

new fuel stored in the new fuel pit storage racks or spent fuel storage racks.

The new fuel storage area at North Anna is used to receive and store new fuel in a dry condition upon arrival onsite and prior to loading into the reactor. The new fuel is stored vertically in an array with a distance of 21 inches between assemblies to assure  $K_{eff}$  is less than or equal to 0.98 with fuel of the highest anticipated enrichment in place assuming optimum moderation, e.g., an aqueous foam envelopment as a result of local fire fighting operations. Both irradiated and unirradiated fuel are moved to and from the reactor vessel and the spent fuel pool to accommodate refueling operations, as well as within the reactor vessel and spent fuel pool. Unirradiated fuel is also moved into the Fuel Building for storage and to and from the new fuel storage area. In every case, fuel movement is procedurally controlled and designed to preclude criticality concerns. In addition, the TS specifically address refueling operations and impose restrictions on fuel movement to preclude an accidental criticality, as well as limit the movement of certain loads over the spent fuel in the reactor vessel and the spent fuel pool.

The proposed exemption would not result in any significant radiological impacts. The proposed exemption would not affect radiological effluents nor cause any significant occupational exposures since the TS, design controls, including geometric spacing of fuel assembly storage spaces, and administrative controls preclude inadvertent criticality. The amount of radioactive waste would not be changed by the proposed exemption.

The proposed exemption does not result in any significant nonradiological environmental impacts. The proposed exemption involves features located entirely within the restricted area as defined in 10 CFR Part 20. It does not affect nonradiological plant effluents and has no other environmental impact. Accordingly, the Commission concludes that there are no significant nonradiological environmental impacts associated with the proposed action.

#### *Alternatives to the Proposed Action*

Since the Commission has concluded that there is no measurable environmental impact associated with the proposed action, any alternatives with equal or greater environmental impact need not be evaluated. As an alternative to the proposed exemption, the staff has considered denial of the requested exemption. Denial of the request would result in no change in current environmental impacts. The

environmental impacts of the proposed action and the alternative action are similar.

#### *Alternative Use of Resources*

This action does not involve the use of resources not previously considered in connection with the Final Environmental Statement related to the operation of North Anna Power Station, Units 1 and 2, issued by the Commission in April 1973.

#### *Agencies and Persons Consulted*

In accordance with its stated policy, the NRC staff consulted with Mr. Foldesi of the Virginia Department of Health on July 14, 1997, regarding the environmental impact of the proposed action. Mr. Foldesi had no comments on behalf of the Commonwealth of Virginia.

#### **Finding of No Significant Impact**

Based upon the environmental assessment, the Commission concludes that the proposed action will not have a significant effect on the quality of the human environment. Accordingly, the Commission has determined not to prepare an environmental impact statement for the proposed exemption.

For further details with respect to this action, see the request for exemption dated January 28, 1997, as supplemented March 3, 1997, which is available for public inspection at the Commission's Public Document Room, 2120 L Street, NW., Washington, DC 20555 and at the local public document room located at the Alderman Library, Special Collections Department, University of Virginia, Charlottesville, Virginia 22903-2498.

Dated at Rockville, Maryland this 16th day of September, 1997.

For The Nuclear Regulatory Commission.

**Gordon E. Edison,**

*Acting Director, Project Directorate II-1, Division of Reactor Projects—I/II, Office of Nuclear Reactor Regulation.*

[FR Doc. 97-25079 Filed 9-19-97; 8:45 am]

BILLING CODE 7590-01-P

## **NUCLEAR REGULATORY COMMISSION**

### **Advisory Committee on Reactor Safeguards Subcommittee Meeting on Reactor Fuels, Onsite Fuel Storage, and Decommissioning; Notice of Meeting**

The ACRS Subcommittee on Reactor Fuels, Onsite Fuel Storage, and Decommissioning will hold a meeting on October 9, 1997, Room T-2B3, 11545 Rockville Pike, Rockville, Maryland.

