

UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D. C. 20555

*file*  
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JUN 17 1975

*Wash. Pub. Power SS*  
*WNP 345*

FLASH NOTE

Docket No. 50-460  
50-513

A. Schwencer, Chief, Light Water Reactors Branch 2-3, DRL

WNP-1,4 FACILITY FINANCING

A lawsuit was filed Thursday, 5/29/75, in Seattle, calling for cancellation of an agreement between Seattle City Light Co. and WPPSS for participation in WPPSS-1, 4, 3, and 5 facilities. The basis for the suit is that Seattle City Light did not write its own environmental impact statement to the state on the proposed agreement. (See attached newspaper article.)

One potential effect of the action could be to delay City Light's participation in the funding of the WNP-4 LWA work planned to start later this calendar year. D. Renberger, Technical Division Manager, does not feel that there would be any delay in initiating LWA work at the WNP-1 plant location. Funds for that effort are already available, and in fact, funding for LWA work at WNP-4 may be assured through options that allow other utility members of WPPSS to provide the funds originally expected from Seattle City Light Company.

Further development of this situation will be monitored for its potential effect on our financial qualifications review now underway.

*Thomas H. Cox*

Thomas H. Cox, Project Manager  
Light Water Reactors Branch 2-3  
Division of Reactor Licensing

Enclosure: Newspaper article

- cc: B. Rusche  
E. Case  
A. Giambusso  
R. Boyd  
V. Moore  
D. Skovholt  
J. Peterson  
ELD

FLASH NOTE

8409270231 840824  
PDR FOIA  
COHEN84-603 PDR

MAY 30 1975

# Suit asks Seattle City Light stay out of Hanford, Satsop

TCH 30 MAY 1975

A lawsuit filed Thursday to cancel a nuclear power agreement made by Seattle City Light for participating in nuclear plants at Hanford and Satsop was filed Thursday.

The Washington Environmental Council and three individuals charged the city of Seattle in King County Superior Court with violating state environmental laws.

They allege as the violation the failure of City Light to write an environmental impact statement in an agreement with the Washington Public Power Supply System (WPPSS).

That agreement allows City Light to reserve between 9 per cent and 11.4 per cent of the output from nuclear projects planned for completion in the 1980s at Hanford and Satsop. The Seattle City Council approved the agreement May 2.

City Light is one of 104 Northwest utilities asked to loan credit to the supply system to build the plants. The utilities were to back the loan of credit with power contracts from the system.

Utility spokesmen said Thursday about 50 utilities already

have agreed to participate. The supply system is scheduled to call for bids on \$150 million in bonds Monday.

Jerry Parker, a state employe, Aaron McKlerman, a University of Washington law student and Ken Bestock of the Washington Committee on Consumer Interests joined the environmental council in the suit.

The City of Seattle "is really going along with the idea of building a nuclear plant without knowing what it means," J. Richard Aramburu, lawyer for the plaintiffs, said Thursday.

Aramburu also represents the North Cascades Conservation Council in efforts to stop Seattle City Light from building High Ross Dam.

He said, "They haven't addressed questions of electrical curtailment programs. They haven't addressed questions of energy conservation."

They're unfortunately just rolling with the tide and not looking at options," he said. "It's a lot of money, to be provided by the ratepayers."

A WPPSS spokesman today said, "The Supply System has

addressed all those questions about the need for power, both in its application to the state for site certification and in environmental reports filed with the Nuclear Regulatory Commission."

In addition, he said, "Those same factors are considered in the environmental impact statement filed by the Bonneville Power Administration in its application for a rate increase."

He expressed concern that if the suit against City Light is successful, "About 100 individual utilities would have to duplicate what the Supply System has already done."

"It would certainly place a burden on those utilities," which, he said, include small municipalities and rural electric associations, as well as large cities.

Earlier this week delay in construction of the two nuclear plants at Hanford was threatened by a proposal from Richland officials to reopen site certification hearings to include comments on the socio-economic report about the impact of the WPPSS project.

WPPSS - WNP 3 & 5 - Review of 2/26/76 data submitted

4 Investor-owned utilities did not provide

Ques. 4 - Sources of Funds Stmt. & Assumptions from investor-owned participants:

Unit 3

Pacific P&L Co.	10%
Portland Gen. Elec. Co.	10
Puget Sound P&L Co.	5
Washington Water Power Co.	5

Unit 5

WPPSS - 90% tentative

WPPSS	<u>70</u>
	<u>100%</u>

4 Investor-owned feel that this request is "in excess" of what is required from an "established org." - But Appendix C gives me authority to require add'l info.

Ques 7.a. Pacific P&L Co. did not provide copies of the latest rate order & submitted testimony (financially related)

Puget Sound P&L Co. did not provide submitted testimony. (financially related)

Ques. 7.b. please provide, A copies of '75 annual report to stockholders; copies of '74 report were supplied as requested

Ques. 7.d. - ~~Sub. Water Power Co. & Pacific P&L Co.~~ did not provide latest net earnings certificate showing interest coverage & did not indicate preferred stock coverage requirement

Noted "Financial Analysis" sheet only thru

8.02:

The financing plan for WNP-5 is not firmly established at this time. WPPSS has firm contracts covering the entire electrical output capability of WNP-5.

See answer to ques. 6 at front of Vol. I.

3/19/76 - Conf. Call w/ WPPSS re outstanding items above. WPPSS will contact investor-owned re outst. items & get back to us with time estimate. Tony is still aiming for 4/9/76 input to SER Suppl.

4/7/76 - telecon, Tony Bourne - reminded him that the above deficiencies had not yet been corrected - he said applicants plan to submit it to us next week. Also requested that they submit copies of latest official stmt. on WNP-3; 4 WNP-5, if issued.

WNP 345 - CONCEPT estimate - per Howard <sup>(6)</sup>  
 Bowers, 3/30/76  
 telecon

Concept	Unit 3	Applicant
1,068		1191
874	Unit 5	1189
\$ 1,942 m		\$ 2,380 m

Written confirmations will be mailed today.

Howard is going to call WPPSS today to discuss the difference between CONCEPT & WPPSS estimate.

Major CONCEPT increase is in account 21, Structures & Site Facilities.

4/2/76 telecon with Howard Bowers - he talked with L.F. Sandlow, WPPSS, about the difference between applicant, \$2,380 m, and CONCEPT, \$1,942 m: (Structures & site facilities, acc. # 21)

① High seismic risk area

ⓐ steel containment liner cost. at \$29 m/unit which is considerably higher than avg. plant (CONCEPT)

ⓑ very high concrete requirement (higher than CONCEPT)

③ "Side by side" units - practically no common facilities; certainly fewer than most multiple-unit plants have - CONCEPT assumes more common facilities.