STATE OF NEW YORK DEPARTMENT OF PUBLIC SERVICE

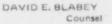
THREE EMPIRE STATE PLAZA, ALBANY 12223

PUBLIC SERVICE COMMISSION

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SAMUEL R. MADISON Secretary

April 16, 1982

Mr. Ronald C. Haynes
Regional Administrator
United States Nuclear Regulatory
Commission - Region I
631 Park Avenue
King of Prussia, PA 19406

Dear Mr. Haynes:

The New York Public Service Commission is undertaking a comprehensive monitoring program of cost and schedule for the remainder of construction at the Nine Mile II plant in Oswego. The monitoring program is a part of the overall approach the Commission has taken in approving the continued construction at Nine Mile.

I enclose a copy of the Commission decision to allow construction to continue. In addition to the construction monitoring, the Commission is mandating an incentive rate of return scheme to provide incentives to timely completion.

As part of the monitoring, we now have engineers on-site and plan to employ a consultant from time to time to visit the site and report to the Commission on progress and problems.

We would appreciate the opportunity to meet with you and/or Mr. Starostecki at King of Prussia at your convenience to discuss our program for Nine Mile II. I can be reached at (518) 474-1378.

Sincerely,

G. F. Walsh Director, Power Division

Enc.

