

DEC 30 1971

Victor Stallo, Jr., Chief
BWR Branch No. 4, DEL

WASHINGTON PUBLIC POWER SUPPLY SYSTEM, MANFORD NO. 2, DOCKET NO. 50-397

In establishing financial qualifications for a construction permit it is the applicant's responsibility to provide the information necessary to enable the AEC to determine his financial qualifications. The applicant should examine and comply with 10 CFR 50 and Appendix C thereto.

A review of the application for Manford No. 2 discloses several areas in which additional information is essential. Upon receipt of this information it will be reviewed to determine whether additional information will be required. Therefore, as soon as possible the first three of the following should be provided as official amendments to the application; the fourth item could be provided later but should be requested now so the applicant will have time to prepare it:

1. Copies of published certified financial statements for WPPSS covering each of the last five years.
2. Evidence as to: (1) the authority upon which WPPSS relies for its issuance of bonds (or long-term financing) for this project, (2) the authorizations required for issuance of these bonds, (3) whether the authorizations have been obtained, (4) existing assurance and indications that the necessary authorizations can be obtained, (5) whether voter approval is necessary to issue the bonds, and (6) any formalities to be completed before the bonds will be ready for issue.
3. Evidence as to applicant's ability to successfully market the bond issue. This preferably would be in the form of a letter of opinion from a recognized reputable bond house and should indicate the probable Moody's rating of the bonds when issued.

DEC 30 1971

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-2-

4. For each of the years 1970 and 1971 provide copies of the Operating Statement and Balance Sheet information for the participants as disclosed in Table 1, Page 33, of Schedule I of the application. For the year 1971, Depreciation Expense included in this table should be separately disclosed.

Raymond L. Carroll
Staff Accountant
Accounting Procedures Branch, OC

cc: J. F. Sciato, OGC

bcc: Mr. Campbell
Acctg. RF
Branch RF

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DATE ▶	12/30/71				