

previously issued temporary reinstatement order).

No earlier announcement of the meeting was possible.

CONTACT PERSON FOR MORE INFORMATION:

Jean Ellen (202) 653-5629/(202) 708-9300 for TDD Relay/1-800-877-8339 for toll free.

Jean H. Ellen,

Chief Docket Clerk.

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NUCLEAR REGULATORY COMMISSION

[Docket Nos. 50-361 and 50-362]

Southern California Edison Co., (San Onofre Nuclear Generating Station, Units 2 and 3); Exemption

I

Southern California Edison Company (SCE, or the licensee) is the holder of Facility Operating License Nos. NPF-10 and NPF-15, which authorize operation of the San Onofre Nuclear Generating Station (SONGS), Units 2 and 3. The licenses provide, among other things, that the licensee is subject to all rules, regulations, and orders of the Commission now or hereafter in effect.

These facilities consist of two pressurized-water reactors located at the licensee's site in San Diego County, California.

II

Regulatory requirements for the hydrogen control system are specified in 10 CFR 50.44 and 10 CFR Part 50, Appendix A, (General Design Criteria 41, 42, and 43). Different requirements apply to facilities according to the date of publication of the Notice of Hearing for the Construction Permit. With regard to hydrogen recombiner and purge-repressurization system requirements, SONGS Units 2 and 3 are subject to the requirements of 10 CFR 50.44(e) which states:

For facilities whose notice of hearing on the application for a construction permit was published on or after November 5, 1970, purging and/or repressurization shall not be the primary means for controlling combustible gases following a LOCA [loss-of-coolant accident]. However, the capability for controlled purging shall be provided. For these facilities, the primary means for controlling combustible gases following a LOCA shall consist of a combustible gas control system, such as recombiners, that does not result in a significant release from containment.

SONGS Units 2 and 3 are also subject to 10 CFR 50.44(d) which states:

For facilities that are in compliance with [section] 50.46(b), the amount of hydrogen contributed by core metal-water reaction (percentage of fuel cladding that reacts with water), as a result of degradation, but not total failure, of emergency core cooling functioning shall be assumed either to be five times the total amount of hydrogen calculated in demonstrating compliance with [section] 50.46(b)(3), or to be the amount that would result from reaction of all the metal in the outside surfaces of the cladding cylinders surrounding the fuel (excluding the cladding surrounding the plenum volume) to a depth of 0.00023 inch (0.0058 mm), whichever amount is greater.

III

The licensee proposed to remove hydrogen control requirements from the SONGS Units 2 and 3 design basis. The licensee stated that the hydrogen control requirements in the SONGS design basis are not required to provide assurance that the containment would not fail due to combustible gas accumulation and ignition during accidents where fission products would be present in the containment atmosphere. The licensee also proposed to modify emergency operating instructions to remove operator action requirements for monitoring and controlling hydrogen concentration in containment.

The licensee's proposed removal of the hydrogen control requirements from the SONGS Units 2 and 3 design basis requires an exemption from certain requirements of 10 CFR 50.44(d) and (e). By its letter dated September 10, 1998, as supplemented July 19, 1999, the licensee submitted its exemption request.

IV

Section 50.12(a) of Title 10 of the Code of Federal Regulations part 50 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, and (2) the Commission will not consider granting an exemption unless special circumstances are present.

Section 50.12(a)(2)(ii) of 10 CFR part 50 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.

V

The staff has evaluated the licensee's analysis and documented its evaluation

in the enclosed safety evaluation. The staff's evaluation is summarized below.

The underlying purpose of 10 CFR 50.44 is to ensure that following a LOCA, an uncontrolled hydrogen-oxygen recombination would not take place, or that the plant could withstand the consequences of uncontrolled hydrogen-oxygen recombination without loss of safety function. The licensee demonstrated that the plant could withstand the consequences of uncontrolled hydrogen-oxygen recombination without loss of safety function without credit for the hydrogen recombiners or the hydrogen purge system for both the design-basis and the more limiting severe accident with up to 75 percent metal-water reaction that remains in-vessel scenario. Several risk studies, such as NUREG-1150, "Severe Accident Risk: An Assessment for Five U.S. Nuclear Plants," and those performed by the licensee have shown that the relative importance of hydrogen combustion for large, dry containments with respect to containment failure to be quite low. The licensee also demonstrated that hydrogen recombiners are insignificant from a large, dry containment integrity perspective and the radiological consequences remain unchanged with or without recombiners. Therefore, the requirements for hydrogen recombiners and the backup hydrogen purge capability for large, dry containments, such as SONGS Units 2 and 3, are not necessary. Accordingly, the Commission has determined that special circumstances are present as defined in 10 CFR 50.12(a)(2)(ii).

VI

The Commission has 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.

Therefore, the Commission hereby grants Southern California Edison Company an exemption from the requirements of 10 CFR 50.44(d) and (e) to remove hydrogen control requirements from the SONGS Units 2 and 3 design basis. The exemption also allows the licensee to modify its emergency operating instructions to remove operator action requirements for controlling hydrogen concentration in containment.

Pursuant to 10 CFR 51.32, the Commission has determined that the granting of this exemption will have no significant effect on the quality of the human environment (64 FR 48211).

This exemption is effective upon issuance.

Dated at Rockville, Maryland, this 3rd day of September 1999.

