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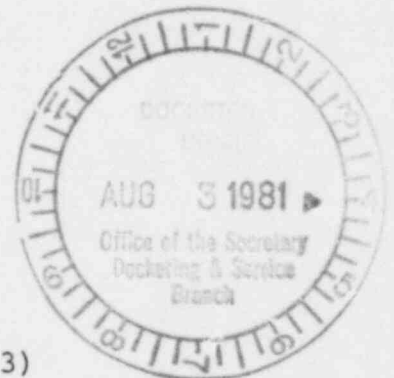
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July 31, 1981

Administrative Judge  
Sheldon J. Wolfe  
Chairman, Atomic Safety and  
Licensing Board  
U.S. Nuclear Regulatory  
Commission  
Washington, D.C. 20555

Administrative Judge  
Harry Foreman  
Director, Center for  
Population Studies  
Box 395, Mayo  
University of Minnesota  
Minneapolis, Minnesota 55455

Administrative Judge  
Walter H. Jordan  
881 West Outer Drive  
Oak Ridge, Tennessee 37830



In the Matter of  
Louisiana Power & Light Company  
(Waterford Steam Electric Station, Unit 3)  
Docket No. 50-382

Dear Chairman Wolfe and Drs. Foreman and Jordan:

Enclosed for your information is a news release issued today which reports that Louisiana Power & Light Company has initiated plans to consolidate its operations with a sister subsidiary in the Middle South Utilities System, New Orleans Public Service, Inc. This consolidation, which could become effective by early 1982, is not expected to have any significant effect on considerations relevant to the pending application for operation of the Waterford 3 unit, or on the schedule for completion or operation of that plant.

Respectfully submitted,

*Ernest L. Blake, Jr.*  
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Counsel for Applicant

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UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION

Before the Atomic Safety and Licensing Board

In the Matter of	)	
	)	
LOUISIANA POWER & LIGHT COMPANY	)	Docket No. 50-382
	)	
(Waterford Steam Electric	)	
Station, Unit 3)	)	

SERVICE LIST

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Chairman, Atomic Safety and  
Licensing Board  
U.S. Nuclear Regulatory  
Commission  
Washington, D.C. 20555

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Atomic Safety and Licensing  
Board Panel  
U.S. Nuclear Regulatory  
Commission  
Washington, D.C. 20555

Atomic Safety and Licensing  
Appeal Board Panel  
U.S. Nuclear Regulatory  
Commission  
Washington, D.C. 20555



# News Release

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FOR IMMEDIATE RELEASE

New Orleans, La., July 31, 1981---Louisiana Power & Light Company and New Orleans Public Service Inc. have jointly begun development of a plan to consolidate their operations which could become effective by early 1982.

The announcement was made today by Jack Wyatt and Jim Cain, presidents, respectively, of LP&L and NOPSI. LP&L presently serves about 524,000 electric customers in 44 Louisiana parishes, including the 15th Ward of the city of New Orleans on the West Bank of the Mississippi River. NOPSI serves about 196,000 electric customers in the city of New Orleans (excluding the 15th Ward) and also provides natural gas and transit service to the entire city of New Orleans.

"The new company to emerge from the consolidation will be called Louisiana Power & Light Company (LP&L) and the area now served electricity by NOPSI will become a fourth operating division of LP&L in addition to the three present LP&L operating divisions. Because the electric systems of the two companies have long operated on an interconnected, integrated basis as member companies of Middle South Utilities, the consolidation of electric operations involves little or no significant change in procedures."

Upon consolidation of the companies Wyatt will serve as chairman and chief executive officer of the new company, with Cain serving as president and chief operating officer. Both companies are presently headquartered in New Orleans and the new company will also be headquartered there. Other operating companies of the Middle South system are Arkansas Power & Light Company, with its general office in Little Rock, and Mississippi Power & Light Company, with its general office in Jackson.

The two utility executives cited increased economic efficiency as a principal reason for the consolidation, pointing to rising costs and inflation as major factors intensifying the need for utilities to effect efficiencies whenever possible. A study of the operations of the two companies conducted by the management and accounting firm of Drees Dunn Lubow & Company, Kansas City, Mo., indicates numerous areas of savings through consolidation of which expense reductions of more than \$6,500,000 annually have been quantified. Most savings would be achieved in administrative and operational costs through elimination of duplication of effort and economies achieved by consolidation of various functions such as engineering, planning, accounting, purchasing and others. Such operating economies and efficiencies would benefit customers of both companies.

The present Louisiana Power & Light Company would represent about 80% of the combined company in customer electric energy use and peak requirements and New Orleans Public Service Inc. would represent about 20%. LP&L is regulated by the Louisiana Public Service Commission in all parishes except the 15th Ward, city of New Orleans, and NOPSI is regulated by the New Orleans City

Council. Transfer of regulatory jurisdiction over NOPSI electric and gas operations from the City Council to the Louisiana Public Service Commission will be submitted to New Orleans voters on November 28, 1981, if an ordinance now pending before the New Orleans City Council is adopted.

Louisiana Power & Light Company has 2416 employees and New Orleans Public Service Inc. has 1566 in electric and gas operations. "We anticipate that gas operations will be continued as a part of the new company," Cain said.

Officials of both companies will be working together in the months ahead to achieve an efficient consolidation of personnel, administration and operations. A reduction in total employment would be anticipated following the consolidation. Employees have been informed that such reduction will be achieved through normal attrition and no one will be terminated because of the consolidation. Employees' benefit programs likewise will not be adversely affected by the consolidation, both chief executive officers said.

NOPSI transit operations employ 1340 persons. "Our position with reference to transit continues to be that transit service, which in every major metropolitan area requires subsidy from governmental sources to support it, should be operated either by a municipality or a regional authority," Cain added. "As we have consistently stated, we wish to effect an orderly transfer of the NOPSI transit operation to regional or municipal control and operation and have been working toward that end with the Mayor's Office of Transit Administration. We hope to be able to reach

an acceptable conclusion to this effort in the months ahead."

Consummation of the consolidation will require state and federal regulatory approvals which the companies will seek in due course.