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

AUG 27 1979

Mr. O. R. Kreimeier P. O. Box 67 Keene, New York 12942

Dear Mr. Kreimeier:

Your letter to the NRC Commissioners has been referred to me for reply. Since rulings and decisions relating to the Salem Nuclear Generating Station, Unit 2, could be subject to review by the Commissioners, it would not be appropriate for them to comment at this time.

In your letter, you indicate that Salem Nuclear Generating Station, Unit 2 is completed and ready to load fuel as soon as a license from the Commission is received. You further stated that the delay of issuance of an operating license is costing stockholders over \$800,000 a day and that an issuance of an operating license for Salem, Unit 2 should not be delayed.

Although the Public Service Electric and Gas Company states that the Salem, Unit 2 is completed and ready to permit fuel loading there are still several non-Three Mile Island related licensing issues which must be resolved prior to the issuance of an operating license. In addition, as a result of the accident which occured at the Three Mile Island Power Plant, Unit 2 on March 28, 1979, a thorough investigation of this accident is being conducted by the NRC staff. This investigation considers studies of the potential design deficiencies in the plant, operator response to the accident including operator errors and/or misinterpretation of plant instrumentation and all other aspects of the accident which might lead to information that would improve the safety of nuclear power plants. The major emphasis of the current staff effort is focused on nuclear power plants that are presently licensed to operate. However, the results of these investigations will also be applied to plants that are currently under construction and for which operating licenses have been applied for but not yet issued such as the Salem Nuclear Generating Station, Unit 2 and for operating plants, such as Salem Nuclear Generating Station, Unit 1. Any new safety requirements arising from these investigations will be evaluated to determine whether they are applicable to the Salem Nuclear Generating Station, Unit 2 and will be applied to Unit 2 accordingly.

We recognize that these investigations will delay the issuance of an operating license for Unit 2 and that the interest of the New Jersey electric consumers and stockholders of Public Service Electric and Gas Company could be affected. However, we are proceeding on the basis that primary consideration should be



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given to the public's health and safety, and that our investigation of the Three Mile Island accident should progress to the point where the implications regarding that accident could be assessed to determine the impact, if any, on the Salem Nuclear Generating Station, Unit 2.

You can be assured that the Nuclear Regulatory Commission staff will act as expeditiously as possible to make a decision concerning the issuance of an operating license for the Salem Nuclear Generating Station, Unit 2.

Sincerely,

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D. B. Vassallo, Acting Director Division of Project Management

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