

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

FLASH NOTE

OCT. 08 1975

V. A. Moore, Assistant Director for Light Water Reactors, Group 2, DRL

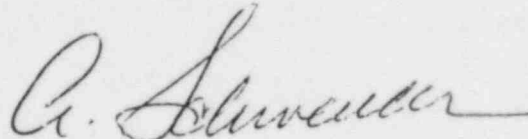
WPPSS informed me at high noon on 10/8/75 that their financial qualifications regarding WNP-4 construction might be questionable as of the projected 11/4/75 hearing date.

While WNP-1 financing is still unquestionably sound, all utility participants in the WNP-4 project are not under contract and probably will not be until May or June 1976. This is the direct result of local intervention under a Washington State Environmental Protection Act, which Act apparently requires individual utilities that would buy power from WPPSS to file environmental impact statements prior to entering into an agreement with WPPSS.


WPPSS has decided that the intended Participants in WNP-4 would be subject to suit under the provisions of the SEPA if they signed with WPPSS prior to filing the impact statements. Accordingly, WPPSS has decided to sponsor the preparation of environmental impact statements for each of the public utilities or municipalities that intend to take power from WNP-4. WPPSS projects the May-June 1976 time as that necessary to file the statements and get all Participants under contract.

Impact on the review process is that, with rad safety hearing tentatively scheduled for 11/4/75, staff may not be able to conclude that Applicant is financially qualified to construct WNP-4. Further, testimony on this matter, if submitted, is due to the Board by 10/15/75.

LPM is coordinating with financial review personnel, OELD and Applicant on this matter.



A. Schwencer, Chief
Light Water Reactors Branch 2-3
Division of Reactor Licensing

cc: R. Boyd
T. Cox
D. Skovholt
D. Muller
R. Cioni 
J. Norris
W. Regan
E. Ketchen

FLASH NOTE

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meeting calendar

- Tennessee Valley Public Power Association annual meeting, Gulf Lodge, Gulf Shores, Ala., April 14-16.
- Illinois Municipal Utilities Association spring conference, Forum XXX, Springfield, Ill., April 23-25.
- Kansas Municipal Utilities, Inc., annual meeting, Holiday Inn Plaza, Wichita, Kan., May 11-13.
- American Public Power Association annual conference, Sheraton-Boston Hotel, Boston, Mass., May 19-21.
- Northwest Public Power Association annual meeting, Hyatt Regency, Vancouver, B.C., June 11-13.
- Northeast Public Power Association Utility Operations Workshop, Anna Maria College, Paxton, Mass., June 16-17.
- Florida Municipal Utilities Association annual conference, Marco Island, Fla., June 18-20.
- Minnesota Municipal Utilities Association annual summer meeting, Kahler Motel, Hibbing, Minn., June 18-21.
- Tennessee Municipal Electric Power Association annual meeting, Fall Creek Falls State Park, Tenn., June 25-26.
- Northeast Public Power Association annual meeting, Mount Washington Hotel, Bretton Woods, N.H., Aug. 17-20.
- Northwest Public Power Association Electric Marketing/Public Relations Conference, Inn at Otter Crest, Otter Rock, Ore., Sept. 9-12.
- American Public Power Association Services and Communications Workshop, Jacksonville Hilton, Jacksonville, Fla., Sept. 16-18.
- American Public Power Association Accounting and Finance Workshop, Royal Orleans, New Orleans, La., Oct. 6-9.

- Municipal Electric Association of Massachusetts annual meeting, Jug End, Great Barrington, Mass., Oct. 12-15.
- Northwest Public Power Accounting and Finance Conference, Hanford House, Richland, Wash., Oct. 21-24.
- American Public Power Association Legal Seminar, Fairmont Colony Square, Atlanta, Ga., Nov. 10-12.

trade literature

AERIAL DEVICE SAFETY: A pocket-size booklet that interprets regulations pertaining to vehicle mounted aerial devices has been prepared by McCabe-Powers Body Co.

The booklet is based upon the standards set forth by the American National Standards Institute, Inc. (ANSI A92.2-1969) and the Occupational Safety and Health Administration (OSHA) of the U.S. Department of Labor.

For a copy of "The OSHA/ANSI Law," write: McCabe-Powers Body Co., 8900 Frost Ave., St. Louis, Mo. 63134.

CABLE IDENTIFICATION SYSTEM: A new brochure is available on Hipotronics' cable identification and phase tracing system.

