

is 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 Chattanooga-Hamilton County Library, 1001 Broad Street, Chattanooga, Tennessee 37402.

Dated at Rockville, Maryland, this 26th day of July 1999.

For the Nuclear Regulatory Commission.

Ronald W. Hernan,

Senior Project Manager, Section 2, Project Directorate II, Division of Licensing Project Management, Office of Nuclear Reactor Regulation.

[FR Doc. 99-19697 Filed 7-30-99; 8:45 am]

BILLING CODE 7590-01-P

NUCLEAR REGULATORY COMMISSION

[Docket No. 50-123]

University of Missouri, Rolla, Nuclear Research Reactor, Environmental Assessment and Finding of No Significant Impact

The U.S. Nuclear Regulatory Commission (the Commission) is considering the issuance of a license amendment to Facility Operating License No. R-79, issued to University of Missouri, Rolla (the licensee) for operation of the University of Missouri, Rolla Research Reactor (UMRR).

Environmental Assessment

Identification of the Proposed Action

The proposed action would allow extension of the license expiration time from November 20, 1999, to January 14, 2005, for the UMRR as requested by the licensee on May 24, 1999, in accordance with the provisions of 10 CFR 50.90. The licensee submitted an Environmental Report on June 24, 1999.

Need for the Proposed Action

The proposed action is necessary for the continued operation of the UMRR in order to continue instruction, training, and research at the University of Missouri, Rolla.

Environmental Impact of the Proposed Action

The UMRR is located at the University of Missouri, Rolla campus in a metal building on the east side of the campus near 14th Street and Pine Street.

The UMRR is a low power (200 kilowatts), pool-type research reactor (200 kilowatts). The NRC licensed the facility in 1961 at 10 kilowatts and increased maximum authorized power level to 200 kilowatts in 1966. The

facility license was renewed in 1985. Since about 1985, the facility has operated about 9 megawatt-hours per year on average. During that time, the gaseous radiological release has been about 100 millicuries/year of Argon-41. Liquid releases have been minimized and radiological liquid releases have been eliminated since about 1994. Solid releases of radioactive material have averaged about 70 microcuries since about 1985. Currently, there are no plans to change any operating characteristics of the reactor during the license extension period.

The Commission concludes that the radiological effects of the continued operation will be minimal based on past radiological releases. The radiological exposures for facility operations have been within regulatory limits. Conditions are not expected to change.

With regard to potential non-radiological impacts, the proposed action does not involve any historic sites. It does not affect non-radiological effluents and has no other environmental impact. Therefore, there are no significant non-radiological environmental impacts associated with the proposed action.

In addition, the environmental impact associated with operation of research reactors has been generically evaluated by the staff and is discussed in the attached generic evaluation. This evaluation concludes that there will be no significant environmental impact associated with the operation of research reactors licensed to operate at power levels up to and including 2 megawatts thermal and that an Environmental Impact Statement is not required for the issuance of construction permits or operating licenses for such facilities. We have determined that this generic evaluation is applicable to operation of the UMRR and that there are no special or unique features that would preclude reliance on the generic evaluation.

Accordingly, the Commission concludes that there are no significant environmental impacts associated with the proposed action.

Alternatives to the Proposed Action

The alternative to the proposed action for the Research Reactor Facility is to deny the application (i.e., "no action" alternative). If this were the case, the licensee has indicated that they would apply for license renewal and operate under the timely renewal provisions of 10 CFR 2.109 until the Commission renewed or denied the license renewal application. With operation under timely renewal or renewal, the actual conditions of the reactor would not

change. If the Commission denied license renewal, UMRR Operations would stop and decommissioning would be required with a likely small impact on the environment.

Alternative Use of Resources

This action does not involve the use of any resources not previously considered in the Environmental Assessment prepared for the renewal of University of Missouri, Rolla's license in January 1985.

Agencies and Persons Contacted

On June 30, 1999, the staff consulted with the Missouri Environmental Public Health Official, Gary McNutt, regarding the environmental impact of the proposed action. The state official had no comments.

