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December 21, 1990 4410-90-L-0087 C000-90-1156

Mr. Michael T. Masnik Regional Administrator, Region I US Nuclear Regulatory Commission Washington, DC 20555

> Three Mile Island Nuclear Station, Unit 2 (TMI-2) Operating License No. DPR-73 Docket No. 50-320 TMI-2 Advisory Panel Questions

Attached are the responses to the TMI-2 Advisory Panel Questions requested by your letter of December 11, 1990.

In addition, it is noteworthy that the New Jersey Board of Public Utilities has recently approved a base rate increase for the General Public Utilities Corporation subsidiary, Jersey Central Power and Light (JCP&L). Included in this action was a stipulation which provided for funding JCP&L's share of the cost to decommission the company's nuclear generating stations. In the case of JCP&L's 25% ownership share of TMI-2, this settlement provided for an immediate \$30 million contribution by JCP&L to a decommissioning trust; half of this contribution will be reflected in customer charges. The balance of JCP&L costs associated with decommissioning of TMI-2 have also been reflected in the rate base and are to be accumulated over the term authorized by the settlement.

If you have any questions or require clarification, please contact Mr. J.J. Byrne of my staff.

Sincerely,

R.L. Long

Director, Corporate Services/ Director, TMI-2

9012260265 901221 PDR ADOCK 05000320 PDR PDR

JJB/kms

Attachments

cc: T.T. Martin - Regional Administrator, Region I L.H. Thonus - Project Manager, TMI Site F.J. Young - Senior Resident Inspector, TMI GPU Nuclear Corporation is a subsidiary of the General Public Utilities Corporation

#### ATTACHMENT 1

#### ADVISORY PANEL QUESTIONS AND ANSWERS

- Question 1. Provide the Calendar year 91 Budget for TMI-2.
- Answer: A summary of the 1991 budget for TMI-2 is provided in Attachment 2.
- Question 2. What happens if you use funds to decommission Saxton and Oyster Creek but when TMI-2 is ready for decommissioning, sufficient funds are not available?
- Answer: This situation is not possible, see response to Question 3.
- Question 3. Are funds segregated in the trust account such that funds collected for decommissioning one facility cannot be used to decommission another?
- Answer: Funds collected for decommissioning are being segregated by Company and nuclear facility within the Master Decommissioning Trust. Funds in each of the trusts can only be used for payment of decommissioning expenses applied to its specific facility.
- Question 4. You referenced in your decommissioning funding plan that property can be a method of payment into the trust account. Is this real property, and if so could the value of the property devalue and thereby devalue the trust?
- Answer: The term "property" in this context means securities, not real property, IRS guidelines allow cash or securities to be deposited into the Decommissioning Trust.
- <u>Question 5.</u> Are monies that are placed in the trust account tax deductible?
- Answer: Funds deposited into the Master Decommissioning Trust which are deemed qualified based on IRS ruling amounts are tax deductible. Funds deposited which are not qualified are not tax deductible. Interest earned on taxable investments is taxable to the trust.
- Question 6. What is the actual cost of radiological and nonradiological decommissioning of TMI-2? The number provided to the NRC was \$259 million and is different than the number presented at the October 18, 1990 meeting.
- Answer: While the ultimate decommissioning costs cannot be determined at this time, the Company has established an initial target amount of \$195.6 million in 1989 dollars based on NRC guidelines for certification of financial assurance purposes to represent the radiological portion of decommissioning.

#### ATTACHMENT 1 (Continued)

The Company has used the non-radiological portion of the site specific study done for IMI-1 as an approximation of the non-radiological costs of TMI-2 (\$57 million in 1987 dollars).

Using 6% to convert these figures to approximate mid-1990 dollars yields:

\$201.5 - radiological 66.0 - non-radiological \$267.5 - total in mid-1990 dollars

It is not clear just what the "\$259 million" in this question represents. It appears to be the sum of the radiological cost estimate (\$202M in mid-1990 dollars) plus the non-radiological cost estimate (\$57M in 1987 dollars). These numbers can't be added without taking into consideration the time value of money (see above).

- Question 7. Are the figures current? If so, why is there a discrepancy between what GPU seeks to recover from the ratepayer and the actual decommissioning costs? Who will pay for the short-fall?
- Answer: As stated in the response to Question 6, the present estimate of decommissioning costs (in mid-1990 dollars) is \$267.5 million.

GPU intends to seek recovery of this estimated decommissioning funding level. This funding level may be adjusted from time to time in base rate proceedings to reflect updated information regarding the ultimate cost of decommissioning.

- Question 8. Is the \$195 million a down payment figure or the entire cost of radiological decommissioning?
- Answer: See response to Question 6. In the absence of a site specific study, NRC guidance provides us with a basis for developing a reasonable funding target for radiological decommissioning costs for TMI-2.
- Question 9. Does GPU have a contingency plan in the event they will not be allowed to recover decommissioning costs from the ratepayer?
- Answer: As filed with the NRC, GPU believes that funds for the decommissioning of its nuclear facilities should be recoverable through the ratemaking process.

