Docket No. 50-410

# INFORMATION FOR ANTI-TRUST REVIEW

# OF

# OPERATING LICENSE APPLICATION

As Requested By

Regulatory Guide 9.3

NINE MILE POINT NUCLEAR STATION, UNIT 2

Owners: Niagara Mohawk Power Corporation
Central Hudson Gas and Electric Corporation
Rochester Gas and Electric Corporation
New York State Electric and Gas Corporation
Long Island Lighting Company

NINE MILE POINT UNIT NO. 2

Information Reguired by the NRC Regulatory Staff
in Connection With Its Anti-Trust Review of
Operating License Application
in Accordance With
Regulatory Guide 9.3

Supplementing Information Submitted to the Attorney General
For Anti-Trust Review in Connection With The License
Application For This Facility Pursuant To

10 CFR 50, Appendix L

NIAGARA MOHAWK POWER CORPORATION

NIAGARA MOHAWK POWER CORPORATION

NINE MILE POINT UNIT #2 - ANTI-TRUST REVIEW

Regulatory Guide 9.3

1(a) Changes in anticipated capacity reserves.

Since the 1978 filing of the 9 Mile Point Anti-Trust Review, the forecasted capacity reserves have been altered somewhat. This is a result of changes in the forecasted electric peak demand as indicated in Attachment 1. The decrease in forecasted load and energy has been great enough to alter the timing of Niagara Mohawk's capacity additions. Attachment 2 highlights some of the major changes in the capacity plans from the 1978 projected capacity additions to today's projected capacity additions. Because of these reductions in planned capacity, the level of reserves do not differ substantially today from the original review: Attachment 3 compares 1978 and 1983 projections of excess capacity.

1(b) Changes in structure, activities, policies or practices of power pools.

No changes have occurred in participation of new power pools or coordinating groups.

Niagara Mohawk plans generation and transmission in conjunction with other members of the New York Power Pool. Along with the other members of the New York Power Pool, all participants are members of the Northeast Power Coordinating Council (NPCC). The NPCC was established for the purpose of promoting maximum reliability and efficiency of electric service in the interconnected areas of signatory parties by extending the coordination of their system planning and operating procedures within the area, including parts of northeastern United States and eastern Canada.

1(c) Changes in transmission with respect to:

1. Nuclear Plant

Since information was last provided in 1978, the transmission plans for connecting the Nine Mile Point generating plant with the cross-state transmission grid have changed as follows: The originally planned single circuit 765 kV transmission line from

Nine Mile to Volney, 9 miles south, will be replaced with a single circuit 345 kV transmission line. A new 345 kV station is planned for construction just south of the Nine Mile plant. This station will interconnect all three nuclear plants - Nine Mile Unit 1, Nine Mile Unit 2, and J. A. Fitzpatrick. In addition, the 765 kV transmission line from Volney to Marcy (Utica area) will be energized at 345 kV rather than 765 kV as originally planned.

The change from 765 kV transmission to 345 kV transmission is a result of a change in plans for generation additions in New York State, especially in the Oswego area.

2. Interconnections

In May 1978, the 345 kV interconnection between Homer City (Penna) and Stolle Road, a NYSEG station, was placed in service. Although the line is under NYSEG control, NMP owns a 37 mile portion which is within NMP franchise territory. In December, 1982, a 345 kV interconnection between Lafayette (vicinity of Syracuse) and Oakdale (vicinity of Binghamton) was placed in service. Since 1978, a 115 kV interconnection between Wellsville (NMP) and Bennett (NYSEG) has been placed in service to provide mutual reliability of service to these local areas and some short 115 kV interconnections have been placed in service to provide supply to local substations and/or improve reliability. These include Hamilton Road, Hyatt Road, and Dennison.

3. Wholesale Customers

The Village of Green Island, New York was the last wholesale customer of Niagara Mohawk. On December 1, 1978, Green Island ceased to be a Niagara Mohawk customer and began to purchase its energy requirements from the Power Authority.

1(d) Changes in the ownership or contractual output of the nuclear facility.

No changes have occurred in the ownership or contractual allocation of the output of the nuclear facility.

1(e) Changes in design, provisions or conditions of rate schedules and reason for changes.

Three new rate schedules have been added since 1978. Service

Classification 1-A is an optional time of use rate for residential customers. Service Classification 3-A is a time of use rate for large general service customers with a basic demand of not less than 2,000 kilowatts. Service Classification 3-B is an optional interruptible service rate for large general service customers whose measured demand exceeds 2,000 kilowatts for two consecutive months and who receive three phase, 60 hertz alternating current service at a delivery voltage in excess of 22,000 volts.

These new rate schedules were added by order of the New York State Public Service Commission.

1.(f) List the following:

1) New wholesale electric customers since 1978.

No new wholesale customers have been added.

2) Transfers from one rate schedule to another since 1978.

With the inclusion of three new rates schedules, six customers have transferred to Rate #1-A, 227 customers have transferred to Rate #3-A and currently there are no customers in Rate #3-B (this is primarily due to the short time the rate has been in existence):

3) Changes in service area since 1978.

On May 8, 1981, the closing and transfer of the distribution facilities in the Village of Massena and parts of the towns of Brasher, Louisville, Massena, Norfolk and Stockholm took place. Massena now purchases its energy needs from PASNY. The service area involved is approximately 120 square miles and the transfer involved 7640 customers.

