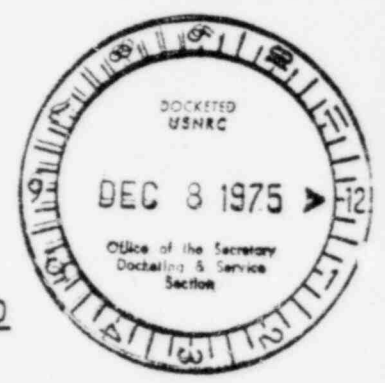


12-5-75



UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

In the Matter of

THE TOLEDO EDISON COMPANY and
THE CLEVELAND ELECTRIC ILLUMINATING
COMPANY
(Davis-Besse Nuclear Power Station,
Units 1, 2 & 3)

NRC Docket Nos. 50-346A
50-500A
50-501A

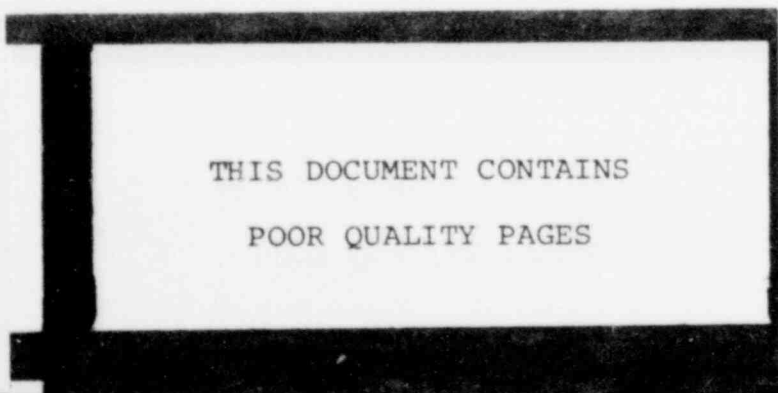
THE CLEVELAND ELECTRIC ILLUMINATING
COMPANY, ET AL.
(Perry Nuclear Power Plant,
Units 1 & 2)

NRC Docket Nos. 50-440A
50-401A

ADDITIONS TO LIST OF
EXHIBITS OF NRC STAFF

The Staff has recently discovered documents which it intends to introduce into evidence at the forthcoming hearing but which were not listed on the "List of Intended Fact Witnesses and List of Exhibits of NRC Staff." The sole reason these documents did not appear on Staff's List of Exhibits is that their existence was discovered on a field investigation this week. In order to accommodate the parties, Staff is attaching copies of these documents to all persons on the service list except for members of the Licensing Board.

Therefore Staff hereby amends its "List of Intended Fact Witnesses" by adding the following:

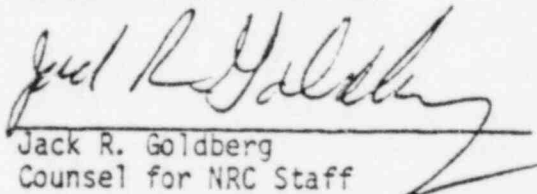


THIS DOCUMENT CONTAINS
POOR QUALITY PAGES

8002190847 M

<u>Date</u>	<u>Type</u>	<u>Author</u>	<u>Addressee</u>	
NRC-236	Undated	Proposed Wholesale Contract between Toledo Edison and Bowling Green, Ohio, containing proposed deletions by Bowling Green and discussed at a meeting on April 17, 1972, between Bowling Green and Toledo Edison.		
NRC-237	4/18/72	Office Memorandum	W. R. Moran	J. P. Williamson (copy to W. H. Schwalbert)
NRC-238	1/8/72	Letter	Powers Luse	Philip Ardery (copies to J. Engle and R. Hillwig)
NRC-239	1/8/73	(Attachment to NRC-238) Memorandum of AMP-OHIO, INC., 1972 Power Supply Negotiations with Toledo Edison Company.		
NRC-240	7/3/72	Letter	W. R. Moran	Powers Luse and Robert Hillwig
NRC-241	9/17/75	Letter	William E. Huepenbecker, P.E.	Robert Hillwig

Respectfully submitted,


Jack R. Goldberg
Counsel for NRC Staff

Dated at Bethesda, Maryland
this 5th day of December 1975.

