

NOV 13 1981

Docket No.: STN 50-482

Mr. Glenn L. Koester  
Vice President - Nuclear  
Kansas Gas and Electric Company  
201 North Market Street  
Wichita, Kansas 67201

Dear Mr. Koester

Dist.

Docket File  
LB#1 Rdg  
DEisenhut  
BJYoungblood  
GEdison  
JHopkins  
MRushbrook  
SHanauer  
RVollmer  
TMurley  
RMattson  
RHartfield, MPA  
OELD  
OIE (3)

JPetersen  
JSaltzman

bcc:  
TERA  
NRC/PDR  
L/PDR  
NSIC  
TIC  
ACRS (16)



Subject: Request for Additional Information for the Review of the  
Wolf Creek Plant, Unit 1 Regarding Financial Qualifications

As a result of our continuing review of the Wolf Creek Plant, Unit 1 FSAR, we find that we need additional information to complete our evaluation. The specific information required is in the area of financial qualifications and is presented in the Enclosure.

To maintain our licensing review schedule for the Wolf Creek Plant FSAR, we will need responses to the enclosed request by December 31, 1981. If you cannot meet this date, please inform us within seven days after receipt of this letter of the date you plan to submit your responses so that we may review our schedule for any necessary changes.

Please contact Dr. G. E. Edison, Wolf Creek Licensing Project Manager, if you desire any discussion or clarification of the enclosed request.

Sincerely,

Original signed by:  
B. J. Youngblood  
B. J. Youngblood, Chief  
Licensing Branch No. 1  
Division of Licensing

Enclosure:  
As stated

cc: See next page

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PDR ADOCK 05000482  
I PDR

OFFICE	DL:LB#1	DL:LB#1	DL:LB#1				
SURNAME	JHopkins/yt	GEdison	BJYoungblood				
DATE	11/12/81	11/13/81	11/14/81				

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201 North Market Street  
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cc: Mr. Nicholas A. Petrick  
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Mr. Donald T. McPhee  
Vice President - Production  
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Assistant General Counsel  
Public Service Commission  
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Mr. Michael C. Kenner  
Wolf Creek Project Director  
State Corporation Commission  
State of Kansas  
Fourth Floor, State Office Bldg.  
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Ms. Wanda Christy  
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Kansans for Sensible Energy  
Post Office Box 3192  
Wichita, Kansas 67201

REQUEST FOR ADDITIONAL INFORMATION

320.0WC

Office of State Programs

320.1WC (a)

Indicate the estimated annual cost by year to operate each unit of the subject facility for the first seven full years of each unit's commercial operation. The types of costs included in the estimates should be indicated and include (but not necessarily be limited to) operation and maintenance expense (with fuel costs shown separately), depreciation, taxes and a reasonable return on investment. (Enclosed is a form which should be used for each year of the seven year period.)

Indicate the projected plant capacity factor (in percent) for each unit during each of the seven years. Provide separate estimates using 50 percent and 60 percent plant capacity factors.

- (b.) Indicate the unit price per kWh experienced by each applicant on system-wide sales of electric power to all customers for the most recent 12-month period.

320.2WC

Indicate the estimated costs of permanently shutting down each unit of the facility, stating what is included in such costs, the assumptions

made in estimating the costs, the type of shutdown contemplated, and the intended source of funds to cover these costs.

320.3WC Provide an estimate of the annual cost to maintain each unit of the shutdown facility in a safe condition. Indicate what is included in the estimate, assumptions made in estimating costs, and the intended source of funds to cover these costs.

320.4WC If the facility is jointly-owned provide copies of the joint participation agreement setting forth the procedures by which the applicants will share operating expenses and decommissioning costs.

The following financial information is required for each investor-owned participant:

320.5WC Provide copies of the prospectus for the most recent security issue and copies of the most recent SEC Form 10-K and 10-Q. Provide copies of the preliminary prospectus for any pending security issue. Submit copies of the Annual Report to Stockholders each year as required by 10 CFR 50.71(b).

320.6WC Describe aspects of its regulatory environment including, but not necessarily limited to, the following: prescribed treatment of allowance for funds used during construction; rate base (original cost, fair value, other); accounting for deferred income taxes and

investment tax credits; fuel adjustment clauses in effect or proposed; historical, partially projected, or fully projected test year.

320.7WC Describe the nature and amount of its most recent rate relief action(s). In addition, indicate the nature and amount of any pending rate relief action(s). Use the attached form to provide this information. Provide copies of the submitted, financially related testimony and exhibits of the staff and company in the most recent rate relief action or pending action. Furnish copies of the hearing examiner's report and recommendation, and final opinion last issued with respect to each participant, including all financially related exhibits referred to therein.

320.8WC Complete the enclosed form entitled, "Financial Statistics," for the most recent twelve-month period and for the previous three calendar years.



