



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

SEP 15 1980

Ms. Florence Fasig
33 Sweinhart Road
Boyertown, Pennsylvania 19512

Dear Ms. Fasig:

This is in reply to your letter to Chairman Ahearne of the Nuclear Regulatory Commission about your electric bill.

The Nuclear Regulatory Commission does not set the rates that utilities charge for electricity, even if they have nuclear power plants. Rates to users within a state are set by state utility commissions.

A member of my staff called the Pennsylvania Public Utility Commission in Harrisburg to ask whether there are any special rates for electricity users in your situation and was told that there are not. The total amount of your electric bill was said to be about average for residential users in Pennsylvania. Mention was made of a program of grants for heating bills by the Pennsylvania Department of Community Affairs, which you may wish to find out about.

The accident at Three Mile Island Nuclear Unit No. 2 also caused Unit No. 1 to be shut down until its safe operation can be assured and has necessitated the purchase of electric energy by Metropolitan Edison Company from other utilities. Enclosed is an item from a recent report of the U. S. Department of Energy that may be related to the high energy costs in your electric bill.

I am sure that you are already trying to reduce the amount of electricity you use. I sympathize with your problem and am very sorry not to be more helpful.

Sincerely,

Original signed by
Darrell G. Eisenhut

A handwritten signature in dark ink, appearing to be "H. R. Denton", written over the typed name.

Harold R. Denton, Director
Office of Nuclear Reactor Regulation

Enclosure:

Excerpt dtd July/August 1980
DOE "Nuclear Power Program
Information and Data - Update"

8009300159

H

UPDATE

NUCLEAR POWER PROGRAM
INFORMATION AND DATA

JULY/AUGUST 1980

EXCERPT

PREPARED BY
OFFICE OF NUCLEAR REACTOR PROGRAMS
U.S. DEPARTMENT OF ENERGY

IV. OPERATION

A. Utility Briefs

1. Summer Electric Energy Demands Higher Than Forecast

Electric energy demands this summer have been significantly higher than forecast because of record breaking temperatures throughout much of the U.S. Instances are:

- The week ending July 19 saw a 10.4% increase in electric energy output nationally over the corresponding week of 1979. The first three weeks of July 1980 show an output 8.4% over that of a year ago (EEI, 7/23/80).
- The Pennsylvania-Jersey-Maryland (PJM) Interconnection resorted to a 5% voltage reduction for the first time in six years on July 21. Nevertheless, PJM peaked at 34,300 MW versus the 33,180 MW peak forecast for this summer (Energy Daily, 7/23/80).
- Two General Public Utilities (GPU) operating companies, Metropolitan Edison and Jersey Central Power and Light, issued appeals to customers to voluntarily curtail use of non-essential electricity because of the high cost of purchased power - 12.5c/KWh through PJM, compared to the 2.6c/KWh average energy cost portion of bills paid by Metropolitan Edison customers. The GPU system experienced a new all-time summer peak of 6,163 MW at 2:00 p.m. on July 21 (GPU release, 7/22/80).

- Ontario Hydro sold 50 million KWh on July 21 to the U.S. Almost half of this was transmitted to Michigan, most of which was transmitted through the American Electric Power system to TVA and points farther south (Energy Daily, 7/23/80).

- Other systems that experienced new summer peaks on July 21:
New York Power Pool - 21,346 MW; New England Power Exchange - 14,900 MW; Virginia Electric Power Company - 8,480 MW.

2. General Public Utilities: New All-Time Peak Demand

The General Public Utilities (GPU) System reported a new summer peak at 2:00 p.m. on Monday, July 21, of 6,163 megawatts, just 10 megawatts shy of GPU's all-time peak demand of 6,173 megawatts.

Also on July 21, GPU subsidiary Jersey Central Power & Light Co. (JCP&L) hit a new all-time peak demand between 2:00 and 3:00 p.m. of 3,023 megawatts. A previous JCP&L peak demand of 2,740 megawatts had been reached just the previous Thursday, July 17.

Another GPU operating company, Pennsylvania Electric Co. (Penelec) reported a new summer peak July 21 of 1,784 megawatts. The previous peak of 1,719 megawatts was reached in August of last year.

GPU's other Pennsylvania subsidiary, Metropolitan Edison (Met-Ed) reported a high demand of 1,431 megawatts, just 1 megawatt short of its all-time summer peak of 1,432 megawatts that it reached in August 1978.

Heavy demand throughout the entire GPU System, as well as throughout the Pennsylvania-New Jersey-Maryland (PJM) Interconnection, prompted two GPU operating companies (JCP&L and Met-Ed) to issue appeals to their customers to voluntarily curtail their use of non-essential electricity because of the high costs for purchased power which are eventually reflected in customers' bills.

Because the extreme heat conditions required all available generating facilities, the cost of purchased power through the PJM Interconnection rose significantly and remained at about 12.5 cents per kilowatt-hour through much of the afternoon July 21. This compares with 2.6 cents per kilowatt-hour Met-Ed customers are paying as the average energy cost portion in bills, and the 3.3 cents per kilowatt-hour Jersey Central customers are currently billed for energy costs. The increased costs above and beyond what customers are now paying will be reflected in future energy cost adjustments.

Short-term, less-costly power purchases from outside the PJM system were, for the most part, cancelled by the suppliers in order to meet their own customers' needs during the high demand periods brought on by the heat wave. Since the accident at Three Mile Island Unit 2 in March 1979, the GPU System has purchased lower cost replacement power from a number of companies outside the PJM pool on an "as-available" basis.

From the date of the TMI Unit 2 accident through May of this year, those purchases saved GPU System customers over \$114 million, compared to prevailing contractual arrangements within the PJM power pool.

July 21's heavy demand also set a new record high for the PJM system, and prompted a five percent voltage reduction throughout the grid for a few hours to further assure PJM system integrity.

Preliminary reports indicated that the public appeals to Met-Ed and JCP&L customers to curtail usage in an effort to hold down their energy costs met with some success. Met-Ed customers cooperated by reducing demand by an estimated 45 megawatts ... enough electricity to service about 30,000 homes. Jersey Central continued their customer conservation appeals the following day.

3. Public Service Electric & Gas Company: Nuclear Power Production Record

Salem Generating Station's Unit No. 1, which is operated by Public Service Electric and Gas Company, has set a record for nuclear power production in the United States for the first six months of this year and is among the leaders in power output in the free world.

The unit generated 4.25 billion kilowatt-hours of electricity from January 1 through June 30 and saved millions of barrels of oil in the process.