4) Acquisitions or mergers since 1978.

Niagara Mohawk Power Corporation has made no acquisitions or mergers since 1978.

1(g) List any new generating capacity additions committed for operation since 1978.

NIAGARA MOHAWK POWER CORPORATION

SUMMARY OF ANTICIPATED GENERATING CAPACITY ADDITIONS

AFTER NINE MILE POINT #2

| YEAR | UNIT | TYPE | MW |
|---|---|---|---|
| 1987 | Glen Park | Hydro | 15.5 |
| | Oswegatchie | Hydro | 1.4 |
| | Oswego Falls W. | Hydro | 3.2 |
| 1988 | Hudson Falls | Hydro | 36.1 |
| | Mechanicville | Hydro | 10.0 |
| | Sugar Island | Hydro | 2.4 |
| 1989 | S. Glens Falls | Hydro | 12.0 |
| 1991 | Lake Erie #1 | Fossil/Coal | 850.0 |
| 1992 | Hadley | Hydro | 25.0 |
| 1993 | Felts Mills | Hydro | 11.0 |
| | Sherman Island | Hydro | 8.0 |
| | Spier Falls | Hydro | 25.0 |

1(h) Summary of requests or indications of interest by other retail or wholesale electric power distributors for any type of electric service or cooperative venture or study.

Niagara Mohawk as a member of the New York Power Pool participates in studies with other member utilities in order to evaluate possible opportunities for cooperative ventures to supply the needs of our future generation system.

Since 1978 Niagara Mohawk has established a wholly-owned subsidiary, HYDRA-CO., for the purpose of developing small hydro and co-generation. This is a joint venture with Consolidated Gas.

Attachment 1

NIAGARA MOHAWK POWER CORPORATION
FORECAST OF PEAK LOAD AND ENERGY

| | 1977 PROJECTIONS | | 1982 PROJECTIONS | |
|---|---|---|---|---|
| | Peak-MW | Energy-GWH | Peak-MW | Energy-GWH |
| 1982 | 6420 | 38270 | 5380 | 31824 |
| 83 | 6630 | 39500 | 5430 | 32327 |
| 84 | 6870 | 40910 | 5450 | 32610 |
| 85 | 7100 | 42270 | 5560 | 33030 |
| 86 | 7310 | 43560 | 5740 | 34052 |
| 87 | N/A | N/A | 5930 | 35058 |
| 88 | N/A | N/A | 6110 | 35964 |
| 89 | N/A | N/A | 6210 | 36517 |
| 90 | N/A | N/A | 6320 | 37035 |

Attachment 2

NIAGARA MOHAWK POWER CORPORATION
COMPARISON OF PROJECTED CAPACITY ADDITIONS

| | | IN SERVICE DATES | |
|---|---|---|---|
| UNIT | SIZE-MW | 1977 PROJECTION | 1982 PROJECTION |
| 9 Mile Point #2 | 1080* | 1982 | 1986 |
| Sterling | 1150** | 1986 | Cancelled |
| Lake Erie #1 | 850 | 1987 | 1991 |
| Lake Erie #2 | 850 | 1989 | Unknown |

* NMP's share @ 41%

** NMP's share @ 22%

Attachment 3

NIAGARA MOHAWK POWER CORPORATION
PROJECTED EXCESS CAPACITY (MEGAWATTS)

| | 1977 Projection | | | 1982 Projection | | |
|---|---|---|---|---|---|---|
| Year | Required Capacity* | Total Capacity | Excess | Required Capacity* | Total Capacity | Excess |
| 1982 | 7576 | 8194 | 618 | 6348 | 6987 | 639 |
| 1983 | 7823 | 8220 | 397 | 6407 | 6964 | 557 |
| 1984 | 8107 | 8482 | 376 | 6431 | 7222 | 791 |
| 1985 | 8378 | 9326 | 948 | 6561 | 7202 | 641 |
| 1986 | 8626 | 9326 | 700 | 6773 | 7550 | 777 |
| 1987 | N/A | N/A | N/A | 6997 | 7543 | 546 |
| 1988 | N/A | N/A | N/A | 7210 | 7576 | 366 |
| 1989 | N/A | N/A | N/A | 7327 | 7583 | 256 |
| 1990 | N/A | N/A | N/A | 7458 | 7582 | 124 |

* Peak load + 18%

NRC Docket No. 50-410

# NINE MILE POINT UNIT NO. 2

Information Required by the NRC Regulatory Staff
in Connection with its Anti-Trust Review of
Operating License Application

Supplementing Information Submitted to the Attorney General
for Anti-Trust Review in connection with the License
Application for this Facility pursuant to

10 CFR 50, Appendix L

CENTRAL HUDSON GAS & ELECTRIC CORPORATION (CH)

# INTRODUCTION

During 1978 the information requested by the Attorney General for anti-trust review of facility license applications (Appendix L) was submitted by CH, Long Island Lighting Company (LILCO), New York State Electric and Gas Corporation (NYSEG), Niagara Mohawk Power Corporation (NMPC), Rochester Gas and Electric Corporation (RG&E). In this proceeding NMPC is the applicant and the other utilities are co-owners. We have reviewed the CH portion of said 1978 filing with regard to the requirements of Regulatory Guide 9.3 and have the following comments:

Item B.1(a) - Anticipated excess or shortage in generating capacity resources not expected at the construction permit stage. Reasons for the excess or shortage along with data on how the excess will be allocated, distributed, or otherwise utilized or how the shortage will be obtained.