The entire meeting will be open to public attendance.

The agenda for the subject meeting shall be as follows:

*Thursday, October 9, 1997—8:30 a.m. until the conclusion of business.*

The Subcommittee will discuss the basis of the NRC proposed fuel failure criterion for high burnup conditions, and the behavior and adequacy of NRC fuel codes under accident conditions. The Electric Power Research Institute representatives will present their views on this matter. The purpose of this meeting is to gather information, analyze relevant issues and facts, and to formulate proposed positions and actions, as appropriate, for deliberation by the full Committee.

Oral statements may be presented by members of the public with the concurrence of the Subcommittee Chairman; written statements will be accepted and made available to the Committee. Electronic recordings will be permitted only during those portions of the meeting that are open to the public, and questions may be asked only by members of the Subcommittee, its consultants, and staff. Persons desiring to make oral statements should notify the cognizant ACRS staff engineer named below five days prior to the meeting, if possible, so that appropriate arrangements can be made.

During the initial portion of the meeting, the Subcommittee, along with any of its consultants who may be present, may exchange preliminary views regarding matters to be considered during the balance of the meeting.

The Subcommittee will then hear presentations by and hold discussions with representatives of the Electric Power Research Institute, Nuclear Energy Institute, the NRC staff, their consultants, and other interested persons regarding this review.

Further information regarding topics to be discussed, whether the meeting has been cancelled or rescheduled, the Chairman's ruling on requests for the opportunity to present oral statements and the time allotted therefor can be obtained by contacting the cognizant ACRS staff engineer, Dr. Medhat El-Zeftawy (telephone 301/415-6889) between 7:30 a.m. and 4:15 p.m. (EDT). Persons planning to attend this meeting are urged to contact the above named individual one or two working days prior to the meeting to be advised of any potential changes in the proposed agenda, etc., that may have occurred.

Dated: September 15, 1997.

**Noel F. Dudley**

*Acting Chief Nuclear Reactors Branch.*

[FR Doc. 97-25076 Filed 9-19-97; 8:45 am]

BILLING CODE 7590-01-P

## SECURITIES AND EXCHANGE COMMISSION

[Rel. No. IC-22822; 812-10736]

### Liberty All-Star Growth Fund, Inc.; Notice of Application

September 15, 1997.

**AGENCY:** Securities and Exchange Commission ("SEC").

**ACTION:** Notice of application for exemption under the Investment Company Act of 1940 (the "Act").

**SUMMARY OF APPLICATION:** Applicant requests an order under section 6(c) of the Act granting an exemption from section 19(b) and under rule 19b-1 to permit it to make up to four distributions of net long-term capital gains in any one taxable year, so long as it maintains in effect a distribution policy calling for quarterly distributions of a fixed percentage of its net asset value.

**FILING DATE:** The application was filed on July 23, 1997.

**HEARING OR NOTIFICATION OF HEARING:** An order granting the application will be issued unless the SEC orders a hearing. Interested persons may request a hearing by writing to the SEC's Secretary and serving applicant with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on October 9, 1997, and should be accompanied by proof of service on applicant, in the form of an affidavit or, for lawyers, a certificate of service. Hearing requests should state the nature of the writer's interest, the reason for the request, and the issues contested. Persons may request notification of a hearing by writing to the SEC's Secretary.

**ADDRESSES:** Secretary, SEC, 450 5th Street N.W., Washington, DC 20549. Applicant, 600 Atlantic Ave., Federal Reserve Plaza, Boston, MA 02210.

**FOR FURTHER INFORMATION CONTACT:** Lisa McCrea, Attorney Adviser, at (202) 942-0562, or Mary Kay Frech, Branch Chief, at (202) 942-0564 (Division of Investment Management, Office of Investment Company Regulation).

