

**MEDICARE PAYMENT ADVISORY COMMISSION****Commission Meeting**

**AGENCY:** Medicare Payment Advisory Commission.

**ACTION:** Notice of meeting.

**SUMMARY:** The Commission will hold its next public meeting on Thursday, January 15, 1998 and Friday, January 16, 1998 at the Embassy Suites Hotel, 1250 22nd Street N.W., Washington, DC in the Consulate/Ambassador Room. The meetings are tentatively scheduled to begin at 10:00 a.m. on January 15 and at 8:30 a.m. on January 16.

At the meeting, the Commission will be reviewing a draft of its March 1998 report to the Congress. Among the topics the Commission will discuss are: improving Medicare+Choice capitation payments, risk adjustment, the adjusted community rate, PPS operating and capital updates, disproportionate share payments, moving to prospective payment systems for post-acute care, payment policy for hospital outpatient department services, physician payment policy, payment issues for special populations, and graduate medical education.

Final agendas will be mailed on January 9, 1998 and will be available on the Commission's web sites (WWW.PPRC.GOV and WWW.PROPAC.GOV) at that time.

**ADDRESSES:** 2120 L Street, N.W.; Suite 200; Washington, D.C. 20037. The telephone number is 202/653-7220.

**FOR FURTHER INFORMATION CONTACT:** Ann Johnson, Executive Assistant, at 202/653-7220.

**SUPPLEMENTARY INFORMATION:** If you are not on the Commission mailing list and wish to receive an agenda, please call 202/653-7220 after January 9, 1998.

**Lauren LeRoy,**

*Executive Director.*

[FR Doc. 97-33733 Filed 12-24-97; 8:45 am]

BILLING CODE 6820-BW-M

**NUCLEAR REGULATORY COMMISSION**

[Docket Nos. 50-317, 50-318 and 72-8]

**Baltimore Gas Electric Company (Calvert Cliffs Nuclear Power Plant, Units 1 and 2, and the Independent Spent Fuel Storage Installation); Order Extending the Effectiveness of the Approval of the Transfer of Licenses**

**I**

By Order dated October 18, 1996, the Nuclear Regulatory Commission (the

Commission or NRC) approved the proposed transfer of Operating Licenses Nos. DPR-53 and DPR-69 for the Calvert Cliffs Nuclear Power Plant, Units 1 and 2, and Material Licenses No. SNM-2505 for the Calvert Cliffs Independent Spent Fuel Storage Installation from Baltimore Gas and Electric Company (BGE) to Constellation Energy Corporation. The approval was given in response to an application filed by BGE dated April 5, 1996, for consent under Sections 50.80 and 72.50 of Title 10 of the *Code of Federal Regulations* (10 CFR 50.80 and 10 CFR 72.50). By its terms, the Order of October 18, 1996, becomes null and void if the transfer of the licenses is not consummated by December 31, 1997, unless on application and for good cause shown, such date is extended by the Commission.

**II**

By letter dated November 21, 1997, BGE submitted a request for an extension of the effectiveness of the Order of October 18, 1996, such that approval of the transfers would remain effective until December 31, 1998. According to this submittal, all of the necessary regulatory approvals have been obtained to permit the consummation of the merger between BGE and Potomac Electric Power Company, resulting in Constellation Energy Corporation. BGE asserts, however, that the Maryland and District of Columbia Public Service Commission attached conditions to their approvals that are inconsistent with the respective merger applications. The companies proposing to merge have filed joint requests with the Maryland and District of Columbia Commissions for rehearing of their original orders approving the merger.

According to BGE, an intervenor in the Maryland case appealed the Maryland Commission's order approving the merger to the Circuit Court in Baltimore County, and this appeal has delayed the expected merger process. The Circuit Court affirmed the Maryland Commission's order on October 27, 1997, but the Court's order has now been appealed to the Court of Special Appeals of Maryland. The issues being appealed, and those that are contained in the requests for rehearing in both Maryland and the District of Columbia, do not change the information provided to the NRC on which its October 18, 1996, Order was based.

The staff has considered the foregoing request of November 21, 1997, and has determined that BGE has demonstrated good cause to extend the effectiveness of

the Order of October 18, 1996, approving the license transfers.

**III**

Accordingly, pursuant to Sections 161b and 161i of the Atomic Energy Act, as amended, 42 USC §§ 2201(b) and 2201(l), *It is hereby ordered* that the effectiveness of the Order of October 18, 1996, approving the transfer of the licenses described herein is extended such that if the subject transfer of licenses is not consummated by December 31, 1998, the Order of October 18, 1996, shall become null and void.