Since the original filing of the CH material, as part of Appendix L in 1978, CH's forecasted loads have been reduced. However, the forecasted installed capability has also been reduced. In this regard, the Sterling Nuclear Plant has been cancelled by Order of the Siting Board and the in-service date of the Nine Mile Point No. 2 Plant has been slipped to 1986. Accordingly, the anticipated excess capacity now projected by CH is approximately the same as that projected by CH in the Appendix L filing. (See attached Table 1 for comparison.)

B.1(b) - New power pools or coordinating groups or changes in structure, activities, policies, practices, or membership of power pools or coordinating groups in which the licensee was, is, or will be a participant.

There have been no changes within these categories.

B.1(c) - Changes in transmission with respect to (1) the nuclear plant, (2) interconnections, or (3) connections to wholesale customers.

There have been no changes in this regard which directly affect CH.

B.1(d) - Changes in the ownership or contractual allocation of the output of the nuclear facility. Reasons and basis for such changes should be included.

There have been no changes in this regard.

B.1(e) - Changes in design, provisions, or conditions of rate schedules and reasons for such changes, rate increases or decreases are not necessary.

One new rate schedule has been added and one has been removed since the 1978 submittal. These changes in service classification went into effect on October 22, 1982 as follows: Service Classification 6 was added. It is an optional Time-Of-Use rate for residential customers. Service Classification 4 was removed and customers taking service thereunder were transferred to Service Classification 3. Service Classification 3 was converted to a Time-Of-Use rate during 1978.

B.1(f) - List the following:

(1) New wholesale electric customers since 1978:

No change

(2) Transfers from one rate schedule to another since 1978:

Four customers have transferred to Service Classification 3 from Service Classification 4. At present, there are no customers on Service Classification 6 - Optional Residential Time-of-Use Service.

(3) Changes in service area since 1978:

No changes

(4) Acquisitions or mergers since 1978:

No changes

B.1(g) - List of those generating capacity additions committed for operation after the nuclear facility, including ownership rights or power output allocations.

CH has no generating capacity additions committed for operation after the nuclear facility, including ownership rights or power output allocations.

B.1(h) - Summary of requests or indications of interest by other electric power wholesale or retail distributors, and licensee's response, for any type of electric service or cooperative venture or study.

CH, as a member of the New York Power Pool, participates in studies with other member utilities in order to evaluate possible opportunities for cooperative ventures to supply the needs of our future generation system. These studies are continuous in nature and have resulted in joint ventures such as Nine Mile Point 2 and Sterling. Also, Long Island Lighting Company contacted CH in the spring of 1982 concerning interest in a joint coal unit at Jamesport for inservice in the 1990's. A preliminary study indicated that CH may possibly be interested, however, a more detailed study will be necessary before any conclusions could be reached.

In addition, from time to time, CH receives unsolicited requests for the purchase of or offers for the sale of electric generating capacity. In recent years CH has not seriously considered offers for the sale of additional capacity other than for very limited periods and due to the current excess capacity situation. In this regard, CH does, when excess capacity is available, send out solicitations to members of the New York Power Pool as well as to the members of PJM (Pennsylvania, New Jersey, Maryland Power Pool) and NEPEX (New England Power Exchange) which have resulted in several short term economy sales.

CH is not interested in the purchase of additional capacity other than from small scale hydro projects and other customer owned electric generating capacity as required by PURPA.

TABLE 1

CENTRAL HUDSON
COMPARISON OF PROJECTED EXCESS CAPACITY
(MW)

| | Total Available Capability | | Required Capacity (1) | | Excess Capacity Available Capability Minus Required Capacity | |
|---|---|---|---|---|---|---|
| | 1977 149b | 1982 5-112 | 1977 149b | 1982 5-112 | 1977 149b | 1982 5-112 |
| 1982 | 1073 | 993 | 1015 | 802 | 58 | 191 |
| 1983 | 1089 | 942 | 1074 | 844 | 15 | 98 |
| 1984 | 1316 | 1093 | 1133 | 897 | 183 | 196 |
| 1985 | 1314 | 1091 | 1204 | 938 | 110 | 153 |
| 1986 | 1314 | 1074 | 1274 | 956 | 40 | 118 |

(1) Peak Load plus 18% Reserve

NINE MILE POINT UNIT NO. 2

Information Required by the NRC Regulatory Staff
in Connection With Its Anti-Trust Review of
Operating License Application
in Accordance With
Regulatory Guide 9.3

Supplementing Information Submitted to the Attorney General
For Anti-Trust Review in Connection With The License
Application For This Facility Pursuant To

10 CFR 50, Appendix L

ROCHESTER GAS AND ELECTRIC CORPORATION

Rochester Gas & Electric Corp.
Nine Mile Point II
NRC Antitrust Review

Reg. Guide 9.3
Section #

1(a) Supply changes in anticipated capacity reserves from those projections submitted in 1978. Supply reasons why changes occurred and how shortage will be obtained (or how excess will be utilized).

Changes in anticipated reserve projections since the 1978 submittal are shown in Attachments 1 & 2.

