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February 9, 1981

Mr. James Peterson U.S. Nuclear Regulatory Commission Room 266 - PHIL 7920 Norfolk Avenue Bethesda, Maryland 20014

Dear Mr. Peterson:

Enclosed is our complete response to Additional Financial Information request Nos. 5 and 6. Because of the time constraints that you are under regarding the preparation of the NRC financial testimony, I have mailed this copy of our response directly to you. I have initiated our internal review and filing process. I would expect that this material will be formally submitted within a few weeks.

If you have any questions regarding this material, please call me or Steve Somich.

Very truly yours

T. G. Howson

TGH/1c Enclosure cc: J. G. Graham B05./1

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GENERAL PUBLIC UTILITIES CORPORATION

Metropolitan Edison Company, Pennsylvania Electric Company
and Jersey Central Power & Light Company
NRC Docket No. 50-289

Three Mile Island Unit No. 1 Restart Proceeding

Response to the NRC Staff's Additional Financial Information request No. 5 and No. 6, dated August 11, 1980.

- 5. Complete the attached form entitled, "Pro-Forma Statement of Sources and Uses of Funds", on an annual basis for each licensee and GPU, through the year of estimated completion of the cleanup activities of TMI-2. Note that this statement should encompass all necessary construction expenditures including capital expenditures relating to both TMI-1 and TMI-2. Indicate the assumptions upon which the "Sources and Uses of Funds" statement is based. These assumptions should include, but are not necessarily limited to, the following: (a) rates of return on average common stock equity, (b) preferred stock dividend rates, (c) long and short-term debt interest rates, (d) market/book ratios for any projected issuances of common stock, (e) common stock dividend payout ratios, (f) target and year by year capital structure, and (g) resultant annual SEC and indenture coverages on interest charges and preferred dividend coverages over the period. Provide a brief explanation of the basis for each assumption.
- 6. Provide a list of all necessary generating units, transmission and distribution facilities and general plant projects

to be constructed during the period of clean-up of TMI-2, showing the type of facility, net capacity of each generating unit, the estimated capital expenditures for each facility during each of the years involved, and the projected in-service date of each facility.

# Response:

Attached is our complete response to request No. 5 and 6. The construction schedules requested in No. 6 are included as Appendix A. This response replaces our previous response to request No. 5 which only provided data for 1981 and 1982. There are some minor changes on the Source and Application of Funds Statements in 1981 and 1982 in this complete response versus our previous response.

### General Public Utilities 1981-1986 Forecast

### Introduction

The attached forecast is -- as is true of any forecast -- a result of its underlying assumptions. We have tried to be explicit in detailing our forecast assumptions and we believe these assumptions to be reasonable given today's knowledge of what might happen in the future. There are, however, several forecast assumption areas that require further explanation.

### Level of Construction

Since the TMI-2 accident, the GPU companies have virtually eliminated new generating station construction programs and have reduced non-nuclear construction programs at existing facilities. This forecast assumes that a material increase in our construction program will commence in 1982. However, this increase -which includes undertaking new project initiatives such as the Sayreville coal conversion, the Ontario Hydro Tie and major distribution system improvements -- can and only will be possible given our other assumptions about events such as the return to service and rate base of TMI-1, available credit for the companies, a project financing vehicle for the Ontario Hydro Project, adequate rate relief and the like. The forecast assumptions are interdependent so that if one of our assumptions changes (e.g. rate relief) then others (e.g. construction programs) will change as well. The 46% increase in construction expenditures from 1981 to 1982 (see Appendix A, \$265 million to \$388 million) will not take place if there is a materially adverse development relative to the assumptions that we have made.

#### Level of Base Rate Relief

The major driving element in any utility's financial forecast is the rate relief assumption. In this forecast we have elected to keep the rate relief assumption conservative by only applying future rate relief that is consistent with the rate making that we have experienced since the accident. We believe that our needs and fairness to our investors dictate a different level of rate relief and we are so requesting and arguing in our current rate cases. The level of awards assumed in this forecast merely reflects the application of the ratemaking that we have experienced since the accident.

### Level of Expenditures at TMI-2

Our 1981 budget for TMI-2 has been established at about \$60 million which is intended to be both a program that complies with current regulatory agency directives and is consistent with our current financial condition.

A major directive concerning spending at TMI-2 is the September 18, 1980 Pennsylvania PUC order which required Metropolitan Edison to "cease and desist from using any operating revenues for uninsured cleanup and restoration costs." Our 1981 spending plan is based on complying with this order while continuing to meet our license obligations with the NRC. (See Dieckamp letter to Ahearne of September 12, 1980 and Ahearne letter to Dieckamp of January 12, 1981.) About \$40 million of this program is for minimum plant operations to protect the immediate health and safety of the public and these expenditures are considered to be in compliance with the PUC order. The remaining \$20 million for minor cleanup progress required by NRC and needed to reduce the intermediate and long-term threat to public and worker safety, is currently financed by property insurance receipts. Our forecast continues this basic spending program, with a normal allowance for inflation, through 1983, when available insurance money will essentially be exhausted. At that time, the forecast assumes a return to the \$40 million per year (1981 dollars) spending level.

The difference between this level of spending and the level of spending required to complete the clean-up of TMI-2 is assumed to be provided from some source (e.g. government or industry) other than customer revenues. To the extent that external funding is not available, customer revenues would be required on a dollar for dollar basis. This additional capital and funds requirement is not included in our forecast.

#### General Public Utilities 1981-1986 Forecast

### Major Assumptions

### I. Costs and Construction

Forecast Period

- 1981 through 1986.

TMI Availability

- TMI-1 returns to full power 1/1/82. TMI-2 out of service throughout the forecast period.

Construction

- Substantial increase in construction expenditures are included in the forecast starting in 1982. In summary, the following construction is included:

New Generation - Forked River nuclear project is abandoned. Jersey Central's Sayreville oil units are converted to coal at a total cost of \$100 million. Penelec (90%) and Jersey Central (10%) construct Seward-7 coal unit to go in service in 1989. Major construction expenditures on Seward-7 begin in 1983. Expenditures start in 1983 for new units that are to go in service in the early 1990's.

Transmission - Jersey Central constructs the Ontario Hydro tie at a cost of \$250 million. Project financing is assumed available for 70% of the Ontario Hydro project.

USDOE Deferral - The USDOE deferral of  $\overline{$39$}$  million (JC - \$22 million, ME - \$11 million, PN - \$6 million) is assumed to be paid in 1981.

The construction expenditures are summarized on Appendix A.

Energy Costs

- #2 oil escalates 20% in 1981 and 12% annually thereafter.

TMI-2 Costs

- As explained in the introduction to the forecast, expenditures at TMI-2 are constrained by various regulatory agency directives.

The resultant expenditure level reflecting these constraints is shown in Appendix B.

### General Public Utilities 1981&1982 Forecast

### Major Assumptions

### II. Financing Assumptions

New Capital - Bonds 15.5% Short-Term Debt 15.0% JC's Project Financing 15.0%

Short-Term Debt - The GPU System maintains the Revolving Credit Agreement (RCA) with the following limits:

JCP&L S122 million

Met-Ed retains its current credit limit formula:

deferred energy balance plus uranium pledge (\$20 million) plus accounts receivable pledge (\$20-24 million). When TMI-1 returns to service and rate base Met-Ed's credit limit reverts back to its previous level of \$105 million.

Penelec \$116 million GPU Corp. \$ 75 million System Total \$292 million

GPU Common Stock - No new shares are issued.

GPU Common Dividend -For financial forecasting purposes, we have assumed no external common equity sales so that GPU's common equity needs must be met through retained earnings. We have selected our target common equity capitalization (including short-term debt) percentage as 35% to 36%. With these two assumptions our external dividend becomes those earning in excess if our retained earning needs as defined by our common equity capitalization goal. We have shown such a dividend starting in 1983 and continuing throughout the forecast period. This dividend assumption results in GPU paying out about 25% of its earning in the 1983 to 1986 period. This dividend assumption and the payment of, or lack of payment of, a dividend in the future is not an indication of the prospective divident policy which is reviewed quarterly by the GPU Board of Directors.

Subsidiary Dividends

1981-1986: Penelec and JCP&L pay to GPU

their earnings to GPU.

Capital Contributions

to Subsidiaries - 1981-1982: None except for retained earnings of subsidiaries.

1983-1986: As required to support capital projects.

### General Public Utilities 1981-1986 Forecast

### Major Assumptions

### III Ratemaking

Energy Clauses

The energy clause assumption for Met-Ed and Penelec is intended to reflect our most recent ratemaking decisions which allow for an amortization of our existing deferred energy balance by the end of 1981 and energy clause factors that keep the Pennsylvania subsidiaries current on energy costs in the future periods. For Jersey Central, the assumption is that their deferred energy balance is amortized by the end of 1982 and they are also kept current on their energy costs.

Base Revenues

Appendix C details the rationaking for 1981 which reflects the assumed disposition of our current base rate cases for all three subsidiaries. We believe that our assumptions are consistent with the ratemaking that we have experienced since the TMI-2 accident in that the awards we have assumed do not provide any revenue allowance for TMI-2 or TMI-1 when they are not in service; provides no customer revenues to assist in the clean-up as either an expense or rate base allowance; and does not change the allowed or earned return on common equity to reflect higher risks.

In 1982, the level of base rate increases for all three companies have been determined as follows:

Ratemaking provides revenues in the current year sufficient to have produced an earned return in the prior year of approximately 14% on the prior year's common equity devoted to rate base. Excluded from rate base are the TMI-2 clean-up costs and, for Jersey Central, the unamortized Forked River investment. Also excluded as an allowable rate making expense are the OWM costs for TMI-2 that we are charging against income. In the later years of the forecast period, CWIP is included in rate base as required to support the financing requirements for the high level of New Generation construction. Appendix D is a graph of average customer cost (revenues divided by Kwh sales) that results from these ratemaking assumptions.

# POOR ORIGINAL

# General Public Utilities Corporation U. S. NUCLEAR REGULATORY COMMISSION THREE MILE ISLAND NUCLEAR STATION, UNIT NO. 1 RESTART PROCEEDING - DOCKET NO. 56-289 ATTACHMENT FOR ITEM NO. 5

STATEMENT OF PRO FORMA SOURCES AND USES OF FUNDS FOR PLANT
MODIFICATIONS, CLEANUP ACTIVITIES, CONSTRUCTION EXPENDITURES AND CAPITAL STRUCTURE
(MILLIONS OF DOLLARS)

122	2010	Management				
YEARS	1981	1982	1983	1984	1985	1986
EXTERNAL FUNCTIONS						
Common Stock Preferred Stock Long-te-m det Notes paya Project Financing (Ontario Hydicontributions from	5 - - - - (15)	\$	s	\$ - 205 17 80	\$ 300 (51)	\$
parent-net Other funds (describe)(1) Total External Funds	29 5 14	\$\frac{7}{8}	\$\frac{19}{245}	\$\frac{7}{295}	5 <u>248</u>	s <u>315</u>
INTERNALLY GENERATED CASH Net Income	52	150	145	147	164	183
preferred dividends common dividends Retained earnings Deferred taxes Invest. tax cred. deferred Depreciation and amort. Deferred Energy Change in working capital (2) Less: AFDC Total Internal Funds TOTAL FUNDS	(42) 10 25 (3) 157 99 (17) (18) 253 \$267	108 34 56 165 41 53 (25) 432 5440	(41) (25) 79 25 50 174 2 48 (34) 344 5589	(40) (28) 79 48 39 185 2 60 (32) 381 5676	(40) (31) 93 57 40 2(29) 479 8727	(39) (37) 107 67 38 243 65 (32) 490 8805
CONSTRUCTION EXPENDITURES (3)  TMI-2 Cleanup  TMI-1 Modifications (4)  Other Construction Exp.  TOTAL	\$\frac{-10}{237}\$\$\frac{237}{247}\$\$	\$_ = 363 \$363	11 465 \$476	20 553 5573	21 566 \$ 587	23 710 9733
OTHER CAPITAL REQUIREMENTS Redemption of Maturing Bonds	10	22	97	87	123	55
Acquisition of Bonds for Sinking Funds	4	8		8	9	9
Miscellaneous Require- ments (detail) (5)	6	47	8	8	_8	8
TOTAL CAPITAL REQUIREMENTS	s <u>267</u>	\$440	\$589	s <u>676</u>	\$ <u>727</u>	\$805
CAPITAL STRUCTURE (5 6 %) Long-term debt Preferred stock Common equity TOTAL	\$2157 53X 510 12 1424 35 \$4091 100X \$135	\$2166 52% 504 12 1532 36 \$4202 100%	\$2252 52% 500 11 1611 37 \$4363 130% \$ 95	\$2440 53% 494 11 1690 36 \$4624 100% \$112	\$2605 532 489 10 1783 372 \$4877 1002 \$_61	\$2814 542 483 9 1896 37 \$5187 1007 \$ 99
Short-term Debt	0132		-			

