

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a Session of the Public Service
Commission held at its office
in Jefferson City on the 2nd
day of November, 1990.

In the matter of the application of Arkansas Power &)
Light Company for a waiver of any requirements to file) CASE NO. EO-91-143
tariffs reflecting increased decommissioning funding.)

ORDER GRANTING WAIVER

On October 5, 1990, Arkansas Power & Light Company (APL) filed an application seeking a waiver of the filing, by September 1, 1990, of a decommissioning cost study for its Arkansas Nuclear One generating units as required by 4 CSR 240-20.070 (9).

The application recites that APL provided the Staff of the Commission with its most recent decommissioning cost study in Case No. ER-89-32. The application further recites that the cost study was the basis for the current decommissioning accrual of \$342,864 as approved by the Commission.

The cited rule also requires the filing of tariffs to change the rates necessary to accomplish the required funding. The annual accrual necessary to fund the current decommissioning cost estimate on a levelized basis is slightly higher than the current accrual.

APL contends that it is not in the best interest of its customers to file revised tariffs designed to recover the increase in its annual Arkansas Nuclear One decommissioning cost because:

- a. the present annual accrual is only approximately \$200,000 less than the annual amount necessary to fund the current decommissioning cost estimate on a levelized basis.
- b. In Case No. EM-90-12, APL agreed not to seek a general rate increase in Missouri prior to December 31, 1991.

- c. If the pending sale of APL's Missouri retail operations to Union Electric Company is approved, APL's Missouri customers would be making an increased contribution to decommission a plant that will not directly provide service to them in the future.

The Staff has filed a recommendation that the authority sought should be granted on a temporary basis pending disposition of the application in Case No. EM-91-29 in which the proposed sale to Union Electric Company is pending.

In the Commission's opinion the Staff's recommendation is reasonable and proper and should be adopted. The authority granted should be on a temporary basis to be modified, if necessary, after the application in Case No. EM-91-29 is either granted, denied, or withdrawn.

IT IS THEREFORE ORDERED:

1. That Arkansas Power & Light Company be granted a temporary waiver of that portion of 4 CSR 240-20.070 requiring the filing of tariffs reflecting an increase in the annual decommissioning cost accrual associated with the decommissioning of its Arkansas Nuclear One generating station, pending final Commission action in Case No. EM-91-29.

2. That this Order shall become effective on the date hereof.

BY THE COMMISSION

Brent Stewart

Brent Stewart
Interim Executive Secretary

(S E A L)

Steinmeier, Chm., Mueller, McClure,
and Letsch-Roderique, CC., Concur.
Rauch, C., Absent.