

POOR ORIGINAL



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PMS MR JOSEPH M HENDRIE CHAIRMAN
US NUCLEAR REGULATORY COMM
1717 H ST NW
WASHDC



DEAR CHAIRMAN HENDRIE:

IT HAS RECENTLY BEEN BROUGHT TO OUR ATTENTION THAT THE COMMISSION, PRIOR TO THE RESUMPTION IN LICENSING PROCEEDINGS, HAS DECIDED TO CONSIDER, IN DEPTH, ALL OF THE RECOMMENDATIONS CONTAINED IN THE VARIOUS INVESTIGATIONS OF THE INCIDENT AT THREE MILE ISLAND. AS A RESULT, IT APPEARS THAT THE CONSIDERATION OF NEW LICENSES WILL BE DELAYED UNTIL THE SPRING OF 1980.

THE DECISION TO POSTPONE LICENSING PROCEEDINGS HAS GRAVE ECONOMIC CONSEQUENCES FOR VIRGINIANS. VIRGINIA ELECTRIC AND POWER COMPANY'S NORTH ANNA UNIT 2, WHICH REPRESENTS AN INVESTMENT OF APPROXIMATELY \$508 MILLION, WAS SCHEDULED FOR LICENSING IN JULY 1979 BUT IT NOW APPEARS THAT A LICENSE WOULD NOT BE FORTHCOMING UNTIL THE SECOND QUARTER OF 1980. AS A RESULT OF THIS UNIT NOT BEING PLACED IN SERVICE, THE UTILITY'S CONSUMERS ARE INCURRING ADDITIONAL COSTS IN THE AMOUNT OF 167 MILLION DOLLARS ON AN ANNUAL BASIS DUE TO THE COST OF REPLACEMENT FUEL AND PURCHASING POWER FROM OUTSIDE SOURCES. THIS 167 MILLION DOES NOT INCLUDE APPROXIMATELY 30 MILLION IN INCREASED CAPITAL COSTS OF THE UNIT DUE TO DELAYS. THIS 207 MILLION DOLLAR POTENTIAL ANNUAL COST NOT ONLY SEVERELY IMPACTS THE ECONOMIC STATUS OF THE VIRGINIA CONSUMER BUT ALSO FORCES THE RELIANCE ON IMPORTED OIL WHICH IS NOT IN THE NATIONAL INTEREST.

NORTH ANNA UNIT 2 IS IDENTICAL TO NORTH ANNA UNIT 1 AND UNIT 1 IS CURRENTLY LICENSED TO OPERATE. IN THE ABSENCE OF ANY SIGNIFICANT DEFICIENCIES WHICH WOULD IMPACT PUBLIC HEALTH AND SAFETY, WE URGE YOU TO RECONSIDER YOUR POSITION WITH RESPECT TO NORTH ANNA UNIT 2 LICENSING PROCEEDINGS. IF AN ADEQUATE SHOWING OF SAFE OPERATION CAN BE MADE BY THE UTILITY REQUEST YOU INDICATED WAS AN OPTION WHICH THE NRC ITSELF WISHES TO RETAIN

STATE CORPORATION COMMISSION OF VIRGINIA
JUNIE L. BRADSHAW, CHAIRMAN
DREYTON C. SHANNON, COMMISSIONER
THOMAS P. HARWOOD, JR., COMMISSIONER

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