#### COVERAGES Interest

Interest Preferred Stock

# Not Applicable for Consolidated

- (1) Temporary Investments
- (2) Includes Payment of Accrued Construction Liabilities of \$56 million, of which DOE is \$39 million.
- (3) Exclusive of AFDC
- (4) Consistent with data request No. 2
- (5) Dehenture and Preferred Stock Sinking Funds and GPU's \$39 million Term Loan in 1982

POOR ORIGINAL

Jersey Central Power & Light

U. S. NUCLEAR REGULATORY COMMISSION

## THREE MILE ISLAND NUCLEAR STATION, UNIT NO. 1

RESTART PROCEEDING - DOCKET NO. 50-289

### ATTACHMENT FOR ITEM NO. 5

STATEMENT OF PRO FORMA SOURCES AND USES OF FUNDS FOR PLANT
MODIFICATIONS, CLEANUP ACTIVITIES, CONSTRUCTION EXPENDITURES AND CAPITAL STRUCTURE
(MILLIONS OF DOLLARS)

		MEE 0110 01 00	GETATO /			
YEARS	1981	1982	1983	1984	1985	1986
EXTERNAL FUNCTIONS						
Common Stock Preferred Stock Long-term debt Notes payable Projects Financing (Ont. H Contributions from	ydro) =	\$ - 50 (51) 30	35 46 50	\$ - \$0 (6) 80	\$	s 100 (30)
parent-net Other funds (describe)(1) Total External Funds	s <u>10</u>	s <u>-</u> 29	30 \$161	30 s194	30 \$159	\$\frac{40}{-10}\$
INTERNALLY GENERATED CASH Net Income Less:	_30	_71	67	74		80
preferred dividends common dividends Retained earnings Deferred taxes Invest. tax cred. deferred Depreciation and amort. Deferred Energy Change in working capital Less: AFDC Total Internal Funds TOTAL FUNDS	(18) (12) 	(18) (53) 	$\begin{array}{c} (17) \\ (49) \\ \hline -1 \\ \hline 6 \\ \hline 27 \\ \hline 72 \\ \hline \hline 2 \\ \hline 51 \\ \hline (22) \\ \hline 137 \\ 5298 \\ \end{array}$	(17) (56) 1 10 32 78 2 51 (16) 158 9352	$\begin{array}{r} (17) \\ \hline (58) \\ \hline 2 \\ \hline 16 \\ \hline 26 \\ \hline 115 \\ \hline 68 \\ \hline (14) \\ \hline 215 \\ \hline 5374 \\ \end{array}$	(16) (62) 21 21 25 125 125 40 (9) 206 5315
CONSTRUCTION EXPENDITURES (3)  TMI-2 Cleanup  TMI-1 Modifications (4)  Other Construction Exp.  TOTAL	\$ \frac{3}{117} \$\frac{120}{120}	\$ 	\$\frac{3}{2}\\ \frac{251}{254}	\$5 	\$5 	\$\frac{6}{271}\$\$\frac{271}{277}\$
OTHER CAPITAL REQUIREMENTS Redemption of Maturing Bonds Acquisition of Bonds for Sinking Funds Miscellaneous Requirements (detail)(5)	_5  _3	5 4 5	_35 _4 _5	_15 _4 _5		
TOTAL CAPITAL REQUIREMENTS	\$ <u>128</u>	\$ <u>207</u>	\$298	\$ 352	\$374	\$ <u>316</u>
CAPITAL STRUCTURE (S & T)  Long-term debt  Preferred stock Common equity  TOTAL	\$ 883 50% 202 11 671 39 \$1756 100%	\$ 952 52% 199 11 671 37 \$1822 100%	\$\frac{995}{197} \frac{53x}{10} \\ \frac{702}{702} \frac{37}{37} \\ \frac{1894}{100} \frac{100}{2} \end{array}	\$\frac{1144 \ 55\chi}{194 \ 9 \\ \frac{733 \ 36}{52071 \ 100}\chi\$	\$\frac{1188 \ 55\chi}{192 \ 9} \frac{765 \ 36}{\$\sigma 2145 \ 100\chi}\chi	\$1252 562 189 8 807 36 \$2248 1002
Short-term Debt	\$ 67	s_15	\$ 61	\$ 55	\$ 59	s_29
COVERAGES Interest Preferred Stock	1.76 1.09	2.45 1.51	2.09 1.34	2.01 1.29	2.05 1.31	1.98

1 Temporary Investments

3 Exclusive of AFDC

 $<sup>^2</sup>$  Includes Payment of Accrued Construction Liabilities of 541 million, of which DOE is \$22 million

<sup>4</sup> Consistent with data request No. 2

<sup>5</sup> Debenture and Preferred Stock Sinking Fund

<sup>6</sup> Accrued interest on Project Financing included

# Metropolitan Edison Company

# U. S. NUCLEAR REGULATORY COMMISSION

# RESTART PROCEEDING - DOCKET NO. 50-289

# ATTACHMENT FOR ITEM NO. 5

STATEMENT OF PRO FORMA SOURCES AND USES OF FUNDS FOR PLANT
MODIFICATIONS, CLEANUP ACTIVITIES, CONSTRUCTION EXPENDITURES AND CAPITAL STRUCTURE
(MILLIONS OF DOLLARS)

	7 57 5 44 64	10112 01 0000				
YEARS	1981	1982	1983	1984	1985	1986
EXTERNAL FUNCTIONS						
Common Stock Preferred Stock Long-term debt Notes payable Contributions from parent-net Other funds (describe)(1) Total External Funds	\$	\$	\$ 50 (S) \$ 45	\$ 15 5 5 5 20	\$ _ =	\$
INTERNALLY GENERATED CASH  Net Income  Less:     preferred dividends     common dividends     Retained earnings     Deferred taxes Invest. tax cred. deferred     Depreciation and amort.     Deferred Energy     Change in working capital(2) Less: AFDC     Total Internal Funds     TOTAL FUNDS	(2) (10) (12) (11) 	31 (10)  21  8  14  42 (3)  10 (6) 86 8 81	34 (10) -24 -8 -14 -44 -10 (5) -95 s140	23 (10) -13 -20 (5) -46 -11 (5) -80 -100	36 (10) 	(10) 
CONSTRUCTION EXPENDITURES (3) TMI-2 Gleanup TMI-1 Modifications (4) Other Construction Exp. TOTAL	\$ <del>-</del> 5 36 \$ 41	\$ \$\frac{-}{71} \$\frac{7}{71}	\$ 5 83 \$ 88	\$ 10 73 \$ 83	\$\frac{11}{-\frac{7}{93}}\$\$\frac{104}{104}\$	s <u>11</u> s <u>1671</u> s <u>177</u>
OTHER CAPITAL REQUIREMENTS  Redemption of Maturing  Bonds Acquisition of Bonds for Sinking Funds Miscellaneous Requirements (detail)  TOTAL CAPITAL REQUIREMENTS	2 	8 2  s81	50 2 - \$140		50 2  s156	8 2 - \$189
CAPITAL STRUCTURE (S & T)  Long-term debt Preferred stock Common equity TOTAL  Short-term Debt(5)	\$ 542 52% 140 13 356 35 \$1038 100%	\$ 532 51% 140 13 377 36 \$1049 100% \$_39	\$ 530 50% 140 13 400 37 \$1070 100% \$_34	\$\frac{528}{140} \frac{49x}{13} \\ \frac{413}{413} \frac{38}{38} \\ \frac{51081}{100} \frac{100x}{39}	140 12 454 40	\$\frac{621}{140} \frac{50\chi}{14} \\ \frac{140}{487} \frac{39}{39} \\ \$\frac{1248}{100\chi} \\ \$s
COVERAGES Interest Preferred Stock	.93	2.42 1.39	2.35 1.35	$\frac{1.97}{1.19}$	2.09 1.29	1.98 1.28

<sup>1</sup> Temporary Investments

<sup>2 1981</sup> Includes Payment of DOE Liability of S11 million

<sup>3</sup> Exclusive of AFDC

<sup>4</sup> Consistent with data request No. 2

 $<sup>^{5}</sup>$  Excludes \$13 millions bonds assumed to be paid off in 1985 and 1986

POOR ORIGINAL

### Pennsylvania Electric Company

### U. S. NUCLEAR REGULATORY COMMISSION

# THREE MILE ISLAND NUCLEAR STATION, UNIT NO. 1

# RESTART PROCEEDING - DOCKET NO. 50-289

ATTACHMENT FOR LITEM NO. 5

STATEMENT OF PRO FORMA SOURCES AND USES OF FUNDS FOR PLANT
MODIFICATIONS, CLEANUP ACTIVITIES, CONSTRUCTION EXPENDITURES AND CAPITAL STRUCTURE
(MILLIONS OF DOLLARS)

YEARS	1981	1982	1983	1984	1985	1986
EXTERNAL FUNCTIONS						
Common Stock Preferred Stock Long-term debt Notes payable Contributions from parent-net Other funds (describe)(1) Total External Funds	\$	\$	\$	\$	\$	\$ - 100 68 40 - 208
INTERNALLY GENERATED CASH Net Income Less:	39	53	46	_53	_54	65
preferred dividends common dividends Retained earnings Deferred taxes Invest. tax cred. deferred Depreciation and amort. Deferred Energy Change in working capital(2) Less: AFDC Total Internal Funds TOTAL FUNDS	(14) (22) 3 10 5 5 5 2 3 (3) (3) (3) 5 5 7 5 2 3 3 3 3 5 3 5 7 3 7 3 7 3 7 3 7 3 7 3 7	(14) (38) 1 9 5 35 35 16 (4) 85 \$112	$ \begin{array}{c} (13) \\ (31) \\ \hline 2 \\ -11 \\ \hline 9 \\ \hline 58 \\ \hline (12) \\ (7) \\ 61 \\ 5151 \end{array} $	(13) (38) 2 18 13 62 (11) 76 5224	(13) (40) 19 16 65 	$ \begin{array}{c} (12) \\ (52) \\ \hline 1 \\ 22 \\ \hline 9 \\ 69 \\ \hline -4 \\ \hline (13) \\ 92 \\ 5200 \end{array} $
CONSTRUCTION EXPENDITURES (3) TMI-2 Cleanup TMI-1 Modifications (4) Other Construction Exp. TOTAL	\$\frac{-\frac{1}{2}}{\frac{34}{36}}\$	\$ - - - 99 \$ 99	\$3 	\$	\$ <u>5</u> 	\$\frac{6}{2}\$ \$\frac{271}{2^{71}}\$
OTHER CAPITAL REQUIREMENTS Redemotion of Macuring Bonds Acquisition of Bonds for Sinking Funds Miscellaneous Require-	<u>5</u> 2	<u>9</u> _2	_12 _2	<u>57</u> _2	 _2	_18 _2
ments (detail)(5)	_3	_3	_ 3	_3	3	
TOTAL CAPITAL REQUIREMENTS	3 96	\$ <u>113</u>	\$151	\$ <u>224</u>	s <u>197</u>	s <u>300</u>
CAPITAL STRUCTURE (S 5 %) Long-term debt Preferred stock Common equity TOTAL	\$\frac{681}{168} \frac{542}{33} \\ \frac{420}{33} \signs{1269} \frac{100}{2} \]	\$\frac{669}{165} \frac{532}{125} \frac{165}{421} \frac{34}{34} \frac{1255}{100} \tag{2}	s 715 53\$ 163 12 463 35 s 1341 100\$	\$\frac{756}{160} \frac{54\chi}{1} \\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	157 10 316 34 s1527 100%	\$\frac{934}{154} \frac{577}{9} \\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\
Short-term Debt	5	s <u>10</u>	5	s <u>18</u>	S_2	s_70
COVERAGES Interest Preferred Stock	2.13 1.36	2.81 1.55	2.23 1.33	2.26 1.36	2.05 1.30	2.21 1.33