The changes in Required Capacity, Installed Capacity and resultant Excess Capacity shown on attachment 1 between the 1977 forecast and the 1982 forecast are predominately due to reduced system load growth. The excess capacity will be made available to other utilities through either firm transaction or economy energy sales.

1(b) Describe any changes in structure, activities policies or practices of power pools since the 1978 submittal.

The data, as originally submitted, regarding power pool activities is still accurate.

1(c) Describe changes in transmission with respect to (1) the nuclear plant, (2) interconnections, (3) connections to wholesale customers since the 1978 submittal.

1. The only major change associated with the nuclear plant transmission interconnection is a reduction by Niagara Mohawk in the proposed operating voltage from 765 kV to 345 kV and associated substation modifications.

2. RG&E has increased the interconnection capability to the NYPP transmission grid by adding a 345/115 kV transformer.

3. There were no changes with respect to interconnections with wholesale customers.

1(d) Describe changes in ownership or allocation of nuclear facility since 1978.

No Changes

1(e) Describe changes in design, provisions, or conditions of rate schedules and reasons for changes. (Rate increases are not required.)

Two new rate schedules have been added since the 1978 submittal. Service classification 1-A is an optional time of use rate for residential customers. Service classification 8 is a time of use rate for large general service customers with a basic demand of not less than 700 kilowatts.

These new rate schedules were added by order of the N.Y.S. Public Service Commission on July 12, 1982 and apply to all New York State electric utility companies under PSC jurisdiction.

1(f) List the following:

(1) New wholesale electric customers since 1978, - No change

(2) Transfers from one rate schedule to another since 1978, - With the inclusion of two new time of use rate schedules 58 customers have transferred to rate #1-A and 150 customers have transferred to rate #8.

(3) Changes in service area since 1978 - No changes in the electric service area have taken place since 1978.

(4) Acquisitions or mergers since 1978 -

As to electrical service, RG&E has made no mergers or aquisitions.

1(g) List any new generating capacity additions committed for operation since 1978.

No new commitments have been made. Since 1978, the Oswego 6 850 MW oil unit has been put in service. In accordance with a 1975 Basic Agreement with Niagara Mohawk, RG&E is a cotenant with a 24% (204 MW) share of the Oswego 6 unit. This Basic Agreement was submitted as Attachment 8-31 of the 1978 Appendix L submittal.

1(h) Supply summary of requests, or indications of interest by other retail or wholesale electric power distributors for any type of electric service or cooperative venture or study. Supply RG&E's response.

RG&E as a member of the New York Power Pool participates in studies with other member utilities in order to evaluate possible opportunities for cooperative ventures to supply the needs of our future generation system. These studies are continuous in nature and have resulted in several previously reported joint ventures. In addition, from time to time the Company receives unsolicited requests for the purchase of or offers for the sale of electric generating capacity. In recent years the Company has not seriously considered offers for the sale of additional capacity other than for very limited periods and due to the current excess capacity situation the Comapny is not interested in the purchase of additional capacity. No file of these solicitations is kept and the Company typically does not respond formally to them.

JW4-I4

# NINE MILE POINT UNIT NO. 2

Information Required by the NRC Regulatory Staff
in Connection With Its Anti-Trust Review of
Operating License Application
in Accordance With
Regulatory Guide 9.3

Supplementing Information Submitted to the Attorney General
For Anti-Trust Review in Connection With The License
Application For This Facility Pursuant To

10 CFR 50, Appendix L

NEW YORK STATE ELECTRIC AND GAS

Nine Mile Pt. 2 Anti-Trust Review

Regulatory Guide 9.3

1a. Changes in anticipated capacity reserves.

Since the information on anticipated deficiencies on the NYSEG system was filed in 1978, the magnitude of those deficiencies have decreased. The amount of planned installed capacity and peak load forecasts have also decreased. Attachment 1 sets forth data comparing the current capacity and peak load forecasts with those supplied in 1978. Attachment 2 sets forth a comparison of current forecasted energy requirements since the 1978 submission.

The deficiencies between forecasted peak loads and installed capacity have been and will be met primarily by purchases from the Power Authority of the State of New York (PASNY) as indicated in the 1978 filing. The availability of capacity from PASNY has been presumed to continue over the forecast period.

b. New power pools or changes.

No changes.

1c. Changes in transmission with respect to:

1) nuclear plant

Since Nine Mile Pt. 2 is located outside of NYSEG's service area, changes in transmission facilities associated with it do not directly affect NYSEG.

2) interconnections

The Lafayette-Oakdale 345 kV transmission line connecting facilities of Niagara Mohawk Power Corporation in Lafayette, New York and NYSEG's Oakdale Substation near Binghamton, New York was placed in service on December 16, 1982. The Homer City-Stolle Road 345 kV transmission line, a portion of which is owned by Niagara Mohawk Power Corporation became fully operational on April 28, 1978. Such line connects the Homer City generating station in which NYSEG and Pennsylvania Electric Company each have a 50% interest to the NYSEG Stolle Road Substation in the Town of Elma, New York. On December 7, 1978 operation of a transmission line at 115,000 volts began between NYSEG's Bennett Substation and a Niagara Mohawk Power Corporation

Substation in Wellsville, New York. The Somerset-Dysinger 345 kV transmission lines connecting NYSEG's Somerset Generating Station to the transmission grid in the State of New York through facilities of the Power Authority of the State of New York are nearing completion. Somerset Station is scheduled for commercial operation in December of 1984.

