

UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION

BEFORE THE DIRECTOR OF  
NUCLEAR REACTOR REGULATION

In the Matter of  
NORTHERN STATES POWER COMPANY, ET. AL.  
(Tyrone Energy Park, Unit 1)

Docket STN 50-484

---

REQUEST BY BADGER SAFE ENERGY  
ALLIANCE, INC., FOR REVOCATION  
OF CONSTRUCTION PERMIT

1. Pursuant to 10 CFR §2.202, Badger Safe Energy Alliance, Inc. (BSEA), requests the Director of Nuclear Reactor Regulation to institute a proceeding to revoke the construction permit granted to the applicants in the above matter (the Tyrone Applicants) on December 23, 1977.

2. 10 CFR §50.100 provides: "A ... construction permit may be revoked ... for failure to construct ... a facility in accordance with the terms of the construction permit."

3. Attached as Exhibit A is an accurate copy of a news release issued by the Tyrone Applicants on July 24, 1979, stating their intention not to construct Tyrone.

4. Attached as Exhibit B is an accurate copy of a letter from Arthur V. Dienhart to H.R. Denton requesting the Office of Nuclear Reactor Regulation to terminate further action in this docket.

5. Attached as Exhibit C is an accurate copy of a letter from legal counsel to the Tyrone Applicants to the chairmen of the Atomic Safety and Licensing Board and Atomic Safety and Licensing Appeal Board assigned to this docket requesting termination of further action in this docket.

5A. Attached as Exhibit C-1 is an accurate copy of a memorandum issued by the Tyrone Atomic Safety and Licensing Board with respect to the request of counsel referred to in paragraph 5 of this filing.


773 337908240549

1503  
3/10

6. In order to construct Tyrone it is necessary for the Tyrone Applicants to obtain a certificate of public convenience and necessity from the Wisconsin Public Service Commission. On March 6, 1979, the Wisconsin Public Service Commission denied the application by the Tyrone Applicants for such a certificate of public convenience and necessity. This decision of the Wisconsin Public Service Commission was appealed by the Tyrone Applicants to a Wisconsin court of competent jurisdiction. Attached as Exhibit D is an accurate copy of Notice of Motion and Motion filed with such court by legal counsel to the Tyrone Applicants requesting an order dismissing such appeal on its merits with prejudice. Attached as Exhibit E is an accurate copy of the order of such court dismissing such appeal on its merits with prejudice.

7. BSEA is a Wisconsin non-stock corporation formed for the purpose of opposing construction of Tyrone and associated transmission lines. Its members include persons who live on or near the site of the proposed plant and who own land within the corridors of proposed transmission lines associated with the proposed plant. In addition BSEA's members include persons living within 50 miles of the site of the proposed plant. The members of BSEA would be adversely affected by construction of Tyrone.

Dated: August 15, 1979

  
Richard Ihrig  
Attorney for Badger Safe Energy  
Alliance, Inc.  
875 Summit Avenue  
St. Paul, Minnesota 55105  
612-227-9171

# NEWS FROM

# NSP

NORTHERN STATES POWER COMPANY  
414 NICOLLET MALL, MINNEAPOLIS, MINN. 55401

FOR ADDITIONAL INFORMATION CONTACT:

Beth Allen  
Communications Representative  
612/330-7679

7-24-79

FOR IMMEDIATE RELEASE

## TYRONE ENERGY PARK CANCELLED

Co-owners of the proposed Tyrone Energy Park today cancelled the 1,100-megawatt nuclear power plant planned for western Wisconsin.

"We believe that it will not be possible to license and build the project in time to meet the needs of our customers," said Don McCarthy, Northern States Power Co.-Minnesota board chairman and president.

McCarthy made his comments at a news conference today, after the project's co-owners voted to cancel the unit. Co-owners of the project and their participation are: NSP-Wisconsin Co. of Eau Claire, Wisc., 67.6 percent; Cooperative Power Association of Edina, Minn., 17.4 percent; Dairyland Power Cooperative of La Crosse, Wisc., 13 percent; and Lake Superior District Power Co. of Ashland, Wisc., two percent.

"The co-owners believe that Tyrone cannot be licensed in the 1980s and that other options must be pursued to insure an adequate supply of electricity," McCarthy said. He added that NSP-Wisconsin has proposed a 650-megawatt coal-fired plant to be lo-

...more...

Exhibit A

773 334

cated in western Wisconsin. It is scheduled to be in service in 1987. Dairyland Power Cooperative also is planning a 650-megawatt coal-fired unit in Wisconsin. Both projects are subject to regulatory approvals.

