

Statement of Francis M. Staszkesky
Chairman, Atomic Industrial Forum, Inc.
and
President & Chief Operating Officer
Boston Edison Company
before
The NRC, January 21, 1981

Mr. Chairman, we appreciate this opportunity to meet with you and your colleagues for a discussion of the long-term outlook for additional nuclear power plants. I am Frank Staszkesky, here in my capacity as Chairman of the Board of Directors of the Atomic Industrial Forum. I am also President of the Boston Edison Company.

With me I have:

Floyd L. Culler, President of the Electric Power Research Institute, who will make a presentation on EPRI's studies of long-term requirements for energy and electricity, and

Gordon C. Hurlbert, President of the Power Systems Company of the Westinghouse Electric Corporation, who will discuss Westinghouse's views on future nuclear power growth, and

Herman R. Hill, Executive Vice President for the Power Systems Sector of the General Electric Company, who will discuss his company's views on future nuclear power growth.

We are also accompanied by Carl Walske, President of AIF.

While we did not request our meeting today in order to discuss the impact of regulation on the nation's operating reactors nor those in the construction pipeline, I would be remiss if I did not emphasize the high priority we from AIF attach to the continued safe operation of the operating plants and to the timely completion of those in the pipeline.

However, today we want to look further into the future--certainly beyond the some 55 gigawatts of operating reactors and some 90 gigawatts of additional reactors scheduled for initial operation in the eighties. While there are approximately another 20 gigawatts of nuclear capacity already committed for initial operation in the nineties, we shall argue that the nation's energy needs require that considerably more nuclear capacity than that come into service in the nineties--nuclear reactors that must be ordered by utilities and licensed by the NRC in the eighties.

The general thrust of our argument, which Floyd Culler will initiate, will be first to examine total U.S. energy demands for the year 2000, under scenarios taking full account of conservation possibilities. Then we shall consider the possible contributions of various energy sources to our energy requirements and derive from that the range of our needs to be supplied by coal-fired and nuclear electricity. Consideration of coal's potential contribution will leave us with the additional demand which must be met by nuclear electricity under several assumptions.

The amount of additional electricity generation from coal and nuclear for which we shall argue will leave two important questions: first, are we presently headed in the direction of using such increased supplies; and second, are the nation's utilities currently able to undertake such a large expansion. The answer to both is unfortunately, "No". This contradiction, we believe, is perhaps the nation's most important unaddressed energy problem. We are hopeful that the new Administration and the Congress will give it the attention it needs. Certainly, we intend to work to assist in bringing that about.

As to the first question, our nation actually needs additional electricity for use in many promising and badly neglected applications which are both attractive and economic: electrically driven heat pumps for space heating and cooling, electrified mass transit and soon the electric automobile, and in numerous industrial uses. Of course, such programs require the general education of our people to their desirability. All of these applications can displace oil and natural gas--dwindling resources which can be used for other needs.

As to the second question, our electric utilities can carry out the necessary construction program, provided financial problems are considerably eased. First, construction times must be shortened and made predictable by increasing the efficiency of the regulatory process. That can cut costs. We must also bring to an end the necessity to review issues that have already been reviewed and presumably settled. NRC's regulatory processes should be able to stand the test of yielding a clear cut benefit in the form of increased safety or improved reliability of safety systems commensurate with the dollars and other resources expended. Expenditures that cannot meet this test do little more than contribute to an already spiraling inflation.

All of these problems are solvable. If we solve them, the nation can meet its energy needs.

After Mr. Culler's remarks, Messrs. Hurlbert and Hill will deal with our subject from the viewpoint of two leading reactor suppliers. First, with your permission, Mr. Chairman, Mr. Culler will lead off.