



Washington Public Power Supply System
A JOINT OPERATING AGENCY

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WPPSS PLANS BOND SALE

The Washington Public Power Supply System will offer for sale \$145 million long-term, tax-exempt revenue bonds for Nuclear Projects Nos. 4 and 5. Bids are scheduled to be opened during the latter part of February at the Supply System's office in Suite 415, Sea-Tac Office Center, Seattle. The Supply System's Board of Directors authorized publication of a notice of sale at a meeting in Richland today.

Proceeds from the bond sale will be used to finance a portion of the cost of the Supply System's Nuclear Power Projects Nos. 4 and 5. WNP-4 is a duplicate of WNP-1, both of which are under construction on the Hanford Reservation near Richland. WNP-5 is a twin of WNP-3, both planned for construction in Grays Harbor County near Satsop. WNP-4 and WNP-5 are being financed as a single project.

The sale will be the first long-term financing for the project. In July 1975 a \$100 million short-term bond issue was sold with maturity dates extending from 1978 to 1981.

Also at the meeting the Board authorized the execution of Assignment and Short Term Sales Agreements. These agreements permit the participants to trade power among themselves where one may have a surplus and another a deficit, and permit the sale of any surplus to the 14 industrial companies, including all the major aluminum companies, which have signed the Short Term Sales Agreement. The industrial customers have agreed to take any surplus power for the first nine years.

Project No. 4, at Hanford, is expected to be in commercial operation in March 1983 and Project No. 5 in Grays Harbor County, is expected to begin commercial

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operation in January 1985.

The concept of the agreements dates back to early 1974 when the idea of twin projects was advanced and it was expected that a portion of their output would be temporarily surplus to the need of participants, but would be needed by others in the region. The agreements also enhance the financial feasibility of the projects and support the long-term financing.

In 1974 six aluminum companies lent the Supply System \$2.84 million to finance fuel enrichment payments from the two projects. This was later paid back with proceeds from a short-term bond issue.

The Supply System, organized in 1957, is a municipal corporation and a joint operating agency of the State. Its members are 19 operating public utility districts and the cities of Richland, Tacoma and Seattle.

The Supply System will own 100 percent of WNP-4 and 90 percent of WNP-5, with the other 10 percent owned by Pacific Power and Light Co.

Participants in the projects include 88 public utilities and cooperatives in the Pacific Northwest and California. WNP-4 will have a generating capacity of 1.25-million kilowatts and WNP-5 will have a capacity of 1.25-million kilowatts.

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