

UNITED STATES GOVERNMENT

Memorandum

TO : Robert Lowenstein, Acting Director
Division of Licensing and Regulation

DATE: 3/16

FROM : Duncan Clark, Director ^{mt for}
Division of Public Information

SUBJECT: NEWS CLIPPINGS

DPI:JF

Attached for your information are news clippings concerning
the proposed new Pacific Gas and Electric Company reactor
at Bodega Bay, California.

Attachment

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GRANDMA SMASHES PG&E ATOM PROJECT

BNIA

Dim 1961

Page Number 1

Rose Gaffney will not sell Bay out; seeks court stay

By WARREN HINOKLE

(Overton, 1961, by the late Chairman Publishing Company)
BODEGA BAY—Two fishermen sat at the bar in Bodega Bay's only hotel and stared glumly out the steamy window. The salmon fleet rolled uneasily in the dark bay below.

"What do you think about this new atom plant?"

"I hope the damn thing blows up."

The Alta California 7/21/61

One man pushed back his stool and started for the door. "Well, if Rose Gaffney has her way, the thing will never get built."

Rose Gaffney, and the Pacific Gas and Electric Company's proposed 71½ million dollar atomic power plant at the head of Bodega Bay, are the main topics of conversation in this small fishing village tonight.

Residents here don't like the project.

And Rose Gaffney, a seventy-six year old great-grandmother, has blocked it.

Mrs. Gaffney owns 432 acres adjoining the PG&E's property on the desolate Bodega Bay head.

The utility company needs a sixty-four acre strip of her land before it can begin construction on the widely publicized atomic project.

Mrs. Gaffney isn't selling.

"They've been buying up this property in secret for three years," she said. "But they'll have to fight to get any of my land."

The PG&E has filed condemnation proceedings on the sixty-four acres under its power of eminent domain.

But the embattled great-grandmother is asking an injunction in the Sonoma County Superior Court to delay the suit until the utility company receives the necessary permits from the Atomic Energy Commission, the State Public Utilities Commission, and the Army Engineers Corps.

"That PG&E thinks they can just bulldoze ahead and build the plant," she said. "Well, they've got another think coming."

Rose Gaffney is an amateur geologist, marine scientist, historian, ornithologist, lawyer, botanist, and artist. She is also a hell-raiser from a long time back and is taking on the PGE after a fifteen year battle with the State and Sonoma County over tidelands' ownership.

Bodega Bay residents, led by Mrs. Gaffney, have refused to pay rental on their tideland properties. State officers ceded the tidelands rights to the county fifteen years ago, but Mrs. Gaffney doesn't see it their way.

—Continued on page 2

Fighting Grandma Hints PG&E, County "Deal"

From page 1

"I've traced our ownership titles back to the Spanish land grants," she said. "I've deeded them to take me into court, but they won't because they know I'm right."

Bodega Bay residents view Rose Gaffney as a cross between Amy Sengle MacPherson and Joan of Arc. She looks every like Mrs. Krushcher.

Dressed in a home-made, faded, blue-flowered house coat, she sat in her Salmon Creek home and lambasted the County and the PG&E. The walls of the plain living room were filled with trays holding her collection of 300,000 Indian relics. Stacks of Marine Biology books were on the floor.

"There are many other places the PG&E could build this plant," she said. "The County got them to put it on Bodega Bay so they could get at me and end the tidelands opposition."

County Threats

"The County has been threatening to build a road along the Bay Head and cut us off from our tidelands since they can't beat us in court. This project would give them the excuse."

The fighting great-grandmother also opposes the utility company's plans on moral and scientific grounds.

She says Bodega Head is one of the three finest areas in the country for marine research and should be set aside for conservation purposes.

Freak current conditions have brought a rich sea life to the area, and account for the large salmon bank nearby.

Mrs. Gaffney fears that the amount of heat turned into the Bay from the plant would be disastrous to sealife here.

Heating of the cold Atlantic current running by Bodega Head could affect salmon breeding and possibly de-

stroy the one million dollar a year fishing industry that supports the town.

"We would become a ghost town," she said.

The PG&E has stated that the amount of heat in the ocean from the plant would be minimal. Mrs. Gaffney charges that University of California studies will refute the claim.

She branded the plant a

"crime against humanity" that would destroy "one of the world's finest marine research areas."

"Much of our food yearns from now will come from the sea. This research is essential."

Mrs. Gaffney said that the University of California and the State Division of Beaches and Parks are both interested in purchasing the Bo-

dega Bay Head for a marine research station. She hopes for delaying action in the courts will give them time to act before the PG&E can get clearances.

