*Contact Persons:* Dr. Albert Harvey, Acting Program Director, Quantum Electronics, Waves and Beams, Division of Electrical and Communications Systems, NSF, 4201 Wilson Boulevard, Room 675, Arlington, VA 22230 Telephone: (703) 306–1339.

**Purpose**

To provide advice and recommendations concerning proposals submitted to NSF for financial support.

**Agenda**

To review and evaluate proposals in the Quantum Electronics, Waves & Beams as part of the selection process for awards.

**Reason for Closing:**

The proposals being reviewed include information of a proprietary or confidential nature, including technical information; financial data, such as salaries; and personal information concerning individuals associated with the proposals. These matters are within exemptions 4 and 6 of 5 U.S.C. 552b(c)(4) and (6) the Government in the Sunshine Act.

Dated: June 8, 1995.

**M. Rebecca Winkler,**

*Committee Management Officer.*

[FR Doc. 95–14738 Filed 6–15–95; 8:45 am]

BILLING CODE 7555–01–M

## NUCLEAR REGULATORY COMMISSION

**[Docket No. 50–499]**

**Exemption**

In the Matter of Houston Lighting & Power Company, City Public Service Board of San Antonio, City of Austin, Texas; (South Texas Project, Unit 2).

**I**

Houston Lighting & Power Company, (the licensee) is the holder of Facility Operating License No. NPF–80, which authorizes operation of the South Texas Project, Unit 2. The operating license provides, among other things, that the licensee is subject to all rules, regulations, and orders of the Commission now and hereafter in effect.

The facility consists of a pressurized water reactor at the licensee's site in Matagorda County, Texas.

**II**

Section III.D.1.(a) of Appendix J to 10 CFR Part 50 requires the performance of three Type A containment integrated leakage rate tests. (CILRTs), at approximately equal intervals during each 10-year service period. The third test of each set shall be conducted when the plant is shutdown for the 10-year plant inservice inspection.

**III**

By letter dated March 16, 1995, Houston Lighting & Power requested relief from the requirement to perform a set of three Type A tests at approximately equal intervals during each 10-year service period. The requested exemption would permit an interval extension for the second Type A test of approximately 18 months (from the currently scheduled outage, Fall 1995, until the next planned refueling outage, Spring 1997). This request does not alter the requirement that the third Type A test shall be conducted when the plant is shutdown for the 10-year plant inservice inspection.

The licensee's request cites the special circumstances of 10 CFR 50.12, paragraph (a)(2)(ii), as the basis for the exemption. The underlying purpose of the requirement to perform three Type A CILRTs, at approximately equal intervals during each 10-year service period, is to assure that leakage through the primary reactor containment is detected and does not exceed allowable leakage rate values. The licensee has stated that the existing Type B and C local leak rate test (LLRT) programs are not being modified by this request, and will continue to effectively detect containment leakage caused by the degradation of active containment isolation components as well as containment penetrations. It has been the consistent and uniform experience at South Texas during the two Type A tests conducted in 1988 (the pre-operational Type A test) and 1991 (the first periodic Type A test), that any significant containment leakage paths are detected by the Type B and C testing. The Type A test results have only been confirmatory of the results of the Type B and C test results. Therefore, consistent with 10 CFR 50.12, paragraph (a)(2)(ii), application of the regulation in this particular circumstance is not necessary to achieve the underlying purpose of the rule.

**IV**

Section III.D.1.(a) of Appendix J to 10 CFR part 50 states that a set of three Type A leakage rate tests shall be performed at approximately equal intervals during each 10-year service period.

The licensee proposes an exemption to this section which would provide an interval extension for the Type A test by approximately 18 months. The Commission has determined that pursuant to 10 CFR 50.12(a)(1) that this 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. The Commission further determines that special circumstances, as provided in 10 CFR 50.12(a)(2)(ii), are present justifying the exemption; namely, that application of the regulation in this particular circumstance is not necessary to achieve the underlying purpose of the rule.

The NRC staff has reviewed the basis and supporting information provided by the licensee in the exemption request. The NRC staff has noted that the licensee has a good record of ensuring a leak-tight containment. Both previous Type A tests were within the acceptance limits, and both passed with significant margin. In addition, at the staff's request, the licensee has verbally committed to perform the general containment inspection specified in Section V.A of appendix J even though this inspection is only required prior to a Type A test.

The NRC staff has also made use of a draft staff report, NUREG–1493, which provides the technical justification for the present Appendix J rulemaking effort which also includes a 10-year test interval for Type A tests. The integrated leakage rate test, or Type A test, measures overall containment leakage. However, operating experience with all types of containments used in this country demonstrates that essentially all containment leakage can be detected by local leakage rate tests (Type B and C). According to results given, in NUREG–1493, out of 180 ILRT reports covering 110 individual reactors and approximately 770 years of operating history, only about 3% of leakage that exceeds current requirements is detectable only by CILRTs, and those few failures were only marginally above prescribed limits. This study agrees well with previous NRC staff studies which show that Type B and C testing can detect a very large percentage of containment leaks. The South Texas Project, Unit 2 experience has also been consistent with this.

The Nuclear management and Resources Council (NUMARC), now the Nuclear Energy Institute (NEI), collected and provided the NRC staff with summaries of data to assist in the Appendix J rulemaking effort. NUMARC collected results of 144 ILRTs from 33 units; 23 ILRTs exceeded $1.0L_a$. Of these, only nine were not due to Type B or C leakage penalties. The NEI data also added another perspective. The NEI data show that in about one-third of the cases exceeding allowable leakage, the as-found leakage was less than $2L_a$; in one case the as-found leakage was less than $3L_a$; one case approached $10L_a$; and

in one case the leakage was found to be approximately $21L_a$. For about half of the failed ILRTs the as-found leakage was not quantified. These data show that, for those ILRTs for which the leakage was quantified, the leakage values are small in comparison to the leakage value at which the risk to the public starts to increase over the value of risk corresponding to $L_a$ (approximately $200L_a$, as discussed in NUREG–1493).

