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

MAR 2 1 1980

Mr. Stanley C. Van Ness Public Advocate State of New Jersey 520 East State Street Trenton, New Jersey 08625

Dear Mr. Van Ness:

This is in response to your letter of September 27, 1979 addressed to Chairman Hendrie, and to your January 4, 1980 petition for a public hearing regarding the application for extension of the construction permit for the Forked River Nuclear Station by Jersey Central Power and Light Company. The Chairman has asked me to respond in view of the fact that, under the NRC rules of practice, the Chairman and the members of the Commission may be called upon to review decisions regarding construction of the Forked River plant and, hence, it would be inappropriate for him or other members of the Commission to comment on the matters raised in your letter and petition.

Your submittals requested that the Commission institute a public hearing on the application of Jersey Central Power and Light Company (JCPL) for an extension of the latest completion date for the Forked River Nuclear Generating Station. In its application, filed on August 31, 1978, JCPL requested that the latest date for completion of construction of the Forked River facility, as specified in Construction Permit CPPR-96, be extended from October 4, 1978 to February 1, 1985. Because the application was timely, the construction permit will continue in effect until the application is finally determined.

As a result of the financial effects of the accident at Three Mile Island Unit 2, JCPL suspended construction work at the Forked River facility on April 3, 1979. Subsequently, JCPL requested the NRC to defer action on its application because construction would be suspended until at least mid-1981. JCPL stated that a completion date beyond February 1, 1985, might be proposed when construction is recommenced.

In light of the particular circumstances attending the application for extension and particularly in light of recent expressions of citizen and state interest in this matter, I have determined, in the exercise of my discretion pursuant to 10 CFR Section 2.105(a)(4), that an opportunity for a public hearing should be afforded.

Mr. Stanley C. Van Ness

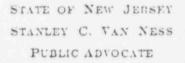
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Accordingly, at an appropriate time after the Staff has resumed its review of the application for extension of the construction permit, a notice of opportunity for hearing will be published in the <u>Federal Register</u>, and a copy of that notice will be sent to you.

Sincerely,

Original 3 med by Harold R. Denton, Director Office of Nuclear Reactor Regulation



September 27, 1979

Mr. Joseph Hendrie Chairman U. S. Nuclear Regulatory Commission Washington, DC 20555

> Re: Forked River Nuclear Generating Station, Lacey Township, New Jersey

7910220424

Dear Mr. Hendrie:

The continued suspension of construction at the Forked River nuclear generating station has raised significant questions which greatly concern me as the New Jersey Public Advocate representing vital public interests and specifically energy consumers in our state.

The U.S. Nuclear Regulatory Commission's role in permitting <u>de facto</u> continuation of the construction permit for Forked River has, I believe, served to exempt the owners of the plant from complying with the most up-todate safety systems which have been developed since the plant was initially approved in 1973.

The NRC's 14 months of inaction on an extended construction permit also has had the effect of permitting the Jersey Central Power and Light Company to include charges for construction work in progress in its base rate. This amounts to approximately \$500,000 per month so that the 670,000 Jersey Central ratepayers are being compelled to dole out millions of dollars annually for a plant whose future is highly questionable.

I recognize and fully support the decision of General Public Utilities to suspend construction at Forked River in the wake of the accident at Three Mile Island II and its various safety and financial ramifications. But I feel very strongly that any renewal of a construction permit should not include a "grandfathered" six-year-old design that may not meet the highest safety standards.

Consequently, I would like to formally urge the NRC to act forthwith in scheduling hearings that will allow for public participation on the crucial issues of safety and financial qualifications as they relate to Forked River.

It is also my hope that the NRC, the TMI Special Inquiry Group and the President's Commission on the Accident at Three Mile Island will thoroughly review the larger policy issue concerning the regulation of nuclear plant construction

Mr. Hendrie

and changes that are needed to assure the inclusion of the most current safety features and protect ratepayers from being burdened with the costs of a utility's mistakes. Toward this end, we will be corresponding with appropriate public bodies.

Sincerely,

Hanley C. Van Vier

Stanley C: Van Ness PUBLIC ADVOCATE

SCVN:11d cc: J. Kemeny M. Rogovin