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July 3, 1984

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50-364A

Re: Petition of Alabama Power Company for a Declaratory Order

Dear Sirs:

Enclosed is a copy of the "Petition of Alabama Power Company for a Declaratory Order" which requests the Commission to institute proceedings, as described in the Petition, leading to the issuance of a declaratory order clarifying the obligations of Alabama Power Company ("APCO") under an antitrust condition presently contained in the operating licenses for the Joseph M. Farley Nuclear Plant, Units 1 and 2. For reasons set forth in the Petition, we are convinced that the Commission has the authority to and should institute the proceedings there requested.

Such proceedings are not of the type covered by 10 CFR, Part 2, Subpart G, and, therefore, the regulations contained in that Subpart concerning filing and service of documents do not apply to the Petition and requested proceedings. Consequently, in order to facilitate appropriate processing within the Commission and assure that interested parties are informed that it has been submitted, we are providing the original of this letter and of the Petition to the Secretary and copies to certain other officials of the Commission, as well as to counsel for Alabama Electric Cooperative, Inc., the other private party whose interests would be affected by the requested action. There is also attached to the Petition notices of appearance of the undersigned and of other counsel of APCO in order to facilitate communication with APCO in connection with this matter. Finally, there is attached to the Petition an affidavit evidencing service of the foregoing documents.

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We understand that a request for enforcement action pursuant to 10 CFR §2.206 was submitted to the Director, Office of Inspection and Enforcement on June 29, 1984. Since that request covers substantially similar subject matter as does the enclosed Petition, for the reasons stated in the Petition we urge that action on the request be held in abeyance pending the Commission's action on the Petition.

Sincerely,

Harold F. Reis

HFR:tlm

Enclosures