

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

In the Matter of)
WASHINGTON PUBLIC POWER SUPPLY SYSTEM) Docket No. 50-460 CPA
(WPPSS Nuclear Project No. 1))

MATERIAL FACTS TO WHICH THERE ARE GENUINE ISSUES TO BE HEARD - 12/13/83

1. Prior to the Bonneville Power Administration (BPA) recommendation of April 19, 1982, the Washington Public Power Supply System (WPPSS) Executive Board Finance Committee had considered the option of plant deferral (April 5, 1982 Minutes at 5). That same Committee requested the BPA recommendation on plant financing (Minutes, April 19, 1982 at 5). The BPA made its recommendation for construction deferral on April 19, 1982 and the WPPSS Executive Board and Board of Directors concurred in that recommendation on April 29, 1982. Thus the decision to defer WNP-1 is traceable to the Applicant and was intentional.
2. The Applicant deferred construction on WNP-1 on April 29, 1982 and did not request the pending extension until January 11, 1983 from the NRC.
3. The Applicant had several options to the request for the extension including termination of the project, placing the project in a preservation state and to enter into negotiations with the owners of the WNP-3 project for deferral of that project and support for continued construction of WNP-1. Deferral of WNP-1 which was 63% complete at the time compared to approximately 50% completion of WNP-3 was chosen as an option for political, not business prudence, reasons.
4. The deferral of WNP-1 was estimated to be between 2 to 7 years by BPA nearly one year ago. Analysis of Alternatives On-Line Dates for WNP-1, Office of Power Resource Management, BPA, October 2, 1982 at

13. BPA is currently considering deferral for up to 12 years. Analysis of Alternatives Related to WNP-3, May 26, 1983 by BPA. The Northwest Power Planning Council (NWPPC) is planning the WNP-1 completion date to be 1996. Rosolie Affidavit. The NWPPC has tied the completion of WNP-1 to the completion of WNP-3 which has been deferred for three years. Analysis of Alternatives Related to WNP-3; Summary and Conclusions, May 26, 1983 by BPA. The WPPSS Executive Board will not make a decision on the overall construction delay until October 1984. See Attachments C and D to Answer.

5. The BPA decision to mothball WNP-3 has a direct impact on the deferral period of WNP-1. Analysis of Alternatives Related to WNP-3, May 26, 1983, Attachment F. Since the decisions to defer both WNP-1 and WNP-3, the BPA has revised its forecast downward. See Attachment B. The "Model Electric Power & Conservation Plan for the Pacific Northwest", November 1982 by the Northwest Conservation Act Coalition shows the power from WNP-1 will not be needed.

6. The Applicant is currently unable to obtain financing for any of its projects because of its default on bonds for its WNP-4/5 projects. Bailout plans before Congress have not included funding for WNP-1. The Applicant has stated that completion of WNP-1 rests on financing (Licensee Additional Response to Intervenor's Second Set of Interrogatories, dated September 16, 1983, No. 26.) but no financing appears to exist for any time in the future. Rosolie Affidavit. The financial condition is more than temporary and thus no valid purpose exists for granting the extension.

7. One reason for the BOA recommendation was the escalating rates caused by the Applicant's construction program. Executive Board Minutes, April 23, 1982 at 5.

8. The Applicant has stated that the length of time of the delay is linked

to need for power and financing, stating in its January 11, 1983 letter to NRC: "the actual length of delay will depend on regional energy demand considerations." In response to COalition's interrogatories, the Applicant stated that completion of WNP-1 was tied to the ability to finance the plant. -

9. The development of electrical demand forecasts is performed not only by BPA and the NWPPC, but also the Pacific Northwest Utilities Conference Committee, the Natural Resources Defense Council and the Northwest Conservation Act Coalition.

Respectfully submitted,



Nina Bell
Staff Intervenor

Dated this day, the 13th
of December, 1983.