3) No changes.

1d. No changes.

1e. Rate changes since 1977, in addition to normal increases, have generally simplified the rate structures by eliminating most blocks resulting in flatter rate structures. In May 1979 pursuant to a Public Service Commission order Service Classification No. 2 General Service was made applicable to larger customers (over 5kw and more) and a new Service Classification No. 6 General Service was made applicable to smaller customers (under 5 kw). Pursuant to an order of the Public Service Commission time of day rates were filed for large industrial and commercial customers in January, 1982, but the Commission never made those rates effective. In an order issued January 11, 1983, NYSEG was directed to file new time of day rates within 60 days. Time of day industrial and commercial rates will be filed within 60 days of January 11 and, if approved by the PSC, it is estimated that they would become effective in the late winter or early spring of 1983.

1f. 1. There are no new wholesale customers on NYSEG's system.

2. See answer to 1e. above.

3. Effective October 31, 1980, the Village of Greene ceased taking service as a wholesale customer and reverted back to being a customer of the Power Authority of the State of New York.

On October 31, 1980, NYSEG acquired Peach Lake Utilities which was, until that time, a small wholesale customer of NYSEG serving approximately 180 customers. Peach Lake Utilities was served under FPC No. 26 and NYPSC No. 194.

4. Same as 3 above.

1g. None.

1h. NYSEG as a member of the New York Power Pool participates in studies, of a continuous nature, to evaluate possible opportunities for cooperative ventures to meet the generating capacity needs of individual companies and the New York Power Pool. These studies have resulted in joint ventures such as Nine Mile Point 2 and other units. In making planning studies, it is from time to time necessary to determine the availability of capacity for purchases as an alternative to construction. However, these inquiries are for study purposes and do not evince an interest in buying or selling capacity.

In September 1980, NYSEG received an inquiry from Public Service Electric and Gas Corporation of New Jersey (PSE&G) regarding NYSEG's interest in studies of possible joint ventures in generating capacity and energy exchange. Several discussions took place over a period of several months in exploring possible options. PSE&G withdrew from the discussions in early 1981 with no joint studies resulting from the discussions, largely due to obstacles caused by geographic separation of the two companies.

In November, 1981, NYSEG was approached by Gas Alternative Systems, Inc. (GAS) regarding interest in developing a natural gas fired co-generation plant at the Clinton Corn Products plant in NYSEG's Auburn District. Negotiations are presently underway and could result in GAS developing a co-generation plant of approximately 100 Megawatts, the electrical output of which would be sold to NYSEG, with process steam being sold to Clinton Corn Products.

ATTACHMENT 1

NYSEG Required and Installed Capacity
(Megawatts)

Historical

| YEAR | REQUIRED CAPACITY* | INSTALLED CAPACITY** | DEFICIENCY*** |
|---|---|---|---|
| 1977 | 2400 | 1430 | 970 |
| 1978 | 2499 | 1779 | 720 |
| 1979 | 2445 | 1785 | 660 |
| 1980 | 2561 | 1793 | 768 |
| 1981 | 2588 | 1768 | 820 |

Projected

| | 1977 Projection | | | 1982 Projection | | |
|---|---|---|---|---|---|---|
| | REQUIRED* | INSTALLED** | DEFICIENCY*** | REQUIRED* | INSTALLED** | DEFICIENCY** |
| 1982 | 3434 | 1951 | 1483 | 2549 | 1783 | 766 |
| 1983 | 3611 | 2801 | 810 | 2572 | 1800 | 772 |
| 1984 | 3800 | 3376 | 424 | 2643 | 2432 | 211 |
| 1985 | 4000 | 3376 | 624 | 2738 | 2432 | 306 |
| 1986 | 4213 | 3951 | 262 | 2832 | 2628 | 204 |
| 1987 | N/A | N/A | N/A | 2938 | 2628 | 310 |
| 1988 | N/A | N/A | N/A | 3044 | 2628 | 416 |
| 1989 | N/A | N/A | N/A | 3162 | 2628 | 534 |
| 1990 | N/A | N/A | N/A | 3280 | 2628 | 652 |

* Peak load + 18%

** Does not include firm purchases. Reflects minor rating changes due to New York Power Pool semi-annual generator test procedures.

*** Deficiencies prior to 1982 were supplied by purchases of capacity primar under long term contracts with Power Authority of the State of New York. Subsequent to 1982 it is presumed that the long term contracts identifie in the prior filing will continue or be replaced with similar contracts.

