

ROBERT S. WALKER  
15TH DISTRICT, PENNSYLVANIA

COMMITTEES  
GOVERNMENT OPERATIONS  
SCIENCE AND TECHNOLOGY

DOCKET NUMBER  
PROD. & UTIL. FAC. 50-289

STAFF IN CHARGE:  
THOMAS R. BLANK  
WASHINGTON OFFICE  
MARC T. PHILLIPS  
DISTRICT OFFICE

Congress of the United States  
House of Representatives  
Washington, D.C. 20515

April 10, 1981

Mr. Joseph Hendrie  
Chairman  
Nuclear Regulatory Commission  
1717 H Street, NW  
Washington D.C. 20555



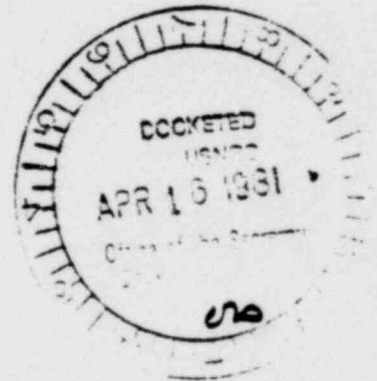
Dear Mr. *Joe* Hendrie:

As you know, my constituents from Lebanon County, Pennsylvania have been very concerned about the economic impact of the Three Mile Island accident and subsequent cost resulting from the inactivity of the undamaged Unit One reactor at the island. Mr. David Wauls, Executive Vice President of the Lebanon Valley Chamber of Commerce, has taken the time to point out to me the cost of not reactivating TMI Unit One to local business and residential customers. I feel Mr. Wauls' views have merit and I have enclosed his recent correspondence for your review. I trust you will give the analysis your full consideration and look forward to receiving your comments. Your attention to this matter will be very appreciated.

Cordially,

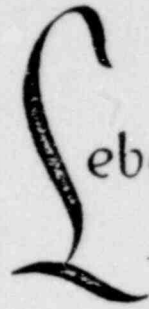
Robert S. Walker

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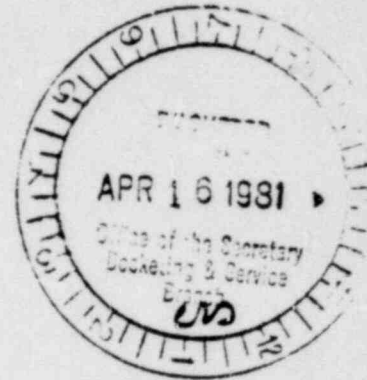
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Lebanon valley CHAMBER OF COMMERCE  
P. O. BOX 899, LEBANON, PENNSYLVANIA 17042  
TELEPHONE 717-273-3727

with offices in the Lebanon Treadway Inn  
Quentin Road and Poplar Street

March 25, 1981

The Hon. Robert S. Walker  
U.S. House of Representatives  
1028 Longworth House  
Office Building  
Washington, D.C. 20515



Dear Congressman Walker:

Please find enclosed a copy of the Economic Impacts  
of TMI on Lebanon County Businesses.

We would urge your total support and commitment to  
resolve this problem for the benefit of everyone.

Please let me know your thoughts on the enclosed.

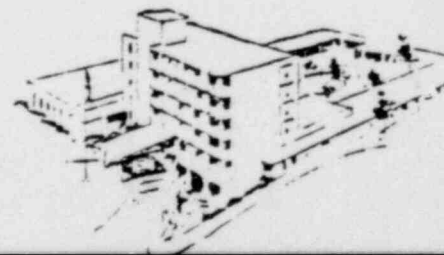
Sincerely,

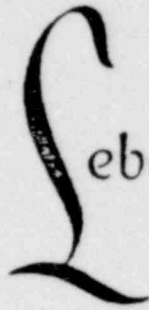
LEBANON VALLEY CHAMBER OF COMMERCE

David L. Wauls  
Executive Vice President

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Enclosure





DOCKET NUMBER 50-287  
PROD. & UTIL. FAC.

Lebanon valley CHAMBER OF COMMERCE  
P. O. BOX 899, LEBANON, PENNSYLVANIA 17042  
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March 25, 1981

FOR IMMEDIATE RELEASE:

\$260,273 A DAY

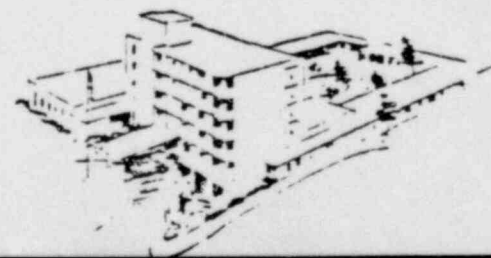
TMI's Unit One, Inactive For  
Almost Two Years, Costing  
Met Ed's Customers  
\$95 Million Annually

CONTACT: David L. Wauls  
Executive Vice President  
Lebanon Valley Chamber of Commerce  
TEL: 717/273-3727

A dozen Lebanon Valley employers report increasingly dim prospects for future expansion and employment, because of the higher cost of electricity stemming from the inactivity of the undamaged Unit One at Three Mile Island. For these businesses, 1980 electric bills were \$573,242 higher than 1979's, a recent local survey found.

