GEORGE SPIEGEL P.C. ROBERT C. MCDIARMID SANDRA J. STREBEL ROBERT A. JABLON JAMES N HORWOOD ALAN J. ROTH FRANCES E. FRANCIS DANIEL I DAVIDSON THOMAS N. MCHUGH, JR. DANIEL J. GUTTMAN PETER K. MATT DAVID R. STRAUS

LAW OFFICES

SPIEGEL & MCDIARMID

2600 VIRGINIA AVENUE, N.W.

WASHINGTON, D.C. 20037

TELEPHONE (202) 333-4500

TELECOPIER (202) 333-2974

BONNIE S. BLAIR ROBERT HARLEY BEAR THOMAS C. TRAUGER JOHN MICHAEL ADRAGNA CYNTHIA S. BOGORAD GARY J. NEWELL MARC R. POIRIER MARTA A. MANILDI JOSEPH L. VAN EATON

February 12, 1980

Mr. Harold Denton Director Office of Nuclear Reactor Regulation U.S. Nuclear Regulatory Commission Washington, D.C. 20555

Donald L. Flexner, Esq. Assistant Attorney General U.S. Department of Justice Washington, D.C. 20530

> In the Matter of Mississippi Power & Light Company, Grand Gulf Nuclear Station Numbers 1 and 2, Docket Nos. 50-416A and 50-417A.

Gentlemen:

You may recall that Mississippi Light & Power Company ("MP&L"), the Applicant in the above-captioned proceeding, addressed a letter to you dated December 10, 1979, representing that MP&L had agreed to the wheeling provision sought by the Municipal Energy Agency of Mississippi and its members from the 500 KV interconnection with the Gulf States Utilities Company and consequently, that Condition 5 of Applicant's License Commitments had been satisfied.

We are in receipt of a letter of February 5, 1980, from MP&L's corporate sibling, Louisiana Power & Light

Mr. Harold Denton Donald L. Flexner, Esq. -2- February 12, 1980 Company, together with attachment. I believe you will find this relevant to our letter of January 11, 1980, in this matter. A copy is attached for your information. Yours very truly, Robert C. McDiarmid Enclosure cc: Troy B. Conner, Jr., Esq. Frederick Chanania, Esq. Richard M. Merriman, Esq. Janet R. Urban, Esq. David R. Hunt, Esq. Mr. Marvin Carraway Mr. C. M. Matthews RCMcD: jbs

LOUISIANA / 142 CELARONCE STREET POWER & LIGHT / PO. BOX 6008 . NEW CRLEANS, LOUISIANA 70174 . 1504) 366-2345

February 5, 1980

JACK DAVEY Vice President and Chief Engineer

Mr. A. E. Naylor Manager - Planning Gulf States Utilities Company

Mr. N. L. Stampley, Vice President Mississippi Power & Light Company

Hon. Kenneth F. Bowen, Mayor City of Lafayette

Mr. C. M. Mathews, Manager Greenwood Utilities

Hon. Richard M. Webster, Jr. -- Mayor, City of Clarksdale

Subject: Clarksdale-Lafayette Transaction

Gentlemen:

Louisiana Power & Light Company wrote to some of you on May 7, 1979 in connection with this matter, and we are enclosing a copy of that letter for your easy reference.

We have no knowledge at this time of the status of your negotiations. Since it is possible that those negotiations have now proceeded to the point where you may be ready to reach a contract, and since LP&L has still not heard from the City of Lafayette with respect to entering into a transmission agreement covering the subject transaction, we feel compelled to reiterate our expressions of May 7, 1979.

Just so that there will be no doubt in anyone's mind, this is to state that Louisiana Power & Light Company must be paid for the use of its transmission facilities. LP&L will not permit the use of its facilities without proper compensation.

Trusting that everyone understands what we have said above, we will await a communication from the City of Lafayette so that an appropriate transmission service schedule can be discussed and executed.

Yours very truly,

LOUISIANA POWER & LIGHT COMPANY

Jack Davey

Vice President and Chief Engineer

JD:cb Enclosure

1,

May 7, 1979

Mr. A. E. Naylor
Manager - Planning
Gulf States Utilities Company
P. O. Box 2951
Beaumont, TX 77704

Mr. N. L. Stampley
Vice President
Lississippi Power & Light Company
P:O. Box 1640
Jackson, MS 39205

Honorable Kenneth F. Bowen Layor of City of Lafavette 733 Jefferson St. Lafayette, LA 70501

Gentlemen:

Re: Clarksdale-Lafavette Transaction

We see from a copy of the April 27, 1979, Stampley to Naylor letter that the MP&L-GSU general contract is close to being completed. I am glad to hear that the negotiations have promind you of one other step that must be completed before the exchange can take place. I am referring to the fact that even with the 500-kv line in service—of which LP&L owns a portion, mission. So not only does LP&L own a portion of the 500-kv will be utilized in transmitting the major portion of this power even with the 500-kv line in service. Therefore, it will schedule with LP&L to permit the Clarksdale exchange to take

Yours very truly,

Jack Davey Chief Engineer

JD:jjf