



POOR ORIGINAL

STATE OF NEW JERSEY
DEPARTMENT OF ENERGY
BOARD OF PUBLIC UTILITIES

RICHARD B. MCGLYNN
COMMISSIONER
BOARD OF PUBLIC UTILITIES
NEWARK, N.J. 07102

July 19, 1979

The Honorable Joseph M. Hendrie
Chairman
Nuclear Regulatory Commission
Washington, D. C. 20545



Dear Mr. Chairman:

I am writing in my capacity as an individual commissioner of the New Jersey Board of Public Utilities to express my shock and dismay to learn that the Commission is contemplating a hearing procedure for the start up of Three Mile Island Unit No. 1 which will consume at least fifteen months. This schedule completely ignores the awesome burden which will be placed on New Jersey's rate-payers by the failure of the unit to come on line by January 1, 1980. For the customers of Jersey Central Power & Light, the GPU subsidiary subject to this Board's regulation, the cost to replace power lost from TMI Unit No. 1 is 5.3 million dollars per month. In the recent request by that company for permission to recover through its levelized energy adjustment clause the cost of replacing power lost by both Three Mile Island units, the Board assumed that Unit No. 1 would commence operation as of January 1, 1980 and fixed rates accordingly. The Commission's hearing schedule renders that assumption baseless and can only lead to further requests for increased rates and further pressures on this Board to impose on current customers the cost of bureaucratic shilly-shallying.

I share your obvious concern for the safety risks attendant on nuclear generation. However, the steps proposed by the operating company in their letter to Mr. Denton of June 28th, all of which could be completed by September 1, 1979, are even more stringent than those required by the Commission at other Babcock and Wilcox reactors. A public hearing to evaluate these proposed modifications and to evaluate all of the other reports on the TMI Unit No. 2

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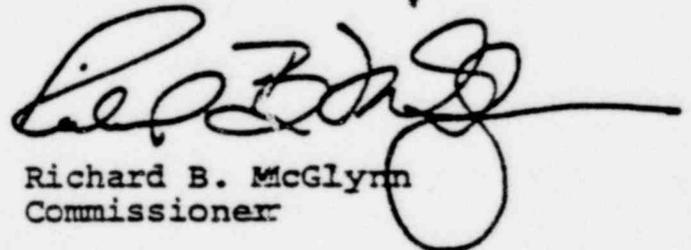
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accident could undoubtedly be held and disposed of before January of 1980. I am advised that the NRC staff report on TMI Unit No. 2 will be completed shortly. Moreover, the presidential commission investigating the accident will have a report by early fall. To mandate a protracted hearing process for the hearing of those reports and to evaluate the necessary modifications to TMI Unit No. 1 is totally unwarranted.

The ratepayers of our state are being saddled with outrageous oil price increases imposed upon us by the international OPEC cartel. President Carter has called upon us all to sacrifice and has called upon the utilities to move away from oil-fired generation. The Three Mile Island Unit No. 1 station displaces seven million barrels of oil per year. In fact, because of recent OPEC price increases the monthly impact of replacing Three Mile Island Unit No. 1 power on New Jersey ratepayers will more closely approximate eight million dollars per month rather than the somewhat conservative figure set forth above. An NRC schedule which unnecessarily delays the availability of power from Unit No. 1 is in direct contravention of President Carter's announced policy.

New Jersey's citizens are depending upon your Commission to carefully evaluate all safety aspects of nuclear generation, but we must also insist that that evaluation be done promptly and expeditiously so that the economic benefits of nuclear generation are available to us all.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard B. McGlynn", with a large, stylized flourish at the end.

Richard B. McGlynn
Commissioner

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