This Order is effective upon issuance.

For further details with respect to this action, see the letter dated November 21, 1997, from BGE which is 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 Calvert County Library, Prince Frederick, Maryland 20678.

For the Nuclear Regulatory Commission.

Dated at Rockville, Maryland, this 19th day of December 1997.

**Samuel J. Collins,**

*Director, Office of Nuclear Reactor Regulation.*

**Carl J. Paperiello,**

*Director, Office of Nuclear Material Safety and Safeguards.*

[FR Doc. 97-33680 Filed 12-24-97; 8:45 am]

BILLING CODE 7590-01-M

**NUCLEAR REGULATORY COMMISSION**

[Docket No. 50-155]

**Consumers Energy Company; Big Rock Point Nuclear Plant Environmental Assessment and Finding of No Significant Impact**

The U.S. Nuclear Regulatory Commission (the Commission or NRC) is considering issuance of an exemption from the requirements of 10 CFR Part 50, Appendix E, Section IV.F.2.c, regarding biennial exercise of the offsite emergency plan to Consumers Energy Company (Consumers or the licensee), for the Big Rock Point (BRP) Nuclear Plant located in Charlevoix County, Michigan.

**Environmental Assessment***Identification of the Proposed Action*

The proposed exemption would allow a one-time scheduled exemption from the requirements of 10 CFR Part 50, Appendix E, Section IV.F.2.c, which states that each licensee at each site

shall exercise its offsite plans biennially with full participation by each offsite authority having a role under the plan.

By letter dated July 17, 1997, as supplemented or modified by letters dated August 5 and 8, September 4, December 9, 1997, the licensee requested exemption from the above requirement to delay the 1997 offsite biennial exercise (initially scheduled for October 21, 1997, and then rescheduled to December 16, 1997) for the BRP facility until June 1998, on the basis, in part, that "additional time would allow the Big Rock Point staff to revise the October 1997 exercise scenario to reflect actual plant configuration during decommissioning." Notwithstanding this request, the NRC staff proposes to grant a one-time schedular exemption for the 1997 biennial offsite exercise to be performed on or before March 31, 1998.

The State of Michigan also described its position that the offsite biennial emergency exercise should reflect actual plant conditions. As noted in a letter from the State of Michigan to the Federal Emergency Management Agency (FEMA) Region IV, dated November 25, 1997, the State feels that "requiring the State and counties to conduct an exercise at this time, based on assumptions of an operating full-power reactor, would be unrealistic and counterproductive to all parties involved." The State further asserted that a "more realistic test of local and State capabilities would be to assess response to an accident once all plans and procedures have been revised to reflect the status of the plant." By letter dated December 5, 1997, the State reiterated its intent to participate in an exercise of more clearly defined scope, if the exercise scenario were revised to reflect the permanently shut down and defueled condition of the BRP facility.

By letter dated December 17, 1997, FEMA informed the Commission that the current offsite emergency plan and the implementation capabilities of the associated offsite emergency staff are adequate. Further, FEMA agreed that the exercise scenario should be revised to be consistent with the defueled and permanently shut down condition of the BRP facility (as proposed by the licensee in their letter to the NRC dated August 8, 1997) and that the biennial exercise be delayed to allow all parties sufficient time to prepare and conduct the revised exercise scenario. The licensee provided a similar assessment of the adequacy of the offsite emergency plan and the capability of the offsite emergency preparedness response organizations in a letter to the Commission dated December 9, 1997.

The previous emergency preparedness exercise at BRP involving both offsite and onsite participation was successfully conducted on August 22–23, 1995. By letter dated December 13, 1995, FEMA informed the NRC Region III office that the emergency plans at BRP can be implemented and are adequate to give reasonable assurance that appropriate measures can be taken offsite to protect the health and safety of the public in the event of a radiological emergency. No deficiencies were noted during this exercise. On September 10, 1996, an onsite emergency preparedness exercise was also successfully conducted.

The schedule for future exercises will not be affected by the proposed exemption. The staff is still reviewing licensee request for exemption from certain 10 CFR Part 50 requirements for emergency planning (Consumers letter to the Commission, dated September 19, 1997). Therefore, except for the proposed schedular change for the offsite exercise, the licensee is required to comply with all NRC rules and regulations and Consumers' current emergency plan, as approved or until revised by subsequent Commission approval.

