

United States Senate
WASHINGTON, DC 20510

March 1, 1988

Mr. Thomas E. Murley
Director of Nuclear Reactor Regulation
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Dear Mr. Murley:

I am writing in opposition to an application submitted to the NRC by the Ohio Edison Company (Application to Amend the Perry Operating License to Suspend the Antitrust Conditions Insofar As They Apply to Ohio Edison Company, Docket No. 50-440A).

It is clear that Perry's costs have risen far beyond projections made in 1976 when its owners decided to build the plant, a fact which Ohio Edison admits in its application. I do not believe, however, that Ohio Edison and its partners should be allowed to escape the consequences of an unfortunate business decision by holding municipal power systems captive to their increasing rates.

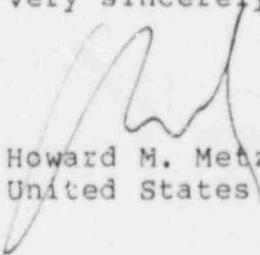
If the Ohio Edison request is approved, residential and industrial customers in 21 cities would be faced with dramatic rate increases. This would be extremely unfair to the residents of 22 townships in Ohio, including Amerherst, Beach City, Brewster, Columbiana, Custar, Cuyahoga Falls, Galion, Grafton, Hubbard, Hudson, Lodi, Lucas, Milan, Monroesville, Newton Falls, Niles, Oberlin, Prospect, Seville, South Vienna, Wadsworth, and Wellington.

The fact that nuclear power has turned out to be substantially more expensive than other power sources does not oblivate the need to protect municipalities from monopolistic practices by the owners of nuclear plants. In fact, I would argue that the high costs of nuclear power increase the importance of antitrust protections. If Ohio Edison's request is approved, it will remove the natural market pressure on the utility to keep its rates low in order to retain and attract customers. Ohio Edison should thus be held to the original terms of the Perry Operating License.

Mr. Thomas Murley
March 1, 1988
Page Two

I appreciate your consideration of my views on this matter.

Very sincerely yours,



Howard M. Metzenbaum
United States Senator

HMM/ba