

NUCLEAR REGULATORY COMMISSION**Advisory Committee on Reactor Safeguards Meeting of the Subcommittee on Plant License Renewal; Notice of Meeting**

The ACRS Subcommittee on Plant License Renewal will hold a meeting on November 18, 1999, in Room T-2B1, 11545 Rockville Pike, Rockville, Maryland.

The entire meeting will be open to public attendance.

The agenda for the subject meeting shall be as follows:

Thursday, November 18, 1999—1 p.m.

Until the Conclusion of Business

The Subcommittee will review the staff's resolution of the open and confirmatory items identified in the Safety Evaluation Report related to the license renewal of Calvert Cliffs Nuclear Power Plant Units 1 and 2 and related license renewal activities. The purpose of this meeting is to gather information, analyze relevant issues and facts, and to formulate proposed positions and actions, as appropriate, for deliberation by the full Committee.

Oral statements may be presented by members of the public with the concurrence of the Subcommittee Chairman; written statements will be accepted and made available to the Committee. Electronic recordings will be permitted only during those portions of the meeting that are open to the public, and questions may be asked only by members of the Subcommittee, its consultants, and staff. Persons desiring to make oral statements should notify the cognizant ACRS staff engineer named below five days prior to the meeting, if possible, so that appropriate arrangements can be made.

During the initial portion of the meeting, the Subcommittee, along with any of its consultants who may be present, may exchange preliminary views regarding matters to be considered during the balance of the meeting.

The Subcommittee will then hear presentations by and hold discussions with representatives of the NRC staff and other interested persons regarding this review.

Further information regarding topics to be discussed, whether the meeting has been canceled or rescheduled, and the Chairman's ruling on requests for the opportunity to present oral statements and the time allotted therefor, can be obtained by contacting the cognizant ACRS staff engineer, Mr. Noel F. Dudley (telephone 301/415-6888) between 7:30 a.m. and 4:15 p.m.

(EDT). Persons planning to attend this meeting are urged to contact the above named individual one or two working days prior to the meeting to be advised of any potential changes to the agenda, etc., that may have occurred.

Dated: October 18, 1999.

Richard P. Savio,

Associate Director for Technical Support, ACRS/ACNW.

[FR Doc. 99-27760 Filed 10-22-99; 8:45 am]

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NUCLEAR REGULATORY COMMISSION**Addendum to Subagreement Pertaining to State Resident Engineers Between the Nuclear Regulatory Commission and the State of Illinois**

AGENCY: Nuclear Regulatory Commission.

ACTION: Publication of Addendum No. 1 to Subagreement No. 3 Between NRC and the State of Illinois.

SUMMARY: The Nuclear Regulatory Commission (NRC) and the State of Illinois entered into Subagreement No. 3 on December 18, 1990 (55 FR 51973). The Subagreement defined the way in which the NRC and the State, with the assistance of State Resident Engineers, cooperate in planning and conducting inspections of nuclear power plants in Illinois to ensure compliance with NRC regulations. The purpose of Addendum No. 1 is to modify Subagreement No. 3 to address inspections at permanently shut down nuclear power plants in Illinois that remain under license by the NRC. The text of Addendum No. 1 between the NRC and the State of Illinois follows.

FOR FURTHER INFORMATION CONTACT: Spiros C. Droggitis, Office of State Programs, telephone (301) 415-2367, e-mail scd@nrc.gov.

Dated at Rockville, Maryland this 19th day of October, 1999.

For the Nuclear Regulatory Commission.

Paul H. Lohaus,

Director Office of State Programs.

Addendum No. 1 to Subagreement No. 3 Pertaining to State Resident Engineers Between the U.S. Nuclear Regulatory Commission and the State of Illinois**I. Purpose**

The purpose of this Addendum is to modify Subagreement No. 3 pertaining to State Resident Engineers between the U.S. Nuclear Regulatory Commission (NRC) and the State of Illinois (State), hereafter referred to as Subagreement No. 3, to address State inspections at

permanently shut down nuclear power plants in Illinois that remain under license by the NRC.