#### *Need for the Proposed Action*

The proposed exemption is needed because additional time is required for Consumers to revise the December 16, 1997, offsite exercise scenario to reflect the permanently shutdown and defueled condition of the BRP facility. Further, because the exercise scenario will be changed, additional time will be needed for FEMA and the State of Michigan to prepare appropriate exercise objectives and for the NRC staff to review the revised exercise scenario.

#### *Environmental Impacts of the Proposed Action*

The NRC evaluation of the proposed exemption from 10 CFR Part 50, Appendix E, Section IV.F.2.c, indicates that the granting of the proposed exemption will not involve any measurable environmental impacts, since the exemption deals with the exercise of the licensee's emergency preparedness plan. The BRP facility permanently ceased reactor power operations on August 30, 1997, and permanently transferred all reactor fuel to the spent fuel pool on September 20, 1997. The licensee maintains and operates the plant in a configuration necessary to support the safe storage of spent fuel and compliance with the facility operating licensee and NRC rules and regulations.

No changes are being made in the types or amounts of any radiological effluents that may be released offsite. There is no significant increase in the allowable individual or cumulative occupational radiation exposure. Accordingly, the Commission concludes that there are no significant radiological environmental impacts associated with the proposed action. With regard to potential nonradiological impacts, the proposed exemption does not affect nonradiological plant effluents and has no other environmental impact. Therefore, the Commission concludes that there are no significant radiological or nonradiological environmental impacts associated with the proposed exemption.

#### *Alternatives to the Proposed Action*

Since the Commission has concluded that there is no measurable environmental impact associated with the proposed exemption, any alternatives with equal or greater environmental impact need not be evaluated. The principal alternative to the action would be to deny the request, thereby requiring the licensee to perform the offsite exercise with a scenario that does not reflect the configuration of the BRP facility; such an action would not enhance the protection of the environment. Denial of the application would result in no change in current environmental impacts. The impacts of the proposed action and the alternative are similar.

#### *Alternative Use of Resources*

This action does not affect the use of resources, since the schedule for future exercises will not be affected by this exemption. Further, this action does not involve the use of any resources not previously considered in BRP's Environmental Report for Decommissioning, dated February 27, 1995.

#### *Agencies and Persons Consulted*

In accordance with its stated policy, on December 18, 1997, the NRC staff consulted with the Michigan State Official, David W. Minnaar, Chief, Radiological Protection Section, Drinking Water and Radiological Protection Division, Michigan Department of Environmental Quality, and FEMA Official, Ihor W. Husar, Chief, State and Local Regulatory Evaluation and Assessment Branch, Exercises Division, regarding the environmental impact of the proposed action. State and FEMA Officials support the granting of the proposed exemption and had no comments regarding environmental impacts.

**Finding of No Significant Impact**

On the basis of the environmental assessment, the staff concludes that the proposed action will not have a significant effect on the quality of the human environment. Accordingly, the Commission will not prepare an environmental impact statement for the proposed exemption.

For further details with respect to the proposed exemption, see licensee letters dated July 17, August 5 and 8, September 4, and December 9, 1997, which are available at the Commission's Public Document Room, 2120 L Street, NW., Washington, DC 20555 and at the Local Public Document Room, North Central Michigan College, 1515 Howard Street, Petosky, MI 49770.

Dated at Rockville, Maryland, this 19th day of December 1997.

For the Nuclear Regulatory Commission.

**Seymour H. Weiss,**

*Director, Non-Power Reactors and Decommissioning Project Directorate,  
Division of Reactor Program Management,  
Office of Nuclear Reactor Regulation.*  
[FR Doc. 97-33681 Filed 12-24-97; 8:45 am]  
BILLING CODE 7590-01-P

**SECURITIES AND EXCHANGE COMMISSION**

[Rel. No. IC-22948; File No. 812-10886]

**The Sierra Variable Trust, et al.; Notice of Application**

December 19, 1997.

**AGENCY:** Securities and Exchange Commission ("SEC" or "Commission").

**ACTION:** Notice of application for an order under Section 17(b) of the Investment Company Act of 1940 ("1940 Act"), exempting Applicants from the provisions of Section 17(a) of the 1940 Act to the extent necessary to permit the merger of two series of a registered management investment company and the combination of corresponding sub-accounts of a separate account investing therein.

