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July 9, 1976

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Washington, D. C. 20555

In the Matter of Washington Public Power Supply System
(Nuclear Project No. 4)
Docket No. 50-513

Gentlemen:

You will recall that evidentiary hearings on radiological health and safety issues were conducted on November 11-13, 1975, at which time the Applicant requested that the Board defer consideration of the Applicant's financial qualifications to construct WPPSS Nuclear Project No. 4 ("WNP-4"). The Board noted in its Initial Decision (NRCI-75/12, at p. 928) that it would receive additional evidence from the parties with a view toward supplementing its Initial Decision at a suitable time with appropriate findings relating to the Applicant's financial qualifications to construct WNP-4.

This will inform you that contracts for 100% of the output of WNP-4 have been executed by the Project Participants, which are publicly and cooperatively-owned utilities in the Pacific Northwest. Thus, the Applicant believes that it is now in a position to demonstrate that it possesses, or has reasonable assurance of obtaining, the funds necessary to cover estimated construction costs and related fuel cycle costs for WNP-4.

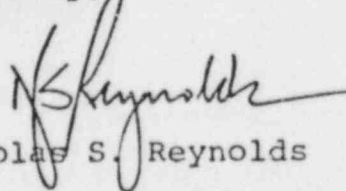
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Accordingly, we request (1) that the Board notify us as to whether it will receive pertinent evidence in the form of affidavits to supplement the record (without hearing) or, if it believes it necessary, schedule a hearing in this matter to receive evidence from the parties on the financial qualifications issue for WNP-4, and (2) that the Board thereafter issue a supplemental Initial Decision relating to that issue. Of course, this proceeding is uncontested in that the Applicant and NRC Regulatory Staff are the only parties hereto and in view of the fact that there are no issues in controversy. In these circumstances, we believe it appropriate that the matter be considered on affidavits. If this approach is followed, any Board questions could be handled by Board interrogatories (or conference call) and responses submitted also by affidavit. For the same reasons, we believe that any hearing should be held in the Washington, D. C. area.

With respect to schedule, the Applicant is prepared upon notification from the Board to submit affidavits or prefiled testimony immediately and proposes that Staff affidavits or testimony be submitted by the end of July. This would allow the Board to call for responses to any Board interrogatories or schedule any hearing viewed as necessary for the week of August 16, 1976. Assuming that the parties can reach an agreement on an expedited schedule for the filing of proposed findings of fact and the conclusion of law on the financial qualifications issue (e.g., ten-fourteen days after the close of the record for filing of the last pleading), we are hopeful that a favorable supplemental Initial Decision would then be issued leading to the issuance of a construction permit for WNP-4 in the first or second full week of September.

Sincerely,



Nicholas S. Reynolds

NSR:kg

cc: See Page Three

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