The enclosed is a copy of a letter I sent today to the local "San Luis Obispo County Telegram Tribune. You are free to use it in any way you see fit.

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To the Editor:

With his letter of January 2, to the San Luis Obispo County Telegram -Tribune, Mr. Frederick W. Mielke, Jr. has made a compelling case against Diablo Canyon.

Signed by him as Chiarman of the Board of PG&E without a disclaimer of the letter's official character, it represents a consensus at the top of the corporate hierarchy, sets policy and gives guidance to all hands at PG&E.

The company District Manager D.L. Kennady's invitation (12.2.81) to phone him ' any information desired and more importantly, NRC Chairman Nuncio J. Paladino's remark (12.2.81) that " nuclear plants can be built safe and operated safely only if utilities assume the responsibility for proper procedure"-- these are silently dismissed by Mr. Mielke.

Instead, he resorts to two time-honored propaganda principles: (1) accuse your opponent of strategens you use yourself; and (2) stick unremittingly to deceptive semantics until they sound logical. Ad (1): Mr Mielke accuses opponents of politicizing what he calls "technical issues" which, of course, include the recently discovered acries of construction defects.

Ad (2) A: he uses throughout his letter the word"audit" which dictionaries define as a "review of records and reports", a mere paper exercise. With this he is in conflict with the NRC's Table of Organization: which makes a distinction between "audit" and "inspection", a word absent from Mr. Mielke's letter. He is in conflict also with Mr. Palladino's operitive phrase of "inspection, verification and re-work", and frequent similar demands made by others. A similar contrast marks his own, unique definition of what "indepedent" means, which departs from normal usage, from the sentiments expressed record departs for normal usage, from the sentiments expressed record departs for normal usage, from the sentiments expressed record departs for normal usage, from the sentiments expressed record departs to say, Mr. Mielke's attempt to draw a parallel wetween the work of seismic consultants and CPA's defice rational comment. And when the PG&E Board Chairman complains that opponents question the professional and personal integrity of the engineers who designed and built Biablo, he discloses an abysmal inability or willingness to understand what the real issues are.

What Diablo opponents fear most is not lack of integrity and any kind of collusion, but incompetence, carelessness, irresponsibility, in sum the performance which Congressmen and NRC officials themselves labeled "questionable,""Gareless", irresponsible", "below quality assurance standards" and "disastrous".

Worst of all, Mr. Mielle doesn't even touch on the central Diablo issues: seismic safety and nuclear-operational safety, not to speak of the possibility that the plant might be exposed to both diagers at the same time. with 14 design and c natruction defects detected so far, Mr. Mielke even drops any personal Assurance of the plant's safety--for years SOP at PG&E.

Nor is there any reference in his letter to the Three Mile Island accident in the 46 projects promised by PG&E for immunizing Diable against a THI type accident. That may be understandable: TMI clean-up offortwhave so far only resulted in repeated radiation releases. Not so understandable is Mr. Mielke's omission of any reference to Diable's present state. In case of an earthquake, operational control would full because of faulty in-plant wiring, inoperative emergency outteries, suspected mekaneys of the control room floer in possible of danger of buckling or collapsing. A more substantial quark would deprive the flant of five cooling systems vital to safe operations and experiments to a safe shut-down of reactors; and 225 tons of cooling fans together with ton upon ton of steel and concrete construction would drop 140 feet down on unstopped and uncooled reactors.

Tr. Mielke cannot possibly have overlooked all this. The reasonable assumtion then not to that he ordered silence on key issues 50 as not to undercut and prejudice the January 19 hearings on/Diablo Canyon

full power operating license. And the reason for Keeping a tight lid is that he fears a Diablo Canyon full power license would have no chance of being granted if the full story of the plant's defects becomed widely known. It is this which makes his letter such a compelling process for debying the plant and nuclear operating license

San Luis Obispo

## Anti-Diablo charges: 'A new low'

Editor. News-Press: Opponents of the Diablo Canyon nuclear power plant have brought their campaign to a new low in attacking the Integrity of PGandE engineers and the independent auditor it has retained to review the plant's design features. Their accusations rest on two false charges.

First, they charge that the auditor, Robert L. Cloud Associates, acted improperly by submitting preliminary drafts of its audit report for PG and E's review. Far from improper, such reviews are standard audit procedure, recommended by the "Standards for Audit" of the comptroller general of the United States and by the Nuclear Regulatory Commission's Office of Inspector and Auditor, to help eliminate factual and analytical errors in audit reports. Auditors retain complete editorial control and may reject any or all comments in the reviews.

Second. Diablo Canyon's opponents charge that Dr. Cloud cannot be truly independent because he was retained by fillandE once before. If this contenfor were true, no CPA firm could be hired by a company for more than one 105 without the firm's independence being compromised. The fact is that technical auditors are chosen for comprience and experience from among qualified turns in their particular field. Persuse there are often few such firms, they frequently are hired more than ouce. The key point for independonce is that Dr. Cloud was not retained to review any of his own previous work hut work done by others.

Bused on these false charges, PGandi and Robert L. Cloud Associates have, in effect, been accused of collusion. That accusation is shocking. It assumes that duzens of professional people involved — in both PGandE and the Cloud organization — have no proto-stonial or personal integrity. This infounded assumption is fostered by many anti-nucleur groups, which often insist that engineers, geologists, physicists, and other respected professionals hired as consultants by industry are untrustworthy.

It should be obvious to all that PGandE's own self-interest dicistes that we be satisfied that the Diablo Canyon plant is correctly designed and constructed before we commence operation. The design error that triggered the recent investigation was found by PGandE and made public by PGandE. PGandE promptly and voluntarily began rechecking the plant's carthquake safety system and arranged for an independent audit of that system. We have offered the Nuclear Regulatory Commission unlimited opportunity to observe the audit and to consult with the auditors at any time.

No one has questioned the competence of Robert L. Cloud Associates. Instead, Gov. Brown and other opponents of nuclear power have misled the public about ethical audit procedures and have groundlessly accused DilandE and the Cloud firm of Improprieties. They have chosen to politicize technical issues at Diablo Canvon to further their own purposes of preventing the plant from operating. This upes not serve the public interest.

Frederick W. Mielke Jr. Chairman and Chief Executive Officer PGandE

> Santa Barbara News Press January 8, 1982