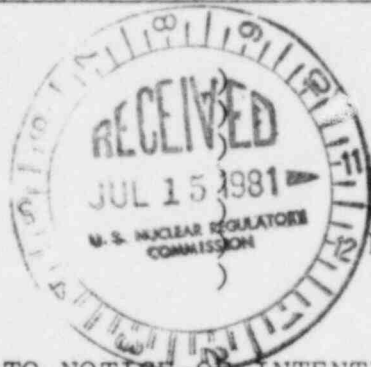


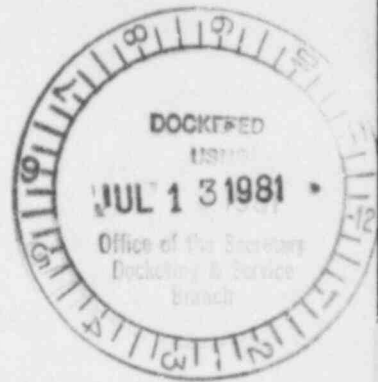
UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

In the Matter of
NORTHERN INDIANA
PUBLIC SERVICE
COMPANY (Bailly
Generating Station,
Nuclear-1)



Docket No. 50-367
(Construction Permit
Extension)



SUPPLEMENT TO NOTICE OF INTENTION TO SEEK STAY

On March 31, 1981, Porter County Chapter Intervenors (PCCI), by their attorneys, filed their "Notice of Intention to Seek Stay" in which they served notice of their intention to seek, if necessary and when appropriate, an order preventing the commencement of construction of the proposed Bailly nuclear plant, unless and until NIPSCO receives a valid extension of the latest completion date in the Bailly construction permit, and until all legal proceedings in connection therewith are fully resolved. At the time the Notice was filed, NIPSCO had committed that it would not attempt to commence construction before September 5, 1981, and PCCI gave notice that it might seek an appropriate order in advance of that time.

Since that Notice was filed, significant developments have occurred which are directly relevant both to the illegality and the timing of the possible commencement of construction of Bailly, which by this supplement we bring to the attention of the Board.

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On July 1, 1981, the United States Court of Appeals for the District of Columbia Circuit rendered its judgment reversing a prior decision of the Nuclear Regulatory Commission and directing that a hearing be held on NIPSCO's short pilings proposal. Pursuant to the decision that proposal requires an amendment to the Bailly construction permit, concerning which a hearing is to be held under the Atomic Energy Act. Implementation of the short pilings plan prior to NIPSCO's receipt of a valid construction permit amendment would be in violation of law. (A copy of the Court of Appeals' Judgment and Memorandum is attached hereto and marked Exhibit A.")

On June 12, 1981, at the deposition of Edmund A. Schroer, President, Chief Executive Officer and Chairman of the Board of NIPSCO in this proceeding, counsel for NIPSCO agreed that all parties would be notified in writing on the date that NIPSCO makes the decision that it intends to commence construction of Bailly, before the decision is implemented. (A copy of the pertinent pages of the transcript of Mr. Schroer's deposition is attached hereto, and marked "Exhibit B".)

Accordingly, the September 5, 1981, date referred to in PCCI's March 31, 1981, Notice of Intention to Seek Stay is no longer dispositive with respect to a possible stay.

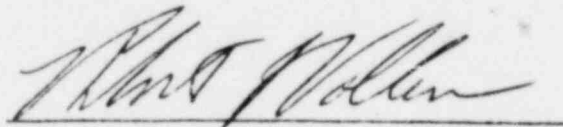
PCCI hereby supplement that notice and notify the Board and all parties that they intend to seek an order preventing the commencement of construction of Bailly upon receipt of notice of NIPSCO's intention to commence construction, if such relief is then necessary and appropriate.

DATED: July 8, 1981

Respectfully submitted,

Robert J. Vollen
Jane M. Whicher

by:



Robert J. Vollen

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