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

In the Matter of)	
THE TOLEDO EDISON COMPANY and)	NRC Docket Nos. 50-346A
THE CLEVELAND ELECTRIC ILLUMINATING)	50-500A
COMPANY)	50-501A
(Davis-Besse Nuclear Power Station,)	
Units 1, 2 & 3))	
THE CLEVELAND ELECTRIC ILLUMINATING)	NRC Docket Nos. 50-440A
COMPANY, ET AL.)	50-441A
(Perry Nuclear Power Plant,)	
Units 1 & 2))	

CERTIFICATE OF SERVICE

I hereby certify that copies of ADDITIONS TO LIST OF EXHIBITS OF NRC STAFF, dated December 5, 1975, in the captioned matter, have been served upon the following persons in the Washington, D.C. area and by mail to all others via the United States mail, first class or airmail, this 5th day of December 1975:

Douglas V. Rigler, Esq.
Chairman, Atomic Safety and
Licensing Board
Foley, Lardner, Hollabaugh
and Jacobs
Schanin Building
815 Connecticut Avenue, N.W.
Washington, D.C. 20006

Ivan W. Smith, Esq.
Atomic Safety and Licensing Board
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Mr. John M. Frysiak
Atomic Safety and Licensing Board
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Atomic Safety and Licensing Board
Panel
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

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Joseph J. Saunders, Esq.
Steven Charno, Esq.
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P. O. Box 7513
Washington, D.C. 20044

Docketing and Service Section
Office of the Secretary
U.S. Nuclear Regulatory Commission
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Illuminating Company
P. O. Box 5000
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Fuller, Henry, Hodge & Snyder
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Toledo, Ohio 43604

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Executive Vice President
Ohio Edison Company
47 North Main Street
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Thomas J. Munsch, Esq.
General Attorney
Duquesne Light Company
435 Sixth Avenue
Pittsburgh, Pennsylvania 15219

Karen H. Adkins, Esq.
Richard M. Firestone, Esq.
Antitrust Section
30 East Broad Street, 15th Floor
Columbus, Ohio 43215

Mr. Raymond Kudukis, Director
of Public Utilities
City of Cleveland
1201 Lakeside Avenue
Cleveland, Ohio 44114

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747 Union Trust Building
P. O. Box 2009
Pittsburgh, Pennsylvania 15230

Gerald Charnoff, Esq.
Wm. Bradford Reynolds, Esq.
Shaw, Pittman, Potts &
Trowbridge
910-17th Street, N.W.
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City of Cleveland
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Cleveland, Ohio 44114

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Washington, D.C. 20005

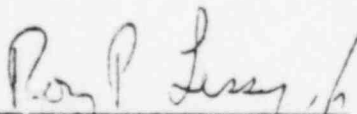
Alan S. Rosenthal, Chairman
Atomic Safety and Licensing
Appeal Board
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Michael C. Farrar
Atomic Safety and Licensing
Appeal Board
U.S. Nuclear Regulatory Commission
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Richard S. Salzman
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Michael M. Briley, Esq.
Roger P. Klee, Esq.
Fuller, Henry, Hodge & Snyder
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Terence H. Benbow, Esq.
A. Edward Grashof, Esq.
Steven A. Berger, Esq.
40 Wall Street
New York, New York 10005


Roy P. Lessy, Jr.
Counsel for NRC Staff

STAFF

NUCLEAR REGULATORY COMMISSION

Exhibit No. 236

Admitted _____

Contract Objected _____



This Contract, made and entered into this _____ day of _____, 1972, by and between The Toledo Edison Company, an Ohio corporation, its successors and assigns, hereinafter called the "Edison Company", and the City of Bowling Green, Ohio, by and through its Board of Public Utilities, hereinafter called the "City";