The main reason for the Tyrone cancellation is the March 6 denial of the project by the Public Service Commission of Wisconsin. A month later, the co-owners filed an appeal of that order in Eau Claire County Circuit Court. "However, even with a successful court appeal, the co-owners believe a 1986 in-service date could not be met," McCarthy said.

The March accident at the Three Mile Island nuclear plant in Pennsylvania was considered by the co-owners in making the decision. "Generally, the accident has increased the uncertainties about the future of nuclear power," McCarthy said. "These uncertainties make it less likely that the Tyrone project could be licensed in a timely fashion."

McCarthy emphasized that the company is still committed to nuclear power and that "Tyrone represents the most economical and best method of meeting the needs of our customers." There is no question in our minds that nuclear power plants are safe, dependable and economical. However, if nuclear plants cannot be licensed in a timely fashion, another option must be pursued," he added.

The project's co-owners share a total financial commitment estimated at \$105 million for the project. NSP's estimated \$80 million portion includes about \$40 million spent to date on the project and an additional \$40 million commitment for contracted equipment.

...more...

773 335

As the Tyrone cancellation occurred in 1979, McCarthy said it is appropriate that a write-off of the loss begin in 1979. A five-year amortization plan is anticipated. McCarthy said the company will include Tyrone costs in future rate filings.

"However, we do not contemplate any increases in the rates paid by our Minnesota or Wisconsin customers in 1979, despite the Tyrone write-off," McCarthy said. He explained that rate cases, are not determined by one item of expense but upon the accumulation of all costs. That accumulation currently is not sufficient to warrant a rate increase. NSP's last Minnesota electric rate increase went into effect in June 1977.

"NSP is a highly regulated company in which the financial benefits of successful operation are passed on to customers in their electric rates. Consequently, it is appropriate to pass on Tyrone losses since they were incurred in good faith through prudent activities," McCarthy said.

"Overall, the write-off would amount to about \$3.80 annually for the typical Minnesota residential customer over the five-year period. Of course, the ultimate effect on customer bills will be determined by the appropriate regulatory authorities.

"In any event, we still don't expect NSP's electric rates to increase, on average, any more than the general inflation rate over the next five years," McCarthy said.

The Tyrone project began in 1973 when NSP announced plans to construct a nuclear power plant at the Durand, Wisc., site. The federal Nuclear Regulatory Commission issued a construction permit for the project in December 1977. However, the state permit for the project was denied last March.



NORTHERN STATES POWER COMPANY

EAU CLAIRE, WISCONSIN 54701

ARTHUR V. DIENHART  
VICE PRESIDENT  
TYRONE ENERGY PARK PROJECT

July 26, 1979

NLRRC - 88

Mr H R Denton, Director  
Office of Nuclear Reactor Regulation  
U S Nuclear Regulatory Commission  
Washington, D C 20555

Subject: TYRONE ENERGY PARK E-7470  
Docket No. STN 50-484

Dear Mr Denton

On July 24, 1979, Northern States Power Company announced a decision by the co-owners of Tyrone Energy Park to cancel the project. The co-owners concluded that the consequences flowing from the denial of the project on March 6, 1979 by the Wisconsin Public Service Commission would prevent the project from being placed in service on a schedule required by projected needs for power. A copy of a news release explaining the cancellation is attached.

In light of the decision to cancel the Tyrone Energy Park project, it is requested that the Office of Nuclear Reactor Regulation terminate further action in this docket.

Yours very truly

*Arthur V. Dienhart*

AVD/BAJ

cc J E Arthur	G Charnoff	J P Madgett	J G Keppler
K S Austin	G L Koester	D T McPhee	
J K Bryan	T V Lennick	N A Petrick	

On this 26th day of July, 1979, before me a notary public in and for said County, personally appeared Arthur V Dienhart, Vice President, and being first duly sworn acknowledged that he is authorized to execute this document on behalf of Northern States Power Company, a Wisconsin corporation, that he knows the contents thereof, and that to the best of his knowledge, information, and belief, the statements made in it are true and that it is not interposed for delay.

*Robert E Hessian*  
Robert E Hessian  
Notary Public, Hennepin County, Minnesota

My Commission Expires May 15, 1983

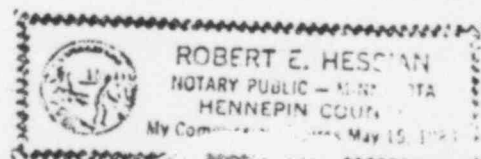


Exhibit B

773 337

DUPE  
7908010518