ATTACHMENT FOR ITEM NO. 320.1WC(a)

ESTIMATED ANNUAL COST OF OPERATING NUCLEAR GENERATING  
UNIT: \_\_\_\_\_

FOR THE CALENDAR YEAR 19\_\_

(thousands of dollars)

Operation and maintenance expenses

Nuclear power generation

Nuclear fuel expense (plant factor \_\_\_\_\_%) . . . . . \$ \_\_\_\_\_  
Other operating expenses . . . . . \_\_\_\_\_  
Maintenance expenses . . . . . \_\_\_\_\_  
Total nuclear power generation . . . . . \_\_\_\_\_

Transmission expenses . . . . . \_\_\_\_\_

Administrative and general expenses

Property and liability insurance . . . . . \_\_\_\_\_  
Other A.&G. expenses . . . . . \_\_\_\_\_  
Total A.&G. expenses . . . . . \_\_\_\_\_

TOTAL O&M EXPENSES . . . . . \_\_\_\_\_

Depreciation expense . . . . . \_\_\_\_\_

Taxes other than income taxes

Property taxes . . . . . \_\_\_\_\_  
Other . . . . . \_\_\_\_\_  
Total taxes other than income taxes . . . . . \_\_\_\_\_

Income taxes - Federal . . . . . \_\_\_\_\_

Income taxes - other . . . . . \_\_\_\_\_

Deferred income taxes - net . . . . . \_\_\_\_\_

Investment tax credit adjustments - net. . . . . \_\_\_\_\_

Return (rate of return: \_\_\_\_\_%) . . . . . \_\_\_\_\_

TOTAL ANNUAL COST OF OPERATION \$ \_\_\_\_\_

RATE DEVELOPMENTS

Electric Gas Steam

Granted

Test year utilized

Annual amount of revenue increase requested-  
test year basis (000's)

Date petition filed

Annual amount of revenue increase allowed-

320.10 test year basis (000's)

Percent increase in revenues allowed

Date of final order

Effective date

Rate base finding (000's)

Construction work in progress included in

Rate base (000's)

Rate of return on rate base authorized

Rate of return on common equity authorized

320.11WC

Revenue Effect (000's)

Amount received in year granted

Amount received in subsequent year

(If not available, annualize amounts  
received in year granted)Pending Requests

Test year utilized

Amount (000's)

Percent increase

Date petition filed

Date by which decision must be issued

Rate of return on rate base requested

Rate of return on common equity requested

Amount of rate base requested

Amount of construction work in progress

requested for inclusion in rate base

12 months' ended

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(dollars in millions)

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Earnings available to common equity

Average common equity

Rate of return on average common equity

Times total interest earned before FIT:

Gross income (both including and excluding  
AFDC) + current and deferred FIT + total  
interest charges + amortization of debt  
discount and expense

Times long-term interest earned before FIT:

Gross income (both including and excluding  
AFDC) + current and deferred FIT + long-  
term interest charges + amortization of  
debt discount and expense

Bond ratings (end of period)

Standard and Poor's

Moody's

Times interest and preferred dividends earned  
after FIT:Gross income (both including and excluding  
AFDC) + total interest charges + amortization  
of debt discount and expense + preferred  
dividends.

AFUDC

Net income after preferred dividends

%

Market price of common

Book value of common

Market-book ratio (end of period)\*

Earnings avail. for common less AFDC +  
depreciation and amortization, deferred  
taxes, and invest. tax credit adjust.-  
deferred.

Common dividends

Ratio

Short-term debt

Bank loans

Commercial paper

Capitalization (Amount & Percent)

Long-term debt

Preferred stock

Common equity

\* If subsidiary company, use parent's data.



The following financial information is required for each cooperative applicant:

- 320.9WC Is each participant's percentage ownership share in the facility equal to its percentage entitlement in the electrical capacity and output of the plant? If not, explain the difference(s) and any resultant effect on any participant's obligation to provide its share of operating costs.
- 320.10WC Describe the rate-setting authority and rate covenants of the co-operatives and how that authority will be used to ensure the satisfaction of financial obligations in relation to operation and eventual shutdown of the facility.
- 320.11WC Describe the nature and amount of the cooperative's most recent rate relief action(s) and its anticipated effect on net margins. In addition, indicate the nature and amount of any pending rate relief action(s).
- 320.12WC If membership cooperatives are involved, explain the contractual arrangements between the cooperative and its members that will provide funds for operation and eventual shutdown of the facility. Provide representative copies of such contracts.
- 320.13WC Provide copies of the latest annual and interim financial statements. Also provide copies of similar statements for the corresponding periods ended in the previous year. Continue to submit copies of the annual financial statements each year as required by 10 CFR 50.71(b).