"Everyone thinks the PG&E is so big you can't fight it," she said. "But we are fighting."

For the PG&E, it looks like the last sixty-four acres will be the hardest.

July 21, 1961

Station J Architect

Architect for Station J is Ted Moulton of the firm of Haffron and Moulton, Architects and Engineers. Moulton is also president of the California Heritage Council.

Moulton said that Station J is an excellent example of turn of the century industrial architecture. He has retained the style and charm of the original building in his work.

SF Chronicle 7/15/61

PG&E at Bodega Bay

Editor—I think it is a great mistake to build an atomic power plant at Bodega Head (July 31)

Bodega Head is a unique landmark in Sonoma county. It should be preserved for recreational purposes—or at least not made into an eyesore of a giant reactor, power station, etc. Look at Morro Bay for example

2. Bodega Head lies on the greatest earthquake fault in California, the San Andreas Fault. After the 1906 earthquake portions near Bodega cracked and moved up to 15 feet. In case of another earthquake of that magnitude an atomic power station at Bodega could be greatly damaged and service interrupted. The quake might cause a reactor accident which could spread radioactivity through the power station and contaminate surrounding areas.

Bodega Head is mar...

... from the Sonoma Valley and the North Bay Area to be serviced by the power station.

4. Bodega Head is vulnerable to enemy attack in case of war. Already one atomic power station is being built at Eureka.

5. Bodega Bay is now a small harbor for yachts and fishing boats, a resort and recreational area frequented by bathers, fishermen, skindivers, etc. If this giant PG&E atomic reactor is built, the sea water will be used to cool the reactor. This heating of the water may change the ecology of the sea life in the surrounding bay and ocean.

RUDIN M. JOHNSON

Rockeley

Power by 1968

Big PGE-A-Plant At Bodega Bay

Plans for construction at Bodega Bay of a \$21,000,000 atomic power plant, largest single unit in the world, were announced here yesterday by Norman R. Sutherland, president of the Pacific Gas & Electric Company.

The plant, with a 221,000 kilowatt capacity will be located on the Sonoma County coast, 50 miles north of San Francisco, and will serve the North Bay region.

Construction is scheduled to begin in August next year, and the plant is to be operative by December, 1968.

\$59.8 MILLION REACTOR

Sutherland said construction costs will include \$55,826,000 for the power station reactor, along with associated station costs, estimated at \$2,054,000.

The new plant will be known as Bodega Bay Atomic Park.

The company, Sutherland explained, now believes it can produce electricity with nuclear fuel on a per basis competitive with electricity gen-

erated in conventional steam plants.

This, Sutherland pointed out, is a big break-through.

COMPETITIVE

For as present, among the less than a dozen atomic power plants operating or under building in the United States, only PGE's much smaller Humboldt Bay plant figures to provide electricity at a cost competitive for that area with conventionally fueled plants.

The Humboldt facility is scheduled to be operating next year.

Research, engineering and construction, development and experienced with operating plants, all combined to

(Continued on Page 1A, Col. 1)

See next sheet

SANDERSON & PORTER
74 WALL STREET, NEW YORK 1

A-Power Plant at Bodega Bay

(Continued from Page 1)

capacity sufficient to serve a city of 500,000.

make atomic power competitive at last, Sutherland said.

The new plant at Bodega Bay will be powered by a boiling water reactor with a capacity of 325,000 kilowatt top output compares with the 60,000 kilowatt capacity of the Humboldt plant; 5,000 at Vallejos and from 100,000 to 180,000 at plants near Chicago, New York and Detroit.

The reactor will be built by General Electric Co., and the uranium rented from the government at a cost of about \$5,000,000 a year.

VAST CAPACITY

Transmission lines will be installed to Ignacio, in Marin County, at an estimated cost of \$2,250,000. Additionally, there will be a \$530,000 cost for terminal facilities at the Ignacio station.

As part of the over-all cost, Sutherland said, the first core of uranium for the Bodega Bay project will cost \$8,400,000.

The plant will be fueled by 77 tons of uranium, equivalent to 3,000,000 tons of coal, sufficient for 3½ years of operation.

The Bodega Bay site is located on a 225-acre area on

No Government Subsidy For New P.G.E. Plant

Normen R. Sutherland, president of PG&E, made this statement yesterday with the utility's announcement of plans for the biggest atomic power plant in the world at Bodega Bay.

"PG&E now has committed an investment of almost \$100,000,000 to atomic power, the better to serve residents of this region in coming decades. It already has paid handsome dividends in engineering improvements that are hastening economic atomic power elsewhere.