WITNESSETH:

Pursuant to authority and direction of the Council of the City of Bowling Green, Ohio, as expressed in Ordinance No. _____, entitled "AUTHORIZING AND DIRECTING THE BOARD OF PUBLIC UTILITIES OF THE CITY OF BOWLING GREEN, OHIO, TO ENTER INTO A CONTRACT WITH THE TOLEDO EDISON COMPANY, ITS SUCCESSORS AND ASSIGNS, FOR FURNISHING ELECTRIC ENERGY FROM AND AFTER MAY 1, 1972 FOR A PERIOD OF TWO (2) YEARS, WHICH SAID CONTRACT SHALL BE ~~SELF-RENEWING~~ FOR ADDITIONAL INCREMENTAL PERIODS OF TWO (2) YEARS FOR A MAXIMUM PERIOD OF TEN (10) YEARS IF THE RIGHT OF TERMINATION AND CANCELLATION IS NOT EXERCISED BY EITHER PARTY ", the parties hereto agree as follows:

1. The Edison Company agrees to furnish, and the City agrees to use and pay for, all electric energy to be used or distributed by the City, in accordance with the rate schedule and related terms and conditions attached hereto, and incorporated into this agreement as Exhibit "A".

2. The characteristics of electricity supplied; the facilities installed by the Edison Company for the sole purpose of providing service to the City; the delivery point locations; the voltage at which electricity will be metered; the Contract Demand; and other applicable service provisions shall be specified in an Exhibit "B". Said Exhibit "B" shall be executed by the Edison Company and the City and thereupon shall become a part of the agreement for the purchase of electricity and shall be attached hereto. This Exhibit "B" may be revised as necessary and when revised and executed by the parties hereto shall supersede the Exhibit "B" previously in effect.

3. The Edison Company shall install suitable kilowatt hour meters for the purpose of determining the amount of electric energy consumed by the City; and suitable demand meters for the purpose of determining the capacity required by the City. The City will provide space for the Edison Company's meters and metering equipment without charge to the Edison Company. All meters and metering equipment are and shall remain property of the Edison Company.

Should any meter register inaccurately or fail to register in any month, it shall be adjusted on the basis of the amount used and/or the capacity required and/or the power factor at the time of maximum demand during a corresponding month.

The Edison Company agrees to notify the City whenever the Edison Company makes a test of its metering equipment so that the City's representative can be present when tests are made. The result of all tests and calibrations shall be open to examination by the City and a report of each test requested by the City shall be made to the City. Metering equipment at the completion of any test shall be left as far as practical at 100.0% accuracy.

Any adjustment made shall be applied to the billing of the month previous to the discovery of the error unless the meter or meters have been tested within said period and found to be within the limits of two per cent (2%), in which event the correction shall be applied to the billing of the current month only.

Where the word "meter" or "metering equipment" is used in this Contract, it shall include all metering equipment including instrument transformers used to determine the quantities used for billing purposes.

4. The Edison Company in furnishing electric service does not contract or warrant against service interruptions, phase failure phase reversal, or variations in service characteristics and the Edison Company shall not be liable because of the occurrences of any or all of the foregoing.

5. The City agrees to forever indemnify and save and keep harmless the Edison Company, its successors and assigns, from any and all loss, damage or liability under or by reason of any claims or injuries to persons or property occasioned by the electric energy beyond the point of delivery thereof by the Edison Company to the City. Point or points of delivery as referred to herein are the point or points where the Company's lines or equipment are first connected to the City's property.

6. The City shall use extraordinary care in designing its circuits so that the loads on the individual phases shall be practically balanced at all times.