<sup>1</sup> Temporary Investments

<sup>2 1981</sup> Includes Payment of DOE Liability of S6 million

<sup>3</sup> Exclusive of AFDC

Consistent with data request No. 2

<sup>3</sup> Debenture and Preferred Stock Sinking Fund

# GENERAL PUBLIC UTILITIES System Construction Forecast (\$ Millions)

Includes AFC

	Type(1)	Capacity (MW)	In-Service Date	1981	1982	1983	1984	1985	1986
New Generation									
Sayreville Coal Conversion (100%-JC)(2)	С		1985	2	8	20	20	h +.	-
Raystown (100%-PN)	H	2	1985	1	3	5	6	3	-
Seward-7 (90%-PN, 10%-JC)	C	625	1989	1	2	25	40	74	146
Coal #1 (60%-ME, 30%-JC, 10%-PN)	C	625	1991		2	5	10	30	48
Coal #2 (50%-JC, 40%-PN, 10%-ME)	С	625	1993		+	- 100	2	6	11
Pumped Storage (60%-JC, 40%-ME)	PS	850	1994			2	3	5	24
Other				5				1	5
Total				9	15	57	81	119	234
Existing Generation									
Oyster Creek				36	45	56	62	142	62
TMI-1				20	38	4()	1.7	25	36
Other				40	52	53	53	42	69
Total Generation				105	150	206	213	328	401
Transmission			dia markin		1440	100	-0.5		
Ontario Hydro (100%-JC)	F	1000	1985	3	41	66	103		
All Other Transmission				42	39	59	59	43	52
Distribution				85	119	128	150	158	165
Nuclear Fuel				22	31	33	54	60	117
General				8	8	7	6	6	7
Total				265	388	499	585	595	742

<sup>(1)</sup> C-Coal, H-Hydro, PS-Pumped Storage, F-Firm Purchase

<sup>(2)</sup> Assumes 50% of cost paid by Government

# JERSEY CENTRAL POWER & LIGHT COMPANY Construction Forecast (\$ Millions)

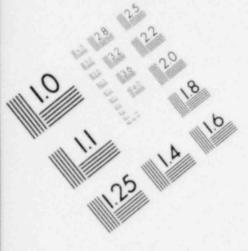
	In-Service Date	1981	1982	1983	1984	1985	1986
New Generation							
Sayreville Coal Conversion	1985	2	8	20	20		
Seward-7	1989			-	4	8	12
Coal #1	1991	-	1	1	3	9	-13
Coal #2	1993				1	. 3	5
Pumped Storage	1994	ort Strail		1	2	3	14
Other		5	4.59		-	1	4
Total		<u>5</u>	9	22	30	24	48
Existing Generation							
Oyster Creek		36	45	56	62	142	62
TMI-1		5	10	10	4	6	9
Other		4	3	5	4	2	1.1
Total Generation		52	67	93	100	174	130
Transmission							
Ontario Hydro	1985	3	41	66	103		100
All Other		31	18	27	30	13	22
Distribution		34	54	58	73	77	78
Nuclear Fuel		8	24	27	31	34	47
General General		3	4	2	2	_ 2	_ 3
Total Construction		131	208	273	339	300	280

# METROPOLITAN EDISON COMPANY Construction Forecast (\$ Millions)

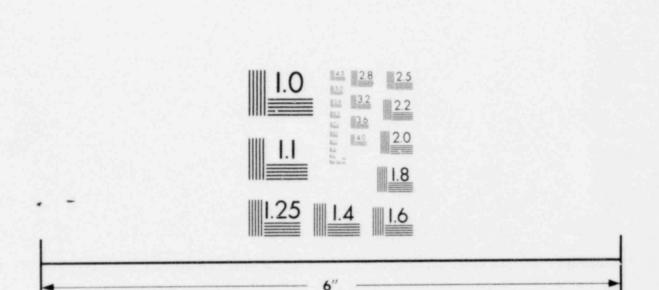
	In-Service						
	Date	1981	1982	1983	1984	1985	1986
New Generation							
Coal #1	1991	3100 40	1	3	6	18	30
Coal #2	1993		100	-	-	1	1.
Pumped Storage	1994			1	1	2	10
Other			17 1 18			-	1
Total			1	4	7	21	42
Existing Generation							
TMI-1		10	19	20	9	13	18
Other		4	11	32	$-\frac{6}{22}$	4	-24 84
Total Generation		14	31	32	22	38	84
Transmission		3	8	15	9	10	8
Distribution		18	31	34	30	32	37
Nuclear Fuel		9	5	4	15	17	47
General .		1	2	_ 3	2	2	2
Total Construction		45	77	88	78	99	178

# PENNSYLVANIA ELECTRIC COMPANY Construction Forecast (\$ Millions)

	In-Service Date	1981	1982	1983	1984	1985	1986
New Generation							
Raystown	1985	1	3	5	6	3	100
Seward-7	1989	1	2	25	36	66	134
Coal #1	1991			1	1	3	5
Coal #2	1993			-	1	2	5
Other				-		-	
Total		2	5	31	44	74	144
Existing Generation							
TMI-1		5	9	10	4	6	9
Other		$\frac{32}{39}$	$-\frac{38}{52}$	40	43	36	34
Total Generation		39	52	81	91	116	187
Transmission		8	13	17	20	20	22
Distribution		33	34	36	47	49	50
N_clear Fuel		5	2	2	8	9	23
General		4	_ 2	2	_ 2	2	2
Total Construction		89	103	138	168	196	284

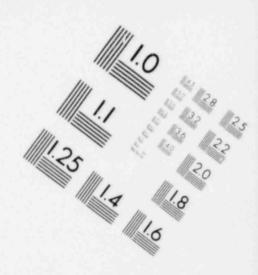


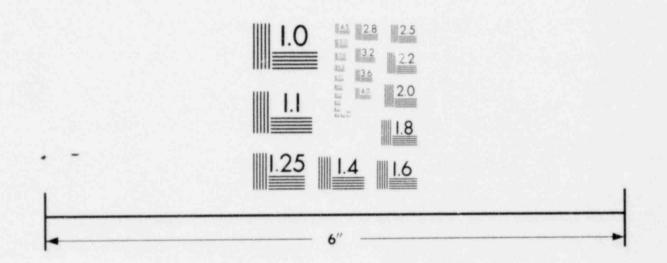
# IMAGE EVALUATION TEST TARGET (MT-3)



STATE OF THE STATE

IMAGE EVALUATION TEST TARGET (MT-3)





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# GENERAL PUBLIC UTILITIES TMI-2 Expenditure Forecast (\$ Millions)

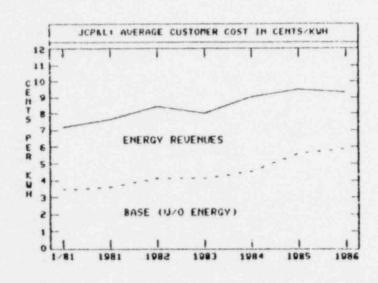
TMI-2 Deferrals	1981	1982	1983	1984	1985	1986
Deferred Costs Insurance Proceeds Net Deferred Cost	\$ (42 \$ (41)	\$ 45 \$ (44) \$ <u>I</u>	\$ 48 (37) \$ 11	\$ 23 \$ (3) \$ 20	\$ 21 \$ <u>21</u>	\$ 23 \$ <del>2</del> 3
O&M Charged to Expense	\$ <u>19</u>	\$ 18	\$ 19	\$ 21	\$ 22	\$ 24

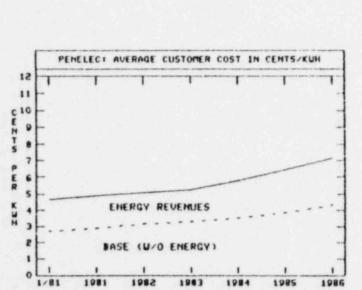
Note: All costs are allocated among the GPU subsidiaries in proportion to their TMI-2 ownership (JCP&L and Penelec - 25% each, Met-Ed - 50%).

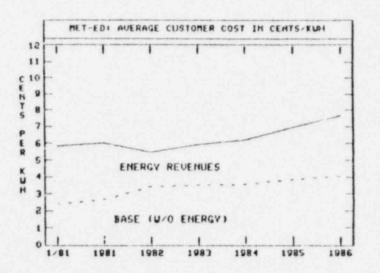
# GENERAL PUBLIC UTILITIES Assumed Disposition of Current Base Rate Cases In 1981 (\$ Millions)

	Last allowed ROE on "recognized" Rate Base Investment	Amortization Revenues for the Forked River Investment
Base Revenue Increases		
Jersey Central - Annual Award - Effective Date	\$ (2)	\$27 March
Met-Ed		
- Annual Award - Effective Date	\$35 May	:
Penelec		
- Annual Award - Effective Date	\$40 May	:

- (1) Excludes all capital and operating costs associated with the following investments:
  - TMI-1 (until 1/1/82)
  - TMI-2
  - Deferred TMI clean-up costs
  - Unamortized Forked River investment
- (2) Jersey Central interim award of \$60 million in June 1980 assumed to be retained.







Compound Annual Growth Rate

	Jan. 1981 To Mid-1983	Mid-1983 To Mid-1986	Jan. 1981 To Mid-1986
JCP&L	4.3%	5.3%	4.9%
Met-Ed	0.68	8.8%	5.0%
Penelec	5.0%	10.8%	8.1%

GENERAL PUBLIC UTILITIES CORPORATION

Metropolitan Edison Company, Pennsylvania Electric Company
and Jersey Central Power & Light Company
NRC Docket No. 50-289

Three Mile Island Unit No. 1 Restart Proceeding

Response to the NRC Staff's Additional Financial Information request No. 5 and No. 6, dated August 11, 1980.

- 5. Complete the attached form entitled, "Pro-Forma Statement of Sources and Uses of Funds", on an annual basis for each licensee and GPU, through the year of estimated completion of the cleanup activities of TMI-2. Note that this statement should encompass all necessary construction expenditures including capital expenditures relating to both TMI-1 and TMI-2. Indicate the assumptions upon which the "Sources and Uses of Funds" statement is based. These assumptions should include, but are not necessarily limited to, the following: (a) rates of return on average common stock equity, (b) preferred stock dividend rates, (c) long and short-term debt interest rates, (d) market/book ratios for any projected issuances of common stock, (e) common stock dividend payout ratios, (f) target and year by year capital structure, and (g) resultant annual SEC and indenture coverages on interest charges and preferred dividend coverages over the period. Provide a brief explanation of the basis for each assumption.
- 6. Provide a list of all necessary generating units, transmission and distribution facilities and general plant projects

to be constructed during the period of clean-up of TMI-2, showing the type of facility, net capacity of each ge rating unit, the estimated capital expenditures for each facility during each of the years involved, and the projected in-service date of each facility.