"As with all our atomic projects, we will build Bodega Bay with our own money. There will be no Government subsidy or financial contribution from any other source."

the south end of Bodega Head, a narrow peninsula separating Bodega Harbor from the Pacific Ocean.

PG&E owns 160 acres, and is negotiating for the remainder.

The plan will be located inland from Campbell Cove, near the entrance to the harbor.

ATOMIC WASTE

Cooling water for the reactor will be drawn from the cove and discharged through a tunnel west to the ocean.

Sutherland was asked to comment on recent criticism from a marine biologist to

the effect that such a discharge might contaminate the coastal water.

The PG&E president replied that the water drawn from the cove does not become contaminated radioactively — that occurs only to the steam which is created inside the reactor system, and this does not escape. Atomic waste will be destroyed or stored according to law.

And in any event, the reactor and containment system will be enclosed in a concrete and steel structure built below the ground to a depth of 100 feet, he said.

Sea water evaporators, developed by PG&E at its Morro Bay power plant, will provide the Bodega Bay plant with the fresh water in the reactor system.

AREA CUSTOMERS

The electricity generated at the plant probably will not be dispatched as far as San Francisco, but limited to customers in the North Bay area.

Sutherland said it would be ideal if plants like the Bodega Bay facility could be built closer to serve the metropolitan area, but, he said, "the public isn't ready for it yet."

The PG&E president said the utility will add more

atomic plants to its system through the years, but he said he could not foresee an all-atomic power system.

COST ESTIMATES

Sutherland said it is expected the cost to produce electricity at Bodega Bay during the three year life of the first uranium core will be 5.62 mills, and 5.32 mills on the second core, per kilowatt.

At the current price of oil, the kilowatt cost of conventional generating plant operating by 1965 would be 5.77 mills, he said, and if oil went up to a price of \$3 a barrel, which is likely, it would be 6.62 mills per kilowatt.

See next sheet

Bodega Bay Site

PG&E Details A-Plant Plans



Bodega Head (arrow), site of PG&E A-power plant

Continued from Page 7
atom bomb or having to live with one," he said.

SATISFACTION

Thomas Groom, chairman of the county Harbors Commission, expressed satisfaction at the announcement of plans for construction.

"The plant will add to the tax base," he said.

Sutherland said the Bodega Bay plant initially will be fueled with a 75-ton core of uranium, which is expected to last 3 1/2 years.

It will cost the company \$8,450,000 to fabricate the uranium core, he said.

The boiling water reactor will be enclosed below ground in a concrete-and-steel structure 120 feet in diameter and 100 feet deep.

A spokesman for General Electric Co., which will fabricate the uranium core, said

last night that this will be the largest boiling water reactor ever built and will be simpler, more compact, more economical and more flexible than previous reactor designs.

Sutherland said PG&E scientists have carried on tests at the company's Morro Bay plant that showed there would be no danger of a disaster in case the reactor got out of hand.

STEAM COSTS

Sutherland noted that gross energy cost at a conventional steam plant at Bodega now would cost 5.7 mills per kilowatt hour.

"If the cost of oil goes to \$3 a barrel, which it might in the future, this energy cost would be 6.82 mills," he said.

The electricity generated from the plant will feed directly into the company's



The atomic power plant is to be built on south end of Bodega Head, (right) Bay.

high voltage transmission network, so that some of it will service homes here.

Sutherland said he was convinced atomic energy at Bodega Bay "will take its place as an economic source of energy alongside natural gas, oil, falling water and geothermal steam."

The company has committed nearly \$100 million to its three-year program of devel-

oping nuclear power, he said. He added that the Bodega plant, will be built without any subsidy.

PHOTO BY J. KRUMHOLTZ FOR THE ENGLISH NEWS, APR. 27, 1961 & CCCC

Atomic Site



REACTOR PLANT—On this site (arrow) at Bodega Bay, Pacific Gas & Electric Company will build a \$61 million atomic power plant, largest in the world, it was announced yesterday. Construction will start in Aug., 1962, for the plant to begin operation in Dec., 1965. (Story, Page 1)

5A11

Bay Atom Power To Be Competitive

Oakland Tribune 6/29/61
**PG & E Reactor at Bodega
Expected to Generate at Cost
Below Conventional Plants**

Atomic power will become economically competitive with conventionally-produced electrical power for the first time when the Pacific Gas and Electric Company's huge \$61 million Bodega Bay underground boiling-water reactor goes into operation four years from now. The plant, producing 325,000 kilowatts of electrical energy, will be built in a 100-foot deep concrete and steel pit near the tip of Bodega Head, a sandy peninsula between Sonoma County's Bodega Bay and the Pacific Ocean.

