

labels. Verbal requests for the Solicitation will not be honored.

DATES: Program Solicitation PS 98-02 is scheduled for release approximately February 23, 1998 with proposals due March 23, 1998.

ADDRESS: Requests for the Solicitation should be addressed to National Endowment for the Arts, Grants & Contracts Office, Room 618, 1100 Pennsylvania Ave., NW, Washington, D.C. 20506.

FOR FURTHER INFORMATION CONTACT: William Hummel, Grants & Contracts Office, National Endowment for the Arts, Room 618, 1100 Pennsylvania Ave., NW, Washington, DC 20506 (202/682-5482).

William I. Hummel,

Coordinator, Cooperative Agreements and Contracts.

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NUCLEAR REGULATORY COMMISSION

[Docket No. 50-352]

Philadelphia Electric Company (Limerick Generating Station, Unit 1); Exemption

I

The Philadelphia Electric Company (the licensee) is the holder of Facility Operating License No. NPF-39, which authorizes operation of the Limerick Generating Station (LGS), Unit 1. The license provides, among other things, that the licensee is subject to all rules, regulations, and orders of the Commission now or hereafter in effect.

The facility consists of two boiling-water reactors at the licensee's site located in Montgomery and Chester Counties, Pennsylvania.

II

Section 70.24 of Title 10 of the Code of Federal Regulations, "Criticality Accident Requirements," requires that each licensee authorized to possess special nuclear material (SNM) shall maintain a criticality accident monitoring system in each area where such material is handled, used, or stored. Subsections (a)(1) and (a)(2) of 10 CFR 70.24 specify detection and sensitivity requirements that these monitors must meet. Subsection (a)(1) also specifies that all areas subject to criticality accident monitoring must be covered by two detectors.

Subsection (a)(3) of 10 CFR 70.24 requires licensees to maintain emergency procedures for each area in

which this licensed SNM is handled, used, or stored and provides that: (1) The procedures ensure that all personnel withdraw to an area of safety upon the sounding of a criticality accident monitor alarm, (2) the procedures must include drills to familiarize personnel with the evacuation plan, and (3) the procedures designate responsible individuals for determining the cause of the alarm and placement of radiation survey instruments in accessible locations for use in such an emergency. Subsection (b)(1) of 10 CFR 70.24 requires licensees to have a means to identify quickly personnel who have received a dose of 10 rads or more. Subsection (b)(2) of 10 CFR 70.24 requires licensees to maintain personnel decontamination facilities, to maintain arrangements for a physician and other medical personnel qualified to handle radiation emergencies, and to maintain arrangements for the transportation of contaminated individuals to treatment facilities outside the site boundary. Paragraph (c) of 10 CFR 70.24 exempts Part 50 licensees from the requirements of paragraph (b) of 10 CFR 70.24 for SNM used or to be used in the reactor. Paragraph (d) of 10 CFR 70.24 states that any licensee who believes that there is good cause why he should be granted an exemption from all or part of 10 CFR 70.24 may apply to the Commission for such an exemption and shall specify the reasons for the relief requested.

III

The SNM that could be assembled into a critical mass at LGS, Unit 1, is in the form of nuclear fuel; the quantity of SNM other than fuel that is stored on site in any given location is small enough to preclude achieving a critical mass. The Commission's technical staff has evaluated the possibility of an inadvertent criticality of the nuclear fuel at LGS, Unit 1, and has determined that it is extremely unlikely for such an accident to occur if the licensee meets the following seven criteria:

1. Only three new fuel assemblies are allowed out of a shipping cask or storage rack at one time.

2. The k-effective does not exceed 0.95, at a 95% probability, 95% confidence level in the event that the fresh fuel storage racks are filled with fuel of the maximum permissible U-235 enrichment and flooded with pure water.

3. If optimum moderation occurs at low moderator density, then the k-effective does not exceed 0.98, at a 95% probability, 95% confidence level in the event that the fresh fuel storage racks are filled with fuel of the maximum

permissible U-235 enrichment and flooded with a moderator at the density corresponding to optimum moderation.

