



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

October 7, 1988

Docket No. 50-322

Mr. John D. Leonard, Jr.
Vice President-Nuclear Operations
Long Island Lighting Co.
Shoreham Nuclear Power Station
P.O. Box 618, North Country Road
Wading River, NY 11792

Dear Mr. Leonard:

SUBJECT: SHOREHAM NUCLEAR POWER STATION - 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 the Shoreham Nuclear Power Station. 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, since the rulemaking action was not 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.

A copy of this exemption is being filed with the Office of the Federal Register for publication.

Sincerely,

(s) W R Butler

Stewart W. Brown, Project Manager
Project Directorate I-2
Division of Reactor Projects I/II
Office of Nuclear Reactor Regulation

Enclosure: As stated

cc w/enclosure:
See next page

A copy of this exemption is being filed with the Office of the Federal Register for publication.

Sincerely,

Original signed by W. R. Butler (for)

Stewart W. Brown, Project Manager
Project Directorate I-2
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Office of Nuclear Reactor Regulation

Enclosure: As stated

cc w/enclosure:
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