

September 10, 1985

Mr. Robert Winship, Vice President  
National Hydro Corporation  
77 Franklin Street  
Boston, Massachusetts 02110

Re: Clinton Power Station, Unit 1 Antitrust Operating License Review --  
Updated No Significant Change Finding (Docket No. 50-461A)

Dear Mr. Winship:

The Director of the Office of Nuclear Reactor Regulation has made a finding that no significant antitrust changes have occurred since the initial operating license review in 1982. This finding will be published in the Federal Register and open to public comment.

In light of the interest you have expressed in the antitrust operating license review of the captioned nuclear unit, I am forwarding you a copy of the Federal Register notice and a copy of the staff analysis upon which the finding was based.

Sincerely,

William Lambe, Economist  
Site Analysis Branch  
Division of Engineering  
Office of Nuclear Reactor Regulation

Enclosures:  
As Stated

DISTRIBUTION

Docket File  
NRC PDR  
LPDR  
SAB Plant File  
JPKnight  
WJohnston  
DCleary  
AToalston  
WLambe  
BSiegel  
BVogler

8509130090 850910  
PDR ADOCK 05000461  
M PDR

OFC	:DE:SAB	:DE:SAB	:	:	:	:	:
NAME	:WLambe:aj	:AToalston	:	:	:	:	:
DATE	:8/10/85	:8/10/85	:	:	:	:	:

OFFICIAL RECORD COPY

September 9, 1985

7590-01

NUCLEAR REGULATORY COMMISSION  
DOCKET NO. 50-461A  
ILLINOIS POWER COMPANY, SOYLAND POWER COOPERATIVE, INC.  
AND WESTERN ILLINOIS POWER COOPERATIVE, INC.  
NOTICE OF UPDATED FINDING OF NO SIGNIFICANT ANTITRUST CHANGES  
AND TIME FOR FILING REQUESTS FOR REEVALUATION

The Director of Nuclear Reactor Regulation has made a finding in accordance with Section 105c(2) of the Atomic Energy Act of 1954, as amended, that no significant (antitrust) changes in the licensees' activities or proposed activities have occurred subsequent to the construction permit review of Unit 1 of the Clinton Power Station by the Attorney General and the Commission. The finding is as follows:

"Section 105c(2) of the Atomic Energy Act of 1954, as amended, provides for an antitrust review of an application for an operating license if the Commission determines that significant changes in the licensee's activities or proposed activities have occurred subsequent to the previous construction permit review. The Commission has delegated the authority to make the "significant change" determination to the Director, Office of Nuclear Reactor Regulation. Based upon an examination of the events since issuance of the Clinton 1 and 2 construction permits to the Illinois Power Company, the staffs of the Antitrust and Economic Analysis Section of the Site Analysis Branch, Office of Nuclear Reactor Regulation and the Antitrust Section of the Office of the Executive Legal Director, hereafter referred to as "staff," have jointly concluded,

*Dupe*  
*8509110323*

after consultation with the Department of Justice, that the changes that have occurred since the antitrust construction permit review are not of the nature to require a second anti-trust review at the operating license stage of the application.

"In reaching this conclusion, the staff considered the structure of the electric utility industry in central and southern Illinois, the events relevant to the Clinton construction permit review and the events that have occurred subsequent to the construction permit review and the initial no significant change analyses.

"The conclusion of the staff's analysis is as follows:

'Staff completed its initial antitrust operating license review of the Clinton Nuclear Power Station (Clinton) in February of 1982. Several changes in the applicants' activities since the original construction permit (CP) review in 1974 were identified; however, staff concluded that,

"Based upon the successful implementation of CP license conditions and the lack of any detrimental conduct or activity (to the competitive process in central and southern Illinois) on the part of Illinois Power Company, Soyland Power Cooperative

or Western Illinois Power Cooperative, staff recommends that no affirmative significant change determination be made pursuant to the application for an operating license for Unit 1 of the Clinton Nuclear Power Station." (Clinton "Finding of No Significant Antitrust Changes," March 11, 1982, Federal Register, p. 10655.)

'Since the staff completed its initial antitrust operating license review in February of 1982, there have been construction delays necessitating changes in scheduled fuel load dates for the Clinton plant. Fuel loading is now scheduled for January of 1986, approximately four years after the staff completed its initial antitrust review. Staff felt this four year period created a "review vacuum" and requested updated information from the applicants pursuant to any changed activity since the initial antitrust operating license review.

'After reviewing the updated Regulatory Guide 9.3 information and contacting various electric utility representatives in Illinois and other interested parties, staff identified several changes in the applicants' activities (principally those of

Illinois Power Company) since the initial operating license review. Many of the changes, e.g., new interconnections and partial requirements wholesale power sales, by Illinois Power Company, represented extensions of those changes identified in the original operating license review and have provided additional procompetitive stimuli to the Illinois bulk power industry.

Smaller power systems in Illinois have been able to successfully "shop" for alternative sources of power and energy. Applicants Illinois Power Company, Soyland Power Cooperative, Inc. and Western Illinois Electric Power Cooperative, Inc. have initiated a study to determine whether or not future jointly owned generating facilities would be economically feasible. New transmission agreements have been consummated between Illinois Power and its wholesale power customers that provide these smaller power systems with the means to take advantage of the benefits normally associated with larger, fully integrated power systems, e.g., access to short term economy and diversity power and energy sales and access to transmission for long term block purchases of power and energy from a number of different power suppliers. Increased coordination between those fully integrated power systems and the smaller, less diversified power systems has led to greater competition in the Illinois bulk power industry. This trend toward greater coordination among industry participants began with the

institution of antitrust license conditions at the construction permit review stage.

'The changes that have been identified since the construction permit review have by and large provided momentum for greater coordination, and consequently increased competition between all groups of power supply systems in central and southern Illinois. Staff observed this trend toward increased competition among bulk power suppliers in its initial antitrust operating license analysis. This trend has continued since 1982 and consequently staff sees no reason to change its recommendation that "no affirmative significant change determination be made pursuant to the application for an operating license for Unit 1 of the Clinton Nuclear Power Station."

"Based on the staff's analysis, it is my finding that a formal operating license antitrust review of the Clinton Power Station, Unit 1 is not required."

Signed on September 4, 1985 by Harold R. Denton, Director of Office of Nuclear Reactor Regulation.



Any person whose interest may be affected by this finding may file with full particulars a request for reevaluation with the Director of Nuclear Reactor Regulation, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555 for 30 days from the date of the publication of the Federal Register notice. Requests for a reevaluation of the updated no significant changes determination shall be accepted after the date when the Director's finding becomes final but before the issuance of the OL only if they contain new information, such as information about facts or events of antitrust significance that have occurred since that date, or information that could not reasonably have been submitted prior to that date.

FOR THE NUCLEAR REGULATORY COMMISSION

*Donald P. Cleary*

Donald P. Cleary, Acting Chief  
Site Analysis Branch  
Division of Engineering  
Office of Nuclear Reactor Regulation