Page Three

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#### ATTACHMENT 1 (Continued)

- <u>Question 10.</u> What was the date of the discovery of the leakage in the groundwater?
- <u>Answer</u>: Elevated tritium concentration in MS-2 was first noted in July 1990 during normal groundwater sample analysis review.
- Question 11. What was the maximum reading of the groundwater leak?
- Answer: The maximum concentration observed during the recent increase in groundwater tritium levels was 53,000 picocuries per liter.
- Question 12. How many wells did you see contamination in?
- Answer: Four monitoring stations showed increased tritium levels.
- <u>Question 13.</u> Provide a table summarizing tritium levels over time for each well for which elevated levels have been reported.
- <u>Answer</u>: Attachment 3 provides the tritium sampling results for the monitoring stations which indicated increased concentrations.
- Question 14. Were there any other containments (sic) found in the water, e.g., boron?
- Answer: Attachment 3 lists boron concentrations identified during groundwater sampling. In addition, samples where analyzed for gamma emitting radionuclides, none were identified.
- Question 15. Could you tell from what point in time this stuff went into the ground and from where?
- Answer: There is no conclusive answer as to the source of tritium contamination in the groundwater or when the leakage originally occurred.
- Question 16. Why must the pipes under the evaporation (sic) be filled? What is the purpose of the pipes? Describe the process.
- <u>Question 17.</u> If they (the AGW or the pipes) go in there, does that mean they automatically touch other parts of the system?
- Question 18. Could they be vented even in a surrogate system?

### ATTACHMENT 1 (Continued)

Answer:

These questions are very unclear, but based on the discussions at the Advisory Panel Meeting, we believe they express a concern that during surrogate testing of the evaporator some accident generated water may have been mixed with the surrogate water and released. This situation did not occur. During surrogate testing of the evaporator a separate, temporary feed system was installed to allow testing of the evaporator with a non-radioactive surrogate solution. This surrogate solution did not mix with the accident generated water.

The underground pipes referred to at the meeting are normal process pipes which connect and allow water transfer between the outside storage tanks and the plant. Additional piping was installed to connect the outside storage tanks with the evaporator to allow feed to the evaporator.

## ATTACHMENT 2

## TMI-2 1991 BUDGET SUMMARY

# (\$ MILLIONS)

ACTIVITIES	1991 BUDGET	
LEVEL OF EFFORT (SURVEILLANCE, CORRECTIVE AND PREVENTIVE MAINTENANCE)	\$ 2.8	
EVAPORATE ACCIDENT GENERATED WATER	2.0	
WATER PROCESSING	0.8	
STORE/SHIP/BURY RADWASTE	1.5	
POST DEFUELING MONITORED STORAGE CUBICLE/ SYSTEM LAYUP	1.1	
SPECIAL NUCLEAR MATERIALS ACCOUNTABILITY	0.3	
LICENSING ACTIVITIES	3.1	
INSTALLATION OF PLANT MONITORING EQUIPMENT		
TOTAL TMI-2	\$11.9	

# TMI GROUNDWATER MONITORING WELLS 1989 - 1990\*

	H-3	Boron	H-3	H-3	Boron	H-3	Boron	H-3	Boron	H-3
Date	MS-2	MS-2	OS-17	0S-16	0S-16	MS-3	MS-3	0S-10	0S-10	MS-8
1/89	1400		2600	3100		800				
2/89	2000		2500	12000		940				
3/89	2100		2100	4600		930				
4/89	910		2000	2700		880				
5/89	750		2100	820		670				
6/89	1300		4100	1900		550				
7/89	690		7000	840		800				
8/89	890		7200	1200		390				
9/89	760			6100		520				
10/89	700			1400		500				
11/89	830			2000		530				
12/89	820			7600		480				
1/90	950			2000		490				
2/90	570	12		1200		630		-		
3/90	700			2100		740				
4/90	1100			2800		610				
5/90	2100									
6/90	3800	34		910		440				
7/90	6700			1800		780				
8/3/90	29000	40		1200		790				
8/27/90	15000					1000				
9/3/90	29000		8000	1300		760				
9/11/90	46000	34	13000	1500	6	970	15	400	32	
9/14/90	53000		16000	3300		920				
9/19/90	51000		17000	6400		1200				
9/21/90										350
9/26/90	35000		13000	5400		1800		390		
10/3/90	39000		16000	3400		2200		390		
10/5/90	39000		18000	4200		2400				
10/10/90	39000		20000	4400		2800		520		
10/17/90	17000		11000	2600		2700		490		
10/24/90	5000		12000	1200		1400		430		
10/31/90	11000		15000	1100		1300		<400		
11/7/90	11000		20000	1100		1000		<300		
11/14/90	9500		16000	3800		1300		<400		
11/21/90	9400		16000	2700		1600		370		
11/28/90	9500		17000	5200		1200		400		

\*All H-3 activities in pCi/l (µci/ml x 1E9). All boron concentrations in ppm. \*\*On-Site analysis (Plant Chemistry)