History can show us that Pennsylvania can no longer afford to lose any more businesses. The Commonwealth (between 1969-1978) has shown a 9.5% decrease in the number of establishments; a 13.7% decrease in Capital Expenditures; a 15.4% decrease in the number of manufacturing employees and a 6.1% decrease in Wages and Salaries. We must resolve the concerns of Three Mile Island for the benefit of everyone in the Met Ed System and the Commonwealth.

-MORE-



(continued)  
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"Footdragging by the Nuclear Regulatory Commission in delaying the relicensing of the undamaged nuclear reactor is costing all customers of the Metropolitan Edison Company about \$95 million a year," reported David L. Wauls, executive vice president of the Lebanon Valley Chamber of Commerce.

"That's more than a quarter million dollars every day that Unit One stands idle," he added.

Business and industry have been particularly hard hit, Wauls noted, with rate increases amounting in some cases to more than \$1,000 per employee. "Not only are we experiencing these burdens placed on us by TMI," states Wauls "but we (the industrial user) also have experienced drastic percentage increases of 202% in our rates between 1969 and 1978, while the residential customer has experienced a 120% increase and the commercial customer 126%."

While Met Ed's residential consumer bills are now 20% higher than those of customers of neighboring utilities, industrial users are paying up to 64% more, it was found in an economic impact study conducted by the engineering firm of Roy F. Weston, Inc., West Chester, and commissioned by the Pennsylvania Chamber of Commerce. What this means is that the residential customers are paying roughly \$60/year more than their neighboring utility customers in Pennsylvania.

"The electricity Unit One could be generating would not only lighten the burdens which business and residential customers are faced with, but would also save the equivalent of 10 million barrels of oil, or 2.3 million tons of coal a year," Wauls explained.

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Further Wauls commented that "Profits, investments and jobs are related such that fewer profits mean less investment in new opportunities and jobs."

"Unit One has had a five-year safe operating record and is undamaged," the Chamber spokesman noted.

Safety is our first concern," Wauls said, "but we think the NRC should take action to make sure that all safety measures are in place so Unit One can return to production." "People should also realize that there are currently 7 pressurized water reactors built in this country by Babcock and Wilcox (similar to TMI Unit 1) that are currently producing electricity."

Industrial users of electricity interviewed during the Weston research said they worried that continued delay in licensing Unit One will result in the bankruptcy of the utility, prolonged litigation, and possible "brown-outs" or interruptions of service.

A spot check of Lebanon Valley businesses (employing a total of more than 3,000 persons) showed their total electric bills in 1980 were more than half a million dollars higher than in 1979.

Robert B. Graybill, president of the Pennfield Corporation, said their expenses for electricity last year had risen more than \$23,000 at Pennfield Poultry in Fredericksburg. According to the company's engineer, James Morrison, the higher power costs might lead to "mills being shut down" for the company, whose products include feed, poultry products and eggs.

-MORE-



4 (continued)  
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S. E. Specht, senior vice president at Buell-Envirotech, said "a detailed evaluation must be made to determine if other facilities are more attractive than our Lebanon plants." Even with a strong conservation program last year, the firm's electric cost was up \$23,000.

According to William E. Uhler, president, Lebanon Valley Offset will have to obtain \$230,000 in additional business to pay for their \$23,000 jump in power costs.

"We will not expand in this location" was the comment of John E. Booth, president of Lebanon Packaging Company. He reported that their electric bill rose from \$119,637 in 1979 to \$152,999 last year, making it much more difficult to compete.

At Lebanon Steel Foundry, the power bill jumped 47% to \$115,000 per month last year. An official there said the increased cost puts the company at a competitive disadvantage, and will probably mean fewer job opportunities in the future.

At Quaker Alloy Casting Company, Martin M. Pfautz, vice president and controller, said further expansion cannot be considered if electricity costs continue to escalate at present rates.

The president of Textile Printing and Finishing Company, A. L. Hanford, III, also saw little prospect of expansion.

And similar opinions were expressed by Mark H. Tice, president of Lebanon Plumbing Supply Company, and H. M. Huffman, plant manager at Whitmoyer Labs.

-MORE-

5 (continued)  
or Immediate Release  
March 25, 1981

"Realizing that we as Met Ed Customers (whether Industrial, Commercial or Residential) have experienced rate increases since the TMI accident equivalent to the previous 10 year period," stated Wauls, "we should ask all of the parties involved to take immediate action to resolve these problems at TMI". Wauls concluded "It is our hope that everyone realizes the impacts of this situation and would also believe that we all must ask our state legislators and federal officials to not delay another 2 years before a decision is made." "We are asking people to write and explain the need to address the TMI situation and to resolve the problem in the best interests of the people effected by this situation".