7. The City shall provide all equipment necessary to regulate the operations of their system so that the Edison Company's supply voltage shall not be subject to excessive variation. The City will continue to grant the Edison Company the right to transmit electric energy at 69,000 volts over the City's transmission line between the easterly corporate limits on U.S. Route 67, the ~~westerly corporate limits~~ on Poe Road, and the northern limit of Section 13, Plain Township, Wood County, where said limit crosses the proposed 69 KV transmission line from the Brim Road Substation to Poe Road. The City also grants the Edison Company a pole attachment permit whereby the Company can continue to attach its 69,000 volt transmission line and related equipment to City owned poles located along the B & O Railroad's tracks northwesterly from ~~the western corporation limits on~~ Poe Road to the Liberty Hi Road.

8. The Edison Company agrees that it will not, without the written consent of the City, or by order of a duly constituted public authority, furnish service to: (a) any premises now receiving electric service from the City, or (b) any premises immediately adjacent to City distribution lines, or (c) any premises located within the corporate limits of the City, except those customers or premises which are now serviced from the present lines of the Edison Company. Any request by the Edison Company for the consent of the City to serve any premises shall be in writing. The City shall respond in writing within fifteen (15) days after receiving such

request. If there is no response within this period, it will be assumed that consent has been given.

The City agrees that it will not, without the written consent of the Edison Company, supply electric energy (a) for resale to customers located outside the present corporate limits of the City, except those customers, including the Village of Tontogany, which are now serviced from the present lines, (b) for use at any premises now being furnished electric service directly by the Company. Any request by the City for the consent of the Edison Company to serve any premises shall be in writing. The Edison Company shall respond in writing within fifteen (15) days after receiving such request. If there is no response within this period, it will be assumed that consent has been given.

However, the parties hereto recognize that the City may, under applicable provisions of Ohio law, serve customers in any annexed territory requesting such electric service.

9. This contract shall be binding upon and inure to the benefit of the Edison Company, its successors and assigns, but shall not be transferred or assigned by the City without the prior written consent of the Edison Company, except in the case of an assignment and transfer pursuant to the provisions of any present or future indenture pertaining to securities for which the property or income of the municipally-owned electric utility property of the City is pledged.

10. This contract is made subject to the jurisdiction of any federal or state regulatory authority having jurisdiction in the premises.

11. This Contract shall be in full force and effect for a period of two (2) years from and after May 1, 1972, and shall be ~~self-renewing~~ for additional incremental periods of two (2) years for a maximum period of ten (10) years, unless written notice of non-renewal is given by either party to the other not

more than nine ⁶~~12~~ nor less than six ³~~12~~ months before the incept
of an incremental extension period.

THE TOLEDO EDISON COMPANY

By _____
Vice President

Attest: _____
Secretary

THE CITY OF BOWLING GREEN, OHIO

By _____

Board of Public Utilities

Approved by Council of the City of Bowling Green, Ohio,
this _____ day of _____, 1972.

Mayor

Clerk

EXHIBIT "A"

Schedule of Rates and Related Terms and Conditions
 Applicable to Agreement Between
 City of Bowling Green, Ohio
 and
 The Toledo Edison Company



NET RATE (Two Parts):

- (1) A combined capacity and energy charge, per month:

First 30,000 KVA of Monthly Billing Demand, per KVA.....	3.20
	\$3.40
All KVA over 30,000 of Monthly Billing Demand, per KVA.....	2.00
	\$2.99

Each KVA of Monthly Billing Demand includes 200 KWH

Plus:

- (2) An energy charge, per month:

First 200 KWH per KVA of Monthly Billing Demand is included in the combined capacity and energy charge.

Next 100 KWH per KVA of Monthly Billing Demand, per KWH.....	.307
	\$.6083
Excess over 300 KWH per KVA of Monthly Billing Demand, per KWH.....	.3250
	\$.6553

FOSSIL FUEL COST ADJUSTMENT:

The charges for all kilowatt-hours of energy supplied in the period covered by any bill shall be increased or decreased by a fossil fuel adjustment charge or credit, computed as follows:

If the cost per million British thermal units (Btu) of fossil fuel is greater or less than 38.0¢, the charge or credit shall be \$.000010 per kilowatt-hour for each .1¢ per million Btu increase above or decrease below 38.0¢ per million Btu times the ratio which energy generated from fossil fuel sources bears to the total energy input to the transmission and distribution system of the company.

