



REGULATORY DOCKET FILE COPY

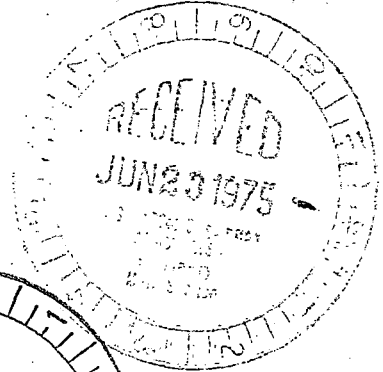
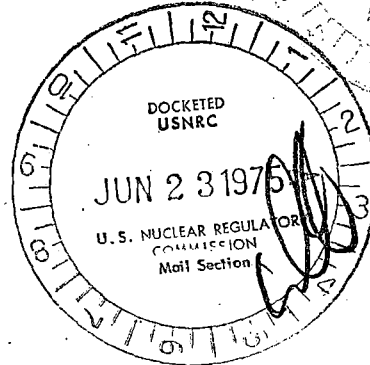
Public Service Electric and Gas Company 80 Park Place Newark, N.J. 07101 Phone 201/622-7000

June 18, 1975

Mr. A. Giambusso
Director Division of Reactor Licensing
Nuclear Regulatory Commission
Washington, D.C. 20555

Dear Mr. Giambusso:

CONSTRUCTION PERMIT
NOS. CPPR-52 AND CPPR-53
SALEM NUCLEAR GENERATING STATION
DOCKET NOS. 50-272 AND 50-311



In reference to our request for extension of the construction permits for Salem Nuclear Generating Station, we hereby submit information clarifying how the fall 1976 and spring 1979 commercial operation dates for Units No. 1 and 2, respectively, relate to the reduced rate of load growth experienced by Public Service.

Factors identified in our letter of September 25, 1974 (increased scope, new licensing requirements, more stringent design criteria, experience related design changes, and labor related problems) account for most of the delay in Unit No. 1 and only half of the four-year delay in Unit No. 2. The balance of the delay reflects an adjustment in the schedule for new generating capacity consistent with reductions in anticipated load growth. In view of the recent and continuing financial picture, such as the depressed stock market and high interest rates, we believe it is particularly prudent that completion of new capacity not be advanced earlier than required by load demands.

The degree to which our need for new capacity has been affected by the factors such as the energy crisis and general economic conditions is well illustrated by the following comparison of our forecasted load:

<u>DATE OF FORECAST</u>	<u>LOAD FORECAST (MW)</u>	
	<u>1975</u>	<u>1979</u>
Fall 1971	8,220	11,100
Fall 1974	6,850	8,100

Delay of the Salem Units and cancellation of two proposed oil-fired peaking units result in a reduction in our generating capacity program consistent with the above change in load forecast for 1975. Similarly, operation of Salem Unit No. 2 in 1979 along with delay of other base-load units and cancellation of the previously mentioned oil-fired units result in a generating capacity consistent with the change in load forecast for 1979.

Very truly yours,



R. L. Mittl
General Manager - Projects
Engineering and Construction
Department

RLM:ej