Brochure HP 7105 describes and illustrates the PTC-2 system, along with its component parts, which include Model H8030-30TC pulse transmitter, Model TCD-2 pulse detector, and a pick-up coil.

The new brochure can be obtained from: Hipotronics, Inc., Brewster, N.Y. 10509.

CABLE TERMINATORS: Product information bulletin No. 279 on its E520 series of Easy-on cable terminators has been published by Joslyn Mfg. and Supply Co.

Copies may be obtained from: Underground Cable Systems and Accessories Department, Joslyn Mfg. and Supply Co., 155 N. Wacker Drive, Chicago, Ill. 60606.

CONNECTOR BLOCK: A product bulletin describing a service connector block designed for distribution of low voltage power is now available from Reliable Electric Co.

The bulletin provides detailed information

on the new connector block, model 41940, including information on its construction and design.

For a copy of the bulletin, write: Reliable Electric Co., 11333 Addison St., Franklin Park, Ill. 60131.

MATERIAL HANDLING CRANE: Sheets providing information on three models of the Cascade Knuckleboom, a truck-mounted material handling crane, have been published.

The revised literature includes truck specification information that provides information for selecting the best cranes for use with various trucks.

Copies may be obtained from: R. Jerry Jones, Cascade Corp., 5319 S.W. Canyon Court, Portland, Ore. 97225.

POWER CENTERS: Liquid-filled, self-contained secondary unit substation transformers, or power centers, which provide utilization voltages to any indoor or outdoor commercial or industrial application are described in an updated Westinghouse Electric Corp. bulletin.

For copies of descriptive bulletin 47-156, write: Westinghouse Electric Corp., Westinghouse Building, Pittsburgh, Pa. 15222.

POWER CABLE: Anaconda Wire and Cable Co. has released an eight-page, illustrated brochure that provides information on UniShield EP (ethylene propylene rubber insulated) medium voltage power cables in the 5 kv to 35 kv range.

Copies of the UniShield EP brochure are available by writing: PC 7318, Anaconda Wire and Cable Co., Greenwich Office Park 3, Greenwich, Conn. 06830.

GAS-INSULATED SUBSTATIONS: An eight-page brochure on prefabricated, high voltage, gas-insulated mini-substations has been issued by Brown Boveri Corp.

Copies of the new publication may be obtained from: Brown Boveri Corp., 1460 Livingston Ave., North Brunswick, N. J. 08902.

BOILER DEPOSITS: A technical paper, "Prescription for Boiler Deposits," has been published by Betz, discussing treatments for boiler deposits.

Copies of Technical Paper 216 may be obtained upon request from: Betz, Trevose, Pa. 19047.

\$125,000,000

Washington Public Power Supply System

A Municipal Corporation and a Joint Operating Agency of the State of Washington

Washington Public Power Supply System Nuclear Project No. 2 Revenue Bonds, Series 1974 A

Dated: December 1, 1974

Due: July 1, as shown below

Interest exempt, in the opinion of Bond Counsel, from Federal income taxation under existing laws and regulations and specific rulings received from the Internal Revenue Service with respect to the Bonds.

The 1974 A Term Bonds maturing on July 1, 1999 and on July 1, 2012 are subject to redemption by operation of the Bond Retirement Account as further outlined in the Official Statement.

The 1974 A Serial Bonds maturing on or after July 1, 1986 are subject to redemption on or after July 1, 1985 as further outlined in the Official Statement.

\$32,000,000 Serial Bonds

AMOUNTS, MATURITIES, COUPON RATES AND YIELDS OR PRICE

<u>Amount</u>	<u>Due</u>	<u>Coupon</u>	<u>Yield</u>	<u>Amount</u>	<u>Due</u>	<u>Coupon</u>	<u>Yield or Price</u>
\$1,000,000	1978	7.20%	5.20%	\$1,500,000	1987	7.20%	6.45%
1,000,000	1979	7.20	5.35	1,600,000	1988	7.20	6.60
1,000,000	1980	7.20	5.50	1,700,000	1989	7.20	6.75
1,000,000	1981	7.20	5.65	1,900,000	1990	7.20	6.90
2,500,000	1982	7.20	5.80	2,000,000	1991	7.20	7.00
2,500,000	1983	7.20	5.95	2,100,000	1992	7.20	7.10
2,500,000	1984	7.20	6.00	2,300,000	1993	7.20	7.15
2,500,000	1985	7.20	6.15	2,400,000	1994	7.20	100
2,500,000	1986	7.20	6.30				

\$15,000,000 7.40% Term Bonds Due July 1, 1999
Price 100%

\$78,000,000 7¾% Term Bonds Due July 1, 2012
Price 100%
(Plus accrued interest)

The 1974 A Bonds are offered when, as and if issued and received by us and are subject to the approval of legality by Wood Dawson Love & Sabatine, New York, New York, Bond Counsel to the Supply System, and Houghton Cluck Coughlin & Riley, Seattle, Washington, Special Counsel to the Supply System.

