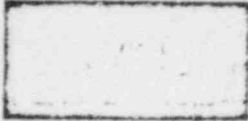


Herman Dieckamp
President

Attachment #5
Supplement #2



GENERAL
PUBLIC
UTILITIES
CORPORATION

100 Interpace Parkway
Parsippany, New Jersey 07054
201 263-6500
TELEX 136-482
Writer's Direct Dial Number
201-263-6030

September 12, 1980

The Honorable John F. Ahearne, Chairman
United States Nuclear Regulatory Commission
Washington, D. C. 20555

Dear Chairman Ahearne:

I am writing to advise you of actions being taken by the Owners relative to TMI Unit 2.

We have recently completed a review of our near-term planning for cleanup of that Unit. In that review we considered many factors including recent action by the Pennsylvania Public Utility Commission to deny the request of Metropolitan Edison Company for emergency rate relief. However, a major determinant in developing our revised plan was our understanding of the schedule for future NRC actions on the cleanup. That understanding is based on review of the recently issued draft Programmatic Environmental Impact Statement, the NRC Plan for Cleanup Operations of TMI-2 (NUREG 0698) and Mr. Denton's letter of August 6, 1980 to Mr. Arnold of GPU.

Those documents, in conjunction with our experience with NRC action to date, have caused us, very reluctantly, to conclude that we should not rely on any significant regulatory guidance or definition of criteria or approval to proceed with major cleanup activities until completion of the final PEIS. That completion had been scheduled for late 1980 but we understand that serious consideration is being given to extending the period for comments on the draft PEIS with resultant delay in its completion. Further, the draft PEIS indicates that even after issuance of the final statement, we cannot expect to have the definitive guidance and criteria required for us to establish firm plans. Instead much of the cleanup criteria apparently will be developed in the process of reviewing our proposals on a case by case basis. We do not believe that such an approach permits timely, effective progress.

We do not consider that this indicated regulatory approach provides the maximum assurance of protecting the public health and safety. My earlier letter to you of March 4, 1980 and Mr. Arnold's letter to Mr. Denton of June 30, 1980, copy attached, identify our concern with the extended schedule for NRC action and addressed the actions we consider necessary to permit earlier cleanup. We will comment further in connection with the draft PEIS.

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However, recognizing that the controlling judgment of the NRC differs from ours on these issues, we cannot continue our current efforts and expenditures to provide what we consider to be the most rapid, practical cleanup. Accordingly, we are proceeding to adjust our efforts on TMI-2 to a level appropriate to the present and indicated situation while being careful to not adversely impact public health and safety. Specifically, the objectives of our revised program are:

1. Maintain the plant in a safe condition with minimum but adequate operating personnel and site support staff.
2. Continue limited decontamination of the Auxiliary Building - areas, lines, tanks.
3. Continue activities directed at cleanup of the Containment Building water (sump and reactor coolant system).
4. Continue carefully selected planning, engineering and licensing activities aimed at Containment Building decontamination, fuel removal, support of licensing submittals.
5. Support PEIS finalization.
6. Continue development of an appropriate Unit 2 Radiological Controls Program.

Please note that we will continue work to permit early cleanup of contaminated water in the Containment Building and reactor coolant system even recognizing the NRC position that we are proceeding at our own risk. However, because of the NRC's present intent to not authorize operation of the Submerged Demineralizer System until after completion of the PEIS, we may cut back overtime and other premium cost efforts. We also plan to continue limited activities, such as additional containment entries, to provide an improved basis for planning.

