

needs, Leadership Initiatives, Millennium projects, and guidelines.

The remaining portions of this meeting, from 9:00 a.m. to 6:00 p.m. on August 10, 11, and 12, and from 11:00 a.m. to 4:00 p.m. on August 13, are for the purpose of Panel review, discussion, evaluation and recommendation on applications for financial assistance under the National Foundation on the Arts and the Humanities Act of 1965, as amended, including information given in confidence to the agency by grant applicants. In accordance with the determination of the Chairman of May 14, 1998, these sessions will be closed to the public pursuant to subsection (c)(4), (6) and (9)(B) of section 552b of Title 5, United States Code.

Any person may observe meetings, or portions thereof, of advisory panels which are open to the public, and, if time allows, may be permitted to participate in the panel's discussions at the discretion of the panel chairman and with the approval of the full-time Federal employee in attendance.

If you need special accommodations due to a disability, please contact the Office of AccessAbility, National Endowment for the Arts, 1100 Pennsylvania Avenue, NW., Washington, DC 20506, 202/682-5532, TDY-TDD 202/682-5496, at least seven (7) days prior to the meeting.

Further information with reference to this meeting can be obtained from Ms. Kathy Plowitz-Worden, Office of Guidelines & Panel Operations, National Endowment for the Arts, Washington, DC 20506, or call 202/682-5691.

Dated: July 17, 1998.

Kathy Plowitz-Worden,

*Panel Coordinator, Panel Operations,
National Endowment for the Arts.*

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NUCLEAR REGULATORY COMMISSION

[Docket No. 50-410]

Central Hudson Gas & Electric Corp. (Nine Mile Point Nuclear Station Unit No. 2); Order Approving Application Regarding Restructuring of Central Hudson Gas & Electric Corporation by Establishment of a Holding Company Affecting License No. NPF-69, Nine Mile Point Nuclear Station, Unit No. 2

I

Central Hudson Gas & Electric Corporation (Applicant) is licensed by the U.S. Nuclear Regulatory Commission (NRC or Commission) to

own and possess a 9-percent interest in Nine Mile Point Nuclear Station, Unit 2 (NMP2), under Facility Operating License No. NPF-69, issued by the Commission on July 2, 1987. In addition to Applicant, the other owners who may possess, but not operate, NMP2 are New York State Electric & Gas Corporation with an 18-percent interest, Long Island Lighting Company with an 18-percent interest, and Rochester Gas and Electric Corporation with a 14-percent interest. Niagara Mohawk Power Corporation (NMPC) owns a 41-percent interest in NMP2, is authorized to act as agent for the other owners, and has exclusive responsibility and control over the operation and maintenance of NMP2. NMP2 is located in the town of Scriba, Oswego County, New York.

II

Under cover of a letter dated April 8, 1998, as resubmitted June 8, 1998, and supplemented April 22, and July 9, 1998, Applicant submitted an application for consent by the Commission, pursuant to 10 CFR 50.80, regarding a proposed corporate restructuring action that would result in the indirect transfer of the operating license for NMP2 to the extent it is held by Applicant. As a result of the proposed restructuring, Applicant would establish a new holding company and become a subsidiary of the new holding company, not yet named, to be created in accordance with an "Amended and Restated Settlement Agreement" dated January 2, 1998; as modified and approved by the New York State Public Service Commission's (PSC's) "Order Adopting Terms of Settlement Subject to Modifications and Conditions" (issued and effective February 19, 1998) in Case 96-E-0909, and further modified in the PSC's "Modifications to Amended and Restated Settlement Agreement," dated February 26, 1998 (hereafter collectively known as "Settlement Agreement"). These documents constituting the Settlement Agreement were included with the application dated April 8, 1998.

