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S. W. Shields  
Senior Vice President  
Nuclear Division

PDR  
March 10, 1983  
SVP-0080-83

Mr. James J. Tourtellotte  
Chairman, Regulatory Reform Task Force  
United States Nuclear Regulatory Commission  
Washington, D.C. 20555

Dear Mr. Tourtellotte:

We recently received your letter to Mr. H. A. Barker, Chairman and Chief Executive Officer of Public Service Company of Indiana, Inc. (PSI), requesting a cost analysis of backfitting requirements imposed by the Nuclear Regulatory Commission (NRC). PSI agrees that backfitting is a significant problem for utilities constructing and operating nuclear power plants. Backfitting may result in significant expenditures by utilities and their customers on design changes that may or may not improve public safety. In addition, backfitting may divert limited utility resources from other more pressing safety concerns.

We are unable to provide the very detailed analysis requested in the time allowed. However, PSI's Marble Hill Nuclear Station is a replicate plant of Commonwealth Edison's Byron Nuclear Station in accordance with the NRC's "Policy and Procedures for Replication of Custom Design Plants" issued July 1974 and a November 3, 1975 letter to PSI. In that November 3 letter, the NRC staff stated that any design or other changes deemed necessary for the base plant (i.e., Byron) as a result of the operating license review would be applicable to the replicate plant (i.e., Marble Hill) unless other acceptable alternatives are proposed. Therefore, additional regulatory design changes that have been imposed on Byron have in most cases been replicated by Marble Hill. Since we are in an earlier construction phase relative to the required design change, the resultant increases in Marble Hill cost are not likely to be identical to the corresponding Byron increases.

PSI appreciates the NRC's effort to develop a workable solution to a significant problem for the nuclear industry. We are sorry we are unable

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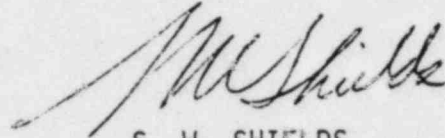
Mr. James J. Tourtellotte

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to be completely responsive to your request at this time. Perhaps we could provide other information which would be of use to you in your backfit effort. Please contact Mr. J. U. Bott, Nuclear Regulations and Affairs Manager, if you need any additional information.

Sincerely,



S. W. SHIELDS

SWS:JUB:bj1