For The Nuclear Regulatory Commission.

Suzanne C. Black,

Acting Director, Division of Licensing Project Management, Office of Nuclear Reactor Regulation.

[FR Doc. 99-23693 Filed 9-10-99; 8:45 am]

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NUCLEAR REGULATORY COMMISSION

[Docket No. 50-271]

Vermont Yankee Nuclear Power Corporation; Notice of Withdrawal of Application for Amendment to Facility Operating License

The U.S. Nuclear Regulatory Commission (the Commission) has granted the request of Vermont Yankee Nuclear Power Corporation (the licensee) to withdraw its April 20, 1999, application for proposed amendment to Facility Operating License No. DPR-28 for the Vermont Yankee Nuclear Power Station, located in Windham County Vermont.

The proposed amendment would have revised the reactor core spiral reloading pattern such that it begins around a source range monitor.

The Commission had previously issued a Notice of Consideration of Issuance of Amendment published in the **Federal Register** on May 19, 1999 (64 FR 27328). However, by letter dated August 18, 1999, the licensee superseded, in its entirety, the April 20, 1999, request, thereby withdrawing the proposed change.

For further details with respect to this action, see the application for amendment dated April 20, 1999, and the licensee's letter dated August 18, 1999, which withdrew the application for license amendment. The above documents 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 Brooks Memorial Library, 224 Main Street, Brattleboro, VT 05301.

Dated at Rockville, MD., this 27th day of August 1999.

For the Nuclear Regulatory Commission.

Richard P. Croteau,

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

[FR Doc. 99-23692 Filed 9-10-99; 8:45 am]

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POSTAL RATE COMMISSION

[Docket No. C99-4]

Technical and Settlement Conference; Meeting

AGENCY: Postal Rate Commission.

ACTION: Notice of technical and settlement conference.

SUMMARY: An initial technical and settlement conference has been scheduled in docket no. C99-4. The conference will address a cost study, physical operation of Bulk Parcel Return Service (BPRS), potential settlement proposals, and other issues in the docket. The conference will assist in clarifying issues and allowing the settlement coordinator to respond to the Commission's request that a report on the potential for settlement be filed by September 17, 1999.

DATES: The technical and settlement conference has been scheduled for Tuesday, September 14, 1999. For time and other dates, see the **SUPPLEMENTARY INFORMATION** section.

ADDRESSES: The conference will be held in the Commission's hearing room at 1333 H Street NW., Suite 300, Washington, DC 20268-0001.

FOR FURTHER INFORMATION CONTACT: Ted P. Gerarden, OCA director, at 202-789-6838.

SUPPLEMENTARY INFORMATION: The Commission's OCA hereby gives notice of a technical and settlement conference to discuss resolution of the complaint filed on June 9, 1999, by the Continuity Shippers Association (CSA). On September 3, 1999, the Commission issued a notice of formal proceedings to consider the complaint and provided until September 17, 1999, for the parties to explore settlement.¹

The CSA complaint alleges that the rate for BPRS is excessive. The complaint raises issues concerning the BPRS cost study performed by the Postal Service in October 1998, in compliance with the Commission's recommended decision in docket no. MC97-4. The complaint also alleges similarities between BPRS and Special Standard (B) mail. The Commission noted the Postal Service's responses to CSA's allegations, but determined that there was inadequate justification for dismissal of the complaint.

¹ Order No. 1260, Order Denying Motion of United States Postal Service to Dismiss Complaint and Notice of Formal Proceeding. Ordering paragraph 4 designated OCA to represent the interests of the general public and to act as settlement coordinator pursuant to rule 85 of the Commission's rules of practice and procedure [39 CFR § 3001.85].

Under the circumstances presented, it is imperative that the parties utilize "appropriate informal inquiry methods to define the issues, further the exchange of information and explanations between the Postal Service and the complainant, and facilitate settlement." 39 CFR 3001.85(a). Because the October 1998 study and the physical operation of BPRS in comparison to other mail services are central to addressing the rate for BPRS, an informal technical conference is needed as well as an informal settlement conference. Complainant CSA, the Postal Service, and other interested parties are hereby placed on notice that they are expected to have individuals present at the conference who are thoroughly familiar with the BPRS cost study and with the operational characteristics of BPRS. CSA and the Postal Service are encouraged to discuss the issues raised by the complaint and to share information or proposals in advance of the informal technical and settlement conference.

The informal technical and settlement conference will be held September 14, 1999, beginning at 9:30 a.m. in the Commission's hearing room at 1333 H Street NW., Washington, DC. All interested persons are welcome to attend the conference, but all such persons are placed on notice that attendance at the conference will not confer party status. Any interested person must file pursuant to rule 20 or 20a of the Commission's rules (39 CFR §§ 20 or 20a) in order to intervene or to obtain limited participation status in this proceeding.

The Secretary of the Commission is requested to arrange for publication of this notice in the **Federal Register**.

Authority: 39 U.S.C. 3662.

Dated: September 8, 1999.

Margaret P. Crenshaw,

Secretary.

[FR Doc. 99-23851 Filed 9-10-99; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Investment Company Act Release No. 23995; 812-11656]

LSA Variable Series Trust and LSA Asset Management LLC, Notice of Application

September 7, 1999.

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

ACTION: Notice of an application under section 6(c) of the Investment Company