants to change "6(b)" to "6" in
> Para. 11 of the proposed amendment to the KGE antitrust conditions. I
> relayed this suggestion to both KGE and KEPCo, and they have agreed to the
> change.

>

> Now what do we do?

>

> Warren