Finding of No Significant Impact

On the basis of 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 action.

For further details with respect to the proposed action, see the licensee's letter dated May 24, 1999, as supplemented in a letter dated June 24, 1999, which are available for public inspection at the Commission's Public Document Room, the Gelman Building, 2120 L Street, NW., Washington, DC 20555.

Dated at Rockville, Maryland, this 23rd day of July 1999.

For the Nuclear Regulatory Commission.

Ledyard B. Marsh,

Chief, Events Assessment, Generic Communications, and Non-Power Reactors Branch, Division of Regulatory Improvement Programs, Office of Nuclear Reactor Regulation.

[FR Doc. 99-19695 Filed 7-30-99; 8:45 am]

BILLING CODE 7590-01-P

NUCLEAR REGULATORY COMMISSION

[Docket No. 50-245]

Northeast Nuclear Energy Company, Millstone Nuclear Power Station, Unit 1; Issuance of Final Director's Decision Under 10 CFR 2.206

Notice is hereby given that the Director of the Office of Nuclear Reactor Regulation has issued a Final Director's Decision with regard to a Petition dated August 21, 1995, and supplemented on August 28, 1995, submitted by George Galatis and We the People, Inc. (the Petitioners), requesting action under

Title 10 of the Code of Federal Regulations, Section 2.206 (10 CFR 2.206). The Petition pertains to Millstone Nuclear Power Station, Unit 1, operated by Northeast Nuclear Energy Company (licensee).

The Petitioners requested that the NRC (1) suspend the license for the Millstone Unit 1 facility for a period of 60 days after the unit is brought into compliance with the license and the design basis; (2) revoke the operating license until the facility is in full compliance with the terms and conditions of its license; (3) perform a detailed independent analysis of the offsite dose consequences of the total loss of spent fuel pool water; and (4) take enforcement action pursuant to 10 CFR 50.5 and 50.9. As bases for their requests, the Petitioners raised the following three issues: (1) the licensee has knowingly, willingly, and flagrantly operated Millstone Unit 1 in violation of License Amendment Nos. 39 and 40; (2) License Amendment Nos. 39 and 40 for Millstone Unit 1 are based on material false statements made by the licensee in documents submitted to the NRC; and (3) the license amendment proposed in a letter dated July 28, 1995, should be denied and the licensee should be required to operate in full conformance with License Amendment No. 40. By letter dated October 26, 1995, the staff informed the Petitioners that Issue 3 was determined to be a request for a licensing action and therefore, was beyond the scope of 10 CFR 2.206.

In a Partial Director's Decision dated December 26, 1996, the Acting Director of the Office of Nuclear Reactor Regulation partially granted Requests 1, 2, and 3 of the Petition on the basis of the staff's technical review of the core offloading issues presented by the Petitioners. The reasons for that decision were explained in the "Partial Director's Decision Pursuant to 10 CFR 2.206" (DD-96-23).

As stated in the Partial Director's Decision, the staff noted that the focus of the Petition was on assertions of wrongdoing on the part of the licensee in certain of its actions and, at the time, that the assertions were still being reviewed by the staff. The staff has completed its review in this area and for the reasons given in the "Final Director's Decision Pursuant to 10 CFR 2.206" (DD-99-09), Request 4 of the Petition is partially granted.

Additional information is included in the "Final Director's Decision Pursuant to 10 CFR 2.206" (DD-99-09), the complete text of which follows this notice and which is available for public inspection at the Commission's Public Document Room, the Gelman Building,

2120 L Street, NW., Washington, DC 20555-0001, and at the local public document room located at the Learning Resources Center, Three Rivers Community-Technical College, 574 New London Turnpike, Norwich, Connecticut 06360 and at the Waterford Library, Attn: Vince Juliano, 49 Rope Ferry Road, Waterford, Connecticut 06385.

As provided in 10 CFR 2.206(c), a copy of this Final Director's Decision will be filed with the Secretary of the Commission for the Commission's review. This Decision will constitute the final action of the Commission 25 days after issuance unless the Commission, on its own motion, institutes review of the Decision within that time.