4. The k-effective does not exceed 0.95, at a 95% probability, 95% confidence level in the event that the spent fuel storage racks are filled with fuel of the maximum permissible U-235 enrichment and flooded with pure water.

5. The quantity of forms of special nuclear material, other than nuclear fuel, that are stored on site in any given area is less than the quantity necessary for a critical mass.

6. Radiation monitors, as required by General Design Criterion 63, are provided in fuel storage and handling areas to detect excessive radiation levels and to initiate appropriate safety actions.

7. The maximum nominal U-235 enrichment is limited to 5.0 weight percent.

By letter dated December 23, 1997, the licensee requested an exemption from 10 CFR 70.24. In this request the licensee addressed the seven criteria given above. The Commission's technical staff has reviewed the licensee's submittals and has determined that LGS, Unit 1 meets the applicable criteria. Criteria 2 and 3 are not applicable to LGS, Unit 1 since it has no fresh fuel storage racks, for prevention of inadvertent criticality; therefore, the staff has determined that it is extremely unlikely for an inadvertent criticality to occur in SNM handling or storage areas at LGS, Unit 1.

The purpose of the criticality monitors required by 10 CFR 70.24 is to ensure that if a criticality were to occur during the handling of SNM, personnel would be alerted to that fact and would take appropriate action. The staff has determined that it is extremely unlikely that such an accident could occur; furthermore, the licensee has radiation monitors, as required by General Design Criterion 63, in fuel storage and handling areas. These monitors will alert personnel to excessive radiation levels and allow them to initiate appropriate safety actions. The low probability of an inadvertent criticality, together with the licensee's adherence to General Design Criterion 63, constitutes good cause for granting an exemption to the requirements of 10 CFR 70.24(a).

IV

The Commission has determined that, pursuant to 10 CFR 70.14, this exemption is authorized by law, will not endanger life or property or the common defense and security, and is otherwise

in the public interest. Therefore, the Commission hereby grants the Philadelphia Electric Company, an exemption from the requirements of 10 CFR 70.24(a) for Limerick Generating Station, Unit 1.

Pursuant to 10 CFR 51.32, the Commission has determined that the granting of this exemption will have no significant impact on the quality of the human environment (63 FR 4497).

This exemption is effective upon issuance.

Dated at Rockville, Maryland, this 30th day of January 1998.

For the Nuclear Regulatory Commission.

Samuel J. Collins,

Director, Office of Nuclear Reactor Regulation.

[FR Doc. 98-2854 Filed 2-4-98; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 35-26821]

Filings Under the Public Utility Holding Company Act of 1935, as Amended ("Act")

January 30, 1998.

Notice is hereby given that the following filing(s) has/have been made with the Commission pursuant to provisions of the Act and rules promulgated thereunder. All interested persons are referred to the application(s) and/or declaration(s) for complete statements of the proposed transaction(s) summarized below. The application(s) and/or declaration(s) and any amendments thereto is/are available for public inspection through the Commission's Office of Public Reference.

Interested persons wishing to comment or request a hearing on the application(s) and/or declaration(s) should submit their views in writing by February 23, 1998, to the Secretary, Securities and Exchange Commission, Washington, DC 20549, and serve a copy on the relevant applicant(s) and/or declarant(s) at the address(es) specified below. Proof of service (by affidavit or, in case of an attorney at law, by certificate) should be filed with the request. Any request for hearing shall identify specifically the issues of fact or law that are disputed. A person who so requests will be notified of any hearing, if ordered, and will receive a copy of any notice or order issued in the matter. After said date, the application(s) and/or declaration(s), as filed or as amended, may be granted and/or permitted to become effective.

