



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D. C. 20555

MAY 22 1985

Docket No. 50-320

Mr. F. R. Standerfer  
Vice President/Director, TMI-2  
GPU Nuclear Corporation  
Post Office Box 480  
Route 441 South  
Middletown, Pennsylvania 17057-0191

Dear Mr. Standerfer:

By letter dated July 13, 1984, it was requested that the Commission exempt GPU Nuclear Corporation from the fee requirements of 10 CFR 170 for Three Mile Island Unit 2 (TMI-2). It is GPU's position that, as a result of the unique circumstances at TMI-2 leading to increased licensing activity, 10 CFR 170 causes an undue financial burden on GPU and diverts funds that are needed for a safe and expeditious cleanup of the facility. GPU's estimate of fees to be assessed in 1984 was \$1.1 million and thereafter \$1.8 million each year.

Commission records show that fees paid for TMI-2 over a five-year period between March 28, 1979, and July 31, 1984, total \$677,700 (\$202,000 for licensing approvals and \$475,700 for routine inspections). While the Commission's regulations have exempted and continue to exempt GPU from the payment of fees for review of procedures and those licensing activities which are the direct result of the February 11, 1980 Commission Order, the request to waive all fees for TMI-2 has been considered by the Commission and was denied on April 26, 1985.

I would note that an analysis of GPU's estimate of fees likely to be assessed shows the estimate to be excessive. Experience does not support fees of one million dollars for 1984 or approximately two million dollars for 1985 and each year thereafter. Fees assessed for licensing and inspection activities in FY 1983 were \$156,000, and through July 31, 1984, they have been \$101,000. The estimate for inspections appears excessive in that routine inspections under the

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current rule are limited by an annual ceiling of \$300,000, and even though non-routine inspections are subject to actual costs, there is no reason to believe a significant increase in non-routine inspections will occur.

If additional information is desired, please contact William O. Miller, Chief, License Fee Management Branch, 301/492-7225.

Sincerely,

(Signed) Jack W. Roe

William J. Dircks  
Executive Director for Operations

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