Dated at Rockville, Maryland, this 27th day of July 1999.

For the Nuclear Regulatory Commission.

Samuel J. Collins,

Director, Office of Nuclear Reactor Regulation.

Final Director's Decision Pursuant to 10 CFR 2.206

I. Introduction

On August 21, 1995, George Galatis and We the People, Inc. (Petitioners), filed a Petition with the Executive Director for Operations of the U.S. Nuclear Regulatory Commission (NRC) pursuant to Section 2.206 of Title 10 of the Code of Federal Regulations (10 CFR 2.206). A supplement to the Petition was submitted on August 28, 1995. These two submittals will hereinafter be referred to as the "Petition."

The Petition raised three issues regarding the Millstone Nuclear Power Station, Unit 1 (Millstone Unit 1), operated by Northeast Nuclear Energy Company (NNECO or the licensee). First, the Petitioners asserted that the licensee has knowingly, willingly, and flagrantly operated Millstone Unit 1 in violation of License Amendment Nos. 39 and 40. Specifically, Petitioners asserted that NNECO had offloaded more fuel assemblies into the Millstone Unit 1 spent fuel pool (SFP) during refueling outages than permitted under these license amendments. Second, Petitioners asserted that License Amendments Nos. 39 and 40 for Millstone Unit 1 are based on material false statements made by the licensee in documents submitted to the NRC. Third, Petitioners asserted that the license amendment proposed by the licensee under cover of a letter dated July 28, 1995, regarding offloading of the entire core of spent fuel assemblies at Millstone Unit 1, should be denied and the licensee should be required to

operate in full conformance with License Amendment No. 40.

On the basis of these assertions, the Petitioners requested that the NRC (1) institute a proceeding under 10 CFR 2.202 to suspend the license for the Millstone Unit 1 facility for a period of 60 days after the unit is brought into compliance with the licensing basis and the design basis, (2) revoke the operating license for the Millstone Unit 1 facility until it is in full compliance with the terms and conditions of its license, (3) perform a detailed independent analysis of the offsite dose consequences of the total loss of SFP water, before reinstatement of the license, and (4) take enforcement action against NNECO pursuant to 10 CFR 50.5 and 50.9. Finally, Petitioners requested that the proposed license amendment sought by NNECO be denied.

In the supplement to the Petition dated August 28, 1995, the Petitioners made additional assertions in support of their first and third issues. Specifically, in support of Issue 1, the Petitioners asserted that the licensees for Millstone Units 2 and 3 and Seabrook Unit 1 also performed full core offloads in violation of their licenses. In support of Issue 3, the Petitioners asserted that there is a material false statement in a submission used to support a previous Millstone Unit 3 license amendment request, and that there is an unanalyzed condition in the Millstone Unit 3 Updated Final Safety Analysis Report in that system piping had not been analyzed for the full core offload normal end-of-cycle event. Also, with regard to Seabrook Station Unit 1, the Petitioners asserted that there are Technical Specification violations related to criticality analysis and gaps in Boraflex material.

By letter dated October 26, 1995, the NRC informed the Petitioners that the Petition had been referred to the Office of Nuclear Reactor Regulation pursuant to 10 CFR 2.206 of the Commission's regulations for preparation of a response. The NRC also informed the Petitioners that the NRC staff would take appropriate action within a reasonable time regarding the specific concerns raised in the Petition. Additionally, the NRC staff informed the Petitioners that their request with regard to issues associated with the requested license amendment (i.e., Petitioners' third issue) was not within the scope of 10 CFR 2.206 and thus was not appropriate for consideration under 10 CFR 2.206.

In a Partial Director's Decision (DD-96-23) dated December 26, 1996, the staff documented its technical review of the full core offload issue at Millstone Units 1, 2, and 3 and Seabrook Unit 1.

