Harch 23, 1984

GPU

<u>The Honorable Gillis Long</u> U. S. House of Representatives Washington, DC 20515

Dear Congressman Long:

Thank you for your letter, dated February 24, 1984, on behalf of your constituent, Evelyn B. Graham, regarding the restart of Three Mile Island Unit 1.

On January 27, 1984, the Commission issued the enclosed Notice to the Parties, which sets forth its current views and plans regarding restart.

Given present planning, the Commission intends to follow this approach hopes to issue a decision on whether to lift the immediate effectiveness of the 1979 shutdown orders by June, 1984.

I hope that this information is responsive to your inquiry.

Sincerely,

Carlton Kammerer, Director Office of Congressional Affairs

Enclosure: As stated

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COMMITTEE ON RULES ON MITTEE ON THE LEGISLATTYS PROCESS PATT & TYSH, COMME

JOINT ECONOMIC COMMITTEE

Congress of the United States

House of Representatives Mashington, D.C. 20515 FEBZ41954 2311 RATELAN HOUSE OFFICE BULDON PHONE: (202) 225-4928

ALEXANDRIA BYTEE: POIT OFFICE BOR 410 ALEXANDRIA, LOUBANA 71301 PHONE: (218) 475-7430

CARSON K. KILLEN ADMINISTRATIVE ASSISTANT

MEMORANDUM TO THE OFFICE OF CONGRESSIONAL RELATIONS

Enclosed is a copy of a letter I recently received from one of my constituents which concerns a matter under the jurisdiction of your agency.

I would be most grateful for your advice and assistance concerning the attached communication. Should you require any additional information, please call William Meaux of my staff at (202) 225-4926.

Thank you very much.

GILLIS LONG MEMBER OF CONGRESS Eighth Congressional District Louisiana

Box 89 A Ventress, LA 70783

February 16,1984

Villie 10 forg (longuesman us Hanse H Repilsentations Machington, D. C. 20115 Dear Congressman Long

Your help is needed, I and probably many other Louisiana citizens are stock holders in the General Public Utilities Corporation. As you know the three mile island accident occurred in March, 1979. This March will mark five years of inoperation. For most of those years there has been no dividend declared which is understandable considering the cost of clean-up etc. However there now seems to be a problem with the Nuclear Regulatory Commission (NRC). In GPU's third quarter report (copy attached) we are advised the company is ready to restart but the NRC has not decided whether it will permit the restarting of the unit and has set a hearing date for November which is nine months away. Isn't there someway the beaucratic process could be speeded up?

We citizens have suffered financial losses for five years. We need our government to be sensititve to our part in this problem. No one wants a plant that will be harmful but this does not seem to be the problem in this situation since NRC Licensing Board and Appeal Board have rendered decisions favorable to restart.

Any help you can give us in this matter will be gratly appreciated.

Sincerely, Earlyn B Shcham

Evelyn B. Graham



... TMI-1 Restart Decision Delayed;

... Met-Ed Indicted; Company Plans "Not Guilty" Plea (See Chairman's Letter Below)

- ... Pennsylvania, New Jersey Subsidiaries Granted Rate Relief (Page 6)
- ... New Transfer Agent Named (Page 8)

To the Stockholders:

As you know, we regard restoration of Three Mile Island Unit No. 1 (TMI-1) to service as an important milestone in the GPU System recovery from the March 28, 1979 accident. The repairs to the TMI-1 steam generators have been completed and TMI-1 is essentially physically ready to operate. At this writing, the Nuclear Regulatory Commission (NRC) has not yet determined whether or when it will permit the restart of TMI-1. However, J will be appearing at a public meeting before the NRC Commissioners on November 28th to discuss these matters with them.

Extensive public hearings on the restart of TMI-1 have been held. There now exists an abundance of information available to the NRC to make a decision. This includes NRC Licensing Board and Appeal Board decisions favorable to restart.

The NRC staff earlier had advised the NRC that the GPU stated policies and organizational structure are acceptable. It had also advised the NRC that it found the competence of the GPU Nuclear management employees to be acceptable.

However, questions have been raised about so-called "management integrity", largely on items which we believe have no bearing on integrity. These issues were referred for investigation to the NRC Office of Investigation (OI).

On October 7, the NRC issued a Notice to which was attached a schedule setting forth the Commission's estimate of the time which would be required for the completion of the OI investigations, and possibly for further hearings, depending upon the results of the OI investigations. On that approach, the Notice stated that, even assuming those investigations are completed at the earliest practicable date and result in findings most favorable to the Company, an NRC decision on restart would not occur prior to mid-1984. It also stated that, if the OI investigations demonstrated the need for further hearings, an NRC decision on restart might not be made until mid-1985 or later.

The Notice also stated that given those time estimates, the NRC is prepared to consider alternative approaches, and that the NRC expects to address the subject of alternative approaches in the near future.

In the interim, I had requested Admiral Hyman Rickover to review the GPU Nuclear operations, including the soundness of its organization and its senior management. His report is to be delivered to me by November 23.

In light of the Commission's Notice, I requested a public meeting with the Commissioners promptly after I receive the Admiral's report, to discuss the alternative approaches to which the Notice referred. The Commission responded to that request and fixed November 28th for that meeting. It will also permit the parties to the restart proceeding to submit written comments on our proposal.

The Harrisburg Patriot accurately captured the essence of the Company's response to its continuing dilemma in a recent editorial when it said:

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"No one could accuse us of being a cheering squad for General Public Utilities over the last 4½ years since the accident, but you have to give the company credit for enduring through one of the most devastating misfortunes in American corporate history. Few other corporations have been scrutinized and criticized with the intensity and vigor that has been applied to GPU and still managed to maintain some semblance of order and forward movement. This is not the same company that was running things on the morning of March 28, 1979."

