



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

December 14, 1990

Docket Nos. 50-346
and 50-440

MEMORANDUM FOR: Files

FROM: James R. Hall, Project Manager
Project Directorate III-3

Anthony H. Hsia, Project Manager
Project Directorate III-3

SUBJECT: LICENSE AMENDMENT APPLICATIONS TO ADD CENTERIOR SERVICE
COMPANY AS A LICENSEE TO DAVIS-BESSE (TAC NO. M77030) AND
PERRY (TAC NO. M77637) LICENSES

On December 6, 1990, a meeting was held among the following attendees to discuss the need for an antitrust notice before issuance of the requested license amendments to add Centerior Service Company as a licensee to the Davis-Besse and Perry Nuclear Plant licenses:

OGC - G. Holler, J. Rutberg
PTSB - D. Nash, W. Lambe
PD33 - J. Hannon, J. Hall, A. Hsia

Messrs. Holler and Rutberg stated that from OGC's legal point of view, an antitrust notice is not specifically required by NRC regulations 10 CFR 50.90 and 10 CFR 50.91. For the subject applications, it was OGC's opinion that the original Sholly Notices were sufficient to allow for public comments before issuance of the amendments. The antitrust considerations will be addressed as part of the proposed license conditions, based on supplemental submittals from both licensees. Centerior Service Company will comply with the antitrust conditions currently in the licenses as if named therein. The current owners of the plants will be responsible and accountable for the actions of Centerior Service Company to the extent that Centerior Service Company's actions contravene the antitrust conditions in the licenses. The meeting attendees agreed that these provisions sufficiently address the antitrust issue. Furthermore, Section 4 of NUREG-0970, "Procedures for Meeting NRC Antitrust Responsibilities," states that a de minimis applicant (one who has less than 200MWe generating capacity at the time of application) is normally exempted from Appendix L information requirements and the issuance of the notice of antitrust considerations. Centerior Service Company is considered to be a de minimis applicant, as it does not have any generating capacity at this time.

The licensees for both Davis-Besse and Perry requested that these license amendments be completed before December 31, 1990 and have stated that, once NRC approval is granted, no PUC approval is needed for the amended licenses to take effect. We, as project managers for the respective plants, feel that, without the issuance of the antitrust notice, the licensees' requests can be processed in time.

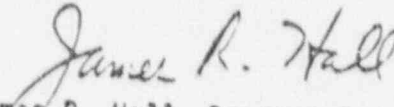
901231 0053XA 2pp.

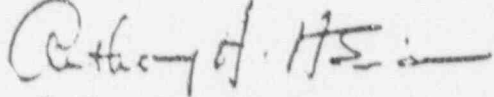
December 14, 1990

Messrs. Nash and Lanbe, on the other hand, felt that issuance of the antitrust notice is the right thing to do. It may attract more attention from the public to the subject license amendment request and new information concerning antitrust may become available which could be significant enough for the NRC to include in its consideration of the licensees' request. As an informal staff policy, PTSB would like to see that antitrust notices be issued for all applications that request addition of new licensees to an existing license.

For this application, OGC recommends that no antitrust notice be issued prior to the amendment. However, the decision rests upon the MRR staff. After careful consideration and deliberation from all perspectives, we feel that the previous issuance of the Sholly notices provided adequate opportunity for interested parties to comment on the proposed actions. The staff has satisfied all applicable legal requirements concerning the subject amendment requests.

Therefore, we have decided to follow OGC's recommendation and will not issue separate antitrust notices for these applications.


James R. Hall, Project Manager
Project Directorate III-3
Division of Reactor Projects III/IV/V


Anthony H. Hsia, Project Manager
Project Directorate III-3
Division of Reactor Projects III/IV/V

MAN: FYI Bue Q

1-8-91

Chicago Utility Bid For Rate Rise Fails To Gain Backing

By JAMES P. MILLER

Staff Reporter of THE WALL STREET JOURNAL

SPRINGFIELD, Ill. — Hearing examiners recommended that Illinois regulators grant Commonwealth Edison Co. a \$579 million annual rate increase, representing less than half the \$1.23 billion the big utility had been seeking.

If the full Illinois Commerce Commission approves the 10.8% rate boost recommended by the examiners, the additional money would help the Chicago utility pay for its three latest nuclear power-generating plants.

In April, Commonwealth Ed asked for a \$982 million rate increase, but it subsequently boosted the request to \$1.23 billion after the state high court overturned an earlier-granted rate increase, a portion of which had already been implemented.

"The case has two months to run before a [final] decision," said a Commonwealth Ed spokesman. "We'll continue to make our very strongest case for rate relief" from the commission.