The staff concluded that Millstone Units 1 and 3 and Seabrook Unit 1 could safely offload full cores. Additionally, the staff found that Millstone Unit 2 was not routinely performing full core offloads as asserted by the Petitioners. However, the staff's followup of SFP issues raised by the Petitioners led, in part, to the identification of a broad spectrum of configuration management concerns that had to be corrected before the Commission allowed restart of any Millstone unit.

On August 14, 1996, the NRC staff issued a Confirmatory Order establishing an Independent Corrective Action Verification Program (ICAVP) for each Millstone unit to ensure that the plant's physical and functional characteristics were in conformance with its licensing and design basis. The ICAVP was performed and completed for Millstone Units 2 and 3 to the satisfaction of the NRC before the Commission allowed the plants to restart.¹ To the extent that Millstone Unit 1 permanently ceased operation, as stated in the Partial Director's Decision, the staff determined that the Petitioners' requests for suspension and revocation of the Millstone Unit 1 operating license was partially granted. The staff further stated that it had evaluated spent fuel accidents beyond the design bases and, to this extent, the Petitioners' request to perform analyses of such accidents was also partially granted.

In the Partial Director's Decision, the staff stated that since the Petitioners' letter of August 28, 1995, contained assertions relating to the third issue (that the license amendment proposed by the licensee under cover of a letter dated July 28, 1995, should be denied) and that the issue was not appropriate for consideration under 10 CFR 2.206, the staff would forward its findings to the Petitioners by separate correspondence. In a letter to the Petitioners dated July 1, 1999, the staff addressed these assertions.

In the Partial Director's Decision, the staff stated that it was still considering the Petitioners' assertions that the licensee knowingly, willingly, and flagrantly operated Millstone Unit 1 in violation of License Amendment Nos. 39 and 40 and submitted material false statements to obtain License Amendment Nos. 39 and 40 (as they support the Petitioners' fourth request). As explained below, the NRC staff has

taken actions that, in part, grant the Petitioners' request.

II. Discussion

Request for Enforcement Action Against NNECO Pursuant to 10 CFR 50.5 and 50.9

The Petitioners based their requests on their assertion that the licensee has knowingly, willingly, and flagrantly operated Millstone Unit 1 in violation of License Amendments Nos. 39 and 40 and that License Amendment Nos. 39 and 40 for Millstone Unit 1 are based on material false statements. Specifically, the Petitioners stated that the licensee conducted full core offloads as a routine practice when its licensing basis analyses assumed one-third core offloads as the normal refueling practice. In their supplemental letter of August 28, 1995, the Petitioners asserted that the licensees for Millstone Units 2 and 3 and Seabrook Unit 1 also performed full core offloads in violation of their licenses. The Petitioners further contend that the licensee's actions subjected the public to an unacceptable risk.

As explained in the Partial Director's Decision, the staff concluded that Millstone Units 1 and 3 and Seabrook Unit 1 could safely offload full cores. Additionally, the staff found that Millstone Unit 2 was not routinely performing full core offloads as asserted by the Petitioners.

In a letter to the licensee dated May 25, 1999, regarding a Notice of Violation and Exercise of Enforcement Discretion, the staff stated that it had completed the investigations concerning the performance of fuel offloads at Millstone Unit 1. Regarding the Petitioners' assertion concerning the Millstone Unit 1 full core offload practice, the NRC has drawn a distinction between routinely conducting full core offloads and conducting any offloads before the delay times assumed in the Final Safety Analysis Report (FSAR). The NRC has concluded that enforcement action is not warranted at Millstone Unit 1 and other nuclear facilities for conducting full core offloads on a routine basis. The NRC determined that the use of the terms "abnormal" and "emergency" in describing the full core offload scenario in the FSAR did not appear to be presented by the licensee nor understood by the staff as a commitment to limit the frequency with which full core offloads were conducted at Millstone Unit 1. In this regard, the licensee informed the NRC staff of its practice of offloading the full core at Millstone Unit 1 in a meeting on June

16, 1988, associated with the License Amendment No. 40 request pertaining to SFP reracking. Further, although the analytical constraints and assumptions for the full core offload were generally less restrictive than those for a partial core offload, in licensing actions (typically rerack amendments) for nuclear plants, including Millstone Unit 1, the NRC found the plant design for removing the full core acceptable. Finally, as a way of addressing shutdown risk, the NRC encouraged, and still does, the practice of full core offloads. Thus, consistent with the conclusions drawn for all other plants that routinely performed full core offloads, enforcement is not being proposed for the Millstone Unit 1 full core offloading practices.