Based on generic and plant-specific data, the NRC staff finds the basis for the licensee's proposed exemption to allow a one-time exemption to permit a schedular extension of one cycle for the performance of the Appendix J Type A test to be acceptable.

Pursuant to 10 CFR 51.32, the Commission has determined that granting this Exemption will not have a significant impact on the environment (60 FR 28431).

This Exemption is effective upon issuance and shall expire at the completion of the 1997 refueling outage.

Dated at Rockville, Maryland, this 9th day of June 1995.

For the Nuclear Regulatory Commission.

**John N. Hannon,**

*Acting Deputy Director, Division of Reactor Projects—III/IV, Office of Nuclear Reactor Regulation.*

[FR Doc. 95–14791 Filed 6–15–95; 8:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

**[Investment Company Act Release No. 21128; 812–9486]**

## SEI Financial Management Corp. and SEI Financial Services Co.; Notice of Application

June 9, 1995.

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

**ACTION:** Notice of Application for Exemption under the Investment Company Act of 1940 (the ''Act'').

**APPLICANTS:** SEI Financial Management Corporation and SEI Financial Services Company (collectively, ''SEI'').

**RELEVANT ACT SECTIONS:** Order requested under sections 6(c) and 17(b) of the Act exempting applicants from sections 17(a) of the Act and under section 17(d) of the Act and rule 17d–1 thereunder.

**SUMMARY OF APPLICATION:** Applicants request an order to permit bank-sponsored collective investment funds to transfer their assets to open-end management investment companies advised by the bank and administered or distributed by SEI.

**FILING DATE:** The application was filed on February 16, 1995, and was amended on May 10, 1995.

**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 applicants with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on July 6, 1995 and should be accompanied by proof of service on applicants, in the form of an affidavit, or, for lawyers, a certification 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 Fifth Street, N.W., Washington, D.C. 20549. Applicants, c/o SEI Financial Services Company, 680 East Swedesford Road, Wayne, Pennsylvania 19087, Attention: Kathryn L. Stanton, Esq.; and Wilmer, Cutler & Pickering, 2445 M Street, N.W., Washington, D.C. 20037, Attention: Jeremy N. Rubenstein.

**FOR FURTHER INFORMATION CONTACT:** Sarah A. Wagman, Staff Attorney, at (202) 942–0654, or Robert A. Robertson, Branch Chief, at (202) 942–0564 (Division of Investment Management, Office of Investment Company Regulation).

**SUMMARY INFORMATION:** The following is a summary of the application. The complete application is available for a fee from the SEC's Public Reference Branch.

### Applicant's Representations

1. SEI serves as administrator and distributor for a number of registered open-end management investment companies (the ''Funds''), including Funds that are advised by banks. SEI requests that the relief sought herein apply to any Fund distributed or administered by SEI and any Fund that may in the future be distributed or administered by SEI or any entity controlling, controlled by, or under common control with SEI.

2. Subject to the supervision of the Funds' respective boards of directors or trustees (the ''Board of Directors''), SEI provides or procures administrative and other services necessary for the operation of the Funds and their portfolios. SEI may provide various services to the Funds, although the precise services provided by SEI to a particular Fund will depend on SEI's contract with that Fund. For any Fund relying on the requested order, however, SEI will perform fund accounting services that will include responsibility for maintaining the Fund's general ledger and the preparation of Fund financial statements, determining the net asset value of both the Fund's assets and of the Fund's shares, calculating Fund expenses and controlling Fund disbursements, preparing and filing semi-annual reports on Form N–SAR and notices pursuant to rule 24f–2, coordinating the preparation and filing of the Fund's tax returns, and providing the Fund with individuals reasonably acceptable to the Fund's Board of Directors for nomination, appointment, or election as officers of the Fund.

3. From time to time, certain Funds participate in the conversion of assets from bank-sponsored collective investment funds (''CIFs'') into mutual fund shares. As part of the conversion, a Fund typically agrees to accept an in-kind transfer of securities from a CIF with substantially similar investment objectives in exchange for shares with an equal net asset value. Frequently, the bank that sponsors the converting CIF (the ''Bank'') also serves as the Fund's investment adviser or is affiliated with such adviser. As a result, the Bank may be deemed to control both the CIF and the Fund, and the CIF and the Fund may be affiliated persons of each other under the Act. In addition, some of the assets in the converting CIF may belong to employee retirement plans established for employees of the Bank or other affiliated persons (the ''Affiliated Plans''). Such employees and other affiliated persons of the Bank might be considered second-tier affiliates of the Fund.

4. Although the SEC has taken a no-action position with respect to certain CIF conversions, that position is conditioned on affiliated persons, or second-tier affiliates, of the Funds having no beneficial interest in the proposed transactions. Federated Investors (pub. avail. April 21, 1994). A Bank acting as investment adviser to a Fund may be deemed to have a beneficial interest in the proposed transactions because the Bank's Affiliated Plans invest in the converting CIFs. Accordingly, applicants request an exemptive order to permit the Funds to accept in-kind transfers of the assets of the Affiliated Plans (the ''Proposed Transfers'').

5. Each Fund is or will be registered as an open-end management investment company under the Act. Each Fund's shares are or will be offered and sold pursuant to an effective registration statement under the Securities Act of