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Honorable John Marshall Butler
United States Senate

Dear Senator Butler:

Your February 19, 1962 letter to Mr. R. X. Donovan requested information regarding the construction of an atomic power plant. The nuclear facility to which you refer is the Philadelphia Electric Company prototype nuclear power plant to be located in the vicinity of Conowingo Pond, Peach Bottom Township, York County, Pennsylvania.

An Atomic Energy Commission construction permit for this facility was issued to the Philadelphia Electric Company on February 23, 1962. Work at the approved Peach Bottom site should be initiated shortly; construction completion is expected by mid-1964.

The plant (variously referred to as the Philadelphia Electric Company Reactor, Peach Bottom Atomic Power Station, and High Temperature Gas-Cooled Reactor) will be powered by a 115 thermal megawatt advanced type, high temperature helium gas cooled, graphite moderated, thermal neutron reactor and is designed to produce about 40 net megawatts of electricity.

The Philadelphia Electric Company is undertaking the project as part of the Commission's Power Demonstration Reactor Program. Authorizing legislation for the project was enacted by the 85th Congress. In response to an AEC invitation issued in September 1958, The Philadelphia Electric Co., and a group known as High Temperature Reactor Development Associates, Inc., (HTRDA) submitted a joint proposal for participation in the prototype power reactor project. The AEC accepted the proposal as a basis for contract negotiations in February 1959. In August 1959 the AEC signed contracts with the utility for waiver of fuel use charges valued at \$2 million through the first five years of plant operation,

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and with the General Dynamics Corporation for pre- and post-operation research and development related to the reactor. This research and development is being conducted by the Corporation's General Atomic Division in San Diego, California. Under this contract the Commission will reimburse the Company for the cost of research and development up to \$14.5 million and will waive \$0.5 million experimental fuel use charges.

The cost of design and construction of the plant will be borne by Philadelphia Electric and 52 other utilities comprising NEFDA. Current estimated cost of construction is about \$28 million. Philadelphia Electric is providing the site and will be responsible for plant operation.

Philadelphia Electric's engineer-constructor for the facility is the Bechtel Corporation. Under a contract with Bechtel, General Atomic Division will design and provide the nuclear steam supply system, including the reactor. General Atomic will also provide the fuel elements for the first five years of operation. Westinghouse Electric will supply the electric generating system.

We do not know how many individuals will be involved in the construction and subsequent operation of the plant, or the geographic area from which they will be drawn. Since the construction and operation of the Peach Bottom nuclear power facility is the responsibility of private organizations, I suggest your constituent, Mr. L. C. Myers, contact directly the Philadelphia Electric Company for employment information. Such correspondence should be addressed to R. G. Hincliffe, President, Philadelphia Electric Co., 1000 Chestnut Street, Philadelphia 5, Pennsylvania.

A copy of the most recent AEC public announcement on the Philadelphia Electric project is attached. We would be happy to furnish additional information should you require it.

DIST:

- GM
- AGMRD
- I&R ←
- Congressional (2)
- Subj
- RD rdg (2)
- Pittman rdg
- RD: OAR rdg
- Mieller rdg
- RD: DE rdg

Attachment:
AEC Announcement E-53

Sincerely yours,

Original signed by
Frank K. Pittman

Frank K. Pittman, Director
Division of Reactor Development

RD: OAR HIMieller/vlc EERHall 2/27/62	RD: OA Arrotta 2/ /62	RD: OR Giambusso 2/ /62	RD: O Upchurch 2/ /62	RD: DE McGarry 2/ /62	RD: D 2/ /62
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