For the purposes hereof, the cost per million Btu's of fossil fuel shall be determined as follows:

To the weight and cost of coal on hand at the Company's generating stations on the first day of the month under consideration shall be added respectively the weight and cost of coal received during such month, and the average cost per net ton of two thousand (2000) pounds of coal so obtained shall be used as the base cost of coal for such month. This base cost of coal (\$/ton) shall then be converted to a cost per million Btu for that month using the average heat content, in Btu/pound, of the coal consumed during said month.

When fossil fuels other than coal are used either in whole or in part, then the cost of such other fuels for billing purposes shall be determined on the basis of the average equivalent Btu heating value of such fuels as compared to coal and the cost of coal delivered to the Company's generating stations during said month.

The cost per million Btu thus determined each month shall be used for billing purposes in the succeeding month.

For the purposes hereof, the ratio of energy from fossil fuel to total energy shall be determined as follows:

The fossil fuel energy shall be the total energy received by the transmission and distribution system of the company, less all energy received from nuclear or hydro-electric generation sources. The total energy input available to the transmission and distribution of the company shall be the total energy received, less the energy generated by jointly-owned nuclear stations operated by the company and delivered to co-owners of such stations under the terms of the joint-ownership agreements covering the operation of such stations. The ratio to be applied to the fossil fuel cost adjustment shall be the quotient of the total fossil fuel energy for the first 12 months of the 13 months preceding the month in which the fuel cost adjustment is applicable to the company for the same period of time, expressed as a percentage to the nearest one-tenth of one percent, except that during the initial operation of the nuclear plant, no data for months prior to the first full month of operation will be included in the calculation of the ratio.

POWER FACTOR ADJUSTMENT:

The above Rate is based on the maintenance by the customer at all times during the month of a power factor not less than the power factor at the time of maximum monthly demand. For any month when the average lagging power factor is less than eighty-five per cent (85%) the Company shall make an additional charge of one per cent (1.0%) of the total bill for each five per cent (5%) difference between the average lagging power factor and eighty-five per cent (85%).

The average lagging power factor shall be determined from the kilowatt-hours and the lagging reactive kilovolt-ampere-hours supplied to the customer during the month.

MONTHLY BILLING DEMAND:

The customer's monthly demand shall be the highest sixty (60) minute integrated kilovolt-ampere demand obtained during the month. Any leading power factor shall be considered as unity.

For billing purposes, the KVA of Monthly Billing Demand shall be the maximum coincident KVA demand that the City's system places upon the Edison Company's transmission system. Such maximum coincident KVA demand shall be the vector sum of the reactive and power components as measured at each of the metering points. If, in the judgment of the Edison Company, it becomes desirable to obtain such summation by means of metering equipment, the City shall be responsible for providing the necessary means of communication between the metering points.

The Monthly Billing Demand shall be the monthly demand but not less than sixty per cent (60%) of the highest monthly demand obtained during the last twelve (12) months ending with the month under consideration. In no event will the Monthly Billing Demand be less than twenty-five thousand (25,000) kilovolt-amperes during the period from May 1, 1972 to April 30, 1974, ~~or thirty thousand (30,000) kilovolt-amperes thereafter.~~

MONTHLY MINIMUM CHARGE:

The net minimum charge for any month shall be the charge for two hundred (200) hours use of the Monthly Billing Demand.

TERMS OF PAYMENT:

The net amount billed is due and payable within a period of ten days. If the net amount is not paid on or before the date shown on the bill for payment of due amount, the gross amount which is five per cent more than the net amount is due and payable.

ORDER OF BILLING:

All charges, adjustments, et cetera shall be applied in the order in which they are listed herein.