### Response:

Attached is our complete response to request No. 5 and 6. The construction schedules requested in No. 6 are included as Appendix A. This response replaces our previous response to request No. 5 which only provided data for 1981 and 1982. There are some minor changes on the Source and Application of Funds Statements in 1981 and 1982 in this complete response versus our previous response.

### General Public Utiliti 1981-1986 Forecast

### Introduction

The attached forecast is -- as is true of any forecast -- a result of its underlying assumptions. We have tried to be explicit in detailing our forecast assumptions and we believe these assumptions to be reasonable given today's knowledge of what might happen in the future. There are, however, several forecast assumption areas that require further explanation.

### Level of Construction

Since the TMI-2 accident, the GPU companies have virtually eliminated new generating station construction programs and have reduced non-nuclear construction programs at existing facilities. This forecast assumes that a material increase in our construction program will commence in 1982. However, this increase -which includes undertaking new project initiatives such as the Sayreville coal conversion, the Ontario Hydro Tie and major distribution system improvements -- can and only will be possible given our other assumptions about events such as the return to service and rate base of TMI-1, available credit for the companies, a project financing vehicle for the Ontario Hydro Pronect, adequate rate relief and the like. The forecast assumptions are interdependent so that if one of our assumptions changes (e.g. rate relief) then others (e.g. construction programs) will change as well. The 46% increase in construction expenditures from 1981 to 1982 (see Appendix A, \$265 million to \$388 million) will not take place if there is a materially adverse development relative to the assumptions that we have made.

### Level of Base Rate Relief

The major driving element in any utility's financial forecast is the rate relief assumption. In this forecast we have elected to keep the rate relief assumption conservative by only applying future rate relief that is consistent with the rate making that we have experienced since the accident. We believe that our needs and fairness to our investors dictate a different level of rate relief and we are so requesting and arguing in our current rate cases. The level of awards assumed in this forecast merely reflects the application of the ratemaking that we have experienced since the accident.

## Level of Expenditures at TMI-2

Our 1981 budget for TMI-2 has been established at about \$60 million which is intended to be both a program that complies with current regulatory agency directives and is consistent with our current financial condition.

A major directive concerning spending at TMI-2 is the September 18, 1980 Pennsylvania PUC order which required Metropolitan Edison to "cease and desis" from using any operating revenues for uninsured cleanup and estoration costs." Our 1981 spending plan is based on complying with this order while continuing to meet our license obligat. As with the NRC. (See Dieckamp letter to Ahearne of September 12, 1980 and Ahearne letter to Dieckamp of January 12, 1981.) About \$40 million of this program is for minimum plant operations to protect the immediate health and safety of the public and these expenditures are considered to be in compliance with the PUC order. The remaining \$20 million for minor cleanup progress required by NRC and needed to reduce the intermediate and long-term threat to public and worker safety, is currently financed by property insurance receipts. Our forecast continues this basic spending program, with a normal allowance for inflation, through 1983, when available insurance money will essentially be exhausted. At that time, the forecast assumes a return to the \$40 million per year (1981 dollars) spending level.

The difference between this level of spending and the level of spending required to complete the clean-up of TMI-2 is assumed to be provided from some source (e.g. government or industry) other than customer revenues. To the extent that external funding is not available, customer revenues would be required on a dollar for dollar basis. This additional capital and funds requirement is not included in our forecast.

### General Public Utilities 1981-1986 Forecast

### Major Assumptions

### I. Costs and Construction

Forecast Period

- 1981 through 1986.

TMI Availability

- TMI-1 returns to full power 1/1/82. TMI-2 out of service throughout the forecast period.

Construction

- Substantial increase in construction expenditures are included in the forecast starting in 1982. In summary, the following construction is included:

New Generation - Forked River nuclear project is abandoned. Jersey Central's Sayreville oil units are converted to coal at a total cost of \$100 million. Penel (90%) and Jersey Central (10%) construct Seward-7 coal unit to go in service in 1989. Major construction expenditures on Seward-7 begin in 1983. Expenditures start in 1983 for new units that are to go in service in the early 1990's.

Transmission - Jersey Central constructs the Ontario Hydro tie at a cost of \$250 million. Project financing is assumed available for 70% of the Ontario Hydro project.

USDOE Deferral - The USDOE deferral of \$39 million (JC - \$22 million, ME - \$11 million, PN - \$6 million) is assumed to be paid in 1981.

The construction expenditures are summarized on Appendix A.

Energy Costs

- #2 oil escalates 20% in 1981 and 12% annually thereafter.

TMI-2 Costs

- As explained in the introduction to the forecast, expenditures at TMI-2 are constrained by various regulatory agency directives. The resultant expenditure level reflecting these constraints is shown in Appendix B.

### General Public Utilit.es 1981&1982 Forecast

### Major Assumptions

### II. Financing Assumptions

New Capital - Bonds 15.5% Short-Term Debt 15.0% JC's Project Financing 15.0%

Short-Term Debt - The GPU System maintains the Revolving Credit Agreement (RCA) with the following limits:

JCP&L \$122 million

Met-Ed retains its current credit limit formula:
 deferred energy balance plus uranium pledge (\$20 million) plus accounts receivable pledge (\$20-24 million). When TMI-1 returns to service and rate base Met-Ed's credit limit reverts back to its previous level of \$105 million.

Penelec \$116 million GPU Corp. \$ 75 million System Total \$292 million

GPU Common Stock - No new shares are issued.

For financial forecasting purposes, we GPU Common Dividend have assumed no external common equity sales so that GPU's common equity needs must be met through retained earnings. We have selected our target common equity capitalization (including short-term debt) percentage as 35% to 36%. With these two assumptions our external dividend becomes those earning in excess if our retained earning needs as defined by our common equity capitalization goal. We have shown such a dividend starting in 1983 and continuing throughout the forecast period. This dividend assumption results in GPU paying out about 25% of its earning in the 1983 to 1986 period. This dividend assumption and the payment of, or lack of payment of, a dividend in the future is not an indication of the prospective divident policy which is reviewed quarterly by the GPU Board

of Directors.

Subsidiary Dividends to GPU

- 1981-1986: Penelec and JCP&L pay

their earnings to GPU.

Capital Contributions

to Subsidiaries - 1981-1982: None except for retained

earnings of subsidiaries.

1983-1986: As required to support capital projects.

### General Public Utilities 1981-1986 Forecast

### Major Assumptions

### III Ratemaking

Energy Clauses

The energy clause assumption for Met-Ed and Penelec is intended to reflect our most recent ratemaking decisions which allow for an amortization of our existing deferred energy balance by the end of 1981 and energy clause factors that keep the Pennsylvania subsidiaries current on energy costs in the future periods. For Jersey Central, the assumption is that their deferred energy balance is amortized by the end of 1982 and they are also kept current on their energy costs.

Base Revenues

Appendix C details the ratemaking for 1981 which reflects the assumed disposition of our current base rate cases for all thressubsidiaries. We believe that our assumptions are consistent with the ratemaking that we have experienced since the TMI-2 accident in that the awards we have assumed do not provide any revenue allowance for TMI-2 or TMI-1 when they are not in service; provides no customer revenues to assist in the clean-up as either an expense or rate base allowance; and document change the allowed or earned return on common equity to reflect higher risks.

In 1982, the level of base rate increases for all three companies have been determined as follows:

Ratemaking provides revenues in the current year sufficient to have produced an earned return in the prior year of approximately 14% on the prior year's common equity devoted to rate base. Excluded from rate base are the TMI-2 clean-up costs and, for Jersey Central, the unamortized Forked River investment. Also excluded as an allowable rate making expense are the O&M costs for TMI-2 that we are charging against income. In the later years of the forecast period, CWIP is included in rate base as required to support the financing requirements for the high level of New Generation construction. Appendix D is a graph of average customer cost (revenues divided by Kwh sales) that results from these ratemaking assumptions.

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General Public Utilities Corporation
U. S. NUCLEAR REGULATORY COMMISSION
THREE MILE ISLAND NUCLEAR STATION, UNIT NO. 1
RESTART PROCEEDING - DOCKET NO. 50-289
ATLACHMENT FOR ITEM NO. 5

STATEMENT OF PRO FORMA SOURCES AND USES OF FUNDS FOR PLANT
MODIFICATIONS, CLEANUF ACTIVITIES, CONSTRUCTION EXPENDITURES AND CAPITAL STRUCTURE
(MILLIONS OF DOLLARS)

1714	PPTONS AL ANA	Maria /				
YEARS	1981	1982	1983	1984	1985	1986
EXTERNAL FUNCTIONS						
Common Stock Preferred Stock Long-term debt Notes payable Project Financing (Ontario Hydr	\$ = = = = = = = = = = = = = = = = = = =	\$ 50 (70) 30	5 - 145 31 50	\$ <del>-</del> <del>205</del> 17 80	\$ - 300 (51)	\$
Contributions from parent-net Other funds (describe)(1) Tot: "External Funds	29 s 14	s 8	19 \$245	(7) s <u>295</u>	\$\frac{1}{(1)} \$\frac{248}{248}	s <u>315</u>
INTERNALLY GENERATED CASH	52	150	145	147	164	183
Less:     preferred dividends     common dividends     Retained earnings     Deferred taxes     Invest. tax cred. deferred     Depreciation and amort.     Deferred Energy     Change in working capital (2)     Less: AFDC     Total Internal Funds     TOTAL FUNDS	(42) 10 25 (3) 157 99 (17) (18) 253 5267	108 34 56 165 41 53 (25) 432 5440	(41) (25) 79 25 50 174 2 48 (34) 344 \$589	(40) (28) 79 48 39 185 2 60 (32) 381 \$676	(40) (31) 93 57 40 227 2 89 (29) 479 5727	(39) (37) 107 67 28 243 22 65 (32) 490 8805
CONSTRUCTION EXPENDITURES (3)  TM1-2 Cleanup TM1-1 Modifications (4) Other Construction Exp. TOTAL	\$\frac{-}{10}\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	\$	11 465 \$476	20 553 \$ 573	21 566 \$ 387	23 710 8733
OTHER CAPITAL REQUIREMENTS Redemption of Maturing	10	_22	97	87	122	55
Bonds Acquisition of Bonds		8	8	- 8	9	_ 9
for Sinking Funds Miscellaneous Require- ments (detail) (5)	6	47	8	8	_ 8	8
TOTAL CAPITAL REQUIREMENTS	\$267	\$440	\$589	\$ <u>676</u>	5727	\$805
CAPITAL STRUCTURE (5 & 2) Long-term debt Preferred stock Common equity TOTAL	\$2157 53% 510 12 1424 35 \$4091 100%	\$2166 522 504 12 1532 36 \$4202 1002	500 11 1611 37 \$4363 170%	494 11 1690 36 s4624 100%	489 10 1783 372 \$4877 1002	\$2814 54% 483 9 1890 37 \$3187 1002 \$99
Short-term Debt	\$ <u>135</u>	s_64	s_95	\$ <u>112</u>	s_61	-

### COVERAGES

Interest Preferred Stock

# Not Applicable for Consolidated

- (1) Temporary Investments
- (2) Includes Payment of Ac. med Construction Liabilities of \$56 million, of which DOE is \$39 million.
- (3) Exclusive of AFDC
- (4) Consistent with data request No. 2
- (5) Dehenture and Preferred Stock Sinking Funds and GPU's \$39 million Term Loan in 1982

poor original

Jersey Central Power & Light

U. S. NUCLEAR REGULATORY COMMISSION

### THREE MILE ISLAND NUCLEAR STATION, UNIT NO. 1

#### RESTART PROCEEDING - DOCKET NO. 50-289

### ATTACHMENT FOR ITEM NO. 5

STATEMENT OF PRO FORMA SOURCES AND USES OF FUNDS FOR PLANT MODIFICATIONS, CLEANUP ACTIVITIES, CONSTRUCTION EXPENDITURES AND CAPITAL STRUCTURE (MILLIONS OF DOLLARS)

