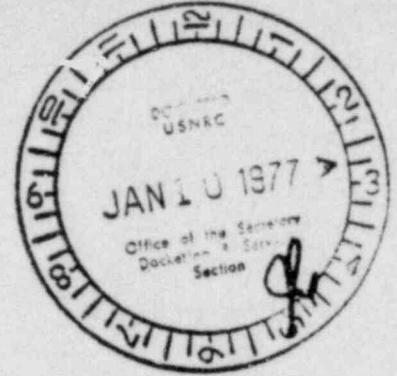


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LAW OFFICES

MYRON M. CHERRY
ONE IBM PLAZA
CHICAGO, ILLINOIS 60611
(312) 565-1177



RELATED CORRESPONDENCE

January 5, 1977

R. Rex Renfrow, III, Esq.
Isham, Lincoln & Beale
Suite 4200
One First National Plaza
Chicago, Illinois 60670

Re: Consumers Power Company
Midland Matter

Dear Mr. Renfrow:

I confirm our telephone conversation today wherein I asked you for:

1. Bechtel Forecast No. 1 (on January 5, 1977, I received Bechtel Forecast No. 2) which you said was readily available to you;
2. I confirm my request for Consumers' review of the Bechtel Forecast No. 1, including but not limited to, the report to the Board of Directors' meeting in connection with that Forecast; and
3. I confirm my request to have you let me know who at Bechtel would be an appropriate witness to discuss the Bechtel Forecast and past and future costs and schedules in connection with the Midland matter.

* * *

I have recently been informed that Consumers has testified before the Michigan Public Service Commission that Consumers has no enforceable contract with Nuclear Fuel Services or anyone else concerning fuel or reprocessing for the Midland plant. I understand Consumers has taken the position that NFS (alleging government regulations) has terminated any existing contract.

Please be advised that I intend at the hearing to inquire into this matter and what effect it has on continuing construction if Consumers has no source of fuel or reprocessing. Please also produce at your earliest convenience the relevant contracts with NFS (or other persons or companies with whom you are

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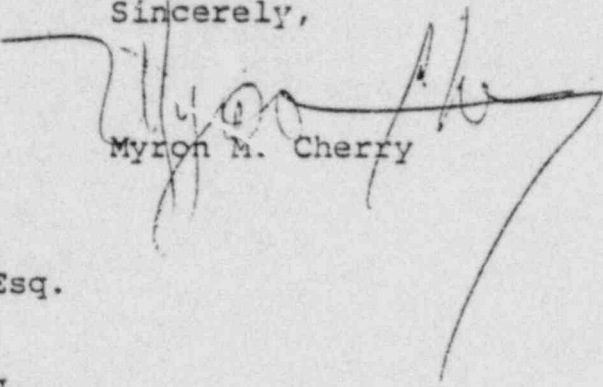
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R. Rex Renfrow, III, Esq.
Page Two
January 5, 1977

presently involved) concerning nuclear fuel and/or reprocessing.

Sincerely,



Myron M. Cherry

MMC:es

cc: Frederic J. Coufal, Esq.
Dr. Emmeth J. Luebke
Dr. J. Venn Leeds
Lawrence Brenner, Esq.
F. Lee Nute, Esq. ✓
Secretary, N.R.C. ✓
Mr. Steve J. Gadler
Mrs. Mary Sinclair