May 9, 1988

PRELIMINARY NOTIFICATION OF EVENT OR UNUSUAL OCCURRENCE -- PNO-IV-88-40

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 IV staff on this date.

Arkansas Power & Light Co.
Arkansas Nuclear One Units 1 & 2

Dockets: 50-313; 50-368

Louisiana Power & Light Co.

Waterford Unit 3 Docket: 50-382

Systems Energy Resources, Inc. Grand Gulf, Units 1 & 2 Dockets: 50-416; 50-417 Licensee Emergency Classification: Notification of Unusual Event

Alert

Site Area Emergency General Emergency

X Not Applicable

SUBJECT: SERI TO MANAGE, OPERATE ALL MIDDLE SOUTH NUCLEAR PLANTS

Middle South Utilities Inc. today announced plans for its wholly owned subsidiary, Systems Energy Resources Inc. (SERI), which already owns and operates the Grand Gulf units, to assume management and operating responsibility for the Arkansas Nuclear One and Waterford units as well. Under the plan, ANO and Waterford will continue to be owned by Arkansas Power & Light and by Louisiana Power & Light.

The announcement said AP&L and LP&L will apply to the NRC for appropriate license amendments, and will also seek needed approvals from the Securities and Exchange Commission and from regulatory bodies in Arkansas and Louisiana. All these approvals will be sought by the end of the current calendar year.

Under the plan, on-site employees at ANO and Waterford now working for the owning utilities will become SERI employees, as will those within the direct nuclear support functions of AP&L and LP&L.

In its announcement, Middle South cited a similar arrangement announced last year by The Southern Company, affecting nuclear units in Alabama and Georgia.

This PN is issued for information only. Region IV has coordinated with Region II and with appropriate headquarters staff offices.

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RIV:PAO JTGilliland:jc 5/9/88 RA IN/ RDMartin 5/9/88

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