

REGULATORY DOCKET FILE COPY
October 30, 1980

50-289

Mr. Donald W. Grable
12 Vista Road
Wyomissing Hills, PA 19610

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EDITION 4-1112-69
FEDERAL BUREAU OF INVESTIGATION
UNITED STATES DEPARTMENT OF JUSTICE

Dear Mr. Grable:

This is in reply to your letter of October 10, 1980 to the President about the financial burden on the Metropolitan Edison Company resulting from the accident at Three Mile Island.

Attached is a copy of a letter of July 3, 1980 from the Assistant to the President for Domestic Affairs and Policy to the Chairman of the Pennsylvania Public Utility Commission. This states that there is no statutory authority for any form of direct federal financial aid to assist in clean-up and recovery costs associated with the accident at Three Mile Island. It does refer to proceedings at the Federal Energy Regulatory Commission that would provide for a discount for Metropolitan Edison in purchasing power while the TMI plant is down.

As you know, the accident at Three Mile Island Unit 2 also caused Unit 1 to be shut down until its safe operation can be assured. The resumption of operation of Unit 1 is the subject of a hearing by an Atomic Safety and Licensing Board of the Nuclear Regulatory Commission. That hearing started on October 15, 1980. The Commission has determined that satisfactory completion of certain short-term actions and resolution of various specified concerns are required to provide reasonable assurance that the facility can be operated without endangering the health and safety of the public. The Commission has also determined that certain long-term actions are required to be completed as promptly as practicable and that reasonable progress on the completion of such actions prior to restart is required in order to provide reasonable assurance that the facility can be operated safely over the long term.

The Commission's primary commitment is to a fair and thorough hearing and decision on the restart of TMI Unit 1. Given this overriding imperative, it is the Commission's expectation that the Board will conduct the proceeding expeditiously. The decision on resumption of operation will be made by the Commission after the hearing is completed.

Sincerely,

Original Signed by
H. R. Denton

Harold R. Denton, Director
Office of Nuclear Reactor Regulation

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Attachment:
As stated

8011180112

OFFICE	NRR:TSB	NRR:TSB:AC	NRR:PPAS:AC	NRR:DD	NRR:D
SURNAME	PFine:cg	TJCarter	HLThompson	EGCase	HRDenton
DATE	10/26/80	10/27/80	10/28/80	1/ /80	10/27/80

THE WHITE HOUSE

WASHINGTON

July 3, 1980

Dear Madam Chairman:

The President has asked me to respond to your recent letter regarding federal financial assistance relative to clean-up and recovery costs associated with the March 28, 1979, accident at the Three Mile Island nuclear generating plant. In responding to this request, we have carefully considered the points raised in your letter suggesting federal responsibility for sharing the costs of this accident with the citizens of Pennsylvania.

In the first instance, there is no statutory authority for any form of direct financial aid to assist in clean-up and recovery costs. The Administration has however taken steps to provide for the monitoring of TMI-2 through efforts by the EPA. The Department of Energy will be examining the core and the studying of the effects of the accident on critical plants components upon clean-up.

Your letter notes the financial involvement of the Federal Government in the early stages of the commercialization of nuclear power including the Price Anderson Act and its renewal. This history indeed exists; however, once private industry was capable and willing to support the commercial deployment of nuclear reactors for the generation of electricity, the principal role of the Federal Government became one of enforcing the regulatory provisions of the Atomic Energy Act.

The Administration is closely following the progress of the proceedings you outlined currently underway before your commission; the companion case in New Jersey; and related proceedings at the Federal Energy Regulatory Commission. The FERC action would provide for a discount for Met Ed in purchasing power while the TMI plant is down. In addition, the Nuclear Regulatory Commission is conducting a licensing proceeding to decide whether or not TMI-1 should be allowed to resume operation.

We also understand that you have recently taken action which will allow Met Ed to remain solvent until a more detailed consideration of the case can be made.

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The Administration shares your concern about this accident and its potential impact on the future of the utility industry. Within the limits of our legal authority, we believe that federal assistance at TMI has been sensitive to the needs of the State and the affected community. Please be assured that we will continue to help in any way that is appropriate.

Sincerely,

SIGNED BY Stuart E. Eizenstat

Stuart E. Eizenstat
Assistant to the President
For Domestic Affairs and Policy

Ms. Susan M. Shanaman
Chairman
Pennsylvania Public Utility Commission
Commonwealth of Pennsylvania
Harrisburg, Pennsylvania 17120

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