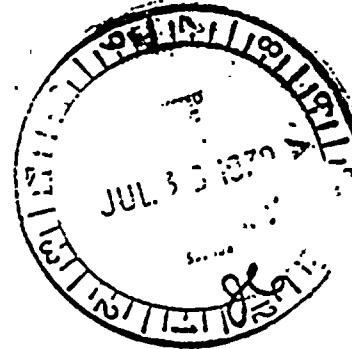


Western Union

Telegram

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1-020858C145003 05/25/79  
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02147 NEWORLEANS LA 603 05-25 155P CDT  
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2444 RAYBURN HOUSE OFFICE BUILDING  
WASHINGTON DC 20515



WE HAVE AN URGENT SITUATION IN LOUISIANA WHICH NEEDS YOUR  
INDULGENCE IN THE FOLLOWING DETAILS, AS WE UNDERSTAND IT,  
THE NUCLEAR REGULATORY COMMISSION STAFF RECOMMENDS  
THAT IT DELAY PROCESSING AND THE SUBSEQUENT ISSUANCE  
OF THE OPERATING LICENSE FOR OUR WATERFORD-3  
NUCLEAR UNIT FOR A PERIOD OF AN ADDITIONAL 6-MONTHS AND GRAND  
GULF UNIT ONE IN MISSISSIPPI FOR 12-MONTHS, BOTH A PART  
OF THE MIDDLE SOUTH UTILITIES SYSTEM.

IF THESE DEFERRALS WERE TO BE APPROVED BY THE COMMISSION, A  
SUBSEQUENT SHORTAGE OF ELECTRIC ENERGY WOULD OCCUR  
ON THE MIDDLE SOUTH UTILITIES SYSTEM IN LOUISIANA, ARKANSAS AND  
MISSISSIPPI DURING THE SUMMER PEAK SEASONS IN 1981  
AND 1982 AND COULD RESULT IN BLACKOUTS.

THIS WOULD OCCUR AS A RESULT OF THE LOSS OF SOME 2360  
MEGAWATTS OF MSU BASELOAD CAPACITY FOR WHICH WE KNOW  
OF NO SOURCE OF REPLACEMENT AT THE PRESENT TIME, WHY?  
SIMPLY BECAUSE THE NRC STAFF ALSO RECOMMENDS THE  
DELAY OF NUCLEAR UNITS IN AREAS CONTIGUOUS TO LOUISIANA  
AND THIS MEANS OUR USUAL SOURCES OF REPLACEMENT ENERGY WOULD  
ALSO BE IN DIRE CIRCUMSTANCES THROUGHOUT THE ENTIRE  
SOUTHERN REGION.

DURING THE STAFF'S PROPOSED DELAY PERIOD, WE ESTIMATE  
THAT THE LOST NUCLEAR CAPABILITY AND ENERGY WOULD REQUIRE THE  
CONSUMPTION OF AN ADDITIONAL 18,000,000 BARRELS OF OIL IF, INDEED,  
WE HAD SUFFICIENT FACILITIES TO BURN OIL UNDER OUR BOILERS.  
THE FUEL COST DIFFERENTIAL IN THE TIMEFRAME OF 1981-1982  
WOULD BE AT A MINIMUM, \$195,000,000, IF, HOWEVER, THE  
REPLACEMENT ENERGY MUST BE PURCHASED ON AN EMERGENCY BASIS  
FROM VARIOUS OTHER UTILITIES, THE COSTS, OBVIOUSLY,  
WOULD BE FAR HIGHER.

THE DELAYS NOW CONTEMPLATED BY THE STAFF WOULD ADD,  
BY CONSERVATIVE ESTIMATES, TO THE CONSTRUCTION COSTS  
OF WATERFORD-3 AND GRAND GULF ONE, ONE-THIRD OF A BILLION  
DOLLARS, WHICH WOULD ULTIMATELY HAVE TO BE BORNE BY OUR  
RESPECTIVE CUSTOMERS.

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PAGE 2

FURTHER, IF GRAND GULF ONE COMPLETION DATE IS DELAYED BEYOND DECEMBER OF 1982, THE MSU OPERATING COMPANIES (INCLUDING LOUISIANA POWER AND LIGHT COMPANY) ARE OBLIGATED TO PAY AN ADDITIONAL \$250,000,000 A YEAR FOR MSU SYSTEM FINANCING CHARGES.

ASIDE FROM THESE MENACING DOLLAR FIGURES, THE SPECTER OF THE UNAVAILABILITY OF ELECTRIC ENERGY IN THIS TRI-STATE AREA IS UNCONSCIONABLE, TO SAY NOTHING OF ECONOMIC CHAOS.

FURTHER, AS WE ARE LED TO BELIEVE, THE REASON FOR THE DELAY IN NO WAY INVOLVES THE SAFETY OF THE RESPECTIVE PLANTS. RATHER, THE PROPOSED DELAYS ARE OCCASIONED BY THE HEAVY PAPER-WORK LOAD IMPOSED ON THE STAFF FOLLOWING THREE MILE ISLAND AND THE UNUSUALLY HEAVY DEMANDS ON THE STAFF TO ADDRESS ENDLESS CONGRESSIONAL HEARINGS AND INDIVIDUAL INQUIRIES.

THEREFORE, WE ARE CONFIDENT YOU RECOGNIZE THAT IF NRC IS UNDERSTAFFED TO MEET ITS PRESENT WORKLOAD, THE ANSWER TO THE PROBLEM IS NOT A DEFERRAL OF LICENSING PROCEDURES, BUT RATHER, THE IMMEDIATE ADDITION OF SUFFICIENT PERSONNEL TO EXPEDITE RATHER THAN DELAY THESE URGENTLY NEEDED NUCLEAR UNITS FOR ALL AREAS OF THE UNITED STATES.

FINALLY, WE BELIEVE YOU WILL AGREE THAT IT IS INCUMBENT UPON YOU, FOR THE WELL BEING OF THE CONSUMERS IN LOUISIANA, TO INTERCEDE WITH THE NRC TO AVOID ANY ACTION OR INACTION ON THEIR PART WHICH WOULD RESULT IN THE PROPOSED STAFF DELAY IN THE PROCESSING OF OPERATING LICENSES. WE UNDERSTAND THE NEXT NRC MEETING WILL BE HELD WEDNESDAY, MAY 30TH.

FURTHER, WE ARE CONFIDENT YOU WILL CONTACT THE NECESSARY CONGRESSIONAL APPROPRIATIONS COMMITTEES TO PROVIDE THE FUNDS NECESSARY FOR THE NRC TO ACQUIRE COMPETENT STAFF PERSONNEL TO CARRY OUT THE CONGRESSIONAL MANDATES TO NRC.

AS WE OPENED, THIS IS URGENT TO LOUISIANIANS AND WE TRULY APPRECIATE YOUR INDULGENCE AND PERSONAL ACTION IN ANSWER TO OUR REQUEST ON THEIR BEHALF.

JACK M. WYATT, PRESIDENT  
LOUISIANA POWER AND LIGHT COMPANY  
NEW ORLEANS, LOUISIANA 70174

MAY 19 1982

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