

DOCKET NUMBER
PROPOSED RULE

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(53FR 36338)

PHILADELPHIA ELECTRIC COMPANY

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OFFICE OF THE
DOCKETING
BRANCH

RICHARD G. GILMORE
SENIOR VICE PRESIDENT
FINANCE

October 3, 1988
Docket Nos. 50-277
50-278
50-352

Mr. Samuel J. Chilk, Secretary
U. S. Nuclear Regulatory Commission
Washington, DC 20555

Attention: Docketing and Service Branch

Re: Notice of Proposed Rule
10 CFR §50.54(w)(5)(i)

Dear Mr. Chilk:

On September 19, 1988, the NRC published a proposed rule in the Federal Register (53 Fed. Reg. 36338) that would amend the implementation schedule for the stabilization and decontamination priority and trusteeship provisions of its property insurance regulations. (10 CFR §50.54(w)(5)(i)). The effective date of those provisions would be changed from October 4, 1988 to April 4, 1990. This action responds to concerns about the present rule, adopted on August 5, 1987 (52 Fed. Reg. 28963), that have been expressed to the NRC by power reactor licensees, industry groups, and nuclear property insurers and which are recited in the NRC's Notice of Rulemaking. As the NRC is aware, insurance policies fully satisfying the decontamination priority payment and independent trustee requirements are not available and trust arrangements cannot be established by October 4, 1988.

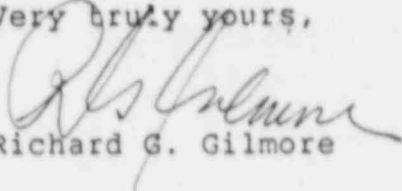
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Mr. Samuel J. Chilk, Secretary
October 3, 1988

Since the comment period for this proposed rule will not expire until after the October 4, 1988 deadline, the proposed rulemaking does not provide licensees with timely relief from the deadline. It is Philadelphia Electric Company's understanding that NRC will issue exemptions from the October 4, 1988 deadline on its own initiative in each docket and is discouraging the filing of individual exemption requests. The purpose of this letter is to set forth our understanding of actions that are intended by the NRC and our reliance on the assurance that we will be relieved from the October 4, 1988 deadline. While no further action is anticipated at this time, we will contact the NRC Staff to determine the appropriateness of submitting a utility specific exemption application if our understanding of the NRC's intentions in this matter proves erroneous.

Very truly yours,



Richard G. Gilmore

cc: W. T. Russell, Regional Administrator
T. J. Kenny, Senior Resident Inspector
T. P. Johnson, Resident Inspector