

DOCKET NUMBER

PROD. & UTIL. EAC 50-289

GPU Service

GPU Service Corporation
260 Cherry Hill Road
Parsippany New Jersey 07054
201 263-4900
TELEX 136-482

NRC PUBLIC DOCUMENT ROOM



July 11, 1979

Hon. Joseph Hendrie, Chairman
United States Nuclear Regulatory Commission
Washington, D. C. 20555

Dear Mr. Chairman:

It is my understanding that the Commission intends to consider at its meeting tomorrow procedures for the further proceedings relating to restart of Three Mile Island Unit No. 1, as contemplated by the Commission's Order, dated July 2, 1979, which will largely govern the schedule on which such proceedings can be completed. We urge that, in establishing those procedures, consideration be given to the economic interest of the more than 4 million residents of Pennsylvania and New Jersey served by the GPU companies in permitting restart of TMI-1 as soon as that is consistent with the Commission's obtaining reasonable assurance that TMI-1 can be operated without endangering the health and safety of the public.

We are fully in accord with the view that the governing criteria for resumption of TMI-1 operations must be those of public health and safety. The proposals we submitted to the Commission on July 2 for changes in equipment, training and operating procedures were based on those criteria. Those modifications could be completed by about September 1, 1979. We submit that it would be a disservice to all concerned if the procedures established for the further proceedings resulted in a long delay after that date before the Unit could be restored to service.

The impact of the TMI-2 accident and of the shut-down of TMI-1 on our ability to serve our customers and on the cost of such service were the subject of extensive proceedings before the Pennsylvania Public Utility Commission

1248 163

7911020

506
G

Hon. Joseph Hendrie, Chairman
Page 2
July 11, 1979

("PaPUC") and the New Jersey Board of Public Utilities ("NJBPUC"). In recognition of the importance of these matters, both the PaPUC and NJBPUC held extensive and expedited hearings, sitting en banc, with full public participation. Both agencies established and maintained rigorous schedules for completion of the hearings and for decision. All procedural and substantive due process rights were fully observed, but the administrative procedure was not permitted to defeat the objective of a timely determination. In both States, the rate actions taken by the Commissions were predicated upon the expectation that restart of TMI-1 by January 1, 1980 would be authorized.

While economic consequences cannot and should not shape the nature of the action to be taken by your Commission, they clearly are relevant to the timing of that action. The cost of obtaining the power to replace that which would be provided by TMI-1 is on the order of \$14 million a month and constitutes a burden to which our customers should not be subjected any longer than is necessary to provide reasonable assurance of safe operation. Similarly, the necessity to import more than 7 million barrels of oil per year to replace TMI-1 generation should be ended as soon as such assurance can be obtained.

In establishing the procedures for the further proceedings, we urge both that the foregoing factors receive adequate consideration and that your Commission consult with the PaPUC and NJBPUC to obtain the views of those agencies.

Sincerely,

W. G. Kuhns

W. G. Kuhns
Chairman

cc: Hon. W. Wilson Goode, Chairman
Pennsylvania Public Utility Commission

Hon. George H. Barbour, President
Board of Public Utilities of the
State of New Jersey

1248 164