

July 17, 1985

DmB

PRELIMINARY NOTIFICATION OF EVENT OR UNUSUAL OCCURRENCE -- PNO-IV-85-33

This preliminary notification constitutes EARLY notice of events of POSSIBLE safety or public interest significance. The information is as initially received without verification or evaluation, and is basically all that is known by NRC staff on this date.

FACILITY:	Arkansas Power & Light Company	Licensee Emergency Classification:
	Arkansas Nuclear One	<input type="checkbox"/> Notification of Unusual Event
	Russellville, Arkansas	<input type="checkbox"/> Alert
Docket Nos:	50-313	<input type="checkbox"/> Site Area Emergency
	50-368	<input type="checkbox"/> General Emergency
		<input checked="" type="checkbox"/> Not Applicable

SUBJECT: ARKANSAS POWER & LIGHT FUNDING OF GRAND GULF

Arkansas Power & Light Company President Terry L. Maulden announced July 15 that the Company would begin a program of significant cost curtailment aimed at aiding the Company's financial position and its ability to continue to provide quality service to its customers. The programs, designed to cut Company expenditures, include a freeze on hirings, wages and sublets as well as a reduction of advertising, dues, contributions, and overtime, along with deferment of construction and improvements.

The announcement was made as a result of the Arkansas PSC rejection of AP&L's settlement proposal for sharing in the cost of the construction of Grand Gulf.

The licensee has assured the NRC that no actions are to be taken which will affect the continued safe operation of Arkansas Nuclear One. They will continue to use overtime to meet all regulatory needs; they will continue participation in the owner's group activities and will support any programs related to safety significant issues. The hiring freeze will affect only newly created positions; attrition losses will be filled.

Region IV and the resident inspector will continue to closely monitor the situation.

The NRC does not plan to issue a press release, but will respond to any media inquiries.

The state of Arkansas has been informed.

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