UNITED STATES OF AMERICA NUCLEAR REGULATORY COMMISSION

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

In the Matter of
HOUSTON LIGHTING & POWER COMPANY
(Allens Creek Nuclear Generating
Station, Unit 1)

Docket No. 50-466

NRC STAFF RESPONSE TO INTERVENOR BAKER'S
MOTION FOR CORRECTION OF ERRONEOUS STATEMENT BY BOARD MEMBER

On January 23, 1981, Intervenor Baker filed a motion seeking the correction of an alleged erroneous statement by a Board member that was made during the limited appearance statement session in Wallis, Texas on January 12, 1981. The alleged erroneous statement is as follows:

MR. LINENBERGER: Another item that came up was a question concerning how decommissioning costs for the plant will be handled.

Well, that is another example, of an item that will be on our agenda involved with the financial posture of the Applicant and its ability to finance the construction, operation and decommissioning of the plant. It's all part of the cost there.

We, among other things, have to assure ourselves that HL&P is financially qualified and responsible to carry these burdens properly and within the appropriate accounting and economic bounds placed on them. (Tr. 2072-2073)

Mr. Baker asserts that the above statement, although not intentionally misleading, may have given the "unmistakeable impression that Applicant's

typic finance the 'operation and decommissioning' of the plant would be

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taken up and fully considered at the upcoming evidentiary hearings." Motion, p. 2. Mr. Baker thus asks that steps be taken to correct any false impression on the scope of the consideration of Applicant's financial resources in the ongoing construction permit proceedings by a publication of a notice in the newspapers in the area of the proposed facility that the present construction permit proceeding will only consider the Applicant's financial resource to construct that proposed facility.

10 C.F.R. \$50.33(f) provides in pertinent part:

Information sufficient to demonstrate to the Commission the financial qualifications of the applicant to carry out, in accordance with the regulations in this chapter, the activities for which the permit or license is sought. If the application is for a construction permit, such information shall show that the applicant possesses the funds necessary to cover estimated construction costs and related fuel cycle costs or that the applicant has reasonable assurance of obtaining the necessary funds, or a combination of the two. If the application is for an operating license, such information shall show that the applicant possesses the funds necessary to cover estimated operating costs or that the applicant has reasonable assurance of obtaining the necessary funds, or a combination of the two

The record is clear in this case to all the participants, including Mr. Baker, that the admitted financial issue is limited to HL&P's ability to finance the construction of the proposed facility. See Order, dated March 10, 1980, p. 46. Moreover, under the present circumstances, the Staff does not believe that it is either necessary or appropriate for the Board to publish the notice requested by Mr. Baker. However, the Staff would

have no objection to the sending of a notice or letter to all parties and those persons who made limited personal appearances during the week of January 12, 1981, for which the NRC has addresses, advising them that the financial issues in this proceeding are limited to questions concerning ability to finance construction of the proposed Allens Creek plant.

Respectfully submitted,

Richard L. Block /RPL

Richard L. Black

Counsel for NRC Staff

Dated at Bethesda, Maryland this 6th day of February, 1981.

UNITED STATES OF AMERICA NUCLEAR REGULATURY COMMISSION

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

In the Matter of

HOUSTON LIGHTING & POWER COMPANY

(Allens Creek Nuclear Generating Station, Unic 1)

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CERTIFICATE OF SERVICE

I hereby certify that copies of "NRC STAFF RESPONSE TO INTERVENOR BAKER'S MOTION FOR CORRECTION OF ERRONEOUS STATEMENT BY BOARD MEMBER" in the above-captioned proceeding have been served on the following by deposit in the United States mail, first class, or, as indicated by an asterisk, through deposit in the Nuclear Regulatory Commission's internal mail system, this 6th day of February, 1981:

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