The staff's followup of spent fuel pool issues raised by the Petitioners, however, led, in part, to the identification of a broad spectrum of configuration management concerns that had to be corrected before the Commission allowed restart of any Millstone unit. On the basis of information developed during the investigation by the NRC's Office of Investigations, the NRC cited the licensee for four violations of NRC requirements. Specifically, the NRC determined that, in careless disregard of NRC requirements, the licensee (1) performed both partial and full core offloads before the delay times assumed in the FSAR without the appropriate engineering analysis; (2) utilized unapproved and unanalyzed system configurations to augment SFP cooling during refueling outages, without procedures to govern those activities; and (3) in two instances, submitted incomplete and inaccurate information to the NRC (violations of 10 CFR 50.9(a)) related to the performance of fuel offloads that were actually commenced before the delay times assumed in the analysis submitted to the NRC.

In its May 25, 1999, letter transmitting the Notice of Violation, the NRC also stated that these violations, which existed for a long time, appeared to be the result of the deficient safety culture, which contributed to the shutdown of all three Millstone units for an extended period and resulted in a number of other violations for which the NRC issued a \$2,100,000 civil penalty to the licensee on December 10, 1997. That penalty was based, in part, on (1) the licensee's failure to ensure that the plant was maintained in the configuration as designed and specified in the licensing basis and (2) the licensee's failure to promptly correct nonconforming conditions. The NRC concluded that the failure of licensee management to

¹ The staff notes that by letter dated July 21, 1998, the licensee informed the NRC of its decision to permanently shut down Millstone Unit 1. Upon the permanent shutdown of Millstone Unit 1, the staff determined that the requirement to perform an ICAVP at Millstone Unit 1 was no longer necessary.

establish standards to ensure that the plant was maintained and operated as designed, and to ensure that nonconforming conditions were promptly identified and corrected, constituted careless disregard of requirements. As such, the violations that resulted from that deficient safety culture, which fostered such disregard, were considered willful in accordance with the "General Statement of Policy and Procedures for NRC Enforcement Actions NUREG-1600" (Enforcement Policy).

In its May 25, 1999, letter, the NRC further stated that in consideration of (1) the undesirable consequences of performance of unanalyzed core offloads and the licensee's failure to ensure that SFP heat removal was conducted in accordance with approved procedures; (2) the significance of the licensee's providing incomplete and inaccurate information to the NRC; and (3) the significance that the NRC places on careless disregard of its requirements, the four violations had been classified, in the aggregate, as a Severity Level III violation in accordance with the NRC Enforcement Policy. For the reasons outlined in its letter of May 25, 1999, the staff exercised enforcement discretion and did not issue a civil penalty for the violations. In its letter, the NRC staff stated that discretion is appropriate because the licensee already implemented corrective actions to address the underlying performance problems at Millstone and further enforcement action is not necessary to achieve additional remedial actions.

In their Petition, the Petitioners requested that the NRC take enforcement action against the licensee pursuant to 10 CFR 50.5 and 50.9. Although not specifically for the reasons cited by the Petitioners (the Petitioners based their requests on their assertion that the licensee has knowingly, willingly, and flagrantly operated Millstone Unit 1 in violation of License Amendment Nos. 39 and 40 and that License Amendment Nos. 39 and 40 for Millstone Unit 1 are based on material false statements), the NRC did find that in two instances the licensee submitted incomplete and inaccurate information to the NRC related to the performance of fuel offloads that were actually being commenced before the delay times assumed in the analysis submitted to the NRC. Therefore, for the reasons previously given, the NRC's actions constitute a partial granting of the Petitioners' request regarding enforcement action pursuant to 10 CFR 50.5 and 50.9.

