

11-11-70

UNITED STATES OF AMERICA
ATOMIC ENERGY COMMISSION



In the matter of } Docket Nos. 50-329
CONSUMERS POWER COMPANY } 50-330
(Midland Plant, Units 1 and 2) }

PETITION

By

THE DOW CHEMICAL COMPANY

For

LEAVE TO INTERVENE

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The Dow Chemical Company

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and

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PETITION FOR LEAVE TO INTERVENE

The Dow Chemical Company ("Dow") petitions, pursuant to 10 CFR § 2.714, for leave to intervene and participate as a party in the above proceeding. As more fully explained below, Dow regards this proceeding as a matter of vital interest to it in view of its intimate continuing involvement with the health and safety, as well as economic well being, of the Midland, Michigan area and in light of its announced contract to purchase from the proposed nuclear power plant its requirements of process steam and electrical energy for its Midland chemical plant complex.

DOW'S INTEREST

Dow's Role in the Midland Community.

Dow is one of the 50 largest industrial corporations in the United States. In 1969, its total sales approached \$1.8 billion and its total assets were about \$2.6 billion.

Dow's corporate existence has always been intimately tied to the Midland, Michigan area. Its corporate headquarters are located in Midland and it operates a large chemical plant complex there which extends over 1,500 acres and produces a multitude of different products. Over 11,000 Dow employees, including most of its top-level management, live and work in the Midland, Michigan area.

As a consequence, the health and safety of the Midland community, as well as its economic and social well-being, are matters of Dow's continuing vital concern. As much as -- if not more than -- any other responsible community resident or civic group, Dow is deeply interested in assuring that the proposed generating plant will be constructed to fully meet applicable Atomic Energy Commission standards and, indeed, that the plant makes a positive contribution to the health, safety and well being of the community as a place in which to work and live.

Dow's Role as a Customer.

As a resident of Midland, Dow will be a user of the electrical energy generated by the proposed plant and is therefore interested in assuring that the electrical

energy available to the community in the future will be sufficient to meet anticipated needs.

Beyond that, however, Dow has contracted to purchase from the proposed plant the process steam required for its Midland chemical plant complex. Indeed, Dow will be the only customer for steam generated at the nuclear plant. Solely to meet Dow's requirements, the steam to be supplied to Dow meets stringent standards of radiation safety. Tertiary heat exchange systems and special monitoring devices have been incorporated into the engineering of the proposed nuclear plant to assure that the steam delivered to Dow will have no more radioactivity than the Lake Huron makeup water.

Dow is interested in this proceeding because it desires to assure that the construction permit will issue and be in such form as to assure that the stringent requirements for the quality of Dow's process steam will be met.

REASONS FOR INTERVENING

As the Atomic Energy Commission is aware, one of the moving considerations behind the decision to apply

for a permit to construct the proposed Midland facility is Dow's need by the middle of this decade for nuclear-produced process steam to replace Dow's present method of producing its process steam requirements at Midland. The decision to locate the proposed nuclear facility at a site adjacent to Dow's Midland chemical plant complex was occasioned by the fact that the process steam to be supplied to Dow must be produced in proximity to its point of use.

At present Dow generates its Midland requirements of process steam as well as most of its electrical energy in its own power plants, which are dual-purpose generating plants that consume fossil fuels. For various reasons, Dow must develop a different source of process steam and electrical energy for its Midland location. For one thing, the use of available fossil fuels results in considerable air pollution. The Midland plant is presently operating under a variance from the Michigan Air Pollution Control Commission which is predicated upon Dow's commitment to shut down its power plants upon the start of operation of the nuclear facility. Moreover, because fossil-fuel costs are escalating so rapidly, Dow cannot remain competitive at its Midland location unless it substitutes nuclear-produced process steam.

Dow desires and intends to remain a positive force in American commerce. Refusal to grant a permit to construct this proposed nuclear power plant, which will supply economical process steam to Dow's Midland chemical plant complex and will eliminate the air pollution from fossil fuels, may require Dow to minimize the future role of its Midland plant and to construct chemical plants in other areas of the country and the world where sources of energy are available which are economically and environmentally acceptable. Dow regards this possibility as inimical to its fundamental interests, both from a financial standpoint and because its interests are intimately tied to the Midland, Michigan community.