	(81	LLIONS OF DO	LLARS)			
LARS	1981	1982	1983	1984	1985	1986
EXTERNAL FUNCTIONS						
Common Stock Preferred Stock Long-term debt Notes payable Projects Financing (Ont. H) Contributions from	s - - - 10 vdro)	\$_= 50 (51) 30	35 46 50	\$	\$	\$
parent-net Other funds (describe)(1) Total External Funds	\$ <u>10</u>	s <u>-29</u>	30 3161	\$\frac{30}{2}\$	\$ <u>159</u>	\$ <u>110</u>
INTERNALLY GENERATED CASH Net Income Less:	_30	_71	67	_74	_77	80
preferred dividends common dividends Retained earnings Deferred taxes Invest. tax cred. deferred De Asciation and amort. Deferred Energy Change in working capital(2) Less: AFDC Total Internal Funds TOTAL FUNDS	(18) (12) 	(18) (53) 20 37 68 40 28 (15) 178 5207	(17) (49) 1 6 27 72 2 51 (22) 137 5298	(17) (56) 1 10 32 78 2 51 (16) 158 \$352	$ \begin{array}{c} (17) \\ (58) \\ \hline 2 \\ 16 \\ 26 \\ 115 \\ \hline 2 \\ 68 \\ \hline (14) \\ 215 \\ 5374 \end{array} $	(16) (62) 21 21 25 125 125 240 (9) 206 5315
CONSTRUCTION EXPENDITURES(3)  TMI-2 Cleanup  TMI-1 Modifications(4)  Other Construction Exp.  TOTAL	\$\frac{-}{3}\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	\$	$\frac{5-3}{251}$ $5\frac{251}{254}$	\$_5 	S5 	s 6 271 s 277
OTHER CAPITAL REQUIREMENTS Redemption of Maturing Bonds Acquisition of Bonds for Sinking Funds Miscellaneous Requirements (detail)(5)	_5 _= _3	5	_35 _4 _5	_15 _4 _5		
TOTAL CAPITAL REQUIREMENTS	\$ <u>128</u>	\$207	s <u>298</u>	s <u>352</u>	5374	\$ <u>316</u>
CAPITAL STRUCTURE (\$ 6 %) Long-term debt Preferred stock Common equity TOTAL	\$ 883 50% 202 11 671 39 \$1756 100%	\$ 952 52% 199 11 671 37 \$1822 100%	\$ 995 53\$ 197 10 702 37 \$1894 100\$	\$\frac{1144 \ 55\chi}{194 \ 9 \\ \frac{733 \ 36}{\$\sqrt{2071 \ 1\cdot{0}\chi}\chi}\$	\$1188 55% 192 9 765 36 \$2145 100%	\$1252 56% 189 8 807 36 \$2248 100%
Short-term Debt	\$ <u>67</u>	s_15	\$ 61	\$_55	\$ 59	\$ 29
COVERAGES Interes: Preferred Stock	1.76 1.09	2.45 1.51	2.09 1.34	2.01 1.29	2.05 1.31	1.98 1.32

<sup>1</sup> Temporary Investments

4 Consistent with data request No. 2

Includes Payment of Accrued Construction Liabilities of 541 million, of which DOE is \$22 million

<sup>3</sup> Exclusive of AFDC

<sup>5</sup> Debenture and Preferred Stock Sinking Fund

<sup>6</sup> Accrued interest on Project Financing included

POOR ORIGINAL

Metropolitan Edison Company

U. S. NUCLEAR REGULATORY COMMISSION

# THREE MILE ISLAND NUCLEAR STATION, UNIT NO. 1

### RESTART PROCEEDING - DOCKET NO. 50-289

### ATTACHMENT FOR ITEM NO. 5

STATEMENT OF PRO FORMA SOURCES AND USES OF FUNDS FOR PLANT
MODIFICATIONS, CLEANUF ACTIVITIES, CONSTRUCTION EXPENDITURES AND CAPITAL STRUCTURE
(MILLIONS OF DOLLARS)

YEARS	1981	1982	1983	1984	1985	1986
EXTERNAL FUNCTIONS						
Common Stock Preferred Stock Long-term debt Notes payable Contributions from parent-net Other funds (describe)(1) Total External Funds	\$	\$	\$ - - - - - - - - - - - - -	\$	\$	\$
INTERNALLY GENERATED CASH  Net Income Less:    preferred dividends    common dividends    Retained earnings Deferred taxes Invest tax cred. deferred Depreciation and amort. Deferred Energy Change in working capital(2) Less: AFDC Total Internal Fund TOTAL FUNDS	(2) (18) (12) (11) (11) (41) (47) (47) (47) (47) (47) (47)	(10) 	34 (10) -24 -8 -14 -42 -10 (5) 95 \$140	23 (10) 	36 (10) 26 21 57 17 (6) 105 8156	(10) 
CONSTRUCTION EXPENDITURES(3) THI-2 Gleanup TMI-1 Modifications(4) Other Construction Exp. TOTAL	\$ + 	\$ - 71 \$ 71	\$	\$_10 	\$ 11 93 \$ 104	s 11 168 s 179
OTHER CAPITAL REQUIREMENTS  Redemption of Maturing Bonds Acquisition of Bonds for Sinking Funds Miscellaneous Requirements (detail)  TOTAL CAPITAL REQUIREMENTS			50 _2  \$140	15 2 - \$100		8 
CAPITAL STRUCTURE (5 6 %) Long-term debt Preferred stock Common equity TOTAL	\$ 542 52% 140 13 356 35 \$1038 100%	\$ 532 51% 140 13 377 36 \$1049 100%	140 13 400 37 s 1070 1002	140 13 41 38 \$1081 1002	\$\frac{551}{140} \frac{48\tau}{12} \\ \frac{454}{145} \frac{40}{100\tau} \tau	\$ 62: 50% 140 11 487 39 \$1248 100%
Short-term Debt <sup>(5)</sup> COVERAGES  Interest Preferred Stock	.93 .83	\$\frac{39}{1.39}	\$\frac{34}{1,35}	\$\frac{1.97}{1.19}	2.09 1.29	1.98

<sup>1</sup> Temporary Investments

<sup>2 1981</sup> Includes Payment of DCE Liability of Sll million

<sup>3</sup> Exclusive of AFDC

<sup>\*</sup> Consistent with data request No. 2

 $<sup>^{5}</sup>$  Excludes S13 millions bonds assumed to be paid off in 1985 and 1986

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Pennsylvania Electric Company

U. S. NUCLEAR REGULATORY COMMISSION

# THREE MILE ISLAND NUCLEAR STATION, UNIT NO. 1

### RISTART PROCEEDING - DOCKET NO. 50-289

#### ATTACHMENT FOR ITEM NO. 5

STATEMENT OF PRO FORMA SOURCES AND USES OF FUNDS FOR PLANT MODIFICATIONS, CLEANUP ACTIVITIES, CONSTRUCTION EXPENDITURES AND CAPITAL STRUCTURE (MILLIONS OF DOLLARS)

	(1144	01000	WIND.			
YEARS	1981	1982	1983	1984	1985	1986
EXTERNAL FUNCTIONS						
Common Stock Preferred Stock Long-term debt Notes payable Contributions from parent-net	\$\frac{1}{2} \\ \frac{1}{2} \\ \frac	5 _ =	\$     	\$ 100 18	\$	\$ - :00 68
Other funds (describe)(1) Total External Funds	s <u>29</u> s <u>29</u>	s <u>18</u>	s <u>90</u>	s <u>148</u>	s 104	\$\frac{40}{208}
INTERNALLY GENERATED CASH Net Income Less:	39	53	46	_53	54	65
preferred dividends common dividends Retained earnings Deferred taxes Invest, tax cred, deferred Depreciation and amort. Deferred Energy Change in working capital <sup>(2)</sup> Less: AFDC Total Internal Funds TOTAL FUNDS	(14) (22) 3 10 5 52 -3 (3) (3) (3) 57 8 96	(14) (38) -1 -9 -5 -55 -3 -16 (4) -85 s112	(13) -2 -11 -9 -58 	(13) (38) -2 -18 -13 -62 	(13) (40) 119 16 65 65 -1 (9) 93 8 197	$ \begin{array}{c} (12) \\ (52) \\ \hline -12 \\ -13 \\ \hline -67 \\ \hline -4 \\ \hline (13) \\ 92 \\ 9300 \end{array} $
CONSTRUCTION EXPENDITURES (3) TMI-2 Cleanup TMI-1 Modifications (4) Other Construction Exp. TOTAL	\$	5 - 99 5 39	\$\frac{3}{131} \$\frac{131}{134}	\$	\$5 	5 <u>6</u> 271 5 <u>2.7</u>
OTHER CAPITAL REQUIREMENTS  Redemption of Macuring  Bonds  Acquisition of Bonds  for Sinking Funds  Miscellaneous Require	_5 _2	_ <del>9</del> _2	_12 _2	<u>57</u> _2	<del>-</del>	_18 _2
ments (detail)(5)	3	_3		3	3	1
TOTAL CAPITAL REQUIREMENTS	5 <u>96</u>	s <u>113</u>	\$ <u>151</u>	\$ <u>224</u>	\$ <u>197</u>	s <u>300</u>
CAPITAL STEUCTURE (\$ 6.7) Long-term debt Preferral stock Common equity TOTAL	\$ 681 562 168 13 420 33 \$1269 1002	\$ 669 531 163 13 421 34 \$1255 1007	163 12 463 15	\$ 756 54% 160 11 495 35 \$1411 100%	\$ 854 56% 137 10 516 34 \$1527 100%	\$ 934 574 154 9 557 34 \$1645 1002
Short-term Debt	s	s_10	s	5_18	s_2	\$_70
COVERAGES Interest Preferred Stock	$\frac{2.13}{1.36}$	2.81 1.35	$\frac{2.23}{1.33}$	2.26 1.36	2.05 1.30	$\frac{2.21}{1.33}$

Temporary Investments

<sup>2 1981</sup> Includes Payment of DOE Liability of \$6 million

Frequeive of AFDC

<sup>\*</sup> Consistent with data request No. 2

Schenture and Preferred Stock Sinking Fund

System Construction Forecast (\$ Millions) CENERAL PUBLIC UTILITIES

Includes AFC

	Type(1)	Capacity (MW)	In-Service Date	1981	1982	1983	1984	1985	1986
New Generation									
(C)\01-\0001)			1985	6	×	20	20		
Sayleville Coal Conversion (100% 3C/12)	2 2		1985			5	9		
Kaystown (100%-IN)		569	1989			36	0.7	74	146
Seward-/ (90%-FN, 10%-3C)	ی د	628	1991		6	5	10	30	48
Coal #1 (50%-ME, 30%-3C, 10%-IN)		625	1993	1	1	1	2	9	=
Pumped Storage (602-1C, 402-ME)	50	850	1994	1	)	2	3	57	24
Other				5	1			-	5
Total				6	1.5	23	81	119	234
Existing Generation				36	57	95	62	142	6.2
Uyster Creek				36	000	7.0	1.7	36	31
TMI-I				07	53	05	11	67	35
Other				(14)	25	23	23	76	60
Total Generation				105	150	206	213	328	105
The second secon									
Datasto Hadro (1962-10)	ia.	1000	1985	3	14	99	103	ī	
All Other Transmission				42	39	59	. 59	43	52
Distribution				85	119	128	150	158	591
Nuclear Fuel				22	31	33	54	09	1117
General				88	8	7	9	9	1
					000	007	202	202	27.3
Total				C97	188	433	282	292	147

C-Coal, H-Hydro, PS-Pumped Storage, F-Firm Purchase Assumes 50% of cost paid by Government