According to the application, the outstanding shares of Applicant's common stock would be exchanged on a share-for-share basis for common stock of the proposed new holding company, such that the holding company would own all of the outstanding common stock of Applicant. Also under the proposed restructuring, Applicant would sell at auction some of its fossil-fueled generating assets, but would continue to be an "electric utility" as defined in 10 CFR 50.2, providing the same utility services as it did before the restructuring. In addition, certain

subsidiaries of Applicant would become subsidiaries of the new holding company. Applicant would retain its ownership interest in NMP2 and would continue to be a licensee. No direct transfer of the operating license or interests in the station would result from the proposed restructuring. The transaction would not involve any change to either the management organization or technical personnel of NMPC, which has exclusive responsibility under the operating license for operating and maintaining NMP2 and which is not involved in the proposed restructuring of Applicant.

Notice of the application for approval was published in the **Federal Register** on June 2, 1998 (63 FR 30025), and an Environmental Assessment and Finding of No Significant Impact was published in the **Federal Register** on June 25, 1998 (63 FR 34667).

Under 10 CFR 50.80, no license shall be transferred, directly or indirectly, through transfer of control of the license, unless the Commission shall give its consent in writing. Upon review of the information submitted in the application of April 8, 1998, as resubmitted June 8, 1998, and supplemented by submittals dated April 22, and July 9, 1998, the NRC staff has determined that the restructuring of Applicant by establishment of a holding company will not affect the qualifications of Applicant as a holder of the license, and that the transfer of control of the license for NMP2, to the extent effected by the restructuring, is otherwise consistent with applicable provisions of law, regulations, and orders issued by the Commission, subject to the conditions set forth herein. These findings are supported by a safety evaluation dated July 19, 1998.

III

Accordingly, pursuant to Sections 161b, 161i, 161o, and 184 of the Atomic Energy Act of 1954, as amended, 42 USC §§ 2201(b), 2201(i), 2201(o), and 2234, and 10 CFR 50.80, IT IS HEREBY ORDERED that the Commission approves the application regarding the proposed restructuring of Applicant by the establishment of a holding company, subject to the following: (1) Applicant shall provide the Director, Office of Nuclear Reactor Regulation, a copy of any application, at the time it is filed, to transfer (excluding grants of security interests or liens) from Applicant to its proposed parent, or to any other affiliated company, facilities for the production, transmission, or distribution of electric energy having a depreciated book value exceeding 10 percent (10%) of Applicant's

consolidated net utility plant, as recorded on Applicant's books of account, and (2) should the restructuring of Applicant not be completed by July 19, 1999, this Order shall become null and void, provided, however, on application and for good cause shown, such date may be extended.

This Order is effective upon issuance.

IV

By August 19, 1998, any person adversely affected by this Order may file a request for a hearing with respect to issuance of the Order. Any person requesting a hearing shall set forth with particularity how that interest is adversely affected by this Order and shall address the criteria set forth in 10 CFR 2.714(d).

If a hearing is to be held, the Commission will issue an order designating the time and place of the hearing.

The issue to be considered at any such hearing shall be whether this Order should be sustained.

Any request for a hearing must be filed with the Secretary of the Commission, U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, Attention: Rulemakings and Adjudications Staff, or may be delivered to 11555 Rockville Pike, Rockville, Maryland, between 7:45 a.m. and 4:15 p.m. Federal workdays, by the above date. Copies should be also sent to the Office of the General Counsel, and to the Director, Office of Nuclear Reactor Regulation, U.S. Nuclear Regulatory Commission, Washington, DC 20555, and to Ms. Ellen Ahearn, Corporate Secretary, Central Hudson Gas & Electric Corporation, 284 South Avenue, Poughkeepsie, NY 12601-4879.

For further details with respect to this Order, see the application for approval dated April 8, 1998, as resubmitted under cover of a letter dated June 8, 1998, and supplemented by letters dated April 22, June 8, and July 9, 1998, which are available for public inspection at the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC, and at the local public document room located at the Reference and Documents Department, Penfield Library, State University of New York, Oswego, New York 13126.

Dated at Rockville, Maryland, this 19th day of July, 1998.

