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JUL 16 1984

Docket No. 50-482A

Mr. Glenn L. Koester, Vice President-Operations
Kansas Gas and Electric Company
Post Office Box 208
Wichita, Kansas 67201

Dear Mr. Koester:

RE: WOLF CREEK NUCLEAR GENERATING STATION-NO SIGNIFICANT CHANGE FINDING

With reference to the operating license antitrust review of the captioned nuclear unit, the Director of Nuclear Reactor Regulation has made a finding, in accordance with Section 105c(2) of the Atomic Energy Act of 1954, as amended, that no significant (antitrust) changes in the licensees' activities or proposed activities have occurred subsequent to the previous construction permit review.

The Director's initial finding is subject to reevaluation if a member of the public requests same in response to publication of this finding in the Federal Register. A copy of the notice that is being transmitted to the Federal Register and a copy of the staff review are enclosed for your information.

Sincerely,

William H. Regan, Jr., Chief
Site Analysis Branch
Division of Engineering
Office of Nuclear Reactor Regulation

Enclosures:
1. Federal Register Notice
2. Staff Review

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SURNAME	MMessier:jj	AToalston	WRegan	BVogler			
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William H. Regan, Jr., Chief
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NUCLEAR REGULATORY COMMISSION
DOCKET NO. 50-482A
KANSAS GAS AND ELECTRIC COMPANY, KANSAS CITY
POWER AND LIGHT COMPANY, KANSAS ELECTRIC COOPERATIVE, INC.

The Director of Nuclear Reactor Regulation has made an initial finding in accordance with Section 105c(2) of the Atomic Energy Act of 1954, as amended, that no significant (antitrust) changes in the licensees' activities or proposed activities have occurred subsequent to the previous construction permit review of the Wolf Creek Nuclear Generating Station by the Attorney General and the Commission. The finding is as follows:

"Section 105c(2) of the Atomic Energy Act of 1954, as amended, provides for an antitrust review of an application for an operating license if the Commission determines that significant changes in the licensee's activities or proposed activities have occurred subsequent to the previous construction permit review. The Commission has delegated the authority to make the "significant change" determination to the Director, Office of Nuclear Reactor Regulation. Based upon an examination of the events since issuance of the Wolf Creek construction permit to the Kansas Gas and Electric Company, Kansas City Power and Light Company, and Kansas Electric Cooperative, Inc., the staffs of the Antitrust and Economic Analysis Section of the Site Analysis Branch, Office of Nuclear Reactor Regulation and the Antitrust Section of the Office of the Executive Legal Director, hereafter referred to as "staff", have jointly concluded, after consultation with the Department of Justice, that the changes that have occurred since the antitrust construction permit (CP) review are not of the nature to require a second antitrust review at the operating license (OL) stage of the application.

"In reaching this conclusion, the staff considered the structure of the electric utility industry in Kansas and Missouri, the events relevant to the Wolf Creek construction permit review and the events that have occurred subsequent to the construction permit review.

"The conclusion of the staff's analysis is as follows:

'The activities of Kansas Gas and Electric Company (KG&E) and Kansas City Power and Light Company (KCPL) subsequent to the construction permit antitrust review have been primarily focused on implementing the license conditions attached to the Wolf Creek construction permit.

'The Kansas Electric Cooperative, Inc., (KEPCo) has been formed as a joint action agency for electric cooperatives in Kansas to plan and secure an economic and reliable supply of electricity for its members. KEPCo has acquired a six percent ownership interest in the Wolf Creek plant and entitlements to preference power from the Southwest Power Administration (SWPA) for its members.

'The Kansas Municipal Energy Agency (KMEA) has been formed as a joint action agency for municipalities in Kansas to plan and secure an economic and reliable supply of electricity for its members. The Agency has obtained participation power from the Nearman Creek Fossil fueled power plant for some of its members and preference power from SWPA.

'KCPL has entered into agreements with municipal electric systems providing for transmission and other bulk power supply services consistent with license conditions negotiated during the construction permit antitrust review. Both KCPL and KG&E have provided or strengthened interconnections, added delivery points, and provided full or partial requirements power to other electric utilities in the area.

'An antitrust suit has been filed against KG&E by the cities of Chanute, Fredonia and Iola (the Cities) in the District Court of Kansas. Pending the outcome of the law suit, the Court has issued a preliminary injuction against KG&E requiring KG&E to wheel power from SWPA to Chanute and Iola, and from the Nearman Creek power plant to the City of Fredonia. The wheeling issue is interwined with fixed term partial requirement power supply contracts between KG&E and the Cities; contracts which KG&E alleges are no longer compensatory. Filed amendments to the power supply contracts are pending before the Federal Energy Regulatory Commission (FERC).

'The formation of KEPCo and KMEA has improved the ability of the municipals and cooperative electric utilities in Kansas to economically plan and secure alternative bulk power resources. The contractual services offered by KG&E and KCPL have made it easier for the municipals and cooperatives to implement their plans and integrate new power supply resources with their existing power supplies. These events make it easier for the municipals and cooperatives to maintain economic and reliable electrical systems. The negative impacts resulting from the controversy between KG&E and the cities of Chanute, Iola and Fredonia have been temporarily alleviated by the District Court's preliminary injuction and will be resolved by the courts and the FERC. Thus, the changes in the applicants' activities since the completion of the Wolf Creek construction permit antitrust review do not have any antitrust implications that would likely warrant a Commission remedy and, therefore, do not require an additional antitrust review at the operating license stage.

"Based on the staff's analysis, it is my finding that a formal operating license antitrust review of the Wolf Creek Nuclear Generating Station is not required.

Signed on June 27, 1984 by Harold R. Denton, Director of Office of Nuclear Reactor Regulation.

Any person whose interest may be affected by this finding may file with full particulars a request for reevaluation with the Director of Nuclear Reactor Regulation, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555 within 30 days from the date of this notice. Requests for a reevaluation of the no significant change determination shall be accepted after the date when

the Director's finding becomes final but before the issuance of the OL only if they contain new information, such as information about facts or events of antitrust significance that have occurred since that date, or information that could not reasonably have been submitted prior to that date.

William H. Regan, Jr., Chief
Site Analysis Branch
Division of Engineering
Office of Nuclear Reactor Regulation

SUMMARY STATEMENT

DIRECTOR'S FINDING- The Director of Nuclear Reactor Regulation has made and initial finding of "no significant change" regarding the antitrust aspects of the Licensees's application in Docket No. 50-482A. Requests for reevaluation are due thirty days from date of publication in the Federal Register.