

Distribution

Ticket No. 50-330

Metropolitan Edison Company  
ATTN: Mr. R. C. Arnold  
Vice President  
P. O. Box 542  
Reading, Pennsylvania 19603

NFC PDR	RHVollmer
Local PDR	MLErnst
LWR #4 File	WPGammill
Docket File	ELD
RCDeYoung	IE (3)
FJWilliams	ACRS (16)
DBVassallo	
HSilver	
MService	
RHeineman	JRBuchanan
DRoss	
PMaccary	TBAbernathy
ETedesco	
HDenton	
VAMoore	

Gentlemen:

We are in need of updated financial information in order to complete our review of your application for an operating license for Three Mile Island Nuclear Station, Unit 2. The specific information required is listed in the enclosure.

Please file this information as an amendment to the application by September 6, 1976. If you desire any discussion or clarification of the material requested, please contact us.

Sincerely,

R. F. Vassallo, Chief  
Light Water Reactors Branch No. 4  
Division of Project Management

Enclosure:  
As stated

cc: George F. Troubridge, Esq.  
Shaw, Pittman, Potts & Troubridge  
910 17th Street, N.W.  
Washington, D. C. 20006

Chauncey S. Kofford, Esq.  
Chairman  
York Committee for a  
Safe Environment  
2526 Broad Street  
York, Pennsylvania 17101

Mr. Richard W. Howard  
Project Manager

**POOR ORIGINAL**

OFFICE →	Service Corporation 250 Cherry Hill Road Bridgewater, New Jersey 08801	DPM/LWR #4	DPM/LWR #4
SURNAME →		HSilver	DBVassallo
DATE →		07/27/76	07/58/191

REQUEST FOR ADDITIONAL  
FINANCIAL INFORMATION

THREE MILE ISLAND UNIT NO. 2  
DOCKET NO. 50-320

- 410.1. Indicate the estimated annual costs by year to operate the subject facility for the first five full years of commercial operation. The types of costs included in the estimate should be indicated and should include (but not necessarily limited to) operation and maintenance expenses with fuel costs shown separately, depreciation, taxes, and required return on investment. (Enclosed is a form which should be used for each year of the five-year period.) Indicate the projected plant capacity factor for each year.

Indicate if the participant companies expect to be able to sell power produced by the subject facility at rates which will cover all costs of production plus reasonable return on investment. Indicate the unit price per KWH experienced on each participant's system-wide sales of electric power to all customers for the most recent 12-month period.

- 410.2. Indicate the percentage entitlement of each participant in the electrical capacity and output of the plant.
- 410.3. Provide copies of the operating agreement (contract) among the participants. Explain the procedure to be used by Metropolitan Edison for billing Jersey Central and Pennsylvania Electric for their pro-rata shares of all operating and maintenance costs. Is each participant required to contribute its pro-rata share of all operating expenses regardless of the level of power availability from the unit, and to provide its share of expenses for permanent shutdown of the unit and maintenance in a safe condition, should that become necessary? Reference pertinent provisions of the operating agreement or other agreement between the parties which affirm this requirement.
- 410.4. Indicate the estimated costs of permanently shutting down the facility, a listing of what is included in such costs, the assumptions made in estimating the costs, the type of shutdown contemplated, and the source of funds to cover these costs.
- 410.5. Provide an estimate of the annual cost to maintain the shutdown facility in a safe condition. Indicate what is included in the estimate, assumptions made in estimating the costs, and the source of funds to cover these costs.
- 410.6. Provide the following from each participant company:
- a. Copies of the 1976 1st quarter (and 2nd and 3rd quarters, when available) income and retained earnings statements and balance

sheet. Provide the same statements for the most recent 12-month period. Also, provide copies of similar statements for the corresponding periods ended in the previous year.

