

## Washington Public Power Supply System

3000 George Washington Way P.O. Box 968 Richland, Washington 99352-0968 (509)372-5000

Docket No. 50-513

June 13, 1984

G01-84-0180

Mr. William O. Miller  
Chief, License Fee Management Branch  
Office of Administration  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555

Dear Mr. Miller:

Subject: SUPPLY SYSTEM NUCLEAR PROJECT NO. 4  
OPERATING LICENSE REVIEW FEE

Reference: Letter dated May 29, 1984, W.O. Miller to D.W. Mazur,  
same subject.

This is to respond to the referenced letter in which you stated that the NRC had not received payment from the Supply System of your Invoice No. B-0265. That invoice was issued to recover the costs associated with the NRC's review of the operating license application for the Supply System's Nuclear Project No. 4 (WNP-4), which was withdrawn by letter dated February 1, 1982.

WNP-4 and the Supply System's Nuclear Project No. 5 were financed together as a single system. (Both units have been cancelled and are in default.) The Supply System finances its other nuclear projects separately pursuant to resolutions which authorize the sale of revenue bonds individually for each project. Under the project financing approach, the Supply System's Board of Directors adopts a resolution describing the proposed plan and system prior to the issuance of securities. These resolutions serve as the indentures to the buyers of the securities. By the terms of the resolutions, the revenues from a given project may be expended only on expenses incurred for that project. Thus, the costs associated with WNP-4 may only be paid from revenues associated with the project.

Please understand that the Supply System is most anxious to remit the amount stated in your invoice. However, the revenues which remain available for the satisfaction of obligations incurred for WNP-4 are being administered by Chemical Bank as Trustee. Any claims relating to WNP-4 which are received by the Supply System are furnished to the Trustee for handling. We have discussed the invoice with the Trustee and the Trustee has advised that the Bond Resolution requires the Trustee to pay present administrative maintenance and closeout expenses and bond holder debt service before other obligations. Nonetheless, we have submitted the invoice in question to the Trustee for processing as an administrative expense and are attempting to secure payment.

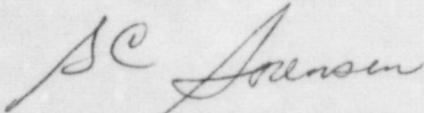
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Mr. W. O. Miller  
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Until a final resolution of the claim by the Trustee, we request that the Commission consider the Supply System's inability to pay this debt to be excusable within the meaning of 10 CFR15.29 and 170.41 and 4 CFR102.8, so that no enforcement action will be warranted. Based on prior experience in the processing of claims by the Trustee, a response is expected about mid to late July.

We will keep you advised of future developments.

Sincerely,

A handwritten signature in cursive script, appearing to read "G. C. Sorensen".

G. C. Sorensen, Manager  
Regulatory Programs

GCS/kd

cc: N.S. Reynolds, Bishop, Liberman, Cook, Purcell & Reynolds