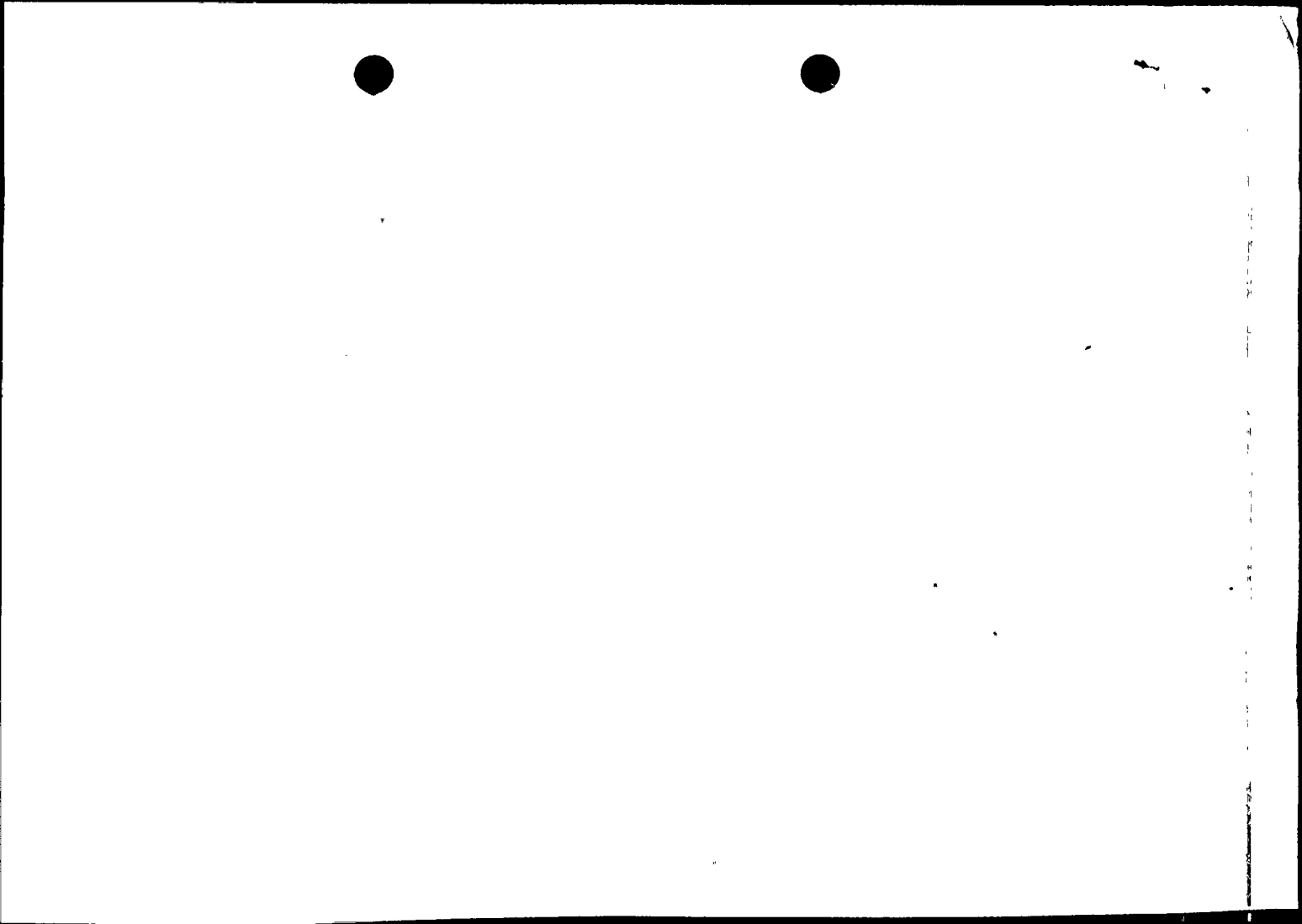


FROM: Louis Hanson, Admin. Asst to Senator Nelwon	ACTION CONTROL	DATES	CONTROL NO.
	COMPL DEADLINE	3/21/77	01609
	ACKNOWLEDGMENT	3/4/77	DATE OF DOCUMENT
	INTERIM REPLY		2/23/77
TO: NRC	FINAL REPLY		PREPARE FOR SIGNATURE OF:
	FILE LOCATION		<input type="checkbox"/> CHAIRMAN
			<input type="checkbox"/> EXECUTIVE DIRECTOR
		OTHER: Omitted	
DESCRIPTION: <input checked="" type="checkbox"/> LETTER <input type="checkbox"/> MEMO <input type="checkbox"/> REPORT <input type="checkbox"/> OTHER	SPECIAL INSTRUCTIONS OR REMARKS		
Encl ltr from Kathi Schulze opposing issuance of an operating license for Diablo Canyon	Return enclosure w/reply Mark envelope to Attn: Pat Harkins LPDR?		
CLASSIFIED DATA			
DOCUMENT/COPY NO.	CLASSIFICATION		
NUMBER OF PAGES	CATEGORY		
POSTAL REGISTRY NO.	<input type="checkbox"/> NSI <input type="checkbox"/> RD <input type="checkbox"/> FRD		
ASSIGNED TO:	DATE	INFORMATION ROUTING	LEGAL REVIEW: <input type="checkbox"/> FINAL <input type="checkbox"/> COPY
