

UNITED STATES PROD. & UTIL FA NUCLEAR REGULATORY COMMISSION WASHINGTON, D.C. 20555

OFFICE OF THE

March 19, 1980



Roland G. Baker 290 Monrovia Avenue Long Beach, California 90803

Dear Mr. Baker:

Thank you for your letter concerning the financial situation of General Public Utilities. I apologize for answering you with a form letter but the number of letters I have received from GPU stockholders makes it impossible for me to prepare individual letters.

I understand your concern that General Public Utilities obtain the rate relief it has sought. The Nuclear Regulatory Commission does not, however, regulate the rates charged by electrical utilities. Rate regulation is a concern of the various State public utility commissions and of the Department of Energy. The Nuclear Regulatory Commission is by law limited to the regulation of the safety of nuclear reactors.

The Nuclear Regulatory Commission is presently conducting a hearing before a Licensing Board to determine whether Three Mile Island Unit 1 can safely be permitted to resume operations while the clean-up of Unit 2 proceeds. Because this proceeding is adjudicatory in nature, I cannot comment on the substance of the issues which must be resolved. The Licensing Board is currently conducting prehearing conferences and expects to begin formal public hearings by the early summer. While the Licensing Board will undoubtedly seek to avoid unnecessary delay, it is difficult at this point, to predict how long these hearings will continue.

Sincerely,

Commissioner