<sup>(3)</sup> 

# JERSEY CENTRAL POWER & LIGHT COMPANY Construction Forecast (\$ Millions)

	In-Service Date	1981	1982	1983	1984	1985	1986
New Generation							
Sayreville Coal Conversion	1985	2	8	20	20		1 + 1
Sewerd-7	1989	-			4	8	12
Coal #1	1991	-	1	1	3	9	13
Coal #2	1993	-	-		1	3	5
Pumped Storage	1994	-		1	2	3	14
Other		5	-	-4	-	1	4
Total		7	9	22	30	24	48
Existing Generation							
Oyster Creek		36	45	56	62	142	6.2
TMI-1		5	10	10	4	6	9
Other		4	$\frac{3}{67}$	5	4	2	11
Total Generation		52	67	93	100	174	130
Transmission							
Ontario Hydro	1985	3	41	66	103		
All Other		31	18	27	30	13	22
Distribution		34	54	58	73	77	78
Nuclear Fuel		8	24	27	31	34	47
General		3	4	2	2	2	3
Total Construction		131	208	273	339	300	280

# METROPOLITAN EDISON COMPANY Construction Forecast (\$ Millions)

	In-Service Date	1981	1982	1983	1984	1985	1986
New Generation							
Coal #1	991		1	3	6	18	30
Coal #2	1993	-	-		-	1	1
Pumped Storage	1994	900		1	1	2	10
Other		-	-	-	-		1
Total		-	1	4	7	21	42
Existing Generation							
TMI-1		10	19	20	9	13	18
Other		4	11 31	32	$\frac{-6}{22}$	4	24 84
Total Generation		14	31	32	22	38	84
Transmission		3	8	15	9	10	8
Distribution		18	31	14	30	32	37
Nuclear Fuel		9	5	4	15	17	47
General .		_1	_ 2	3	_ 2	2	2
Total Construction		45	77	88	78	99	178

# PENNSYLVANIA ELECTRIC COMPANY Construction Forecast (\$ 1 1111ons)

	In-Service Date	1981	1982	1983	1984	1985	1986
New Generation							
Raystown	1985	1	3	5	6	3	_
Seward-7	1989	1	2	25	36	66	134
Coal #1	1991			1	1	3	5
Coal #2	1993	-	-	-	1	2	- 5
Other		-	-	-		-	
Total		2	5	31	44	74	144
Existing Generation		5	9	10	4	6	9
		32	38	40			34
Other Total Generation		39	52	81	91	$\frac{36}{116}$	187
Transmission		8	13	17	20	20	22
Distribution		33	34	36	47	49	50
Nuclear Fuel		5	2	2	8	9	23
General		4	2	2	2	2	_ 2
Total Construction		89	103	138	168	196	284

# GENERAL PUBLIC UTILITIES TMI-2 Expenditure Forecast (\$ Millions)

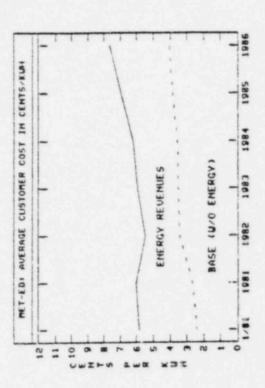
TMI-2 Deferrals	1981	1982	1983	1984	1985	1986
Deferred Costs Insurance Proceeds Net Deferred Cost	\$ (42 \$ (41)	s 45 s (44)	\$ 48 (37) \$ 11	\$ 23 \$ (3) \$ 20	s 21 s <u>21</u>	\$ 23 \$ <del>2</del> 3
O&M Charged to Expense	s <u>19</u>	s <u>18</u>	s <u>19</u>	s <u>21</u>	\$ 22	\$ 24

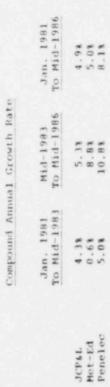
Note: All costs are allocated among the GPU subsidiaries in proportion to their TMI-2 ownership (JCP&L and Penelec - 25% each, Met-Ed - 50%).

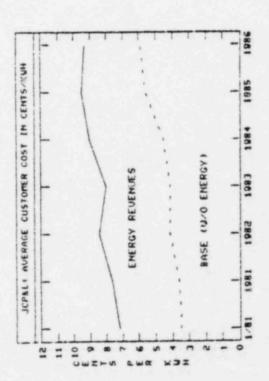
# GENERAL PUBLIC UTILITIES Assumed Disposition of Current Base Rate Cases In 1981 (\$ Millions)

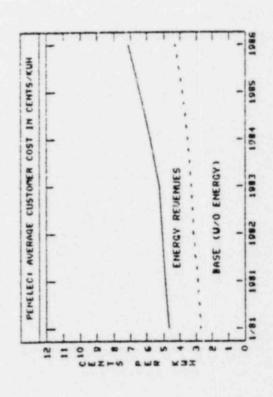
	Last allowed ROE on "recognized" Rate Base (1) Investment	Amortization Revenues for the Forked River Investment
Base Revenue Increases		
Jersey Central - Annual Award - Effective Date	\$ (2)	\$27 March
Met-Ed		
- Annual Award - Effective Date	\$35 May	:
Penelec		
- Annual Award - Effective Date	\$40 May	:

- (1) Excludes all capital and operating costs associated with the following investments:
  - TMI-1 (until 1/1/82)
  - TMI-2
  - Deferred TMI clean-up costs
  - Unamortized Forked River investment
- (2) Jersey Central interim award of \$60 million in June 1980 assumed to be retained.









GENERAL PUBLIC UTILITIES CORPORATION

Metropolitan Edison Company, Pennsylvania Electric Company
and Jersey Central Power & Light Company
NRC Docket No. 50-289

Three Mile Island Unit No. 1 Restart Proceeding

Response to the NRC Staff's Additional Financial Information request No. 5 and No. 6, dated August 11, 1980.

- 5. Complete the attached form entitled, "Pro-Forma Statement of Sources and Uses of Funds", on an annual basis for each licensee and GPU, through the year of estimated completion of the cleanup activities of TMI-2. Note that this statement should encompass all necessary construction expenditures including capital expenditures relating to both TMI-1 and TMI-2. Indicate the assumptions upon which the "Sources and Uses of Funds" statement is based. These assumptions should include, but are not necessarily limited to, the following: (a) rates of return on average common stock equity, (b) preferred stock dividend rates, (c) long and short-term debt interest rates, (d) market/book ratios for any projected issuances of common stock, (e) common stock dividend payout ratios, (f) target and year by year capital structure, and (g) resultant annual SEC and indenture coverages on interest charges and preferred dividend coverages over the period. Provide a brief explanation of the basis for each assumption.
- 6. Provide a list of all necessary generating units, transmission and distribution facilities and general plant projects

to be constructed during the period of clean-up of TMI-2, showing the type of facility, not capacity of each generating unit, the estimated capital expenditures for each facility during each of the years involved, and the projected in-service date of each facility.

#### Response:

Attached is our complete response to request No. 5 and 6. The construction schedules requested in No. 6 are included as Appendix A. This response replaces our previous response to request No. 5 which only provided data for 1981 and 1982. There are some minor changes on the Source and Application of Funds Statements in 1981 and 1982 in this complete response versus our previous response.

#### General Public Utilities 1981-1936 Forecast

#### Introduction

The attached forecast is -- as is true of any forecast -- a result of its underlying assumptions. We have tried to be explicit in detailing our forecast assumptions and we believe these assumptions to be reasonable given today's knowledge of what might happen in the future. There are, however, several forecast assumption areas that require further explanation.

#### Level of Construction

Sir.ce the TMI-2 accident, the GPU companies have virtually eliminated new generating station construction programs and have reduced non-nuclear construction programs at existing facilities. This forecast assumes that a material increase in our construction program will commence in 1982. However, this increase -which includes undertaking new project initiatives such as the Sayreville coal conversion, the Ontario Hydro Tie and major distribution system improvements -- can and only will be possible given our other assumptions about events such as the return to service and rate base of TMI-1, available credit for the companies, a project financing vehicle for the Ontario Hydro Project, adequate rate relief and the like. The forecast assumptions are interdependent so that if one of our assumptions changes (e.g. rate relief) then others (e.g. construction programs) will change as well. The 46% increase in construction expenditures from 1981 to 1982 (see Appendix A, \$265 million to \$388 million) will not take place if there is a materially adverse development relative to the assumptions that we have made.

#### Level of Base Rate Relief

The major driving element in any utility's financial forecast is the rate relief assumption. In this forecast we have elected to keep the rate relief assumption conservative by only applying future rate relief that is consistent with the rate making that we have experienced since the accident. We believe that our needs and fairness to our investors dictate a different level of rate relief and we are so requesting and arguing in our current rate cases. The level of awards assumed in this forecast merely reflects the application of the ratemaking that we have experienced since the accident.

### Level of Expenditures at TMI-2

Our 1981 budget for TMI-2 has been established at about \$60 m; ion which is intended to be both a program that complies with content regulatory agency directives and is consistent with our courent financial condition.

A major directive concerning spending at TMI-2 is the September 18, 1980 Pennsylvania PUC order which required Metropolitan Edison to "cease and desist from using any operating revenues for uninsured cleanup and restoration costs." Our 1981 spending plan is based on complying with this order while continuing to meet our license obligations with the NRC. (See Dieckamp letter to Ahearne of September 12, 1980 and Ahearne letter to Dieckamp of January 12, 1981.) About \$40 million of this program is for minimum plant operations to protect the immediate health and safety of the public and these expenditures are considered to be in compliance with the PUC order. The remaining \$20 million for minor cleanup progress required by NRC and needed to reduce the intermediate and long-term threat to public and worker safety, is currently financed by property insurance receipts. Our forecast continues this basic spending program, with a normal allowance for inflation, through 1983, when available insurance money will essentially be exhausted. At that time, the forecast assumes a return to the \$40 million per year (1981 dollars) spending level.

The difference between this level of spending and the level of spending required to complete the clean-up of TMI-2 is assumed to be provided from some source (e.g. government or industry) other than customer revenues. To the extent that external funding is not available, customer revenues would be required on a dollar for dollar basis. This additional capital and funds requirement is not included in our forecast.

#### General Public Utilities 1981-1986 Forecast

#### Major Assumptions

### I. Costs and Construction

Forecast Period

- 1981 through 1986.

TMI Availability

- TMI-1 returns to full power 1/1/82. TMI-2 out of service throughout the forecast period.

Construction

- Substantial increase in construction expenditures are included in the forecast starting in 1982. In summary, the following construction is included:

New Generation - Forked River nuclear project is abandoned. Jersey Central's Sayreville oil units are converted to coal at a total cost of \$100 million. Penelec (90%) and Jersey Central (10%) construct Seward-7 coal unit to go in service in 1989. Major construction expenditures on Seward-7 begin in 1983. Expenditures start in 1983 for new units that are to go in service in the early 1990's.

Transmission - Jersey Central constructs the Ontario Hydro tie at a cost of \$250 million. Project financing is assumed available for 70% of the Ontario Hydro project.

USDOE Deferral - The USDOE deferral of \$39 million (JC - \$22 million, ME - \$11 million, Pr - \$6 million) is assumed to be paid in 1981.

The construction expenditures are summarized on Appendix A.

Energy Costs

- #2 oil escalates 20% in 1983 and 12% annually thereafter.

TMI-2 Costs

- As explained in the introduction to the forecast, expenditures at TMI-2 are constrained by various regulatory agency directives. The resultant expenditure level reflecting these constraints is shown in Appendix B.

### General Public Utilities 1981&1982 Forecast

#### Major Assumptions

#### II. Financing Assumptions

New Capital - Bonds 15.5% Short-Term Debt 15.0% JC's Project Financing 15.0%

Short-Term Debt - The GPU System maintains the Revolving Credit Agreement (RCA) with the following limits:

JCP&L S122 million

Met-Ed retains its current credit limit formula:

deferred energy balance plus uranium pledge (\$20 million) plus accounts receivable pledge (\$20-24 million). When TMI-1 returns to service and rate base Met-Ed's credit limit reverts back to its previous level of \$105 million.

