



Metropolitan Edison Company
Post Office Box 430
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Writer's Direct Dial Number

December 22, 1980
TLL 670

Office of Nuclear Reactor Regulation
Attn: T. M. Novak, Assistant Director
Division of Licensing
U. S. Nuclear Regulatory Commission
Washington, D.C. 20555

Dear Sir:

Three Mile Island Nuclear Station, Unit 1 (TMI-1)
Operating License No. DPR-50
Docket No. 50-289
Additional Financial Information

Enclosed please find responses to Items 3 and 4 of your letter of August 11, 1980, which supplements our responses of October 9, 1980 (TLL 574). The response includes Attachment C of our comments on the PEIS dated November 7, 1980 which updated "TMI-2 Program Recovery Estimate" of August 1980 (attached).

Sincerely,

H. D. Hukill
Director, TMI-1

HDH:LWH:lma

Enclosures

cc: L. Barrett (w/o Attachments)
R. W. Reid (w/o Attachments)

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3. Provide a detailed statement of the estimated cost required to safely decontaminate and complete fuel removal from TMI-2. Indicate amounts attributable to engineering fees, outside contractors and consultants, physical installations, purchasing of equipment, other construction expenditures or physical services (specifying description), and contingencies, showing the cost estimate for each separate item as well as the aggregate total cost estimate for all such items. These estimates should be summarized by major feature and/or component following, where feasible, the Uniform System of Accounts prescribed by the Federal Energy Regulatory Commission, and should be sufficiently detailed so that the Commission can make a judgment as to the reasonableness of the costs.

4. Provide a detailed schedule stating the amounts and timing of projected expenditures resulting from the cost estimates in request Item No. 3, above, showing total annual capital and total annual operating expense requirements for the cleanup and describing completed and projected actions for each period incurred.

ATTACHMENT C

PEIS - PRELIMINARY RECOVERY SCHEDULE
AND ASSESSMENT OF COSTS

The preliminary revision to the schedule for TMI-2 decontamination and fuel removal reflects the impact of regulatory constraints, including the PEIS approvals and the processes described in NUREG-0698, and the availability of funds for cleanup. The effects of these developments results in a projected removal of fuel in August 1985 versus April 1983 as depicted in our baseline schedule issued in August 1980 with the Project Estimate. It is considered reasonable to anticipate that the schedule extension of 28 months may be conservative because of the continuing regulatory and financial constraints.

A preliminary assessment of the costs associated with the schedule extension and future funding constraints is expected to increase the baseline estimate by about \$150 million. The Project Estimate of August 1, 1980 projected a cost of about \$400 million from 1981 to 1985. Added to this cost is 1979 and 1980 costs of about 200 million and now an estimated schedule extension cost of \$150 million. This results in a preliminary estimate for cleanup cost of about \$750 million, in 1980 dollars. If the inflation rate is assumed to be 10 percent per year, this would add about \$250 million and bring the total TMI-2 cleanup costs to approximately \$1 billion. This is \$700 million over the \$300 million of insurance coverage.