The latest request covers Commonwealth Ed's costs in building the last of 12 nuclear plants it constructed in a costly buildup. Those plants now provide about 83% of the utility's total generating capacity, and are thought to have made Commonwealth Edison largely immune to the effects of expensive new clean-air requirements many other Midwest utilities face.

Last year's court-ordered rollback dropped Commonwealth's rates well down from what had been among the nation's highest electricity rates.

State regulations restrict utilities to billing customers for only as much of a plant's cost as is necessary to meet the overall demand for power. The examiners' recom-

Canada Is Seen as Partner In U.S.-Mexico Trade Talks

By a WALL STREET JOURNAL Staff Reporter

WASHINGTON—Canada is likely to participate as a full, equal partner in the forthcoming U.S.-Mexico free-trade talks, U.S. Trade Representative Carla Hills said.

"I see no technical problem to Canada joining the Mexico talks" as a full partner, Ambassador Hills said.

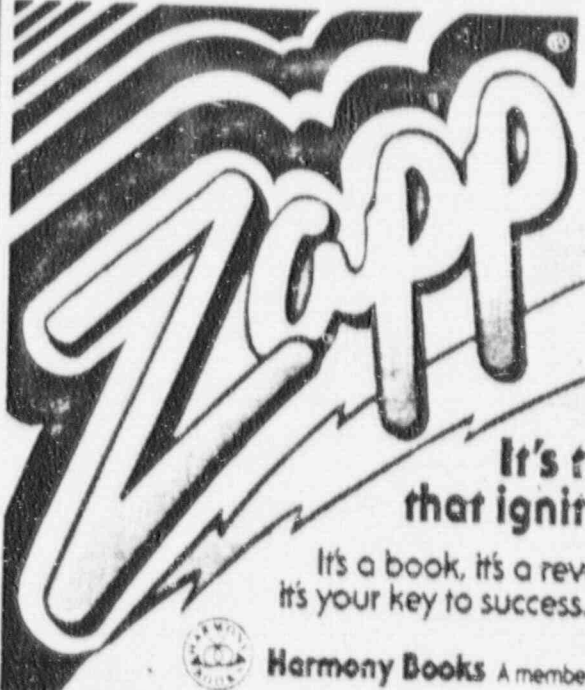
The U.S., Mexico and Canada have held a series of meetings to sort out how to involve Canada in the talks. Those intermittent talks are set to reach a conclusion at the end of this month.

The issue of Canada's participation was raised last fall, when—according to a Sept. 21 letter Mrs. Hills wrote to President Bush—Mexico was wary of including Canada for fear that its participation might slow down the negotiations. The subsequent talks seem to have ironed out these concerns.

Some in Congress have expressed a preference for a bilateral trade negotiation with Mexico, without Canada's full involvement. But Ambassador Hills said the U.S. shouldn't obstruct the genuine desire among the three governments for triilateral talks, adding that Mexico had now invited Canada to participate.

mendment proposes that the utility's Byron II plant be considered 100% "used and useful," but that it can collect only 29.2% of the cost of its Braidwood I plant, and none of the costs of its Braidwood II plant. The examiners added, however, that the 2% annual growth in demand for Commonwealth electricity means that the utility's Braidwood II plant will be fully useful—and billable—within five to six years.

A spokesman said the company "vehemently disagrees" that Braidwood II is not at all used and useful. "In calendar 1990 Braidwood II generated 6.3 million megawatt hours—or 7.6% of our total generation," he said.



It's the that ignites

It's a book, it's a revolution
It's your key to success.

Harmony Books A member

Need Information On It's At Your Fingertips With

Get your questions answered with Jumbo's investment. We're the leading database and sales promotion company. marketing investigation services. you can find out the questions. You can get investigations covering:

- The top 100 companies in any field
- Information/data collation
- Searches for a product
- Materials gathering
- Who to contact in a company
- Who manufactures
- National/international
- Product price
- Direct marketing lettershop

JUMBO Co., Ltd. For all these information CONTACT

4-12-6 Tsuchihashi Miyamae-ku • Kawasaki-shi • Kanagawa
Tel 081-44-855-1336 • FAX 081-44-855-3850

MAN: This Eagle Talon TSi and Toyota Celica All-Trac both have all-wheel drive. But the Celica costs about

S,
age
?
?
oil
it?
oil
1990
draft
es as
One
will
be
over
for
f.
ison-
much
e of
port
con-
and
now
im-
or-
een
blic
Tex-
ag-
Un-
we
ar.
me
ver
in
on
ng
ne
ne
Dil
en
da