For completeness in describing our situation, I think some comments on the effect of recent Pennsylvania Public Utility Commission actions are helpful. The request of Metropolitan Edison Company for emergency rate relief to alleviate severe cash flow problems was recently denied by the Pennsylvania Public Utility Commission. This action in and of itself hampers Metropolitan Edison Company's ability to maintain the current level of effort on TMI-2. However, because some TMI-2 costs are covered by insurance and all TMI-2 costs are shared among Metropolitan Edison Company and the other Owners, that impact is not nearly as severe as it may initially appear. For example, our estimate is that Metropolitan Edison's cash requirements will be reduced by about \$4 million dollars over a six month period as a result of reducing the total expenditures on TMI-2 by about 50% or \$27 million during the same period. The TMI-2 reduction is part of an overall program to reduce

September 12, 1980

Page 3

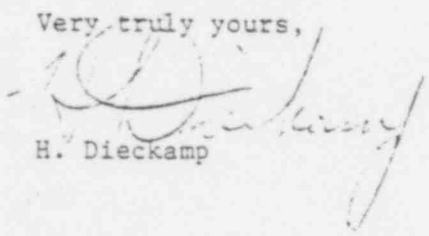
Metropolitan Edison's cash requirements by \$32 million over the next six to seven months. Our remaining insurance resources can be more effectively utilized to increase our cleanup efforts once the NRC requirements are clarified. I think it is also important to note that our program plans still envision an expenditure on TMI-2 of about \$50 million per year.

We have concluded that this course of action is the best and, indeed, the only one open to us in view of the actions by the NRC and the Pennsylvania Public Utility Commission. We do not believe that the reductions in our efforts in themselves, constitute any direct risk to health and safety. However, we also believe that the interests of public health and safety, our ratepayers, and our investors all would be better served by more promptly establishing acceptable criteria for overall cleanup and in particular, by allowing us to proceed with cleanup of the contaminated water as soon as possible. I note that Dr. Cunningham of DOE expressed similar views in a letter dated August 19, 1980 to Hon. Tom Beville, Chairman, Subcommittee on Energy and Water Development of the House Committee on Appropriations. I again urge that full consideration be given to means to do that.

We are advising your on-site staff of our detailed plans. However, I consider the significance of this action to be such that I wanted to bring it to your personal attention.

We would, of course, be glad to meet with you to further discuss this matter if you desire.

Very truly yours,



H. Dieckamp

h
att

cc: Mr. C. L. Jones, Secretary, Pennsylvania DER
Chairman Susan M. Shanaman, PaPUC
President George H. Barbour, NJ BPU



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Writer's Direct Dial Number

Mr. Harold Denton, Director
Office of Nuclear Reactor Regulation
U. S. Nuclear Regulatory Commission
Washington, D.C. 20555

June 30, 1980
TLL 315

Dear Mr. Denton:

Three Mile Island Nuclear Station, Unit II (TMI-2)
Operating License No. DPR-73
Docket No. 50-320
Submerged Demineralizer System

This is in response to your letter of May 28 to Mr. Dieckamp and myself.

Our review of your letter and the basic issue of the contaminated water which exists in the Unit II containment building leads us to the conclusion that it would be helpful to clarify the Company's position on several of the items addressed in that letter.

Submerged Demineralizer System

The SDS was selected by the Company after review of several alternatives and after obtaining technical assistance and input from a number of sources. The objectives for the system included that it provide a reliable, well-developed method for accomplishing a major reduction in the mobility of the fission products dispersed within the plant by capturing at least 99.999% of the radioactive material in the containment building water, that it meet all existing codes and standards, and that it not preclude further processing of the water. During the system design development, your staff was apprised routinely of our efforts.

A Technical Advisory Group (TAG), made available by the Department of Energy, functioned as a technical oversight group during the design development. Oak Ridge National Laboratory conducted laboratory tests and evaluations to verify the efficacy of the system design. Recently, the TAG, after careful review of the design development work and the ORNL test results, recommended that:

"GPU proceed with deliberate speed to complete the SDS hardware and put the system into operation.

The objective of reconcentrating the dispersed fission products into a secure and more manageable form as soon as possible is important to add confidence in protecting the public's health and safety.

...ion that can be obtained is important
...ther optimization and later criteria
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