The offering of the 1974 A Bonds is made only by the Official Statement, copies of which may be obtained in any State from any of the undersigned as may lawfully offer these securities in such State.

Smith, Barney & Co. Halsey, Stuart & Co. Inc. The First Boston Corporation John Nuveen & Co.
Incorporated Affiliate of Bache & Co. Incorporated Incorporated

Lehman Brothers White, Weld & Co. Dillon, Read Municipals Foster & Marshall Inc.
Incorporated Incorporated Division of Dillon, Read & Co. Inc.

Drexel Burnham & Co. E. F. Hutton & Company Inc. Loeb, Rhoades & Co. Wertheim & Co., Inc.
Incorporated

Dean Witter & Co. L. F. Rothschild & Co. R. W. Pressprich & Co. Reynolds Securities Inc.
Incorporated Incorporated

Alex. Brown & Sons Faulkner, Dawkins & Sullivan Allen & Company
Securities Corp.

Barr Brothers & Co. Inc. Matthews & Wright, Inc. American Securities Corporation

Edwards & Hanly SoGen-Swiss International Corporation

Van Kampen Wauterlek & Brown, Inc. Wood, Struthers & Winthrop Inc.

November 27, 1974

Missouri Basin Project

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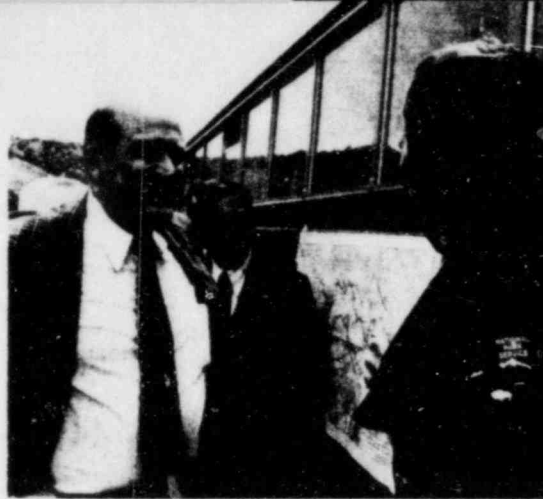
In keeping with its commitment to open planning, MBPP sponsors early sought to establish close communication with the environmental community in the region. A project Environmental Advisory Committee, composed of representatives of environmental groups in states where project facilities were considered for construction, was established. Project representatives and members of the environmental community have succeeded in keeping channels of communication cordial and open. Neither project nor environmental people believe the activity will necessarily avoid disagreements, but it should tend to make confrontations less necessary.

■ Environmentalists' views heard

Early in the dialogue, members of the Environmental Committee, which has now met more than a half a dozen times, made clear that they did not wish to work with a group of power suppliers who projected inevitable doubling of load growth every 10 years. They felt such prophesies tended to be self-fulfilling. The participants, consequently, agreed to work with their associated organizations to attempt to develop a greater consciousness about the impact of increasing energy use and the serious environmental tradeoffs it requires. Even living near the abundant coal of the High Plains, as we do, other constraints have indicated that the "energy honeymoon" of the past 25 years cannot continue.

Relationships with the Environmental Committee matured to some confidence. Even before plant sites were acquired or designated, the Committee was afforded an opportunity to tour Platte and Goshen County areas where sites and reservoir lands were to be located. Committee members were given copies of a comprehensive preliminary environmental analysis of the area. Decisions on project sizing, the reservoir operating plan and other issues are being discussed with the Advisory Committee in advance of Management Committee commitments, with no breach of trust.

While remaining an advisory committee to the project—interested in pending deci-



Resource consultant Ken Holum, left, discusses plans for Missouri Basin Power Project reservoir with the superintendent of the Fort Laramie National Monument during a tour of site areas with Federal and Wyoming state officials.

sions on scrubbers, local planning for plant socio-economic impact, and the like—the Environmental Committee has expressed interest in a continuing relationship with the Missouri Basin Systems Group and its planning program. A melding of interests, brought to bear on future planning, now seems possible.