- b. Copies of the prospectus for the most recent security issue and copies of the most recent SEC Form 10-K. Provide copies of the preliminary prospectus for any pending security issue. Submit copies of the Annual Report to Stockholders each year as required by 10 CFR 50.71(b).
  - c. Describe the nature and amount of the company's most recent rate relief action(s) and its anticipated effect on earnings. Provide copies of the rate order and opinion. In addition, indicate the nature and amount of any pending rate relief action(s). Use the attached form to provide this information. Provide copies of the submitted, financially-related testimony of the staff and company in the most recent rate relief action or pending rate relief action.
  - d. Complete the enclosed form entitled, "Financial Statistics," for the most recent 12-month period and for the years ended December 31, 1975 and December 31, 1974.
- 410.7. Provide the information requested in items 6.a., 6.b., and 6.d., above, also for General Public Utilities Corporation.

ATTACHMENT FOR ITEM NO. 1

ESTIMATED ANNUAL COST OF OPERATING NUCLEAR GENERATING UNIT:

FOR THE CALENDAR YEAR 19\_\_

(thousands of dollars)

Operation and maintenance expenses

Nuclear power generation

Nuclear fuel expense (plant factor \_\_\_\_\_%)..... \$ \_\_\_\_\_  
Other operating expenses..... \_\_\_\_\_  
Maintenance expenses..... \_\_\_\_\_  
Total nuclear power generation..... \_\_\_\_\_

Transmission expenses..... \_\_\_\_\_

Administrative and general expenses

Property and liability insurance..... \_\_\_\_\_  
Other A.&G. expenses..... \_\_\_\_\_  
Total A.&G. expenses..... \_\_\_\_\_

TOTAL O&M EXPENSES..... \_\_\_\_\_

Depreciation expense..... \_\_\_\_\_

Taxes other than income taxes

Property taxes..... \_\_\_\_\_  
Other..... \_\_\_\_\_  
Total taxes other than income taxes..... \_\_\_\_\_

Income taxes - Federal..... \_\_\_\_\_

Income taxes - other..... \_\_\_\_\_

Deferred income taxes - net..... \_\_\_\_\_

Investment tax credit adjustments - net..... \_\_\_\_\_

Return (rate of return: \_\_\_\_\_%)..... \_\_\_\_\_

TOTAL ANNUAL COST OF OPERATION

\$ \_\_\_\_\_

## RATE DEVELOPMENTS

Electric

Gas

Steam

Granted

Annual amount - test year basis (000's)  
 Percent increase  
 Effective date  
 Rate of return on rate base authorized  
 Rate of return on common equity authorized

Revenue Effect (000's)

Amount received in year granted  
 Amount received in subsequent year

Pending Requests

Amount (000's)  
 Percent increase  
 Date filed  
 Date by which decision must be issued  
 Rate of return on rate base requested  
 Rate of return on common equity requested

12 months' ended

1975

1974

(dollars in millions)

Earnings available to common equity  
 Average common equity  
 Rate of return on average common equity

Times total interest earned before FIT:  
 Gross income (incl. AFDC) + current and  
 deferred FIT ÷ total interest charges +  
 amortization of debt discount and expense

Times long-term interest earned before FIT:  
 Gross income (incl. AFDC) + current and  
 deferred FIT ÷ long-term interest charges  
 + amortization of debt discount and expense

Bond ratings (end of period)  
 Standard and Poor's  
 Moody's

Times interest and preferred dividends earned  
 after FIT:  
 Gross income (incl. AFDC) ÷ total interest  
 charges + amortization of debt discount and  
 expense + preferred dividends

AFUDC  
 Net income after preferred dividends  
 %

Market price of common  
 Book value of common  
 Market-book ratio (end of period)\*

Earnings avail. for common less AFDC +  
 depreciation and amortization, deferred  
 taxes, and invest. tax credit adjust.-  
 deferred  
 Common dividends  
 Ratio

Short-term debt  
 Bank loans  
 Commercial paper

Capitalization (Amount & Percent)  
 Long-term debt  
 Preferred stock  
 Common equity

\*If subsidiary company, use parent's data.