Rusche	3/7/77	Case	NO LEGAL OBJECTIONS. NOTIFY: <input type="checkbox"/> EDO ADMIN & CORRES BR EXT.
		Docket Files (50-275)	
		PDR 50-323	COMMENTS, NOTIFY: EXT.
			JCAE NOTIFICATION RECOMMENDED: <input type="checkbox"/> YES <input type="checkbox"/> NO



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United States Senate

SELECT COMMITTEE ON SMALL BUSINESS
(CREATED PURSUANT TO S. RES. 24, 81ST CONGRESS)
WASHINGTON, D.C. 20510

February 23, 1977

Congressional Liaison
Nuclear Regulatory Commission
Washington, D.C. 20555

REGARDING ATTACHED LETTER FROM:

Ms. Kathi Schulze
341 Apricot Street
Wisconsin Rapids, Wisconsin 54494.

Dear Sir:

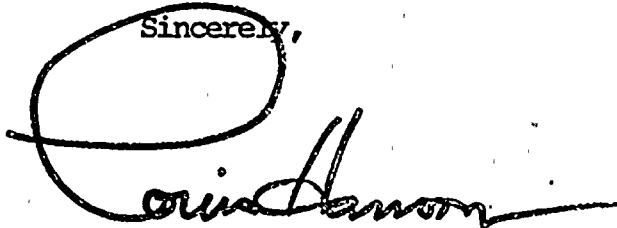
Attached is a letter recently received in this office. Please provide us with a report on this matter at your earliest convenience and return the correspondence to Senator Nelson.

PLEASE MARK THE ENVELOPE TO THE ATTENTION OF:

Pat Harkins

Thank you very much for your cooperation in this regard.