National Fuel Gas Company, et al. (70-9117)

National Fuel Gas Company ("National"), a registered holding company, and its wholly-owned subsidiaries National Fuel Gas Distribution Corporation, National Fuel Gas Supply Corporation, Seneca Resources Corporation, Highland Land & Minerals, Inc., Leidy Hub, Inc., Data-Track Account Services, Inc., Horizon Energy Development, Inc., Seneca Independence Pipeline Company ("Seneca Independence"), Niagara Independence Marketing Company ("Niagara Independence" all located at 10 Lafayette Square, Buffalo, New York 14203 and Utility Constructors, Inc., East Erie Extension, Linesville, PA 16424 and National Fuel Resources, Inc. 165 Lawrence Bell Drive, Suite 120, Williamsville, New York 14221 (collectively, "Applicants"), have an application-declaration under sections 9(a), 10 and 12(b) of the Act and rules 45 and 54 under the Act.

Seneca Independence, a wholly owned subsidiary of National, propose to acquire a 25% general partnership interest in Independence Pipeline Company ("Pipeline Partnership"), now owned equally by ANR Independence Pipeline Company and Transco Independence Pipeline Company, both nonassociated companies. Niagara Independence, a wholly owned subsidiary of National, propose to acquire a 25% general partnership interest in DirectLink Gas Marketing Company ("Marketing Partnership").

The Pipeline Partnership plans to build and operate interstate natural gas pipeline facilities to extend from Defiance, Ohio to Liedy, Pennsylvania, a distance of about 370 miles, at a cost of about \$630 million. The Pipeline Partnership plans to borrow 70% of the construction cost from commercial sources, and have the partners contribute the remaining 30% as capital contributions in equal shares.

The Marketing Partnership would purchase firm natural gas transportation services from the Pipeline Partnership and from other interstate pipeline companies, at rates regulated by the Federal Energy Regulatory Commission, and would buy and sell natural gas and engage in related transactions.

The Applicants propose that: (1) National make short-term loans to Seneca Independence and Niagara Independence and provide credit support to Seneca Independence, Niagara Independence, the Pipeline Partnership and/or the Marketing Partnership; (2) Seneca Independence make short-term loans and provide

credit support to the Pipeline Partnership; and/or (3) Niagara Independence make short-term loans and provide credit support to the Marketing Partnership, all of the above to be in proportion to the percentage interests held by Seneca Independence and Niagara Independence in the Pipeline Partnership and the Marketing Partnership, respectively. The short-term loans to and by Seneca Independence and Niagara Independence to finance their activities will not exceed \$180 million, respectively, and will be made under the terms and conditions of the current money pool arrangement between National and its subsidiary companies ("Money Pool").¹

The Applicants propose that Seneca Independence and Niagara Independence be added to the group of National subsidiary companies which may make short-term borrowings under the Money Pool Order, and that they each receive authorization to incur short-term borrowings, up to an aggregate amount of \$180 million, under the terms and conditions of the Money Pool Order.

National also proposes to enter into guarantee arrangements and obtain letters of credit (collectively, "Credit Support") with respect to obligations of Seneca Independence and/or Niagara Independence. National may directly or indirectly provide Credit Support to the Pipeline Partnership and the Marketing Partnership in proportion to its indirect percentage interest in those entities. National may provide Credit Support up to \$180 million directly to Seneca Independence or indirectly to Pipeline Partnership, and \$180 million directly to Niagara Independence or indirectly to Marketing Partnership. All Credit Support will be made under the terms and condition set forth in the current credit support arrangement between National and its subsidiaries.²

¹National Fuel Gas Co., Holding Co. Act Release No. 26443. The Commission authorized National and its subsidiary companies to participate in a system money pool ("Money Pool Order"). The Commission held that the interest rate applicable and payable to or by the subsidiaries for all loans from the surplus funds of National and its subsidiary companies ("Surplus Funds") would be the rates for high grade unsecured 30-day commercial paper sold through dealers by major corporations as quoted in the Wall Street Journal.

The Commission also held that if external funds or both Surplus Funds and external funds are concurrently borrowed through the Money Pool, the interest rate applicable to all such borrowing and payable by the borrowing subsidiary companies will be equal to National's net cost for the external borrowings.

²National Fuel Gas Co., Holding Co. Act Release No. 25922. The Commission authorized National to provide guarantees, through December 31, 1998, up