**SUMMARY OF APPLICATION:** Applicants seek an order exempting them from the provisions of Section 17(a) of the 1940 Act to the extent necessary to permit the merger of the Trust's Short Term Global Government Fund (the "Global Government Fund") into the Trust's Short Term High Quality Bond Fund (the "High Quality Bond Fund") (the "Merger") and the combination of corresponding sub-accounts of the Separate Account investing therein.

**APPLICANTS:** The Sierra Variable Trust ("Trust"), American General Life

Insurance Company ("Insurance Company") and American General Life Insurance Company Separate Account D ("Separate Account").

**FILING DATES:** The application was filed on December 5, 1997.

**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 Secretary of the SEC and serving Applicants with a copy of the request, in person or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on January 13, 1997, and should be accompanied by proof of service on Applicants, in the form of an affidavit or, for lawyers, a certificate of service. Hearing requests should state the nature of the writer's interest, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification of a hearing by writing to the Secretary of the SEC.

**ADDRESSES:** Secretary, SEC, 450 Fifth Street, N.W., Washington, D.C. 20549. Applicants, c/o J.B. Kittredge, Esq., Ropes & Gray, One International Place, Boston, Massachusetts 02110.

**FOR FURTHER INFORMATION CONTACT:** Michael Koffler, Attorney, or Mark Amorosi, Branch Chief, Office of Insurance Products (Division of Investment Management), at (202) 942-0670.

**SUPPLEMENTARY INFORMATION:** The following is a summary of the application. The complete application is available for a fee from the Public Reference Branch of the SEC, 450 Fifth St., N.W., Washington, D.C. 20549 (tel. (202) 942-8090).

**Applicants' Representations**

1. The Trust, an open-end, management investment company, is a Massachusetts business trust. It is a series investment company currently comprised of fourteen separate investment portfolios, two of which are the High Quality Bond Fund and the Global Government Fund. Five portfolios are asset allocation portfolios (the "Asset Allocation Portfolios") investing in six to eight of the other funds (the "Funds") (the Asset Allocation Portfolios and the Funds are hereafter referred to collectively as the "Portfolios"). The Trust issues a separate series of shares of beneficial interest in connection with each Portfolio and has registered these shares under the Securities Act of 1933 (the "1933 Act") on Form N1-A (File No. 33-57732).

2. The Trust has sold shares of the Portfolios to the Separate Account, which is a separate account established by the Insurance Company to receive and invest net purchase payments paid under variable annuity contracts issued by the Insurance Company (the "Contracts"). The Separate Account is registered as a unit investment trust under the 1940 Act (File No. 811-2441). The Funds are investment options available under one form of the Contract (the "Primary Contracts"). The Asset Allocation Portfolios are investment options currently available under a second form of the Contract (the "Secondary Contracts"). Owners of the Contracts ("Owners") may choose to have their net purchase payments allocated among investment divisions ("Divisions") of the Separate Account, which Divisions correspond to the fourteen series of the Trust.

3. The Insurance Company, a stock life insurance company, is leased to sell life, accident and health insurance and annuities in the District of Columbia and 49 states. The Insurance Company is the depositor and sponsor of the Separate Account.

4. Sierra Investment Advisors Corporation ("SIAC"), an indirect, wholly owned subsidiary of Washington Mutual, Inc. ("WMI"), is the investment manager the High Quality Bond Fund and the Global Government Fund. Under an investment sub-advisory agreement with SIAC, Scudder, Stevens & Clark, Inc. ("Scudder"), an unaffiliated corporation, manages the High Quality Bond Fund and the Global Government Fund. SIAC receives a fee for its investment advisory services at an annual percentage of the average daily net assets of each Fund. Neither of these two Funds pays Scudder directly for its services, which are paid for by SIAC. Sierra Fund Administration Corporation ("SFAC") serves as the administrator for both Funds and receives from each Fund an administrative fee equal to 0.18% of average daily net assets.

5. Applicants state that the Trustees of the Trust, including a majority of those trustees who are not interested persons of the Trust, SIAC, WMI and their affiliates or the Insurance Company, have unanimously approved a Plan of Reorganization (the "Plan") pursuant to which the High Quality Bond Fund and the Global Government Fund would be merged. Applicants state that the principal purposes of the Merger are (1) to eliminate a Fund for which there is limited demand in a way that provides current shareholders of the Global Government Fund with the opportunity to pursue compatible investment goals,