EXHIBIT "B"
SERVICE SPECIFICATIONS



1. Date of this Exhibit May 1, 1972
2. Name City of Bowling Green, Ohio
3. Address 515 E. Wooster St., Bowling Green, Ohio

4. Electricity supplied hereunder shall be three (3) phase, sixty (60) cycle electric energy at approximately 69,000 volts pressure.
5. Characteristics of Service Facilities:

With the exception of the Company-owned meters and metering equipment at the locations described in paragraph 6 below, the City shall own, operate and maintain all substation and electrical equipment within the corporate limits of the City.

As provided in paragraph 7 of the Contract, the Edison Company shall continue to transmit power through the City-owned transmission line which is between the easterly corporate limit on U.S. Route 67 the ~~westerly corporate limit~~ on WEST Poe Road, and the northern limit of Section 13, Plain Township, Wood County, where said limit crosses the proposed 69 KV transmission line from the Brim Road Substation to Poe Road.

X —
"A" →

The Company shall continue to attach its 69,000 volt transmission line to the City-owned poles on the pole line which extends northwesterly from the western corporate limits along the B & O Railroad tracks to the Liberty Hi Road.

6. Energy supplied hereunder shall be metered at each of the following locations: (1) the City's substation located at the ~~Service~~ ^{Utilities} Building on E. Wooster St., and (2) the City's substation located at the intersection of W. Poe Road and Brim Road.

INSERT "A"

The Company shall provide semi-annual maintenance on the four (4) 69 KV Oil Circuit Breakers in the City's 69,000 volt transmission line, which the Company is granted the right to transmit electric energy at 69,000 volts. Two (2) of these oil circuit breakers are located at the substation at the Utilities Building on East Wooster Street, and two (2) of these oil circuit breakers are located at the substation located on West Poe Road and Brim Road.

7. Electricity will be metered at 69,000 volts.
8. Effective for electricity supplied on and after May 1, 1972.
9. Contract demand: 25,000 KVA May 1, 1972 to April 30, 1974, ~~and 30,000 KVA thereafter.~~
10. Addenda:

Electric energy may be supplied at such other point or points and at such other voltages as may hereinafter be mutually agreed upon. However, the Company agrees that the voltage supplied to the City under normal conditions shall not vary by more than 5% plus or 5% minus, from the nominal voltage stated herein.

IN WITNESS WHEREOF, the parties hereto have caused this Exhibit "B" to be executed in their names and their seals hereunto affixed and attested by, respectively, their duly authorized officers.

ATTEST:

CITY OF BOWLING GREEN, OHIO

Chairman of the Board
of Public Utilities

ATTEST:

Secretary

THE TOLEDO EDISON COMPANY

By _____
Vice President

OFFICE MEMORANDUM

April 18, 1972

NRC STAFF

NUCLEAR REGULATORY COMMISSION

Exhibit No. 237

Admitted

Rejected

To: Mr. J. P. Williamson

Subject: Meeting with Bowling Green Officials
Re Proposed Contract

Our meeting on Monday, April 17, with Bowling Green city officials was at their request and was essentially their reply to our proposal for a new contract which would involve a 15.0% rate increase. They told us they would like to have deleted a clause which was carried forward from the former contract providing protection against raiding customers in either direction. They also said that the Utility Board had been informed of our proposal and considered it excessive. They said they could not possibly consider an increase greater than about 11.8%, and they had prepared a rate which they said produced this increase. We reiterated our previous explanation that the rate was essentially equivalent to our rate PV-45 applicable to industrial customers of similar size and that it provided a very modest rate of return compared to the maximum which we might ask. We told them we could not entertain a proposal which provided a favorable differential to them as compared to the industrial customers regulated by PUCO.

