



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

JUN 08 1988

Mr. Leonard G. Schmick
5915 Angle Road
Oshkosh, Wisconsin 54904

Dear Mr. Schmick:

Thank you for your recent letter postmarked May 26, 1988, concerning the Shoreham Nuclear Station. In your letter, you identified yourself as a LILCO stockholder and expressed your concern over the protracted litigation on acceptability of the emergency plan for Shoreham Station. You indicated your support for the licensing of Shoreham Station and opposition to its sale to the Long Island Power Authority.

We are aware of the negotiations between the State of New York and LILCO regarding the sale of Shoreham Station. We understand an agreement in principle has been arrived at with contingencies that may take as long as three months to satisfy. LILCO has advised us that during this period it does not intend to operate Shoreham Station above the current power level restriction of five percent of full power, even if the NRC authorizes operations above the current power level restrictions.

The NRC's regulations require, among other things, an acceptable emergency plan before a full-power operating license can be issued for a nuclear power plant. The Commission, on December 3, 1987, promulgated its new rule governing the treatment of emergency planning issues in cases of State or local nonparticipation in emergency planning. The new rule states that the NRC will evaluate the adequacy of the applicant's emergency plan, taking into account the probable response of State and local authorities. The Federal Emergency Management Agency (FEMA), as the cognizant Federal agency for offsite emergency preparedness, is evaluating LILCO's offsite emergency plan to determine if there is reasonable assurance that the health and safety of the public can be protected. In conjunction with its evaluation, FEMA has scheduled an exercise of that offsite plan for June 7-9, 1988. Any exercise or plan-related issues that are admitted for hearings will be considered by the NRC's Atomic Safety and Licensing Board. A favorable finding on these matters along with those currently being litigated before the Board and a subsequent favorable Commission decision are required before the full-power license can be issued. These activities are currently scheduled to be completed by spring 1989.

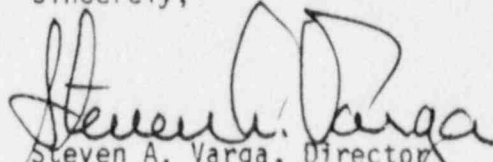
In a letter dated June 1, 1988, LILCO requested that the NRC proceed with the licensing activities for Shoreham Station, notwithstanding the agreement in principle dealing with the sale of Shoreham Station.

8806170259 880608
PDR ADOCK 05000322
H PDR

While our current plans are to proceed with the processing of the LILCO license application, we have requested that LILCO advise us promptly if it has plans to the contrary.

I hope the above status-type discussion provides you with helpful information.

Sincerely,

A handwritten signature in cursive script, appearing to read "Steven A. Varga". The signature is written in dark ink and is positioned above the typed name and title.

Steven A. Varga, Director
Division of Reactor Projects I/II

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I hope the above status-type discussion provides you with helpful information.

Sincerely,

/s/

Steven A. Varga, Director
Division of Reactor Projects I/II

DISTRIBUTION

Docket File

NRC PDR/LPDR

EDO #0003738

EDO rf

TEMurley/JHSniezek

FMiraglia

SVarga/BBoger

WButler

SBrown/GRivenbark

MO'Brien

DMossburg w/cy of incoming

PDI-2 Reading

OGC

Russell

Martin, ADT

Previously concurred*

PDI-2/D*

WButler

06/06/88

DRP/ADRI*

BBoger

06/06/88

Tech Ed.*

DGable

06/06/88

SV
DRP/PRI
SVarga
SV /88



UNITED STATES
 NUCLEAR REGULATORY COMMISSION
 WASHINGTON, D. C. 20555
 EDO Principal Correspondence Control

ACTION

FROM: Leonard G. Schmick
 Oshkosh, Wis.

DUE: 06/17/88

EDO CONTROL: 0003738
 DOC DT:
 FINAL REPLY:

TO:

NRC

FOR SIGNATURE OF: ** GRN **

CRC NO:

Murley

DESC:

ROUTING:

Q'S RE LONG ISLAND LIGHTING COMPANY

Russell

DATE: 06/02/88

ASSIGNED TO: NRR CONTACT: Murley

SPECIAL INSTRUCTIONS OR REMARKS:

NRR RECEIVED: JUNE 2, 1988
 ACTION: DRPR:VARGA - rec'd 6/3/88

NRR ROUTING: MURLEY/SNIEZEK
 MIRAGLIA
 MARTIN
 MOSSBURG

ACTION
 DUE TO NRR DIRECTOR'S OFFICE
 BY June 14, 1988