

Joseph Malacesta, Esq.
Deputy Chief Counsel
Pennsylvania Public Utilities Commission
North Office Building, Rm. G-28
P.O. Box 3265
Harrisburg, PA. 17120

Dear Joe:

Enclosed you will find a list of topics we would like to discuss at our scheduled meeting next Tuesday (June 26). We would appreciate it if you could have the necessary financial people available, should our discussions move into those areas.

I have also requested that you make available to us certain testimony, correspondence and background material. If we find this information valuable we can then make arrangements for its reproduction and mailing.

Again, the NRC appreciates your cooperation and that of the PUC Staff. Looking forward to seeing you on the 26th around 10 a.m.

Sincerely,

David J. Evans
NRC/TMI Special Inquiry

DELIVER
ON OR BEFORE
6/25/79

Topics for Discussion

with: Pennsylvania Public Utilities Commission Staff

Tuesday June 26, 1979

Harrisburg, PA.

- ✓ 1. Description of Pennsylvania utility law procedures and standards, including: "used and useful" relationship to rate base determination; certificate of necessity; test years and evidentiary consequences (see PRES.COMM.TR at 51, 5-30-79); appeal processes.
- ✓ 2. Analysis of rate proceedings involving GPU companies, including:
 - a. 1978 proceeding involving Met-Ed
 - b. Other Met-Ed proceedings involving TMI-2 (most recent)
 - c. Proceedings involving other TMI owners regulated by Pa.PUC.
3. Discussion of significance of "commercial operation" date of 12-30-78 on 1978 rate proceeding.
4. Discussion of GPU Companies grid responsibilities and TMI-2 relationship. "Net electrical power" point of importance?
5. Rate law accounting: what is significance of shifting from AFUDC to capitalization in rate base? How related to commercial operation?
- ✓ 6. FERC relationship with Pa.PUC. Familiar with 120 day testing rule cited in PRES.COMM.TR. at 58?
7. General financial position of Met-Ed and other GPU companies as provided in Pa.PUC testimony.
- ✓ 8. Please provide:
 - a. Copies of most recent GPU testimony on above issues
 - b. Personnel qualified to discuss rate base financial and economic issues
 - c. Relevant communications with GPU on above topics
 - d. Any general background material which would be helpful in our analysis.
- ✓ 9. Relevance of NRC-granted licenses (Construction Permit, Operating License) in Pa.PUC proceedings.

*for Review
Met-Ed used
Area TV*

*✓ Frank Dorsey, OFF
OF Special Assistance*

OTHER QUESTIONS:

David Evans
R. Larry Vandenberg
NRC/TMI Special Inquiry

① MARK WIDOFF says \$33m of rate base = TMI-2. Accurate?
(STAR 4/5/79)

\$33m of \$49m initially granted on 3/29?

② Confusion over date 1st electricity was produced. Known?

③ Do you recall petition to redivide ownership shares in TMI. (Back)