They also told us that they had been active in the formation of a new corporation known as AMP-Ohio. This stands for Association of Municipal Power. They told us that this organization had been incorporated in the state, had retained legal counsel, and that a similar organization would be formed in Michigan and Indiana. They said its purpose was to work cooperatively with the American Electric Power Company in developing an organization to provide low-cost power for municipalities and to make possible economic interchange of power between the various municipally owned generating stations. They cited as one of the advantages gaining the ability to import surplus, low-cost power from the Ohio River Valley and also their proper share of power from the New York Power Authority. They are planning to participate in a tri-state meeting on Wednesday in Fort Wayne to explore this development further. They stated that Mr. William Lewis was providing consulting engineering service. You will recall that Mr. Lewis is head of the firm that has been advising the Napoleon authorities.

WRM

W. R. Moran

WRM/mkn

cc Mr. W. H. Schwalbert



NRC STAFF

NUCLEAR REGULATORY COMMISSION

Exhibit No. 238

Admitted _____

Rejected _____

January 8, 1972



Mr. Philip Ardery, Attorney
Brown, Todd & Heyburn
Citizens Plaza - 10th Floor
Louisville, Ky. 40202

Dear Phil:

Enclosed is the affidavit covering the ATP-O discussions with Toledo Edison.

Cordially,

Powers Luse, Exec. Mgr.
ATP-O

PL/wl

enc.

cc: J. Engle

R. Hillwig ✓

AMERICAN MUNICIPAL POWER-OHIO, INC.

JOHN C. ENGLE, President
20 High Street
Hamilton, Ohio 45013
Phone (513) 893-7401

POWERS LUSE, Executive Manager
319 East Water Street
North Baltimore, Ohio 45872
Phone (419) 287-7893

NRC STAFF

NUCLEAR REGULATORY COMMISSION

Exhibit No. 239
Admitted _____
Rejected _____

January 8, 1973



RAY WILLIAMS, Secretary
1115 Perry Street
Orrville, Ohio 44667
Phone (216) 682-4966

FRANK CRAFT, Treasurer
23 E. Main Street
Shelby, Ohio 44875
Phone (419) 342-4085

MEMORANDUM OF AMP-OHIO, INC., 1972 POWER SUPPLY NEGOTIATIONS WITH TOLEDO EDISON COMPANY

On or about April 10, 1972, Robert Hillwig, T & D Engineer of Utilities for the Bowling Green, Ohio, Municipal System, had a conversation with Mr. Royce Moran of Toledo Edison Company regarding the plans of American Municipal Power-Ohio, Inc. (AMP-O) of which Mr. Hillwig was, and is, vice president. Mr. Moran requested a meeting with AMP-O officials in his conversation and Mr. Hillwig agreed to arrange such a meeting for June 2, 1972. The meeting was to be for the purpose of giving Toledo Edison an opportunity to learn about the status of AMP-O and the possibilities for involvement of Toledo Edison.

The meeting was held at 11:00 a.m. on June 2, 1972, at the Holiday Inn in Bowling Green. Mr. Royce Moran and Mr. Wendell Johnson represented Toledo Edison with Mr. Robert Hillwig and Mr. Powers Luse (AMP-O Rep.) representing AMP-O. Mr. Hillwig opened the conference with a general explanation of the history of AMP-O as well as its purposes and its goal of seeking a better power supply arrangement for its member systems.

Mr. Hillwig then pointed out that while AMP-O did not yet have access to any power supply sources that would require wheeling by Toledo Edison, we hoped to have such supplies in the fairly near future and that in case that were to develop we would want Toledo Edison to wheel such AMP-O power to our municipals in the Toledo Edison area.

Mr. Hillwig then asked whether Toledo Edison would be willing to wheel for AMP-O in case AMP-O were to purchase bulk power or to generate 'on its own'. They declined to give any immediate answer other than to say that Toledo Edison was very dissatisfied with the wheeling arrangement they had with Buckeye for wheeling Buckeye/Cardinal power to the co-op substations in the Toledo Edison area.

Mr. Moran requested that they be supplied with copies of AMP-O's Articles of Incorporation and By-Laws and Mr. Luse agreed to supply those.