Following review of all of the relevant factors, including the effects of the proposed nuclear facility on the health and safety of the Midland community, Dow concluded that a nuclear generating facility in Midland was commercially desirable and, particularly in view of the alternatives, would be a positive benefit to the community from the standpoint of its health and safety as well as its economic viability. Dow would not otherwise have supported the effort to achieve construction of the nuclear facility.

Dow desires to intervene as a party to this proceeding because, as outlined above, its interests would be adversely affected if a permit to construct the proposed facility were denied. In addition, it believes that its participation would be helpful to the Atomic Safety and Licensing Board and would further the objective of all parties to this proceeding of reaching the result that achieves the purposes of the Atomic Energy Act as well as serves the best interest of the Midland community.

Moreover, in two very material respects, Dow's interest would not be adequately represented by any other party to this proceeding. First, Dow is uniquely affected by the planning and engineering of the proposed facility insofar as concerns the quality of its generation of process steam. As explained, the process steam to be obtained from the plant must meet very stringent radiation standards. Dow's interest in assuring that the facility be constructed so as to meet these stringent requirements could not be adequately represented by any other party to this proceeding.

Second, Dow is deeply concerned about the timing of this project. Dow's planning, depending upon nuclear

generation of process steam to replace fossil-fuel production methods, requires that a nuclear facility be available at the earliest practicable time. Since a nuclear facility takes several years to construct following issuance of a permit, Dow's interest could be adversely affected if the hearings on the application for a permit are not expedited -- even if a permit eventually issues.

In this regard, it is noteworthy that the proceeding concerning Consumers Power's application for an operating license for its Palisades nuclear facility has been in progress for over six months, with no end in sight, despite the fact that the question there is the limited one of whether an operating permit should issue for an already completed facility. Since this proceeding will involve some of the same parties that are involved in the Palisades proceeding, and Dow's participation may be required as a witness in any event, it believes that its role as a party may enable it to help expedite this proceeding.

CONTENTIONS

Dow intends to present contentions designed to assist the Board in making affirmative findings as to Items 1(a), 1(d)(1) and 1(d)(2), and a negative finding

as to Item 4, of the Items listed in the Notice of Hearing on Petition for Construction Permits.

Specifically, Dow will contend that the proposed Midland nuclear generating plant is commercially desirable, that the engineering of the plant is such that no radioactivity will be added to the process steam purchased and used by Dow, so that the process steam clearly meets the standards applicable to this proceeding, and that the plant's proposed location will not be inimical to the health and safety of the public.

Although Dow believes that such evidence is not properly within the scope of this proceeding, should the contrary be determined, Dow will also be prepared to show that a reduction in air pollution will follow from the substitution of the proposed plant for Dow's present fossil-fuel generating plants.

Dated: November 11, 1970

KAYE, SCHOLER, FIERMAN, HAYS & HANDLER

By /s/ Milton R. Wessel

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Of Counsel:

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Allen Kezsbom

and

William A. Groening, Jr.
James N. O'Connor

STATE OF MICHIGAN

COUNTY OF MIDLAND

HAROLD BOSSCHER, of 4712 Orchard Street, Midland,
Michigan, being duly sworn deposes and says:

1. I am General Manager of the Midland Division of
The Dow Chemical Company and am authorized to execute
this affirmation on behalf of The Dow Chemical Company
as petitioner in this matter.

2. I know the contents of the foregoing petition on
behalf of The Dow Chemical Company to intervene in the
matter of Consumers Power Company before the United States
Atomic Energy Commission and hereby affirm that the con-
tents are true to the best of my knowledge, information
and belief.

/s/ Harold Bosscher

Subscribed and sworn to
before me this 11th
day of November, 1970

/s/ Georgia C. Ackerman
Notary Public

GEORGIA C. ACKERMAN
Notary Public, Midland County, Mich.
My Commission Expires Nov. 29, 1970