II. Background

A. The NRC and the State entered into Subagreement No. 3 to define the way in which NRC and the State, with the assistance of State Resident Engineers will cooperate in planning and conducting inspections at operating nuclear power plants in Illinois. Subagreement No. 3 provided, among other things, for interaction and cooperation between State Resident Engineers and NRC Resident Inspectors. Since the entry into Subagreement No. 3, "State Resident Engineers" as referred to in Subagreement No. 3, have become known as "State Resident Inspectors."

B. Since the entry into Subagreement No. 3, NRC has received notice that a licensed nuclear power plant in Illinois has permanently ceased operations and has begun decommissioning.

C. It is NRC's practice to, approximately one year after shut down, withdraw its resident inspectors from licensed nuclear power plants that have permanently ceased operations and are undergoing decommissioning and to conduct inspections of such power plants with staff from its Regional offices.

D. The NRC has requested and the State of Illinois has agreed, in accordance with Section X. of Subagreement 3, to modify the Subagreement to recognize the changed circumstances for licensed power plants that are permanently shut down, are undergoing decommissioning, and are no longer inspected by NRC resident inspectors, and to provide for continued cooperation and coordination with the State of Illinois with regard to inspections at such plants.

III. Modifications

A. Subagreement No. 3 is modified as provided in this Addendum. Subagreement No. 3 shall remain in full and complete effect except as specifically modified in this Addendum. Insofar as any provisions in Subagreement No. 3 are inconsistent with this Addendum, this Addendum shall control for the purposes of decommissioning inspections at permanently shut down commercial nuclear power reactors.

B. The title to Subagreement No. 3 is modified to read "SUBAGREEMENT NO. 3 BETWEEN THE U.S. NUCLEAR REGULATORY COMMISSION AND THE STATE OF ILLINOIS PERTAINING TO STATE RESIDENT INSPECTORS AND STATE INSPECTORS FOR DECOMMISSIONING PLANTS."

C. Section VI.C.13 of Subagreement No. 3 is modified to read as follows: All written communications with the licensee will be made through NRC. After completing its portion of a safety inspection, the State will document to NRC its inspection's scope, details, and results in a report written in the format described in the NRC Inspection Manual. The NRC will use the information, as appropriate, in preparation of the NRC's final report. The State is responsible for the technical adequacy of State Resident Inspector's or State Inspector's inspection reports.

D. "State Resident Engineer" is modified in Subagreement No. 3 to read "State Resident Inspector."

E. State personnel who conduct decommissioning inspections pursuant to this Addendum and who need not be resident at nuclear power plants shall be referred to as "State Inspectors."

F. After NRC's withdrawal of its resident inspectors from licensed nuclear power plants in Illinois that have permanently ceased operations, State participation in NRC decommissioning inspections at these facilities will be governed by Subagreement 3 and this Addendum. This Addendum will not apply to State inspections conducted pursuant to any authority other than Subagreement No. 3.

G. State Inspectors will be State Resident Inspectors qualified and certified by the State in accordance with the NRC Inspection Manual, or its equivalent, for the specific inspection function they are to perform.

H. The State will utilize the NRC's Master Inspection Plan as the basis for proposing State Inspectors' participation in NRC scheduled decommissioning inspections. The State will submit inspection recommendations to the NRC Regional Administrator, Region III (or designee), at least one month prior to the scheduled inspection to allow sufficient time for NRC review and approval.

I. The State will perform decommissioning safety inspections only in accordance with the inspection plans using applicable procedures in the NRC Inspection Manual.

J. To facilitate cooperation and efficient use of resources, NRC and State Inspectors will conduct joint team decommissioning inspections under this Addendum. An NRC inspector will lead the team and be in charge of the inspection.

K. The principal senior management contacts for this Addendum will be the Director, Division of Nuclear Materials Safety, Region III, and the Manager,

Office of Nuclear Facility Safety, Illinois
Department of Nuclear Safety.

Dated: September 28, 1999.

For the U.S. Nuclear Regulatory
Commission.

Frank J. Miraglia,

Acting Executive Director for Operations.