Sincerely,

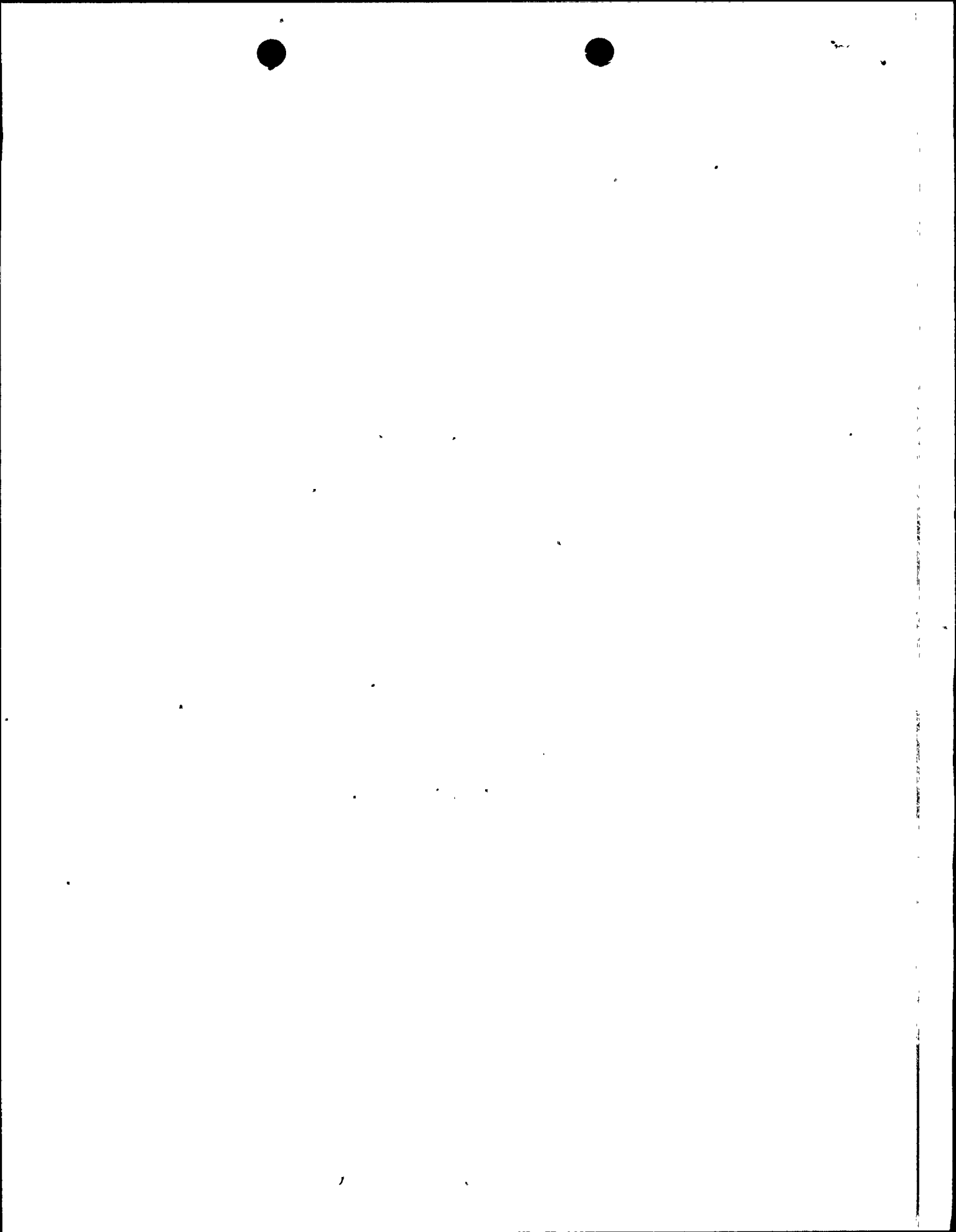


LOUIS HANSON
Administrative Assistant
to Senator Nelson

LH:
enclosure(s)

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2
GD



February 2, 1977

Dear Mr. Nelson,

Enclosed is the article which prompted this letter to you.

Disheartening is the message, for many reasons (some of which I have underlined), as is the entire issue of the continuing of the funding for and construction of nuclear power plants.

The hope is that this particular plant near Diablo Canyon may not be opened, that it may not receive the NRC's operating license. The hope is that you and other politicians will be able to act in this matter, that you will take seriously the real dangers that it presents, and, that in spite of the money, effort, and the "politics" that have been invested in the plant, you will choose to act in such a way that will truly protect the public safety - act so as not to allow the plant to be opened.

Another hope is that you will be able to encourage more research and development in the areas of solar, wind, and geo-thermal energy, as substitutes for further development and use of nuclear power.

Thank you for your time and consideration.

Very sincerely,

Ruth Schulze

P.S. I wish you the best in your work in the new Administration.

