

Docket No.: 50-382

MAY 14 1984

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Docket File 50-382

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ACRS (16)

Mr. R. S. Leddick
Senior Vice President - Nuclear Operations
Louisiana Power and Light Company
P. O. Box 6008
New Orleans, Louisiana 70174

Dear Mr. Leddick:

Subject: Request for Additional Information - Waterford 3

The staff is updating its financial qualifications review for Louisiana Power and Light Company in order to make a finding for the issuance of the operating license for Waterford 3.

You are requested to provide the information requested in Enclosure I by COB on May 25, 1984.

If you have any questions about this request, contact the project manager, J. Wilson, at (301) 492-7702.

Sincerely,

ORIGINAL SIGNED BY

George W. Knighton, Chief
Licensing Branch No. 3
Division of Licensing

Enclosure:
As stated

cc: See next page

DL:LB#3
JWilson/yt
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DL:LB#3
GWKnighton
5// /84

Waterford 3

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REQUEST FOR FINANCIAL INFORMATION
OPERATING LICENSES

1. a. Indicate the estimated annual cost by year to operate each unit of the subject facility for the first five 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 unit for each year of the five year period.) Indicate the projected plant capacity factor (in percent) for each unit during each of the five 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.
2. Indicate the estimated costs of permanently shutting down each unit of the facility (decommissioning costs), 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.

3. 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.
4. Have future decommissioning costs for any nuclear and/or non-nuclear facility owned by the applicant been collected through rates during the useful life of the facility? If so, cite specific examples and describe the methodology used for inclusion in rates. Provide the citation and relevant excerpts from any regulatory decisions allowing such decommissioning cost recovery. Indicate the total amount of decommissioning funds accumulated thus far, if any.
5. 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:

6. Provide copies of the prospectus for the company's 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.

7. Describe aspects of its regulatory environment including, but not necessarily limited to, the following: prescribed treatment of construction work in progress and allowance for funds used during construction; rate base (original cost, replacement, 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.

8. Provide citations and relevant excerpts from state and/or Federal statutes, rules or regulations (if any) that designate and require regulatory authorities to establish rates such that the applicant may recover all reasonable costs of operation incurred in the providing of utility service to customers. Also provide the citations and relevant excerpts from any administrative rulings or court decisions interpreting such statutes, rules, or regulations in the establishing of rates to allow recovery of costs incurred in the providing of utility service.

9. 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.

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10. 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. 1.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 \$ _____

ATTACHMENT FOR ITEM NO. 9

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 -
 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

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

-/-
ATTACHMENT FOR ITEM NO. 10
FINANCIAL STATISTICS

12 months' ended

(dollars in millions)

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.