Dated: October 4, 1999.

For the State of Illinois.

Thomas W. Ortziger,

*Director, Illinois Department of Nuclear
Safety.*

[FR Doc. 99-27761 Filed 10-22-99; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[File No. 22-28212]

Application and Opportunity for Hearing: Altos Hornos De Mexico, S.A., DE C.V.

October 18, 1999.

Notice is hereby given that Altos Hornos De Mexico, S.A., De C.V. ("Applicant"), has filed an application ("Application") under Section 310(b)(1)(ii) of the Trust Indenture Act of 1939 ("Act") for a finding by the Securities and Exchange Commission ("Commission") that the trusteeship of Norwest Bank of Minnesota, N.A. ("Norwest") as successor trustee under (i) an Indenture dated as of May 6, 1997 ("1997 Indenture"), by and between the Applicant and the Chase Manhattan Bank ("Chase"), the predecessor trustee, with respect to 11 $\frac{3}{8}$ % Series A Senior Notes due April 30, 2002 ("Series A Notes"), and 11 $\frac{7}{8}$ % Series B Senior Notes due April 30, 2004 ("Series B Notes," together with the Series A Notes, the "1997 Notes"), and (ii) an Indenture dated as of December 16, 1996 ("1996 Indenture," together with the 1997 Indenture, "Indentures") by and between the Applicant and Chase, the predecessor trustee, with respect to the issuance of 5 $\frac{1}{2}$ % Senior Discounted Convertible Notes ("1996 Notes," together with 1997 Notes, "Notes") due 2001, is not so likely to involve a material conflict of interest as to make it necessary in the public interest or for the protection of investors to disqualify Norwest from acting as trustee under either of the Indentures. Section 310(b) provides that if a trustee under an indenture qualified under the Act has or acquires any conflicting interest, it shall, within ninety days after ascertaining such a conflicting interest, either eliminate such conflicting interest or resign. Section 310(b)(1) of the Act provides that with certain exceptions, a

trustee shall be deemed to have a conflicting interest if such trustee is a trustee under another indenture in which any other securities of the same issuer are outstanding. However, under Section 310(b)(1)(ii) of the Act, certain situations are exempt from the deemed conflict of interest under Section 310(b)(1). Section 310(b)(1)(ii) provides in pertinent part that an indenture to be qualified shall be deemed exempt from Section 310(b)(1) if:

the issuer shall have sustained the burden of proving, on application to the Commission and after opportunity for hearing thereon, that trusteeship under the indenture * * * is not likely to involve a *material conflict of interest* as to make it necessary in the public interest or for the protection of investors to disqualify such trustee from acting as such under one of such indentures * * *

Section 310(b)(1)(ii) (emphasis supplied). In other words, dual trusteeship by Norwest under the Indentures may be excluded from the operation of Section 310(b)(1) if the Applicant sustains the burden of proving, on application to the Commission that a material conflict of interest is no so likely as to make it necessary in the public interest or for the protection of investors to disqualify Norwest from acting under either of the Indentures.

The Applicant alleges that:

1. The 1996 Notes and the 1997 Notes were issued in registered public offerings in the United States (Registration Statement No. 333-6094 and No. 333-7252), and both Indentures are qualified under the Act. The Notes under the Indenture rank *pari passu* with each other and are wholly unsecured. However, neither Indenture references the other Indenture.

2. Pursuant to the Instrument of Resignation, Appointment and Acceptance, dated July 27, 1999 (the "Succession Agreement"), effective as of July 27, 1999, Norwest succeeded to Chase as trustee under the Indentures.

3. As of the date of this Application, the Applicant is in default under the 1997 Indenture for failing to pay interest that was due on May 1, 1999. This default has continued for more than 30 days, thus constituting an Event of Default under Section 501(1) of the 1997 Indenture. Based on this default, the Applicant is also in default under the 1996 Indenture. Section 501(5) of the 1996 Indenture provides that an event of default includes:

a default under * * * any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any indebtedness for money borrowed by the Company * * * in an amount exceeding \$10,000,000 * * *