

September 29, 1988

Docket Nos. 50-348
and 50-364

Mr. W. G. Hairston, III
Senior Vice President
Alabama Power Company
Post Office Box 2641
Birmingham, Alabama 35291-0400

Dear Mr. Hairston:

SUBJECT: JOSEPH M. FARLEY NUCLEAR PLANT, UNITS 1 AND 2 - TEMPORARY
EXEMPTION FROM THE SCHEDULAR REQUIREMENTS OF THE PROPERTY
INSURANCE RULE EFFECTIVE OCTOBER 4, 1988 (10 CFR 50.54(w)(5)(i))

The Commission has issued the enclosed temporary exemption from the schedular requirements of the property insurance rule effective October 4, 1988 (10 CFR 50.54(w)(5)(i)) for Joseph M. Farley Nuclear Plant, Units 1 and 2. This part of the rule requires licensees to obtain insurance policies that prioritize insurance proceeds for stabilization and decontamination after an accident and provide for payment of proceeds to an independent trustee who would disburse funds for decontamination and cleanup before any other purpose.

The Commission has proposed a revision of 10 CFR 50.54(w)(5)(i) extending the implementation schedule for 18 months (53 FR 36338, September 19, 1988). However, because it is unlikely that this rulemaking action will be completed by October 4, 1988, the Commission is issuing a temporary exemption from the requirements of 10 CFR 50.54(w)(5)(i) until completion of the pending rulemaking extending the implementation date specified in 10 CFR 50.54(w)(5)(i), but not later than April 1, 1989. Upon completion of such rulemaking, the licensee shall comply with the provisions of such rule.

The Commission, pursuant to 10 CFR 50.12(a), hereby grants a temporary exemption from the schedular requirements of 10 CFR 50.54(w)(5)(i). This temporary exemption is valid until April 1, 1989 or until such time as action on this rulemaking is completed.

In granting the exemption, the staff has determined that this action is authorized by law and will not endanger life or property or the common defense and security and is otherwise in the public interest.

DISTRIBUTION

Docket File

NRC PDR
Local PDR
PD21 r/f
T. Murley/J. Sniezek (12G18)
D. Crutchfield (12G18)
S. Varga (14E4)
G. Lainas
E. Adensam
P. Anderson
E. Reeves (2)
OGC
E. Jordan (MNBB 3302)
B. Grimes (9A2)
T. Barnhart (4) (P1-37)
ACRS (10)
GPA/PA
ARM/LFMB

8810040297 880929
PDR ADOCK 05000348
3 PNU

DF01
1/1

Mr. W. G. Hairston, III

- 2 -

A copy of this exemption is being forwarded to the Office of Federal Register for publication.

Sincerely,

Original signed by E. Adensam for

Edward A. Reeves, Senior Project Manager
Project Directorate II-1
Division of Reactor Projects I/II
Office of Nuclear Reactor Regulation

Enclosures:

1. Exemption

cc w/enclosure:

See next page

OFC	:LA:PD21:DRPR:PM:PD21:DRPR:D:PD21:DRPR	:	:	:	:
NAME	: PAnderson : EReeves:ch : EAdensam	:	:	:	:
DATE	: 9/26/88 : 9/27/88 : 9/27/88	:	:	:	:

OFFICIAL RECORD COPY

Mr. W. G. Hairston, III
Alabama Power Company

Joseph M. Farley Nuclear Plant

cc:

Mr. R. P. McDonald
Executive Vice President
Alabama Power Company
Post Office Box 2641
Birmingham, Alabama 35291-0400

Resident Inspector
U.S. Nuclear Regulatory Commission
Post Office Box 24 - Route 2
Columbia, Alabama 36319

Mr. Bill M. Guthrie
Executive Vice President
Alabama Power Company
Post Office Box 2641
Birmingham, Alabama 35231-0400

D. Biard MacGuineas, Esquire
Volpe, Boskey and Lyons
918 16th Street, N.W.
Washington, D.C. 20006

Mr. Louis B. Long, General Manager
Southern Company Services, Inc.
Post Office Box 2625
Birmingham, Alabama 35202

Charles R. Lowman
Alabama Electric Corporation
Post Office Box 550
Andalusia, Alabama 35420

Chairman
Houston County Commission
Dothan, Alabama 36301

Regional Administrator, Region II
U.S. Nuclear Regulatory Commission
101 Marietta Street, Suite 2900
Atlanta, Georgia 30323

Ernest L. Blake, Jr., Esquire
Shaw, Pittman, Potts and Trowbridge
2300 N Street, N.W.
Washington, DC 20037

Claude Earl Fox, M.D.
State Health Officer
State Department of Public Health
State Office Building
Montgomery, Alabama 36130

Robert A. Buettner, Esquire
Balch, Bingham, Baker, Hawthorne,
Williams and Ward
Post Office Box 306
Birmingham, Alabama 35201

Mr. D. N. Morey
General Manager - Farley Nuclear Plant
Post Office Box 470
Ashford, Alabama 36312