Penelec \$116 million GPU Corp. \$ 75 million System Total \$292 million

GPU Common Stock - No new shares are issued.

For financial forecasting purposes, we GPU Common Dividend have assumed no external common equity sales so that GPU's common equity needs must be met through retained earnings. We have selected our target common equity capitalization (including short-term debt) percentage as 35% to 36%. With these two assumptions our external dividend becomes those earning in excess if our retained earning needs as defined by our common equity capitalization goal. We have shown such a dividend starting in 1983 and continuing throughout the forecast period. This dividend assumption results in GPU paying out about 25% of its earning in the 1983 to 1986 period. This dividend assumption and the payment of, or lack of payment of, a dividend in the future is not an indication of the prospective divident policy which is

of Directors.

reviewed quarterly by the GPU Board

Subsidiary Dividends to GPU

1981-1986: Penelec and JCP&L pay

their earnings to GPU.

Capital Contributions to Subsidiaries

1981-1982: None except for retained earnings of subsidiaries.

1983-1986: As required to support capital projects.

#### General Public Utilities 1981-1986 Forecast

#### Major Assumptions

#### III Ratemaking

Energy Clauses

The energy clause assumption for Met-Ed and Penelec is intended to reflect our most recent ratemaking decisions which allow for an amortization of our existing deferred energy balance by the end of 1981 and energy clause factors that keep the Pennsylvania subsidiaries current on energy costs in the future periods. For Jersey Central, the assumption is that their deferred energy balance is amortized by the end of 1982 and they are also kept current on their energy costs.

Base Revenues

Appendix C details the ratemaking for 1981 which reflects the assumed disposition of our current base rate cases for all three subsidiaries. We believe that our assumptions are consistent with the ratemaking that we have experienced since the TMI-2 accident in that the awards we have assumed do not provide any revenue allowance for TMI-2 or TMI-1 when they are not in service; provides no customer revenues to assist in the clean-up as either an expense or rate base allowance; and does not change the allowed or earned return on common equity to reflect higher risks.

In 1982, the level of base rate increases for all three companies have been determined as follows:

Ratemaking provides revenues in the current year sufficient to have produced an earned return in the prior year of approximately 14% on the prior year's common equity devoted to rate base. Excluded from rate base are the TMI-2 clean-up costs and, for Jersey Central, the unamortized Forked River investment. Also excluded as an allowable rate making expense are the O&M costs for TMI-2 that we are charging against income. In the later years of the forecast period, CWIP is included in rate base as required to support the financing requirements for the high level of New Generation construction. Appendix D is a graph of average customer cost (revenues divided by Kwh sales) that results from these ratemaking a sumptions.

# General Public Utilities Corporation U. S. NUCLEAR REGULATORY COMMISSION THREE MILE ISLAND NUCLEAR STATION, UNIT NO. RESTART PROCEEDING - DOCKET NO. 50-189 ATTACHMENT FOR ITEM NO. 5

DOURS OF BURNEY STATEMENT OF PRO FORMA SOURCES AND USES OF FUNDS FOR PLANT MODIFICATIONS, CLEANUP ACTIVITIES, CONSTRUCTION EXPENDITURES AND CAPITAL STRUCTURE (MILLIONS OF DOLLARS)

	WITTIONS OF DOP	MARIE /				
YEARS	1981	1982	1983	1984	1985	1986
EXTERNAL FUNCTIONS						
Common Stock Preferred Stock Long-term debt Notes payable Project Financing (Ontario Hy Contributions from	s = = = = = = = = = = = = = = = = = = =	\$ 50 (70) 30	\$ <del>-</del> 145 31 50	s - - - - - - - - - - - - - -	\$_= 300 (51) =	5 _ <del>-</del> 2 275 38 
parent-net Other funds (describe)(1) Total External Funds	5 <u>29</u> 5 <u>14</u>	s (2)	s <u>19</u>	\$\frac{7}{295}	5 <u>748</u>	s 315
INTERNALLY GENERATED CASH Net Income	_52	150	145	147	164	182
Less:     preferred dividends     common dividends Retained earnings Deferred taxes Invest, tax cred, deferred Deprociation and amort, Deferred Energy Change in working capital (2 Less: AFDC Total Internal Funds TOTAL FUNDS	(42) 10 25 (3) 157 99 (17) (18) 253 \$267	108 34 36 163 41 53 (25) 432 8440	(41) (25) 79 25 50 174 48 (34) 344 9589	(40) (28) 79 48 39 185 60 (32) 381 5676	(40) (31) 93 57 40 227 2 89 (29) 479 5727	(39) (37) 107 67 38 243 2 65 (32) 490 9805
CONSTRUCTION EXPENDITURES (3)  TMI-2 Cleanup  TMI-1 Modifications (4)  Other Construction Exp.  TOTAL	\$\frac{7}{10}\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	\$	11 465 \$476	20 - 553 s 573	21 566 \$387	23 710 5 <u>733</u>
OTHER CAPITAL REQUIREMENTS  Redemption of Maturing  Bonds  Acquisition of Bonds  for Sinking Funds	10	<u>22</u> 8	97	<u>87</u> _8	123	_55 _9
Miscellaneous Require- ments (detail) (5)		47	8	8	- 8	8
TOTAL CAPITAL REQUIREMENTS	\$267	\$440	s589	\$676	5727	\$805
CAPITAL STRUCTURE (5 6 %) Long-term debt Preferred stock Common equity TOTAL	\$2157 53X 510 12 1424 35 \$4091 1002	\$2166 52% 504 12 1532 36 \$4202 100%	500 11 1611 37 54363 1002	\$2440 53% 494 11 1690 36 \$4624 1002	\$2605 53% 489 10 1783 37% \$4877 100%	\$2814 542 483 9 1890 37 \$5187 1007
Short-term Debt	s <u>135</u>	s_64	5_95	\$ <u>112</u>	5_61	5 99

#### COVERAGES Interest Preferred Stock

Not Applicable for Consolidated

- (1) Temporary Investments
- (2) Includes Payment of Accrued Construction Liabilities of \$56 million, of which DOE is \$39 million.
- (3) Exclusive of AFDC
- (4) Consistent with data request No. 2
- (5) Debenture and Preferred Stock Sinking Funds and GPU's 539 million Term Loan in 1982

POOR ORIGINAL

Jersey Central Power & Light

U. S. MUCLEAR REGULATORY COMMISSION

### THREE MILE ISLAND NUCLEAR STATION, UNIT NO. 1

#### RESTART PROCEEDING - DOCKET NO. 50-289

#### ATTACHMENT FOR ITEM NO. 5

STATEMENT OF PRO FORMA SOURCES AND USES OF FUNDS FOR PLANT MODIFICATIONS, CLEANUP ACTIVITIES, CONSTRUCTION EXPENDITURES AND CAPITAL STRUCTURE (MILLIONS OF DOLLARS)

	1.174	MERCING OF DO	www.no./			
YEARS	1981	1982	1983	1984	1985	1986
EXTERNAL FUNCTIONS						
Common Stock Preferred Stock Long-term debt Notes payable Projects Financing (Ont. H: Contributions from parent-net Other funds (describe)(1) Total External Funds	ydro) =	50 (51) 30 	\$	\$	5	\$\frac{100}{(30)}\$ \$\frac{40}{100}\$ \$\frac{40}{110}\$
INTERNALLY GEMERATED CASH Net Income	30	_71	67	74	77	80
Less:			-	_		
preferred dividends	(18)	(18) (53)	(17)	(17)	(17) (58)	(16)
common dividends Retained earnings	(12)	(53)	(49)	(56)	(58)	(62)
Deferred taxes	26 (8) 64 48 (1) (1) (1) (1) (1) (1) (1) (1) (1) (1)	20		70	15	-2
Invest, tax cred, deferred	(8)	20 37 68 40 28 (15) 178	27	10 32 78	16 26 113 68 (14) 215	21 25 125 125 40 (9) 206 5316
Depreciation and amort.	64	68	72	78	115	125
Deferred Energy Change in working capital(1	775	40	-2		-2	
Less: AFDC	(11)	715)	752	716)	714	70
Total Internal Funds	118	178	51 (22) 137 5298	31 (16) 138	215	206
TOTAL FUNDS	s <u>128</u>	\$207	s <u>298</u>	s <u>352</u>	\$ 374	\$316
CONSTRUCTION EXPENDITURES (3)						
TMI-2 Cleanup	s -	s -	5 3			
TMI-1 Modifications(4)	s 120	-	\$\frac{3}{251} \$\frac{251}{234}	·		
Other Construction Exp.	117	193 s193	251	323	\$ 286 \$ 291	\$ <del>271</del> \$ <del>277</del>
TOTAL	\$120	s <u>193</u>	\$254	\$328	\$ 291	\$ <u>277</u>
OTHER CAPITAL REQUIREMENTS						
Redemption of Maturing						
Bonds	_ 5	5	35	15	73	29
Acquisition of Bonds for Sinking Funds						
Miscellaneous Require~						
ments (detail)(5)	_ 3	5	_5	5	_ 5	_5
TOTAL CAPITAL REQUIREMENTS	\$ <u>128</u>	\$207	\$ <u>298</u>	s <u>352</u>	s <u>374</u>	\$ <u>316</u>
CAPITAL STRUCTURE (\$ & %)						
Long-term debt	s 883 50%	9 952 52%	\$ 995 532	51144 55%	51188 55%	\$1252 56%
Preferred slock	202 11	199 11	197 10	194 9	192 9	189 8
Common equity TOTAL	671 39	671 37 s1822 1002	702 37 \$1894 1002	733 36	765 36	807 36
TOTAL	51/36 1004	3 1544 100X	\$1894 100%	s2071 100%	\$2145 100%	\$2248 100%
Short-term Debt	5_67	s <u>15</u>	s <u>61</u>	\$_55	\$ 59	\$ 29
COVERAGES						
Interest	1.76	2_45	2.09	2.01	2.05	1.98
Preferred Stock	1.09	1.51	1.34	1.29	1.31	1.32

1 Temporary Investments

Includes Payment of Accrued Construction Liabilities of 541 million, of which DOE is \$22 million

