



Public Service Electric and Gas Company P.O. Box 236 Hancocks Bridge, New Jersey 08038-0236

Nuclear Business Unit

**CERTIFIED MAIL
RETURN RECEIPT REQUESTED
ARTICLE NUMBER: 7000 0600 0021 7784 8662**

JUN 05 2000

LR-E000217

**Mr. William F. Boehle
New Jersey Department of Environmental Protection
Division of Water Quality
Bureau of Permit Management
PO Box 029
Trenton, NJ 08625-0029**

**PUBLIC SERVICE ELECTRIC AND GAS COMPANY
SALEM AND HOPE CREEK GENERATING STATIONS
TRANSFER OF NJPDES PERMITS PURSUANT TO N.J.A.C. 7:14A-16.2
PERMIT TRANSFER DATE CHANGE**

Dear Mr. Boehle:

With regard to Public Service Electric and Gas Company's (PSE&G) previous letter to the New Jersey Department of Environmental Protection (NJDEP) dated April 24, 2000, concerning the transfer of ownership of PSE&G's existing New Jersey Pollutant Discharge Elimination System (NJPDES) permit to PSEG Nuclear LLC, please note that the transfer has been delayed from the previous transfer date of May 22, 2000. The two PSEG facilities involved in this particular transfer are Salem and Hope Creek Generating Stations.

As you may recall, this transfer has been necessitated by the New Jersey Electric Discount and Energy Competition Act and the implementing Orders of the Board of Public Utilities (BPU), which require a functional separation of a public utility's competitive electric generation service from its regulated services and functions. Therefore, in response to this requirement, PSE&G will transfer its ownership of electric generation-related assets to PSEG Nuclear LLC, a separate non-utility corporate entity owned by PSEG.

On May 3, 2000, certain parties, which unsuccessfully challenged the BPU's order in a lower court, have filed a request to appeal the lower court's decision favorable to PSE&G with the New Jersey Supreme Court. Until the Court acts on this request,

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The power is in your hands.

PSE&G is not able to predict a date for when the transfer of PSE&G's generating station assets, the trigger for the transfer of the associated permits, will occur. PSE&G will advise you accordingly as soon as information becomes available. Although the delay in the transfer date is beyond PSE&G's control, the Company apologizes for any inconvenience this delay may cause to the NJDEP.

Should you have any questions or require any additional information concerning this matter, you may contact Mr. James M. Eggers at (856) 339-1339. Thank you for your prompt consideration in this matter.

Very truly yours:

A handwritten signature in cursive script, appearing to read "G. Salamon", with a long horizontal line extending to the right.

Gabor Salamon
Manager - Licensing

CC: Nuclear Regulatory Commission (7000 0600 0021 7784 8631)
Delaware River Basin Commission (7000 0600 0021 7784 8648)