

Regulatory Commission, Washington, D.C. 20555

Dr. Charles N. Kelber, Special Assistant, Atomic Safety and Licensing Board Panel, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555.

Issued at Rockville, Maryland, this 29th day of April 1997.

**B. Paul Cotter, Jr.,**

*Chief Administrative Judge, Atomic Safety and Licensing Board Panel.*

[FR Doc. 97-11581 Filed 5-2-97; 8:45 am]

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## NUCLEAR REGULATORY COMMISSION

[Docket No. 55-20726-SP]

### Ralph L. Tetrick; (Denial of Application for Reactor Operator License); Notice of Appointment of Adjudicatory Employee

Pursuant to 10 CFR § 2.4, notice is hereby given that Mr. Jesse A. Arildsen, a Commission employee in the Office of Nuclear Reactor Regulation, has been appointed as a Commission adjudicatory employee within the meaning of section 2.4, to advise the Commission regarding issues related to the pending petition for review of LBP-97-2 and LBP-97-6. Mr. Arildsen has not previously performed any investigative or litigating function in connection with this or any factually-related proceeding.

Until such time as a final decision is issued in this matter, interested persons outside the agency and agency employees performing investigative or litigating functions in this proceeding are required to observe the restrictions of 10 C.F.R. §§ 2.780 and 2.781 in their communications with Mr. Arildsen.

It is so ordered.

For the Commission.

Dated at Rockville, Maryland, this 29th day of April, 1997.

**John C. Hoyle,**

*Secretary of the Commission.*

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## NUCLEAR REGULATORY COMMISSION

[Docket No. 50-331]

### IES Utilities Inc.; Central Iowa Power Cooperative; Corn Belt Power Cooperative; Duane Arnold Energy Center; Environmental Assessment and Finding of No Significant Impact

The U.S. Nuclear Regulatory Commission (the Commission) is

considering the issuance of an order approving, under 10 CFR 50.80, an application regarding the proposed merger involving IES Industries (IESI), WPL Holdings, Inc., and Interstate Power Corporation (IPC). IESI is the parent company of IES Utilities Inc. (IESU). IESU is the licensee for the Duane Arnold Energy Center (DAEC) located in Linn County, Iowa.

#### Environmental Assessment

##### Identification of the Proposed Action

By letter dated September 27, 1996, IESU informed the Commission that under a merger agreement between IESI, WPL Holdings, Inc., and IPC, IESI will merge with and into WPL Holdings, Inc., to be renamed Interstate Energy Corporation (IEC), of which IESU would become a wholly-owned subsidiary. IESU will remain the holder of its license for DAEC. Under the restructuring, current stockholders of IESI will become stockholders of IEC pursuant to a formula stipulated in the merger agreement. IESU requested the Commission's approval, pursuant to 10 CFR 50.80. IESU would remain an electric utility as defined in 10 CFR 50.2, engaged in the generation, transmission, and distribution of electric energy for wholesale and retail sale, subject to the rate regulation of the Iowa Utilities Board and the Federal Energy Regulatory Commission.

##### The Need for the Proposed Action

Approval under 10 CFR 50.80 is needed to the extent the proposed transactions effect an indirect transfer of control of the DAEC license. IESI believes the proposed combination will offer significant strategic and financial benefits, including: (1) Maintenance of competitive rates that will improve the combined entity's ability to meet the challenges of the increasingly competitive environment in the utility industry; (2) reduced operating costs resulting from integration of corporate and administrative functions; (3) reduced electric production costs through the joint dispatch of systems; (4) greater purchasing power for goods and services; (5) more efficient pursuit of diversification into non-utility areas; (6) increased customer diversity and geographic diversity of service territories; and (7) expanded management resources and ability to select leadership from a larger and more diverse management pool.

##### Environmental Impacts of the Proposed Action

The Commission has reviewed the proposed action and concludes that

there will be no changes to the facility or its operation as a result of the proposed action. Accordingly, the NRC staff concludes that there are no significant radiological environmental impacts associated with the proposed action. With regard to potential non-radiological impacts, the proposed action will not affect non-radiological plant effluents and will have no other environmental impact. Accordingly, the NRC staff concludes that there are no significant non-radiological environmental impacts associated with the proposed action.

##### Alternatives to the Proposed Action

As an alternative to the proposed action, the staff considered denial of the proposed action. Denial of the application would result in no change in current environmental impacts. The environmental impacts of the proposed action and the alternative action are identical.

##### Alternative Use of Resources

This action does not involve the use of any resources not previously considered in the Final Environmental Statement for the DAEC dated March 1973.

##### Agencies and Persons Consulted

In accordance with NRC policy, on February 21, 1997, the staff consulted with an official of the Iowa Utilities Board regarding the environmental impact of the proposed action. The state official had no comments.

##### Finding of No Significant Impact

Based upon 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 this proposed action, see the licensee's letter dated September 27, 1996, with the following exhibits: (A) Information to support the request for the Commission's consent; and (B) A copy of the merger agreement executed among IESI, WPL Holdings, Inc., and IPC. These 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 Cedar Rapids Public Library, 500 First Street, SE., Cedar Rapids, Iowa 52401.

Dated at Rockville, Maryland, this 29th day of April 1997.