

LAW OFFICES

CONNER & WETTERHAHN, P.C.

1747 PENNSYLVANIA AVENUE, N.W.
WASHINGTON, D.C. 20006

January 28, 1983

TROY B. CONNER, JR.
MARE J. WETTERHAHN
ROBERT M. RADER

ARCH A. MOORE, JR.*
ROBERT H. PUEL

OF COUNSEL
*NOT ADMITTED IN D.C.

(202) 833-3500

CABLE ADDRESS: ATOMLAW

Judge Lawrence Brenner
Atomic Safety and Licensing
Board
U.S. Nuclear Regulatory
Commission
Washington, D.C. 20555

Judge Peter A. Morris
Atomic Safety and Licensing
Board
U.S. Nuclear Regulatory
Commission
Washington, D.C. 20555

Judge Richard F. Cole
Atomic Safety and Licensing
Board
U.S. Nuclear Regulatory
Commission
Washington, D.C. 20555

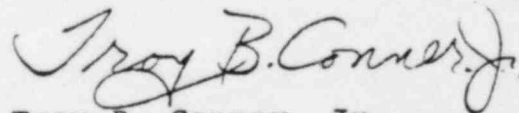
In the Matter of
Philadelphia Electric Company
(Limerick Generating Station, Units 1 and 2)
Docket Nos. 50-352 and 50-353

Gentlemen:

In accordance with the Board's request to be notified as to the decision of the Philadelphia Electric Company concerning construction plans for Unit 2, I have enclosed the attached press release.

In essence, it states that the Applicant will continue engineering and construction work on Unit 2 to preserve the option of completing the unit in late 1988.

Sincerely,



Troy B. Conner, Jr.
Counsel for the Applicant

TBC:mwm

Attachment
cc: Service List w/attachment



PHILADELPHIA ELECTRIC COMPANY

from the PUBLIC INFORMATION DIVISION

(215) 841-5555

1501 MARKET STREET • PHILADELPHIA, PA. 19101

FOR RELEASE

Immediately

'83 JAN 31 10:24

Thursday, January 27, 1983

Contact: Ron Harper, 841-4122

PE ANNOUNCES LIMERICK CONSTRUCTION PLANS

Philadelphia Electric Company announced today that it has completed its reevaluation of the Limerick nuclear project and has decided to continue engineering and construction work on Limerick unit 2 to preserve the option of completing that unit in late 1988, the earliest feasible completion date. The schedule for unit 2 has been delayed a year because of uncertainties surrounding construction of the unit. Unit 1 at Limerick is ahead of schedule and is expected to be in service in early 1985.

Joseph F. Paquette, Jr., PE Vice President, Finance and Accounting, said, "Our engineering and economic analyses continue to demonstrate that this is the most economic completion schedule and the least cost alternative.

"Current estimates indicate that the completed cost of the project on a 1985-1988 schedule for the two units will be approximately \$5.8 billion. Our last forecast, prepared in 1980 and based on 1985-1987 service dates, had been \$4.2 billion," he said.

Paquette attributed the increase to added costs of Nuclear Regulatory Commission requirements for safety including additional design and construction work for earthquake and fire protection, higher costs due to the one year delay in unit 2 completion, higher costs of capital, and increased technical personnel training costs for start up procedures.

- MORE -

See reverse side for basic PE data.

ADD ONE: PE Announces Limerick Construction Plans

"In spite of the higher costs, our studies show that completion of the Limerick project on the new schedule results in the lowest customer bills in the future and will provide needed generating capacity well into the 1990's," Paquette said.

"Construction expenditures for 1983 are presently budgeted at \$996 million," Paquette said, "including \$668 million for the Limerick project. For the three years 1984-1986, a total of \$2.6 billion will be spent on construction."

Since May of 1982 when the PUC indicated by a formal motion its intent to order PE to suspend or cancel construction of unit 2, financial and construction efforts have been concentrated on completion of unit 1. The PUC order was issued in August and was reversed by Pennsylvania Commonwealth Court in December. The Commission and the Office of Consumer Advocate have appealed that ruling to the State Supreme Court.

There are 4300 people working at the Limerick construction site now, and total investment in the plant as of December 31, 1982, is \$2.54 billion.