III. Conclusion

The staff has completed the investigations concerning the performance of fuel offloads at Millstone and has taken enforcement action as outlined in its letter and Notice of Violation to the licensee dated May 25, 1999. Therefore, to this extent, Petitioners' request for enforcement action against NNECO pursuant to 10 CFR 50.5 and 50.9 is partially granted.

As provided in 10 CFR 2.206(c), a copy of this Final Director's Decision will be filed with the Secretary of the Commission for the Commission's review. This Final Director's Decision will constitute the final action of the Commission (for Petitioners' Request 4) 25 days after its issuance, unless the Commission, on its own motion, institutes review of the Decision within that time.

Dated at Rockville, Maryland, this 27th day of July 1999.

For the Nuclear Regulatory Commission.
Samuel J. Collins,

Director, Office of Nuclear Reactor Regulation.

[FR Doc. 99-19699 Filed 7-30-99; 8:45 am]

BILLING CODE 7590-01-P

OFFICE OF MANAGEMENT AND BUDGET

Updated Statistical Definitions of Metropolitan Areas

AGENCY: Executive Office of the President, Office of Management and Budget, Office of Information and Regulatory Affairs.

ACTION: Notice.

SUMMARY: Pursuant to 44 U.S.C. 3504(e)(3) and 31 U.S.C. 1104(d) and Executive Order No. 10253 (June 11, 1951), the Office of Management and Budget (OMB) defines metropolitan areas (MAs) for use in Federal statistical activities in accordance with a set of standards published in the **Federal Register** on March 30, 1990 (55 FR 12154-12160).

On June 30, 1999, OMB updated the MA definitions in OMB Bulletin No. 99-04. Two new Metropolitan Statistical Areas (MSA) were defined based on the standards and the 1998 Bureau of the Census official population estimates:

(1) Auburn-Opelika, Alabama MSA (FIPS Code 0580) was defined effective June 30, 1999. The Auburn-Opelika, Alabama MSA comprises Lee County, Alabama. The MSA's central cities are Auburn, Alabama and Opelika, Alabama.

(2) Corvallis, Oregon MSA (FIPS Code 1890) was defined effective June 30, 1999. The Corvallis, Oregon MSA comprises Benton County, Oregon. The MSA's central city is Corvallis, Oregon.

OMB Bulletin No. 99-04 with the list of all MAs as of June 30, 1999, is available from the National Technical Information Service (NTIS), Document Sales, 5285 Port Royal Road, Springfield, VA 22161, telephone 703-605-6000 or 1-800-553-6847 (Accession Number PB99-132698). This list is also available through NTIS in electronic form (Accession Number PB99-501538). OMB Bulletin No. 99-04 and the current list of MAs are available electronically from the OMB home page at <http://www.whitehouse.gov/OMB/bulletins/index.html>.

For further information on MA standards and the statistical uses of MA definitions please call Suzann Evinger (202-395-7315). For information concerning the use of MA definitions in a particular Federal agency program, please contact the sponsoring agency directly.

John T. Spotila,

Administrator, Office of Information and Regulatory Affairs.

[FR Doc. 99-19701 Filed 7-30-99; 7:30 am]

BILLING CODE 3110-01-P

SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 23920; 812-11696]

Alliance Capital Management, L.P.; Notice of Application

July 27, 1999.

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

ACTION: Notice of application for an order under sections 6(c) and 6(e) of the Investment Company Act of 1940 (the "Act") granting relief from all provisions of the Act, except sections 37 through 53 of the Act and the rules and regulations under those sections.

SUMMARY OF APPLICATION: Applicant, alliance Capital Management L.P. ("Alliance Holding"), requests an order under sections 6(c) and 6(e) of the Act exempting it from all provisions of the Act, except sections 37 through 53 of the Act and the rules and regulations under those sections.

FILING DATES: The application was filed on July 20, 1999.

HEARING OR NOTIFICATION OF HEARING: An order granting the application will be issued unless the SEC orders a hearing. Interested persons may request a