

PAUL S. SARBANES  
MARYLAND

## United States Senate

WASHINGTON, DC 20510

November 22, 1989

Michael S. Callahan  
Congressional Affairs Officer  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555

Dear Mr. Callahan:

Enclosed is a copy of correspondence I recently received from my constituent, Mr. Melville Peters.

The letter raises concerns about issues involving the Calvert Cliffs nuclear power plant. I would appreciate it if you would review the concerns raised by Mr. Peters that fall under the NRC's jurisdiction and provide me with an appropriate response.

Your attention to this matter is appreciated.

Sincerely,

  
Paul S. Sarbanes  
United States Senator

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# Associated Appraisers



Appraisers - Consultants - Realtors  
Melville Peters  
Senior Appraiser ASA



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Phone: (301) 937-7000

October 27, 1989

Honorable Paul Sarbanes  
332 Dirksen Senate Office Building  
Washington, D.C. - 20510

Dear Honorable Sarbanes:

Enclosed are copies of a portion of the file I have kept in pursuing my effort to obtain just compensation for the infringement of the rights of Taylor's Island property owners resulting from their presence within the plume zone of the Calvert Cliffs nuclear plant. I have also sent this information to the members of the Dorchester County Commissioners with whom I plan to meet to discuss the problem.

When the power plant was first constructed, the plume zone was considered to be an area within two miles of the plant. To compensate the property owners within this area, their properties are taxed at a lower rate than properties in other parts of Calvert County. When it was later found, after incidents such as Three Mile Island and Chernobyl, that the plume zone should be extended to a ten mile radius, no consideration was given as to compensation for the additional property owners.

According to the Annotated Code of Maryland (Article 56, 8229-A Chapter 02 Code of Ethics, Md. Real Estate Commission) a real estate "Licensee shall be informed on current market conditions" and "shall make a reasonable effort to ascertain all material facts concerning every property for which he accepts the agency, so that he may fulfill his obligation to avoid ----- concealment of material facts." Although these requirements are the law, very little effort is made by the state and county authorities to inform agents that Taylor's Island is in the plume zone. Also neither potential purchasers nor existing owners of properties have been informed that their properties are inadequately insured against a nuclear accident. The Price Anderson Act provides insufficient insurance, and furthermore, an individual cannot even obtain private insurance against a

nuclear disaster. If all the facts were made available to the public, it appears that the market would surely be suppressed. Never-the-less, the public should have full knowledge of the situation. If the public is kept uninformed, in the event of a disaster, it is believed that state and county authorities would be liable for damages due to their negligence.

To avoid a potential charge of negligence in the future, it is suggested that:

1) Signs should be posted to inform people when they are entering a plume zone and these signs should inform people as to what they should do if the sirens go off to warn them of danger.

2) Areas within plume zones should clearly be recorded in the Land Records at the court house and particularly in the zoning records so that prospective purchasers, realtors, appraisers, mortgage lenders, and present property owners are made aware of the facts. This should be done in the same manner that areas are designated for wildlife reserves as the Blackwater Wildlife Reserve and the Taylor's Island Wildlife Area. Plume zone areas should also be recorded in the Land Records as suggested by Linda M. Nabb of the Dorchester County Planning and Zoning Office.

3) There should be some type of notification that insurance is inadequate for a nuclear disaster. Some arrangement should be made to make persons who own properties within a plume zone whole if losses should result from a nuclear disaster since the federal insurance is inadequate and private insurance is not available.

4) Compensation in the form of a reduction in taxes should be made for properties within the plume zone.

5) There should also be more efficient testing or surveillance of the levels of radiation within the plume zone.

6) A study should be made to improve the present warning and evacuation systems, and

7) Steps should be taken to eliminate any possibility the event of a disaster that tort actions should have to be brought against public utilities, public agencies or public authorities. There could be laws that would require that loans on properties damaged by a nuclear disaster will be paid off at no expense to the property owners. The laws should also require that persons be relocated in properties more or less equivalent to their properties that are destroyed and the new location should be safe, sound and sanitary. The language of this law could be

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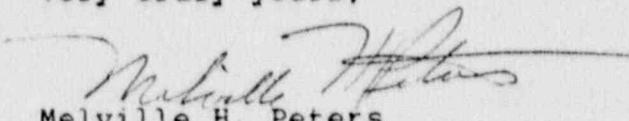
similar to that of the Federal Highway Administration when people or families have to be relocated for the construction of roads, airports, etc.

While I am not opposed to nuclear power plants, I do believe it is the duty of authorities to inform the public of possible dangers related to the plants, and what to do in the event of an emergency, as well as making sure that compensation is made for property owners living under this onus inflicted on a few for the benefit of all. Under similar circumstances, compensation is awarded owners when the quiet enjoyment of their properties is infringed upon due to noise and dust from highways and airports or when public utility lines cross their properties.

While these situations are necessities for modern living, it is proper that those affected by them should be justly compensated. Nuclear power plants have presented a new infringement on the rights of a few property owners for the benefit of all. It is believed this is the reason they have been overlooked to date as a factor for which there should be compensation. This, however, is not an excuse for the oversight to be continued. Therefore, I am asking your assistance in correcting this wrong.

This is not just a local problem. It is a national as well as international problem. The cause is one which can put Dorchester County in the records as having officials concerned with the welfare of its citizens. I am willing to offer my cooperation and help in any way I am able. "I am able", and I am asking that you do the same.

Very truly yours,



Melville H. Peters