ICN

ATTACHMENT 2

NYSEG System Energy Requirements
(Millions of Kilowatt-hours)

| YEAR | 1977 PROJECTION | 1982 PROJECTION |
|---|---|---|
| | | Historical |
| 1977 | 11,600 | 11,316 |
| 1978 | 12,100 | 11,723 |
| 1979 | 12,600 | 12,113 |
| 1980 | 13,300 | 12,169 |
| 1981 | 13,900 | 12,258 |
| | | Projected |
| 1982 | 14,600 | 12,500 |
| 1983 | 15,300 | 12,750 |
| 1984 | 16,000 | 12,950 |
| 1985 | 16,800 | 13,200 |
| 1986 | 17,600 | 13,700 |
| 1987 | 18,400 | 14,200 |
| 1988 | 19,300 | 14,700 |
| 1989 | 20,200 | 15,300 |
| 1990 | 21,000 | 15,900 |

# NINE MILE POINT UNIT NO. 2

Information Reguired by the NRC Regulatory Staff
in Connection With Its Anti-Trust Review of
Operating License Application
in Accordance With
Regulatory Guide 9.3

Supplementing Information Submitted to the Attorney General
For Anti-Trust Review in Connection With The License
Application For This Facility Pursuant To

10 CFR 50, Appendix L

LONG ISLAND LIGHTING COMPANY

Nine Mile Point 2 Anti-Trust Review

Regulatory Guide 9.3

1(a) Changes in anticipated capacity reserves.

Since information on anticipated reserves was last provided in 1978, the magnitude of such reserves has increased. Although the level of planned installed capacity has decreased since 1978, the peak load forecast has also dropped substantially in the same period. Besides showing historical data, Attachment 1 compares the current and previous capacity and peak load projections. Attachment 2 shows the drop in forecasted energy requirements since the 1978 filing.

Projected reserves have been allowed to increase, rather than abandon completion of two nuclear plants, to permit displacement of more costly oil-fired generation and to provide fuel diversification. Both LILCO and New York State as a whole are heavily dependent on imported oil. Displacement of oil-fired capacity promotes the national and state goals of energy independence as well as enabling LILCO over the long-term to provide the lowest cost of service possible for its customers.

1(b) New power pools or changes in structure, etc.

No changes.

1(c) Changes in transmission with respect to:

1) nuclear plant

Since the plant is located outside of LILCO's territory, changes in plant transmission do not affect LILCO directly.

2) interconnections

Since 1978, a 345KV interconnection was installed between the LILCO and Consolidated Edison systems. This interconnection is used for economy interchange under the New York Power Pool's system for economic dispatch. It is also used to transmit power from the Power Authority of the State of New York (PASNY) to Long Island municipal electric systems and to Brookhaven National Laboratory. Starting in 1987, the load of the Metropolitan Transit Authority's Long

Island Rail Road will be served by this interconnection.

3) connections to wholesale customers

Since 1978, several Long Island wholesale customers have entered into contracts with PASNY to receive power which is transmitted over LILCO's 345 KV tie interconnection (see 1C-2 above). The Villages of Freeport and Rockville Centre now receive increased allocations from PASNY and are no longer normally served by LILCO. The Village of Greenport is also served by PASNY. These contracts have been approved by the Federal Energy Regulatory Commission. Brookhaven National Laboratory is still served in part by LILCO, but now receives an allocation of power from PASNY.

1(d) Changes in the ownership or contractual output of the nuclear facility.

No changes.

1(e) Changes in design, provisions or conditions of rate schedules and reasons for changes. (Rate increases are not required.)

In 1978, LILCO added a restricted demand rate provision to its existing mandatory time-of-use rate for large commercial/industrial customers, i.e., those whose maximum demand exceeds 750 KW in any two of the previous twelve months. The provision allows large commercial/industrial customers to choose a modified demand rate.

In January 1980, LILCO's mandatory time-of-use rate for large residential customers, i.e., those whose annual electric use is in excess of 45,000 KWH, became effective. The "temperature sensitive" rating period in this rate, which was effective during the summer months, was eliminated in May of 1982, since it was not cost-effective.

1(f) List the following:

1) New wholesale electric customers since 1978, -

No change.

2) Transfers from one rate schedule to another (including copies of schedules).

Two hundred fifty-six commercial/industrial customers have been transferred to the SC2-MRP mandatory time-of-use rate, including 8 who have chosen the restricted demand rate provision described above. Nine hundred twenty-two have been transferred to the mandatory rate for large residential customers (SC1-MRP). Copies of both of these time-of-use rate classifications are attached.

3) Changes in service area since 1978, -

No changes.

4) Acquisitions or mergers since 1978, -

LILCO has made no mergers or acquisitions since the 1978 filing.

1(g) Generating capacity additions committed for operation after Nine Mile Unit #2, -

No generating capacity additions are committed for operation after Nine Mile Point #2.

1(h) Summary of requests or indications of interest by other electric power wholesale or retail distributors, and licensee's response, for any type of electric service or cooperative venture or study.

LILCO on a regular basis receives unsolicited offers for the sale of co-owned electric generating capacity. The Company, with its present excess generating capacity, has not proceeded with the procurement of additional capacity, except for very limited periods, where energy is purchased as available purely from an economic viewpoint. Because of the numerous quantity of these requests and the varied degree of plant development and conception, the Company does not maintain a complete file of these solicitations nor does it always respond to these requests. LILCO as a member of the New York Power Pool (NYPP) at times does participate in joint studies with other member utilities to evaluate possible opportunities for cooperative ventures to supply the needs of its future generation system. As a result of these joint efforts, LILCO currently is pursuing two joint venture projects: Nine

Mile Point 2 and Jamesport. As to the status of the Jamesport project, in May 1982, LILCO solicited expressions of possible interest in capacity ownership of an 800 MW coal-fired power plant, to be located at Jamesport, Long Island, which has previously been certified for construction by the New York State Board on Electric Generation Siting and the Environment. LILCO's solicitation was sent to a number of wholesale and retail distributors of electricity, in both New York State and New England. Four companies expressed potential interest in participation in the Jamesport coal plant and LILCO is currently conducting studies, which it will make available to the companies, with respect to the optimum size and timing of future coal plant capacity on Long Island.

