



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

December 19, 1980

Dr. Judith H. Johnsrud
Environmental Coalition on
Nuclear Power
433 Orlando Avenue
State College, Pennsylvania 16801

In the Matter of
METROPOLITAN EDISON COMPANY, ET AL.
(Three Mile Island Unit 2)
Docket No. 50-320 OLA

Dear Judy:

This is in response to your letter to me of December 7, 1980.

You first asked whether you would be sent a copy of the stipulation we have negotiated with Steve Sholly and Bill Lochstet. A copy of the letter and enclosures transmitting the stipulations and related motion papers to Messrs. Trowbridge, Sholly and Lochstet has been sent to you. As indicated in the covering letter, we would hope that ECNP would review that portion of the stipulation and supporting papers setting forth the basis for Mr. Sholly's withdrawal of his contention on records retention to determine whether the stipulation also provides a basis for withdrawal of ECNP Contention 5.

You next raised the question of whether the bankruptcy of either Metropolitan Edison Company or its parent, General Public Utilities, would affect any agreements reached among parties to this proceeding. The general question of the effect of any default (which could lead to, among other results, a bankruptcy) by Met Ed, or GPU, with respect to its responsibilities for the clean-up of TMI-2 has been considered by the NRC Staff in NUREG-0689, a copy of which is enclosed. As you will see from a reading of NUREG-0689, the Staff has identified steps which can be taken to avert, or substantially lessen, the possibility of a default. NUREG-0689, p. 2-1. The Staff has, nevertheless, analyzed the possibility of a default and the various paths that such a default might follow. *Id.*, pp. 2-1 and 2-2. In some circumstances, modifications to the Technical Specifications might be required. However, as long as the entity which assumed responsibility for the cleanup was an NRC licensee, the major changes anticipated would be in the Administrative Controls section of the Technical Specifications. We would not anticipate any changes in the Safety Limits, Limiting Conditions for Operation, or Design Features as a result of a change of organizational responsibility.

8012290

519

G

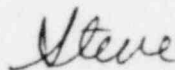
Although the possibility of default by Met Ed or GPU cannot be ruled out, we do not believe that consideration of the impacts of any default are appropriately part of this proceeding. The Commission has directed that "[a]ny hearings held should focus on the changes to the technical specifications and not on the TMI Unit 2 cleanup or whether TMI-2 should be allowed to operate again". Commission Order, May 12, 1980.

You have also requested to be provided with a copy of a document which Steve Sholly described to you which pertains to the TMI-2 Health Physics Program. We believe you are referring to a recently completed review of that program conducted by the Commission's Office of Inspection and Enforcement. The results of that review will be published as an IE Inspection Report. Following the twenty day period afforded the licensee for review of the report to determine whether it contains any proprietary information, it will become available to the public. I will transmit a copy of the report to you once it becomes available.

I will be in further contact with you following January 5, 1981 to discuss the possibility of entering into a stipulation for the withdrawal of the ECNP contentions, or, where that proves to be unachievable, to proceed with the framing of the ECNP contentions for an evidentiary hearing.

I wish you a pleasant holiday season.

Sincerely,



Stephen H. Lewis
Counsel for NRC Staff

Enclosure:
As stated

cc: w/o enclosure
John F. Wolf, Esq.
Dr. Oscar H. Paris
Mr. Frederick J. Shon
Karin W. Carter
Mr. Steven C. Sholly
Mr. William A. Lochstet
George F. Trowbridge, Esq.
ASLBP
ASLAP
Secretary, NRC