**SUPPLEMENTARY INFORMATION:** The following is a summary of the application. The complete application may be obtained for a fee at the SEC's

Public Reference Branch, 450 5th Street N.W., Washington, D.C. 20549 (tel. 202-942-8090).

### Applicant's Representations

1. Applicant is a closed-end management investment company organized as a Maryland corporation. Applicant's investment objective is to invest primarily in a diversified portfolio of equity securities.

2. On February 20, 1997, applicant adopted a distribution policy (the "Distribution Policy") that calls for quarterly distributions of 2.5% of applicant's net asset value at the time of declaration, for a total of approximately 10% of net asset value per year. If the total distributions required by the Distribution Policy exceed applicant's investment income and net realized capital gains, the excess will be treated as a return of capital. If applicant's net investment income, net short-term realized gains and net long-term realized gains for any year exceed the amount required to be distributed under its Distribution Policy, applicant at its discretion may retain, and not distribute, net realized long-term capital gains to the extent of such excess.

3. Applicant states that the distributions will provide a steady cash flow to shareholders, and, during periods when their per share net asset value is increasing, a means for shareholders to receive on a regular basis some of the appreciation in value of their shares. Applicant also believes that the Distribution Policy plays a role in reducing the discount from net asset value at which applicant's shares typically trade.

4. Applicant requests relief to permit applicant to make up to four distributions of net long-term capital gains in any one taxable year, so long as it maintains in effect a distribution policy calling for quarterly distributions of a fixed percentage of its net asset value.

### Applicant's Legal Analysis

1. Section 19(b) of the Act provides that a registered investment company may not, in contravention of such rules, regulations, or orders as the SEC may prescribe, distribute long-term capital gains more often than once every twelve months. Rule 19b-1(a) permits a registered investment company, with respect to any one taxable year, to make one capital gains distribution, as defined in section 852(b)(3)(C) of the Internal Revenue Code of 1986, as amended (the "Code"). Rule 19b-1(a) also permits a supplemental distribution to be made pursuant to section 855 of the Code not exceeding 10% of the total

amount distributed for the year. Rule 19b-1(f) permits one additional long-term capital gains distribution to be made to avoid the excise tax under section 4982 of the Code.

2. Applicant asserts that the limitation on the number of net long-term capital gains distributions in rule 19b-1 prohibits applicant from including available net long-term capital gains in certain of its fixed quarterly distributions. As a result, applicant states that it must fund these quarterly distributions with returns on capital (to the extent net investment income and realized short-term capital gains are insufficient to cover a quarterly distribution). Applicant further asserts that, in order to distribute all of its long-term capital gains within the limits on the number of long-term capital gains distributions in rule 19b-1, applicant may be required to make certain of its quarterly distributions in excess of the total annual amount called for by the Distribution Policy. Alternatively, applicant states that it may be forced to retain long-term capital gains and pay the applicable taxes. Applicant asserts that the application of rule 19b-1 to its Distribution Policy may cause anomalous results and create pressure to limit the realization of long-term capital gains based on considerations unrelated to investment goals.

3. Applicant believes that the concerns underlying section 19(b) and rule 19b-1 are not present in applicant's situation. One of these concerns is that shareholders might not be able to distinguish between frequent distributions of capital gains and dividends from investment income. Applicant states that the Distribution Policy has been disclosed in applicant's communications to its shareholders, including its 1996 annual report, and applicant will disclose the Distribution Policy in future quarterly and annual reports to shareholders. Applicant further states that, in accordance with rule 19a-1 under the Act, a separate statement showing the source of the distribution (net investment income, net realized capital gain or return of capital) will accompany each distribution (or the confirmation of the reinvestment under applicant's dividend reinvestment plan). In addition, a statement showing the amount and source of each quarterly distribution received during the year will be included with applicant's IRS Form 1099-DIV report sent to each shareholder who received distributions during the year (including shareholders who sold shares during the year). Applicant believes that its shareholders fully understand that their distributions