I'm also sending this letter to Mr. William Proxmire, Mr. Obey, and President Carter.



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Nuclear reactor built on quake fault

By Jack Anderson
and Les Whitten

*Jack Anderson
merry-go-round*

WASHINGTON — It started in the quiet darkness before dawn. Two small leaks, seemingly insignificant, trickled down the canyon wall near the north end of the great earth-filled Teton Dam.

But three minutes before noon on the fearful Sunday, June 5, 1976, the 30-story dam split open, and a massive wall of water roared over the peaceful Idaho countryside. Miraculously, only 14 people died from the flood's ravages. But over a billion dollars worth of Idaho real estate was washed away. Thousands were left homeless.

Subsequent investigations indicated that the dam should not have been built at all. For the Bureau of Reclamation knew, long before a billion gallons of water backed up behind the dam, that it was a risky project. The geology was tricky, the engineering dubious. But unfortunately Washington was more sensitive to the lobbying for the dam than to the scientific warnings against it. And so the government built a monster called Teton.

Now a worse disaster may be in the making on the California coast. A nuclear power plant is nearing completion near Diablo Canyon, just three miles from an earthquake line called Hosgri Fault.

The Hosgri Fault hadn't been discovered when the government issued the construction permit in 1968. But several eminent geologists warned that more care should be taken to locate possible faults in that earthquake-prone area.

Well, Oll geologists announced the Hosgri Fault. They found it by a method. Ironically, that the

nuclear facility's critics had unsuccessfully urged the government to try. Yet despite the earthquake danger, the government went ahead with the Diablo Canyon plant. It doesn't take a geologist to figure out that an earthquake could rupture the nuclear power plant. This could cause a radiation spill with catastrophic consequences.

The construction of the plant could have been stopped in 1971, of course, before the full \$1.2 billion it cost to build it was spent. Now it is too late to recover the enormous construction cost; the plant will soon be ready to open. However, it still requires an operating license from the Nuclear Regulatory Commission, which is supposed to protect the public safety.

The NRC is toughening its standards to make the Diablo Canyon plant more earthquake resistant. But no human engineering could guarantee the safety of a plant on the edge of an earthquake fault.

The NCR's project manager for the plant, Dennis Allison, told us that the commission's proposed safety regulations give some comfort, but not much. He acknowledged that the site turned out to be not such a great place.

Yet so much money and effort has been invested in the plant, and so many powerful politicians have backed it, that there is tremendous pressure to open it. Allison said

the operating license "probably" would be granted.

It was also the site, according to congressional findings, that doomed the Teton Dam. But the politicians who promoted the dam and the bureaucrats who planned it have not been held accountable for the billion-dollar disaster. The Bureau of Reclamation, whose mismanagement helped to produce the catastrophe, has been left unscathed.

Congress, of course, conducted its usual investigations, but these didn't perturb Reclamation Commissioner Gil Stamm. He told some bureaucrats, as we reported last year, that he wasn't losing any sleep at night over the congressional inquiries.

Now we have discovered additional evidence of his apparent nonchalance over the dam disaster. At obscure House hearings, Stamm poo-pooed the casualty count, which had then reached only 11. The total number of deaths is 11, three of which were gunshot wounds; two were suicides, one is a couple of days after the loss of the dam, the other two weeks after the loss. He reported blandly to the Water and Power subcommittee.

There have been a number of heart attacks. I think the drownings were a total of five, two of whom were a couple of 76 and 78 years of age who were warned by relatives in ample time but refused to leave their home. Some time later, when they saw the water rising, they did choose to leave, but it was too late. They were drowned.

It is true that the warnings reached most Idaho residents in time for them to escape the flood. For this, the dam builders deserve no credit; thousands might have been drown-

ed. Stamm assured us that he and his staff are "extremely sensitive" to the Teton disaster. But if sterner measures had been taken against the responsible bureau, the NRC might be a little less willing to grant an operating permit to a nuclear plant on the rim of an earthquake fault.

