

# WOLF CREEK

NUCLEAR OPERATING CORPORATION

Otto L. Maynard  
President and Chief Executive Officer

OCT 27 1998

WM 98-0110

U. S. Nuclear Regulatory Commission  
ATTN: Document Control Desk  
Mail Station: P1-137  
Washington, D. C. 20555

Subject: Docket No. 50-482: Request for the Transfer and Amendment of the  
Wolf Creek Generating Station Facility Operating License NPF-42  
To Reflect Transfer of Ownership

Gentlemen:

Pursuant to Section 184 of the Atomic Energy Act, as amended, 10 C.F.R. § 50.80 and 10 C.F.R. § 50.90, Kansas Gas and Electric Company (KGE), Kansas City Power & Light Company (KCPL), Wolf Creek Nuclear Operating Corporation (WCNOC) and NKC, Inc., which will later be renamed Westar Energy, Inc. (both referred to as "Westar Energy") hereby submit the enclosed application for transfer of control of KGE's and KCPL's possessory, ownership interests in the Facility Operating License No. NPF-42 for the Wolf Creek Generating Station, Unit 1 (WCGS), and for an amendment to the WCGS License to reflect this transfer of ownership.

This application requests the consent of the Nuclear Regulatory Commission (NRC) under 10 C.F.R. § 50.80, to the transfers of control of KGE's and KCPL's possessory interests in the WCGS license to Westar Energy. Westar Energy is a new company which will result from the combination of electric utility operating assets of Western Resources, Inc., (the parent of KGE), KGE, and KCPL. This combination will achieve significant cost savings and efficiencies, and create a stronger, more competitive enterprise. The potential cost savings are estimated to be approximately \$940 million over the first ten years. As a result, Westar Energy's financial capability to meet the financial obligations of its prospective ownership interests in WCGS is expected to be stronger than the existing financial capabilities of KGE and KCPL separately.

In order to maximize the significant cost savings and efficiencies upon consummation of the combination, the applicants request expeditious review of this application by the NRC and the issuance of its consent under 10 C.F.R. § 50.80. The applicants believe that the NRC should be able to consent to the transfers of control occasioned by the proposed combination. The combination will have no adverse effect on either the technical management of the operation of WCGS, since the same nuclear operating organization (WCNOC) currently responsible for operating WCGS will continue to be responsible for its operation after the combination. Moreover, no specific demonstration of financial qualifications will be required since Westar Energy will be an electric utility under 10 C.F.R. § 50.2. Additionally, the KGE and KCPL antitrust license conditions would become applicable to Westar Energy upon consummation of the license transfer, and no significant antitrust changes will occur as a result of the proposed combination.

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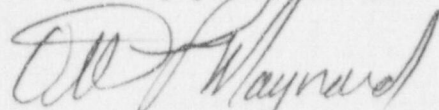
This application also requests the issuance of an amendment to the WCGS license to delete both KGE and KCPL as licensees and to add Westar Energy in their place as one of the licensees authorized to possess WCGS. This amendment request has been reviewed and approved by the WCNOG Plant Safety Review Committee and the WCNOG Nuclear Safety Review Committee. The application for the proposed license transfer and amendment request, including a No Significant Hazards Consideration Determination and a No Environmental Impact Determination, is enclosed with this letter. Attachment II to the application provides the marked up pages for the proposed license changes.

The proposed combination requires the approval of other regulatory agencies in addition to consent from the NRC. These approvals are expected to be obtained by March or April of 1999, at which time the combination would be consummated. Accordingly, it is requested that the NRC act on the enclosed application and consent to the requested transfers of control by March 31, 1999.

In accordance with 10 C.F.R. § 50.91, a copy of the enclosed application, with attachments, is being provided to the designated Kansas State Official.

If you have any questions concerning this matter or require additional information, please contact Rick Terrill, Vice President of Western Resources, at (785) 575-6322, or Jay Silberg of Shaw, Pittman, Potts & Trowbridge, at (202) 663-8063.

Very truly yours,



Otto L. Maynard

OLM/rlr

Enclosure: - Application To Transfer KGE's And KCPL's Possession-Only Interest In Operating License No. NPF-42 For The Wolf Creek Generating Station And To Amend Operating License No. NPF-42 To Reflect Transfer Of Ownership

cc: V. L. Cooper (KDHE), w/a  
W. D. Johnson (NRC), w/a  
E. W. Merschoff (NRC), w/a  
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