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MARYLAND NUCLEAR SAFETY COALITION
safe energy alternatives

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October 24, 1988

Secretary
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555
Attention: Docketing & Service Branch

DOCKET NUMBER
PETITION RULE PRM 50-52
(53FR42913)

Re: Docket No.PRM-50-52 of 10 CFR Part 50

Dear Sir:

We support the request that the NRC reinstate financial qualifications of utilities as a consideration in the operating licensing hearings for electric utilities.

This issue has direct and indirect bearing on public health and safety. A utility that is under financial duress, often a result of ineffective management, may take short cuts in operation and procedures which result in accidental releases of radiation that endanger the public.

Our experience in researching the Philadelphia Electric Company (PECo), gives us reason to believe that large, unplanned expenses have greatly weakened the utility, with no relief in sight. This weakened fiscal condition can translate into substandard operation.

We were told that PECo has poured over $350 million into refurbishing Peach Bottom, plus has the continuing monthly cost of $5 million each month (now 19 months, with no restart in sight) for replacement power while Peach Bottom is out of service. Another $9 million a month cost is split among the three other partner utilities. These three utilities have sued PECo $250 million to recover these costs. Early this year some PECo stockholders announced a lawsuit against management for its gross mismanagement of Peach Bottom.

PECo estimates it will cost $80 million to repair a radioactive fuel leak at Limerick I that was detected this past August.

PECo's long history of incompetence and irresponsibility should have been a factor in considering the licensing of Limerick I and II. It is irresponsible of the NRC to rescind the rule which eliminates financial qualifications from consideration in licensing.

Please reinstate this rule.

Sincerely,
Patricia Burnie

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