



UNITED STATES
 ATOMIC ENERGY COMMISSION
 WASHINGTON, D.C. 20545

JUN 05 1974

DOCKET NO: 50-286

ORGANIZATION: Power Authority of the State of New York (PASNY)

FACILITY: Indian Point Unit 3

SUMMARY OF MEETING HELD WITH PASNY ON MAY 23, 1974 TO DISCUSS THE TRANSFER OF OWNERSHIP OF INDIAN POINT UNIT 3

A meeting was held on May 23, 1974 with representatives of PASNY to discuss the course of action for effecting the transfer of ownership of Indian Point Unit 3 from Consolidated Edison (Con Ed) to PASNY. An attendance list is attached. The meeting was exploratory in nature with the discussions covering the legal, technical and licensing review aspects of the transfer.

PASNY wishes to take over ownership before November, 1974. This will require that a transfer of the Construction Permit take place by that time. In addition, the OL licensing review effort must continue with the staff's evaluation of PASNY's qualifications as owner and operator presented in a supplement to the Safety Evaluation Report in the late fall.

Discussion

PASNY began the meeting by discussing the bill passed by the New York State Legislature authorizing the purchase of Indian Point Unit 3. The important points of the bill were summarized as follows:

- (1) The bill authorizes PASNY to acquire completed or partially completed generating plants.
- (2) PASNY must do this in such a way as to maintain its tax exempt status.
- (3) PASNY must carry out the acquisitions in such a way as to provide benefit to rate payers.
- (4) Any agreements made between PASNY and Con Ed must be approved by the State Comptroller.

PASNY pointed out that they intended to operate Unit 3 themselves, because contracting the operation of or leasing the unit to Con Ed would jeopardize PASNY's tax exempt status.

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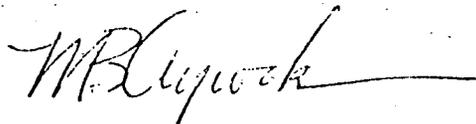
The bill authorizes PASNY to acquire one plant this year and one plant next year. At this time circumstances are such that Indian Point 3 is the plant they wish to purchase this year.

PASNY pointed out that 75% of the power generated by Unit 3 over the life of the plant must be sold to public benefit entities.

The PASNY representatives indicated that they would like to take title to Unit 3 before November, 1974. This would mean that a transfer of the Construction Permit must be completed by that time. PASNY was told that they must file an application for transfer of the CP containing the information requested in 10 CFR Part 50.80. The staff would then have to evaluate PASNY's qualifications as delineated in the application and present its conclusions in a Safety Evaluation Report. The action would have to be noticed, which may result in a request for a public hearing. We indicated that, based upon the time required to proceed with this action, a transfer of the CP to PASNY before November, 1974 was optimistic if a hearing was held.

Mr. Giambusso indicated that the staff was prepared to give PASNY guidance in preparing its application with respect to the technical, quality assurance, financial and antitrust information required. The PASNY representatives indicated that they felt that they would be ready to file the application within a few weeks.

The meeting was concluded by discussing potential agenda items for a meeting to be held with PASNY and Con Ed on May 29, 1974 concerning the operating interrelationship that would have to be developed between the two organizations.



M. B. Aycock, Project Manager
Light Water Reactors Project Branch 1-1
Directorate of Licensing

Attachment:
Attendance List

ATTENDANCE LIST
MEETING WITH PASNY
MAY 23, 1974

PASNY

G. T. Berry
A. George
A. Klausman
Z. Chilazi
S. Lilly

AEC

A. Giambusso
T. Engelhardt
D. R. Muller
J. Gallo
D. B. Vassallo
R. Cleveland
R. W. Klecker
M. B. Aycock
S. Treby
J. Rutberg

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UNITED STATES OF AMERICA

ATOMIC ENERGY COMMISSION

In the Matter of)
)
CONSOLIDATED EDISON COMPANY)
OF NEW YORK, INC.) Docket No. 50-286
Indian Point Station, Unit No. 3))

CERTIFICATE OF SERVICE

I hereby certify that I have this 5th day of August, 1974, served copies of the foregoing document entitled "Answer of Intervenors Hudson River Fisherman's Association and Save Our Stripers To Motion of Applicant Con Edison For Fuel-Loading, Subcritical and Low-Power Testing and Limited Operating License," by mailing them first-class, postage prepaid, and properly addressed to the following persons:

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