The project is also making progress on other fronts. The Finance Committee is perfecting alternative financing plans. With total project costs, including interest during construction, now estimated to amount to over \$1-billion, savings in even a fraction of a point in financing rates can save millions of dollars a year. The Finance Committee also serves as an auditing committee for project expenses.

The Engineering Committee is involved in a comprehensive study of bulk transmission required with the generating station, east and west of the east and west separations. Representatives of each participant, and of Nebraska Public Power District and the Bureau of Reclamation which are also affected, are hard at work on the study, which will be completed this fall.

Boilers and turbine-generators have been ordered by the project manager for the first two units.

The Legal Committee prepared the application for the Wyoming Public Service Commission Certificate and is now readying for a hearing sometime this fall. The Committee also is at work on a Comprehensive Participation Agreement, defining the rights and obligations of the participants.

■ People problems resolved

Throughout the brief history of the Missouri Basin Power Project, there has been no shortage of problems. People, initially unsure of their responsibilities and relationships, sometimes bumped into one another. This was no surprise, since none had attempted anything like it before.

At this point, however, most of the "bugs" in people relationships, so important to progress, have been worked out.

This is a real tribute to the character of the people involved and to the strength of their commitment to a joint, regional approach to power supply.

Some types of diversity attainable when power supply groups get together—seasonal, hourly, load characteristic—are well known. But there is another diversity benefit when groups join to plan power supply: the strengths different types of organizations bring to the whole and the personal strengths of those who represent them.

As the rural electric participants provide capable technical staffs to the MBPP joint program, municipal participants may provide some financing benefits to the others, to the extent permitted by law. These organizations, their staffs and consultants have coalesced to work together, in a rather short time, in a way that keeps the good of the whole project foremost, while recognizing and respecting the interests of each participant. From the feeling of concern, initially, about whether such a many-headed creature would function, the prevalent feeling now is, "It'll work out." Patient people seem to prevail when caution is called for; impatience seems to win when decisions are needed.

Today, it is the certain conviction of local public power and rural electric leaders in the Missouri Basin that they can achieve better economic, environmental and social results for the people they serve through melding the individual planning prerogatives of each corporate body into an efficient, regional power supply program, to which they all contribute. The Missouri Basin Power Project affords them this opportunity.

On the threshold of a power supply program made up of the needs of hundreds of mostly small consumer-owned electric systems, the individuals who comprise the working team of the Missouri Basin Power Project have truly merged their professional talents into a smoothly functioning, interdependent organization. Leland Olds would be proud of it. □

\$15,000,000

**Washington Public Power
Supply System**

A Municipal Corporation and a Joint Operating Agency of the
State of Washington

7³/₄% Generating Facilities Revenue Notes, Series 1974A

Dated: August 1, 1974

Due: June 15, 1976

*Interest on the Notes is exempt, in the opinion of Bond Counsel, from taxation
by the United States of America under existing law.*

Priced to Yield 7.50% to Maturity

(accrued interest to be added)

The Notes are to be issued subject to the approval of legality by Wood Dawson Love & Sabatine, New York, New York, Bond Counsel to the Supply System, and Houghton Cluck Coughlin & Riley, Seattle, Washington, Special Counsel to the Supply System. It is expected that the Notes in definitive form will be ready for delivery on or about September 11, 1974.

The offering of these Notes is made only by the Official Statement, copies of which may be obtained in any State from such of the undersigned as may lawfully offer these securities in such State.

Smith, Barney & Co.

Incorporated

Halsey, Stuart & Co. Inc.

Affiliate of Bache & Co. Incorporated

The First Boston Corporation

Merrill Lynch, Pierce, Fenner & Smith

Incorporated

White, Weld & Co.

Incorporated

Dillon, Read Municipals

Division of Dillon, Read & Co. Inc.

Barr Brothers & Co. Inc.

1. ~~Cost Estimate~~
2. ~~Covenants Rate increases~~
3. ~~Bonnerille Rate increases~~ dropped the suit. Seattle will write suit
4. ~~Seattle light suit~~ = Possibly part in ~~contract~~
5. → 18 districts etc 104 participate. They can sell out
→ side of WPPSS

III Source of Funds

- A. Project Financing and Recent History
- B. External Financing
- C. Security for Notes
- D. Regulatory Environment

IV Conclusion