Charles J. Davis
Senior Vice President

ATTACHMENT 1

## LILCO Required and Installed Capacity
(Megawatts)

### Historical

| Year | Required Capacity* | Installed Capacity** | Excess |
|---|---|---|---|
| 1977 | 3667 | 3727 | 60 |
| 1978 | 3536 | 3874 | 338 |
| 1979 | 3444 | 3874 | 430 |
| 1980 | 3709 | 3721 | 12 |
| 1981 | 3696 | 3721 | 25 |

### Projected

| | 1977 Projection | | | 1982 Projection | | |
|---|---|---|---|---|---|---|
| | Required* | Installed** | Excess | Required* | Installed** | Excess |
| 1982 | 4602 | 4793 | 191 | 3599 | 3731 | 122 |
| 1983 | 4755 | 4987 | 232 | 3646 | 4023 | 377 |
| 1984 | 4956 | 4987 | 31 | 3693 | 4562 | 869 |
| 1985 | 5151 | 5562 | 405 | 3741 | 4562 | 821 |
| 1986 | 5381 | 5562 | 181 | 3788 | 4562 | 774 |
| 1987 | N/A | N/A | N/A | 3776 | 4756 | 980 |
| 1988 | N/A | N/A | N/A | 3835 | 4752 | 917 |
| 1989 | N/A | N/A | N/A | 3894 | 4744 | 850 |
| 1990 | N/A | N/A | N/A | 3959 | 4740 | 781 |

* Peak load + 18%

**Does not include firm purchases

ATTACHMENT 2

LILCO System Energy Requirements
(Millions of Kilowatt-hours)

| Year | 1977 Projection | 1982 Projection |
|---|---|---|
| | | Historical |
| 1977 | 13,930 | 13,603 |
| 1978 | 14,500 | 13,720 |
| 1979 | 15,140 | 13,734 |
| 1980 | 15,880 | 14,014 |
| 1981 | 16,600 | 13,811 |
| | | Projected |
| 1982 | 17,510 | 13,466 |
| 1983 | 18,110 | 13,605 |
| 1984 | 18,990 | 13,851 |
| 1985 | 19,810 | 14,256 |
| 1986 | 20,690 | 14,623 |
| 1987 | N/A | 14,951 |
| 1988 | N/A | 15,143 |
| 1989 | N/A | 15,448 |
| 1990 | N/A | 15,730 |

## SERVICE CLASSIFICATION No. 2-MRP

### Large General and Industrial Service With Multiple Rate Periods

**Applicable to Use of Service for:**

Any purpose when the monthly recorded demand has exceeded 750 KW in any two of the previous twelve months, or whenever in the Company's opinion an applicant's demand will exceed 750 KW in any two months. If after twelve months on this service classification a new account does not record a demand of 750 KW in any two months, at the option of the customer, the account will be transferred to the appropriate Service Classification No. 2L or 2-H.

**Character of Service:**

Continuous, 60 hertz alternating current, at the following approximate three phase voltages: radial secondary service 120/208, 120/240 or 277/480; network system 120/208 or 277/480; radial primary service 2400/4160, 7620/13200, or higher; depending upon the magnitude and characteristics of the load and the circuit from which service is to be supplied.

Loads with a minimum estimated demand of 10,000 KW may be considered by the Company for service at 69,000 volts or higher.

When customers are served at 23,000 or 33,000 volts, the Primary Rate will apply. When served at 69,000 volts or higher, the Transmission Rate will apply.

**Rate:** Total of the three Rate Periods (per meter, per month)

| | Rate Periods | | |
|---|---|---|---|
| | *1* | *2* | *3* |
| | *Off-Peak* | *On-Peak* | *Intermediate* |
| | *12:00 Midnight to 7:00 AM* | *June to September Inclusive, except Sunday: 10:00 AM to 10:00 PM* | *All Remaining Hours* |
| Demand Charge: | | *Per KW* | *Per KW* |
| Secondary | None | $13.23 | $ 3.33 |
| Primary | None | $11.91 | $ 3.03 |
| Transmission | None | $ 9.63 | $ 2.43 |
| Energy Charge: | *Per KWH* | *Per KWH* | *Per KWH* |
| Secondary | 5.98¢ | 7.80¢ | 7.15¢ |
| Primary | 5.93¢ | 7.70¢ | 7.10¢ |
| Transmission | 5.87¢ | 7.47¢ | 6.95¢ |

Fuel Adjustment:

The charges set forth in this service classification shall be subject to a fuel cost adjustment as explained on Leaf No. 26 and No. 26A.

Increase in Rates and Charges:

All rates and charges under this service classification are increased by the applicable percentage as explained on Leaf No. 26A for service supplied within the municipality where the customer is taking service.

## SERVICE CLASSIFICATION No. 2-MRP

### Large General and Industrial Service With Multiple Rate Periods—(Continued)

**Minimum Charge:**

None.