Earlier this month, a federal grand jury returned an eleven-count indictment against Metropolitan Edison Company arising out of its operation of Unit 2 at TMI. The matters in the indictment have been the subject of grand jury investigations since 1980. Given the limitations imposed on us by the restrictions of the grand jury procedure, we have been unable to fully investigate the matter thus far. Based on the facts now known to the Company, Metropolitan Edison Company intends to plead not guilty to the indictment.

We will continue to keep you apprised of further developments relating to this matter and our subsequent course of action.

Your management has struggled night and day for almost five years since the TMI accident to balance a multiplicity of requirements against tremendous odds. These requirements involved the protection of the public safety, the continued provision of electricity to our customers, and preservation of the shareholders' investment. While this path has been longer and less successful than we have wanted, progress has been made. This progress has been achieved despite continuing delays in the regulatory process and unfair, self-seeking political opposition at almost every turn.

In addition to a TMI-1 restart, we must and will continue to press for adequate funding for the TMI-2 cleanup program. As we have maintained since the accident, the cleanup at Unit 2 must be accomplished – no matter what – to assure the health and safety of the workers and the public. The cleanup is simply not an obligation that can be ignored.

Nor is our obligation to you – our shareholders – being ignored. I want to assure you that your management, your Board of Directors and the employees are all working hard to meet head-on, the unprecedented challenges we face.

One of the real sources of strength these past four and one-half years has been the understanding and strong support by the Company's owners – the stockholders. That support is itself a challenge to us to do the best job humanly possible and I pledge that to you.

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William G. Kuhns Chairman and Chief Executive Officer

November 15, 1983



... TMI-1 Restart Decision Delayed; ... Met-Ed Indicted; Company Plans "Not Guilty" Plea (See Chairman's Letter Below)

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Nor is our obligation to you - our shareholders - being ignored. I want to assure you that your management, your Board of Directors and the employees are all working hard to meet head-on, the unprecedented challenges we face.

One of the real sources of strength these past four and one-half years has been the understanding and strong support by the Company's owners—the stockholders. That support is itself a challenge to us to do the best job humanly possible and I pledge that to you.

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William G. Kuhns Chairman and Chief Executive Officer

November 15, 1983

March 23, 1984

GPU

The Honorable Russell Long United States Senate Washington, DC 20510

Dear Senator Long:

Thank you for your letter, dated February 28, 1984, on behalf of your constituent, Evelyn B. Graham, regarding the restart of Three Mile Island Unit 1.

On January 27, 1984, the Commission issued the enclosed Notice to the Parties, which sets forth its current views and plans regarding restart.

Given present planning, the Commission intends to follow this approach hopes to issue a decision on whether to lift the immediate effectiveness of the 1979 shutdown orders by June, 1984.

I hope that this information is responsive to your inquiry.

Sincerely,

Carlton Kammerer, Director Office of Congressional Affairs

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Enclosure: As stated

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March 26, 1984

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The Honorable J. Bennett Johnston United States Senate Washington, D.C. 20510

Dear Senator Johnston:

Thank you for your letter of March 19, 1984, forwarding correspondence from Ms. Evelyn Graham regarding the restart of the Three Mile Island Nuclear Power Plant.

With regard to Ms. Graham's concerns regarding the restart of Three Mile Island, the Commission issued Notice to the Parties on January 27, 1984, which sets forth its current views and plans rearding restart. A copy of

Given present planning, the Commission intends to follow this approach and hopes to issue a decision on whether to lift the immediate effectiveness of the 1979 shutdown orders by June, 1984.

I hope that this information is responsive to your inquiry.

Sincerely,

Carlton Kammerer, Director Office of Congressional Affairs

Enclosures:

1/27/84 Notice to Parties
3/19/84 Johnston Corres.

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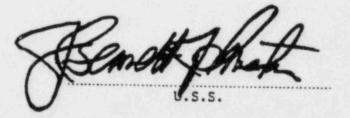
Minited States Senate

March 19, 1984

Respectfully referred to:

Mr. Carlton Kammerer Director, Office of Congressional Aff. Nuclear Regulatory Commission 1717 H Street, N.W. Washington, D.C. 20555

Because of the desire of this office to be responsive to all inquiries and communications, your consideration of the attached is requested. Your findings and views, in duplicate form, along with return of the enclosure, will be appreciated by



Form #2 - 8501240411

J. BENNETT JOHNSTON

Alniled States Senate

WASHINGTON, D.C. 10610

March 19, 1984

Ms. Evelyn B. Graham Box 89 A Ventress, Louisiana 70783

Dear Ms. Graham:

Thank you very much for letting me hear from you concerning restarting TMI-1.

I will certainly be pleased to look into this matter for you, and have taken the liberty of contacting the appropriate officials here in Washington to request a report. I will be back in touch with you just as soon as I have any additional information.

I appreciate your bringing this to my attention, and send every good wish.

With kindest regards, I am

Sincerely,

J. Bennett Johnston United States Senator

JBJ/csb

Box 89 A Ventress, LA 70783

February 16,1984

Senator J. Bennett Johnson U.S. Senate Washington DC 20510

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Dear Senator Johnson,

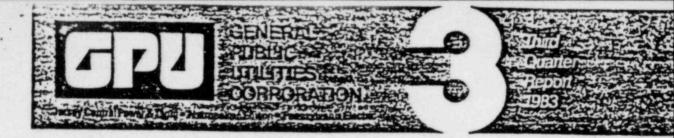
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Wiliam G. Kuhns Chairman and Chief Executive Officer

November 15, 1983