

EDISON WILL BUILD ATOM POWER PLANT

Reactor Near Peekskill, First
Privately Financed, Will
Supply Electricity Here

Special to The New York Times.

WASHINGTON, Feb. 10—The country's first private atomic electric power plant will be built near New York City.

The Consolidated Edison Company of New York, Inc., disclosed today before the Joint Congressional Committee on Atomic Energy that it planned to construct an atomic furnace with its own funds. The cost was put at \$30,000,000 to \$40,000,000.

H. R. Searing, company president, said that the projected plant to feed electric energy into the Edison system for New York and Westchester would be at Indian Point on the Hudson River, five miles south of Peekskill, N. Y.

He said the company hoped to apply for a license from the Atomic Energy Commission before April 1. Consolidated Edison is the first utility company to tell Congress it is ready to go ahead, without Government aid, since the Atomic Energy Act of 1954 opened the door to private industry for peaceful uses of the atom.

Mr. Searing told the committee that his company had asked

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three equipment manufacturers to present proposals "for a reactor of about 100,000 to 200,000 kilowatts which could be suitably fitted into our system." It was learned that the company hoped for an atomic reactor that would produce 125,000 kilowatts.

Mr. Searing said later that he expected it would be at least a year before the company could start construction because of necessary design and fabrication work. He estimated also that a "minimum of four years" would be required before the plant would be ready for service.

The site selected was formerly an amusement park, a regular port of call for the old Hudson River Day Line streamers. The company acquired the park ground and additional land to make a total of 350 acres, Mr. Searing said.

Edison announced Oct. 8 that it would build a multi-million-dollar electric generating plant at Indian Point, with provision for possible conversion to the use of atomic power. At the time, it said it would be constructed in anticipation of a 300 per cent increase in the demand for electric power in Westchester County in the next sixteen years.

Committee members praised the company's announcement. Representative Carl T. Durham, Democrat of North Carolina, told Mr. Searing, "You're the only man who has said we're going ahead and do this job." Mr. Durham and other committee members frequently have been critical of private industry's slowness in getting to work on a full-scale atomic power plant.

Mr. Durham was joined by Senator Clinton P. Anderson, Democrat of New Mexico and committee chairman, and Representative W. Sterling Cole, Re-



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ATOMIC POWER: Cross indicates site where Consolidated Edison will build big reactor to supply electricity.

publican of upstate New York. Mr. Cole and Senator Anderson asked whether Mr. Searing thought the rules and regulations of the Atomic Energy Commission were slowing the entrance of private industry into the new field.

Mr. Searing replied that he did not believe so. He said the company was guided by two fundamental principles.

"We believe," he declared, "that the proper approach was to consider a reactor in the same manner as we would any other addition to our system and to go about purchasing a reactor in the same way we would order a finished product from one of our usual suppliers if possible at a firm price.

"The second fundamental principle was that we would finance the plant ourselves and that we would not seek Government assistance.

"A tacit assumption in our thinking was that we should accept whatever charges or prices the commission established for material used or produced in the reactor."

Accordingly, Mr. Searing went on, principal attention was given to the economics of a reactor as a power producer. "In this connection we had very much in mind the fact that the costs of conventional fuels in the New York area are relatively high," he said.

"The price the Government charged for nuclear materials to be used in the reactor and the prices paid by the Government for any material produced in the atomic furnaces were 'not a factor in our decision,' he said. Prices involved were relatively small against the over-all cost, he said. Under the law the Government retains ownership of all nuclear material and charges a rental for use of such material.

He said Edison had been negotiating with the General Electric Company, Westinghouse Electric and Manufacturing Company, and the Babcock & Wilcox Company of New York. The proposal by Babcock & Wilcox, a major boiler manufacturer, appeared to be the "most attractive," he said.

The reactor being considered is known as a converter. It is not one of five types of reactors that the A. E. C. has in its reactor demonstration program. The converter uses Uranium 238 and produces plutonium from this nuclear material. The small amounts of plutonium produced may be used to keep firing the atomic furnace.

Mr. Searing said that the converter techniques produced an "over-all result which we hope will be reasonably competitive with conventional plants in our area." He did not think it appropriate to spell out details of cost estimates at this time.

A modern conventional steam plant producing 125,000 kilowatts would cost about \$30,000,000, according to Federal power experts.

The country's first major power reactor is under construction at Shippingport, Pa. It is a joint venture of the A. E. C. and the Duquesne Light Company of Pittsburgh. Its projected capacity is 100,000 kilowatts. Westinghouse is building the reactor, known as a pressurized water reactor.