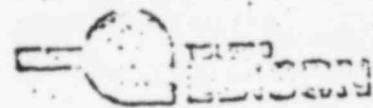
Mr. Hillwig then asked the Toledo Edison representatives whether they would be willing to recognize AMP-O as the purchasing agent to buy power under one contract for all of Toledo Edison's present municipal customers.

We then discussed the possible advantages that might accrue to both Toledo Edison and AMP-O under such an arrangement.

Mr. Moran and Mr. Johnson answered all questions by saying that the best they could do would be to see what the Toledo Edison position would be and then let AP&C know.

Following luncheon the discussion was continued and then adjourned about 2:00 p.m.

Early in July Toledo Edison addressed a letter (7-3-72) to Mr. Luse and Mr. Hill of which a copy is attached.



W. RAYMOND MORGAN
Vice President, Administrative Services

July 3, 1972

Mr. Powers Luce
319 East Water Street
North Baltimore, Ohio 45372

Mr. J. Robert Millwig
Bowling Green Municipal Utilities
515 East Webster Street
Bowling Green, Ohio 43402

NRC STAFF

NUCLEAR REGULATORY COMMISSION

Exhibit No. 240

Admitted _____
Rejected _____

Gentlemen:

In our meeting of June 2, you indicated that at this time municipalities within your organization did not have access to electrical power sources that would be available for delivery by Toledo Edison through any wheeling agreement. However, you did indicate that the Ohio municipalities which purchase power from Toledo Edison for resale might have some interest in a single wholesale power contract which would cover all Toledo Edison deliveries to all municipalities retailing power, such a wholesale power contract to include both power and wheeling costs.

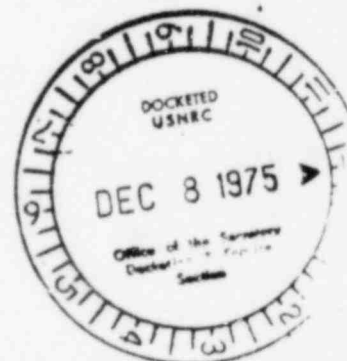
Since that time, we have been reviewing generation and transmission cost data as well as the load characteristics, both singly and combined, of our municipal wholesale customers. Our studies indicate that our municipal wholesale users continue to have load characteristics which are essentially comparable with our industrial customers in the same size range. We also find that the disparity in size between our largest wholesale customer, the City of Bowling Green, and the smaller municipalities is such as to make an equitable rate applying to both large and small municipal customers most difficult to devise. Distribution at varying voltage levels and variations in transformer and other equipment ownership also create problems in developing an equitable means of cost distribution. For these reasons, it does not seem that the development of a single wholesale contract would be beneficial to either Toledo Edison or its wholesale municipal customers.

We shall be happy to meet with you again if you wish to discuss this matter in greater detail or wish to explore any other possible avenues of cooperation between the Toledo Edison Company and the members of your organization.

Very truly yours,

WRM/mkn

September 17, 1975



Mr. Robert Hillwig
City of Bowling Green
Municipal Utilities
515 East Wooster Street
Bowling Green, Ohio 43402

Dear Mr. Hillwig:

Today, The Toledo Edison Company filed with the Federal Power Commission for permission to revise its F.P.C. Electric Tariff, Original Volume No. 1. This filing would result in a modest increase to Municipal Resale Rate - Large.

The terms of the increase are in conformance with the agreement which was reached at our meeting with you in Toledo on August 27, 1975. As agreed, the proposed new rates have been transmitted to Mr. Janjai Chayavadhanangkur and by phone conversation on September 15, 1975, he indicated his approval.

The rules of the Federal Power Commission require that a copy of this filing be sent to you. If you have any questions concerning it, please contact your Company service representative.

Very truly yours,

A handwritten signature in cursive script that reads 'William E. Huepenbecker'.

William E. Huepenbecker, P.E.
Rate Director

WEH:rs

encl:

NRC STAFF

NUCLEAR REGULATORY COMMISSION

Exhibit No. 241

Admitted _____

Rejected _____