**Determination of Demand:**

The maximum 15 minute demand during the month in each rate period shall be determined by a recording demand meter furnished and maintained by the Company. The demand as determined shall be taken to the nearest one-tenth kilowatt.

**Terms of Payment:**

Net cash, subject to late payment charge in accordance with provisions of Rule 3E.2.

**Terms:**

One year and thereafter until terminated by 30 days' written notice by either party. The Company may, with the permission of the Public Service Commission, require the customers to agree to take service at rates from time to time effective for a longer term, dependent upon the investment required or other unusual conditions incident to this service.

**Special Provisions:**

(a) Where the installation includes welders, X-rays or other inherently single phase apparatus having a highly fluctuating or large instantaneous demand, the customer shall provide batteries, rotating equipment or other corrective equipment to reduce the inrush current to an amount acceptable to the Company.

(b) For service at 69,000 volts or higher, the applicant will be required to provide and maintain voltage regulating equipment and circuit breakers complete with appurtenances in accordance with procedures and schedules as specified by the Company.

(c) When there is an applicant for an existing account and in the Company's opinion the type of activity in which the applicant's establishment is engaged will change the characteristics of the account's loads, it will be considered as a new account for eligibility as explained in the Applicability Clause.

(d) Interim Bill: In the case of malfunction of any portion of the metering installation that would delay the rendering of a bill at the scheduled time, an interim bill may be submitted based on the Intermediate Period Demand Charge and the Off-Peak Period Energy Charge or in accordance with Rule 3F.

## SERVICE CLASSIFICATION No. 2-MRP

### Large General and Industrial Service With Multiple Rate Periods—(Continued)

**Special Provisions (Continued):**

(e) Restricted Demand Service:

.1 Customers or applicants who by written contract agree, upon a minimum of 18-hours notice from the Company of the anticipation of a Critical Peak Day Occurrence, to limit their On-Peak Rate Period KW to an On-Peak Rate Period "Contract KW" (renewable every May 1) will substitute the following Demand Charges for the On-Peak Rate Periods shown above:

| | *On-Peak Period* | |
|---|---|---|
| | *Normal Period* | *Critical Days* |
| Demand Charge: | % of Above Per KW Demand Charges | |
| 0 to "Contract KW" | 100 | 100 |
| Excess of "Contract KW" | 50 | 200 |

.2 Customers that have their own generating equipment may provide all or a portion of their curtailed Critical Peak Day KW by said equipment if they meet the applicable requirements of Rule 9D.2 Emergency Generating Facilities, as to wiring and switching equipment; and if by the above contract they specify that the generating equipment will be used only during the critical days and for necessary testing purposes.

(f) Submetering may be available under certain conditions set forth in Rule 2F.

## SERVICE CLASSIFICATION No. 1-MRP

### Large Residential Service With Multiple Rate Periods

**Applicable to Use of Service for:**

All residential purposes as defined in Rule 9C of this schedule which by reference is made a part hereof and when the annual consumption for and existing account exceeds 45,000 KWH for the year ending September 30 or when a new dwelling unit with no previous electric consumption is estimated to exceed 45,000 KWH annually. If after twelve months a new dwelling unit does not record an annual consumption exceeding 45,000 KWH, at the option of the customer, the account will be transferred to Service Classification No. 1. Applicability optional to qualifying religious accounts.

**Character of Service:**

Continuous, 60 hertz, alternating current; at approximately 120/208 or 120/240 volts, single phase or three phase; depending upon the characteristics of the load and the circuit from which service is to be supplied.

**Rate:** Total of two Rate Periods (per meter, per month)

Energy Charge:

| *Rate Period Hours Eastern Daylight Time* | ¢ per KWH *June through September* | ¢ per KWH *October through May* |
|---|---|---|
| 10 p.m. to 10 a.m. and Sunday | Period 1 7.97¢ | Period 2 7.47¢ |
| 10 a.m. to 10 p.m. except Sunday | Period 3 17.80¢ | Period 4 8.97¢ |

Fuel Adjustment:

The kilowatthours billed for Periods 1, 2, 3 and 4 shall be subject to a fuel cost adjustment as explained on Leaf No. 26 and No. 26A.

Increase in Rates and Charges:

All rates and charges under this service classification are increased by the applicable percentage as explained on Leaf No. 26A for service supplied within the municipality where the customer is taking service.

**Minimum Charge:**

$9.93 per meter per month, exclusive of Fuel Adjustment and Increase in Rates and Charges.

**Maximum Charge:**

The annual charges as calculated under this rate, including Fuel Cost Adjustment and Increase in Rates and Charges are not to exceed the annual charges as calculated under Residential Service Classification No. 1 by more than 10 percent. This limitation will only apply to customers taking this service for the first time and only after their first 12 months of experience.

**Terms of Payment:**

Net cash.

**Term:**

Terminable by the customer on five (5) days' written notice to the Company and by the Company in the manner provided by law and the rules and regulations of the Company.

Termination by qualifying religious accounts followed by renewed service at the same location by the same account within one year will not be permitted.

## SERVICE CLASSIFICATION No. 1-MRP

### Large Residential Service With Multiple Rate Periods

(Continued)

Special Provision:

(a) Canceled

(b) Where there is an applicant for an existing account and in the Company's opinion the eligibility for this rate no longer exists, it will be considered as a new account for eligibility as explained in the Applicability Clause.