For the Nuclear Regulatory Commission.
Samuel J. Collins,
Director, Office of Nuclear Reactor Regulation.
 [FR Doc. 98-19803 Filed 7-23-98; 8:45 am]
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NUCLEAR REGULATORY COMMISSION

[Docket Nos. 50-250 and 50-251]

Florida Power and Light Company (Turkey Point Plant, Units 3 and 4); Exemption

I.

Florida Power and Light (the licensee) is the holder of Facility Operating License Nos. DPR-31 and DPR-41, for the Turkey Point Plant (TPP), Units 3 and 4. The licenses provide, among other things, that the licensee is subject to all rules, and orders of the Commission now or hereafter in effect.

This facility consists of two pressurized water reactors located in Dade County, Florida.

II.

Title 10 of the *Code of Federal Regulations* (10 CFR), Section 50.71 "Maintenance of records, making of reports", paragraph (e)(4) states, in part, that "Subsequent revisions [to the updated Final Safety Analysis Report (FSAR)] must be filed annually or 6 months after each refueling outage provided the interval between successive updates [to the FSAR] does not exceed 24 months." The two units at the TPP site share a common FSAR; therefore, this rule requires the licensee to update the same document annually or within 6 months after each unit's refueling outage (approximately every 9 months).

III.

Section 50.12(a) of 10 CFR, "Specific exemptions," states that

The Commission may, upon application by any interested person or upon its own initiative, grant exemptions from the requirements of the regulations of this part, which are—(1) Authorized by law, will not present an undue risk to the public health and safety, and are consistent with the common defense and security. (2) The Commission will not consider granting an exemption unless special circumstances are present.

Section 50.12(a)(2)(ii) of 10 CFR states that special circumstances are present when "Application of the regulation in the particular circumstances would not serve the underlying purpose of the rule or is not necessary to achieve the underlying purpose of the rule * * *."

The licensee has proposed updating the unified TPP FSAR 6 months after each Unit 4 refueling outage. With the current length of fuel cycles, FSAR updates would be submitted approximately every 24 months. The underlying purpose of the rule was to relieve licensees of the burden of filing annual FSAR revisions while assuring that such revisions are made at least every 24 months. The Commission reduced the burden, in part, by permitting a licensee to submit its FSAR revisions 6 months after refueling outages for its facility, but did not provide in the rule for multiple unit facilities sharing a common FSAR. Rather, the Commission stated that "With respect to * * * multiple facilities sharing a common FSAR, licensees will have maximum flexibility for scheduling updates on a case-by-case basis" 57 FR 39355 (1992).

The TPP units are on an 18-month fuel cycle. As noted in the staff's Safety Evaluation, the licensee's proposed schedule for TPP FSAR updates will ensure that the FSAR will be maintained current for both units within 24 months of the last revision. The proposed schedule satisfies the maximum 24-months interval between FSAR revisions specified by 10 CFR 50.71(e)(4). Revising the FSAR 6 months after refueling outages for each unit, therefore, is not necessary to achieve the underlying purpose of the rule. Accordingly, the Commission has determined that special circumstances are present as defined in 10 CFR 50.12(a)(2)(ii). The Commission has further determined that, pursuant to 10 CFR 50.12, the exemption is authorized by law, will not present an undue risk to the public health and safety and is consistent with the common defense and security, and is otherwise in the public interest. The Commission hereby grants the licensee an exemption from the requirement of 10 CFR 50.71(e)(4) to submit updates to the TPP FSAR within 6 months of each unit's refueling outage. The licensee will be required to submit updates to the TPP FSAR within 6 months after each Unit 4 refueling outage, not to exceed 24 months between subsequent revisions.

Pursuant to 10 CFR 51.32, the Commission has determined that granting of this exemption will have no significant effect on the quality of the human environment (63 FR 36276).

This exemption is effective upon issuance.

Dated at Rockville, Maryland, this 16th day of July 1998.