

Date: June 25, 1992

PRELIMINARY NOTIFICATION OF EVENT OR UNUSUAL OCCURRENCE PN39237

This preliminary notification constitutes EARLY notice of events of POSSIBLE safety or public interest significance. The information is as initially received without verification or evaluation, and is basically all that is known by the Region III staff on this date.

Facility: Byron 2	<u>Licensee Emergency Classification</u>
Docket No. 50-455	<u>General Emergency</u>
Braidwood 1&2	<u>Site Area Emergency</u>
Docket Nos. 50-456; 50-457	<u>Alert</u>
	<u>Unusual Event</u>
Commonwealth Edison Co.	<u>X</u> <u>N/A</u>

Subject: POTENTIALLY ADVERSE RATE CASE INTERIM ORDER

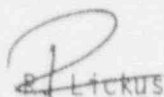
On June 24, 1992 the Illinois Commerce Commission (ICC) established criteria to be used in setting rates based on a recent Illinois Supreme Court decision remanding the Byron Unit 2 and Braidwood Units 1 & 2 rate case back to the ICC. The original rate case granting a 14% rate increase, had been returned by the Illinois Supreme Court to the ICC for further action in February 1992.

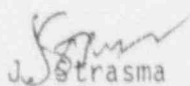
In its decision the ICC established a 20% reserve margin as the criterion for determining if a new generating facility were "used and useful" and therefore to be included in the rate base. The previous definition of "used and useful" was based on the actual use of the facility.

The charge may affect how Byron 2 and Braidwood 1 & 2 are placed into the rate base. Applying the 20% reserve may exclude a significant portion of the investment in these plants from the rate base. The licensee reports that the decision could adversely affect the licensee's profitability and ability to obtain financing for future plant and facility improvements.

The rate proceeding is continuing with a final decision expected in January 1993.

Region III (Chicago) received notification of this action from the licensee and additional information was obtained from the Illinois Commerce Commission on June 24, 1992. This information is current as of 9 a.m. on June 25, 1992.

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