 $<sup>^{\</sup>rm 3}$  Exclusive of AFDC

<sup>4</sup> Consistent with data request No. 2

 $<sup>^{\</sup>mbox{\scriptsize 5}}$  Debenture and Preferred Stock Sinking Fund

<sup>6</sup> Accoused interest on Project Financing included

POOR ORIGINAL

Metropolitan Edison Company

U. S. NUCLEAR REGULATORY COMMISSION

### THREE MILE ISLAND NUCLEAR STATION, UNIT NO. 1

### RESTART PROCEEDING - DOCKET NO. 50-289

#### ATTACHMENT FOR ITEM NO. 5

YEARS						
	1981	1982	1983	1984	1985	1986
EXTERNAL FUNCTIONS						
Common Stock Preferred Stock Long-term debt Notes payable Contributions from parent-net Other funds (describe)(1) Total External Funds	\$	\$	5 50 (5) (5)  5 45	s - - - - - - - - - - - - - - - - - -	\$\frac{-75}{75} (\frac{15}{39}) \$\frac{15}{51}\$	\$
INTERNALLY GENERATED CASH  Net Income  Less:    preferred dividends    common dividends    Retained earnings    Deferred taxes    Invest. tax cred. deferred    Depreciation and amort.    Deferred Energy    Change in working capital(2)    Less: AFDC    Total Internal Funds    TOTAL FUNDS	(2) (10) (12) (11) (11) 2 41 48 (15) (4) 47 5 43	(10) 	34 (10) -24 -8 -14 -44 -10 (5) -95 -5 -140	23 (10) 	36 (10) 	(10) - 33 - 24 - 5 49 - - 18 (10) 115 5189
TMI-1 Cleanup TMI-1 Modifications(4) Other Construction Exp. TGIAL	\$ - 5 36 \$ 41	s_= 	\$5 	\$ 10 \\ \frac{73}{83}	\$ 11 - 93 \$ 104	\$\frac{11}{168}\$\$\frac{168}{179}\$\$
OTHER CAPITAL REQUIREMENTS Redemption of Maturing Bonds Acquisition of Bonds for Sinking Fundo Miscellaneous Requirements (detail)	 ² 		_50 _2 	_15 _2 _=	_50 _2 	-1 -1
TOTAL CAPITAL REQUIREMENTS	s <u>43</u>	8 81	\$140	\$100	s <u>156</u>	S189
CAPITAL STRUCTURE (S & E)  Long-term debt  Preferred stock  Common equity  TOTAL  Short-term Debt(S)	\$\frac{542}{140} \frac{52}{13} \\ \frac{140}{356} \frac{25}{25} \\ \frac{1038}{1038} \frac{100}{100} \tag{2}	$ \begin{array}{c ccccccccccccccccccccccccccccccccccc$	\$\frac{530}{140} \frac{502}{37} \\ \frac{400}{5070} \frac{37}{1070} \text{1002} \text{2}	\$\frac{528}{140} \frac{49\frac{1}{3}}{413} \frac{38}{38} \\ \$\frac{1081}{1002} \]	\$\frac{551}{140} \frac{48\times}{12} \\ \frac{454}{454} \frac{40}{51145} \frac{100\times}{100\times} \\ \frac{5}{5} = -	\$\frac{621}{140} \frac{50\text{\text{\$\frac{140}{487}}}{39}}{\$1248} \frac{100\text{\$\text{\$\text{\$\frac{5}{487}}}}{\$100\text{\$\text{\$\text{\$\frac{5}{487}}}}}
COVERAGES Interes: Preferred Stock	.93	2.42 1.39	2.35 1.35	1.97 1.19	2.09 1.29	1.98 1.28

<sup>1981</sup> Includes Payment of DOE Lia clity of S11 million

Consistent with data request No. 8.

<sup>5</sup> Excludes \$13 millions bonds assumed to be paid off in 1985 and 1986

POOR ORNEWALL

Pennsylvania Electric Company
U. S. NUCLEAR REGULATORY COMMISSION

### THREE MILE ISLAND NUCLEAR STATION, UNIT NO. 1

### RESTART PROCEEDING - DOCKET NO. 30-289

### ATTACHMENT FOR ITEM NO. 5

STATEMENT OF PRO FORMA SOURCES AND USES OF FUNDS FOR PLANT
MODIFICATIONS, CLEANUP ACTIVITIES, CONSTRUCTION EXPENDITURES AND CAPITAL STRUCTURE
(MILLIONS OF DOLLARS)

	AND DESCRIPTION OF THE PERSON NAMED IN COLUMN 1		and the same of th			
YEARS	1981	1982	1983	1984	1985	1986
EXTERNAL FUNCTIONS						
Common Stock Preferred Stock Long-term debt Notes payable Contributions from parent-net Other funds (describe)(1) Total External Funds	3	\$ _ = \frac{1}{2} \\ \frac{10}{18} \\ \frac{18}{28} \end{array}	\$	\$	5 100 (16) 20 5 104	\$ - 100 58 40 - 208
INTERNALLY GENERATED CASH Net Income	39	53	46	53	54	6.5
Less:     preferred dividends     common dividends Retained earning@ Deferred taxes Invest. tax cred. deferred Depreciation and amort. Deferred Energy Change in working capital(2) Less: AFDC Total Internal Funds TOTAL FUNDS	$ \begin{array}{r} (14) \\ (22) \\ \hline 3 \\ \hline 10 \\ \hline 5 \\ \hline 52 \\ \hline 3 \end{array} $	(14) (38) 1 9, -5 55 -5 16 (4) 85 5 (11)	(12) (31) 2 11 9 58 (12) (7) 61 9151	(13) (38) 	(13) (40) 19 16 65 	(12) (52) 1 22 9 69 
CONSTRUCTION EXPENDITURES (3) TMI-2 Cleanup TMI-1 Modifications (4) Other Construction Exp. TOTAL	3 - 2 3 4 3 86	5 <del>-</del> - 99 5 99	s_3 = 131 s <u>134</u>	\$\frac{5}{2} \frac{157}{3\frac{162}{2}}	\$\frac{5}{-\frac{187}{192}}	5 <u>-6</u> - 271 5 <u>277</u>
OTHER CAPITAL REQUIREMENTS Redemotion of Maturing Bonds Acquisition of Bonds for Sinking Funds Miscellaneous Require	5	<u>9</u> 2	_12 _2		_ <u>-</u>	_18 _2
ments (detail)(5)				_3		_1
TOTAL CAPITAL REQUIREMENTS	s_96	\$ <u>113</u>	\$ <u>151</u>	\$ <u>224</u>	\$197	s <u>300</u>
CAPITAL STRUCTURE (\$ 5 %) Long-term debt Preferred stock Common equity TOTAL	\$\frac{681}{168} \frac{547}{33} \\ \frac{420}{33} \\ \frac{1269}{1007} \]	\$\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	s 1341 100%	\$\frac{495 \ 35}{5\frac{1411 \ 100}{2}}\tag{7}	\$ 854 56% 157 10 516 34 \$ 1527 100%	154 9 557 34 s 1645 100*
Short-term Debt	\$ <u>-</u>	s_10	5	\$ 18	5_2	s_70
COVERAGES  Interest Preferred Stock	2.13 1.36	2.81 1.35	$\frac{2.23}{1.33}$	2.26 1.36	2.05 1.30	2.21 1.33

Temporary Investments

<sup>2 1981</sup> Includes Payment of DOE Liability of \$6 million

Gonsistent with data request No. 2

Sebenture and Preferred Stock Sinking Fund

System Construction Forecast (\$ Milliens)

Includes AFC									
	Type(1)	Capacity (MW)	In-Service Date	1881	1982	1961	1984	1985	1986
New Generation									
Savreville Coal Conversion (100%-JC)(2)	Ü	Transfer of the second	1985	2	8	20	20	.1	į
Raystown (1002-PN)	=	2	1985	-		5	9	3	1
Segard-7 (90%-PN, 102-JC)	၁	625	1989	***	2	25	4.0	14	146
Coal #1 (60%-ME, 30%-JC, 10%-PN)	C	625	1661	1	2	Ś	01	30	48
Coat #2 (502-1C, /02-PN, 102-ME)	C	625	1993	1	*	1	24	9	=
Pumped Storage (6/ %-JC, 40%-ME)	PS	850	7661	1	1	2	3	ю.	24
Other				2	4 1	1	1	-	0
Total				6	1.5	23	8	119	234
Existing Generation				36	4.5	95	62	142	62
TMI-1				20	38	0.5	17	25	36
Orber				40	52	53	53	4.2	69
Total Generation				105	150	206	213	328	401
The second secon									
Outarlo Hydro (100%-1C)	ía.	1000	1985	3	1.5	99	103	1	ì
All Other Transmission				42	39	65	65	43	5.2
Distribution				8.5	119	126	150	158	5 91
Nuclear Fuel				2.2	31	33	54	0.9	117
General				8	8	1	9	9	7
Total				265	388	664	585	595	742

(1) C-Coal, H-Hydro, PS-Pumped Storage, F-Firm Purchase (2) Assumes 50% of cost paid by Covernment

# JERSEY CENTRAL POWER & LIGHT COMPANY Construction Forecast (\$ Millions)

	In-Service Date	1981	1982	1983	1984	1985	1986
New Generation							
Sayreville Coal Conversion	1985	2	8	20	20	-	No.
Seward-7	1989	-	100	-	- 4	8	12
Coal #1	1991	-	- I	1.	3 -	9	13
Coal #2	1993	1.00	-	-	1 .	3	5
Pumped Storage	1994		4.	1	2	3	14
Other		5	-	-		1	4
Total		7	9	22	30	24	48
Existing Generation							
Oyster Creek		36	45	56	62	142	62
TMI-1		5	10	10	4	6	9
Other		4	3	5	4	2	11
Total Generation		52	67	93	100	174	130
Transmission							
Ontario Hydro	1985	3	41	66	103	-	~ ~
All Other		31	18	27	30	13	22
Distribution		34	54	58	73	77	78
Nuclear Fuel		8	24	27	31	34	47
General		3	4	2	2	_ 2	. 3
Total Construction		131	208	273	339	300	280

#### METROPOLITAN EDISON COMPANY Construction Forecast (\$ Millions)

	In-Service						
	Date	1981	1982	1983	1984	1985	1986
New Generation							
Coal #1	1991		1	3	6	18	30
Coal #2	1993	_	-	~	-	1	. 1
Pumped Storage	1994	-	-	1	1	2	10
Other		100		-	-	-	1
Total			1	4	7	21	42
Existing Generation							
TM I - I		10	19	20	9	13	18
Other		4	11 31	32	<u>6</u> 22	4	-24 84
Total Generation		14	31	32	22	38	84
Transmission		3	8	15	9	10	8
Distribution		18	31	34	30	32	37
Nuclear Fuel		9	5	4	15	17	47
General .		1	_ 2	3	2	2	2
Total Construction		45	77	88	78	99	178

# PENNSYLVANIA ELECTRIC COMPANY Construction Forecast (\$ Millions)

	In-Service Date	1981	1982	1983	1984	1985	1986
New Generation							
Raystown	1985	1	3	. 5	6 .	3	
Seward-7	1989	1	2	25	36	66	134
Coal #1	1991	-		1	1	3	5
Coal #2	1993	100	k	-	1	2	. 5
Other		-	100	300		-	
Total		2	- 5	31	44	74	144
Existing Generation						1	
TM I - I		5	9	10	4	6	9
Other		32	38	81	43	$\frac{36}{116}$	34
7 scal Generation		39	52	81	91	116	187
Transmission		8	13	17	20	20	22
Distribution		33	34	36	47	49	50
Nuclear Fuel		5	2	2	8	9	23
General General		4	_ 2	2	2	2	2
Total Construction		89	163	138	168	196	284

# GENERAL PUBLIC UTILITIES TMI-2 Expenditure Forecast (\$ Millions)

TMI-2 Deferrals	1981	1982	1983	1984	1985	1986
Deferred Costs Insurance Proceeds Net Deferred Cost	s (41) s (11)	\$ 45 \$ (44) \$ 1	\$ 48 \$ ( <u>37</u> ) \$ <u>11</u>	\$ 23 \$ (3) \$ 20	\$ 21 \$ <u>21</u>	\$ 23 \$ 23
O&M Charged to Expense	s <u>19</u>	\$ 18	\$ 19	s <u>21</u>	\$ 22	\$ 24

Note: All costs are allocated among the GPU subsidiaries in proportion to their TMI-2 ownership (JCP&L and Penelec - 25% each, Met-Ed - 50%).

## GENERAL PUBLIC UTILITIES Assumed Disposition of Current Base Rate Cases In 1981 (S Millions)

	Last allowed ROE on "recognized" Rate Base Investment	Amortization Revenues for the Forked River Investment
Base Revenue Increases		
Jersey Central - Annual Award - Effective Date	ş (2)	\$27 March
Met-Ed		
- Annual Award - Effective Date	\$ 2 5 May	1
Penelec		
- Annual Award - Effective Date	\$40 May	
Directive Date		

- (1) Excludes all capital and operating costs associated with the following investments:
  - TMI-1 (until 1/1/82)
  - TMI-2
  - Deferred TMI clean-up costs
  - Unamortized Forked River investment
- (2) Jersey Central interim award of \$60 million in June 1980 assumed to be retained.