Announcing the project at a press conference yesterday in San Francisco, PG&E President Norman Sutherland said the plant would be the world's largest atomic powered electrical generator.

NEW POWER ERA

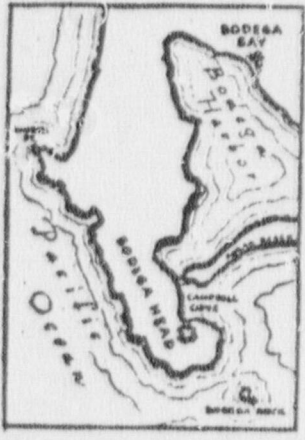
And, he conceded, some experts say it may portend the end of conventionally-fueled (oil and gas) power plants.

PG&E technicians estimate that the Bodega Bay plant, producing steam generated by enriched uranium fuel, will put out power at a cost of a trifle over a half-cent per kilowatt hour—or slightly less than the current cost of a similar plant using oil for fuel.

(In laymen's terms, a kilowatt hour is the electrical energy required to light ten 100-watt bulbs for 60 minutes.)

LOOKING AHEAD

The 325,000 kilowatt capacity of the Bodega Bay plant—almost as much as that produced by the giant Shasta Dam hydroelectric plant and sufficient to supply power for a city of a half-million population—is designed to meet the demands of the growing Bay Area counties, according to Sutherland.



Tribune Map
BODEGA BAY ATOMIC PLANT
Cross shows location

Theoretically, some of the power from the Bodega plant could be used in the Eastbay, but in practice virtually all will be consumed in and around Sonoma County, a company spokesman said.

The plant will be built on a 225-acre site just inland from Campbell Cove on Bodega Head, about 50 miles of San Francisco Bay.

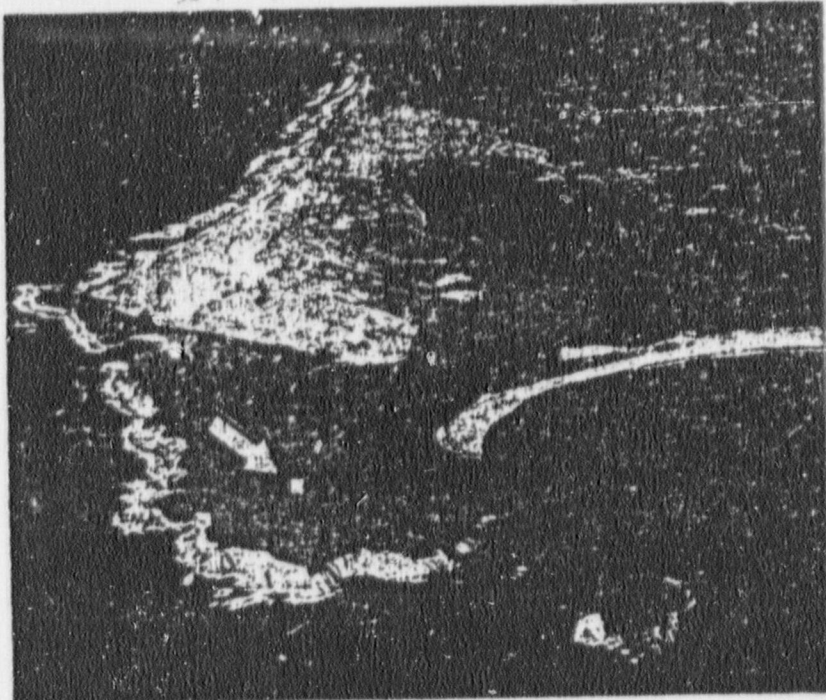
SAFETY FACTOR

The nuclear core of the boiling-water reactor will be underground to provide an additional safety factor, according to Sutherland. The plant will be highly automated, requiring only about 20 employees to operate it around the clock.

Sutherland said PG&E's chief mechanical engineer, C. C. Wheelchel, recently stated that with few exceptions, the 1960's would see the end of conventionally fueled power plants. Sutherland said Wheelchel's view is a matter of dispute among technical people, but implied that the Bodega plant will bolster Wheelchel's argument.

PGE Plans Huge Bodega A-Plant

S.F. News Call Bulletin 4/29/61



WORLD'S BIGGEST atomic-powered electrical generating plant is being planned by the PG&E for Bodega Head, jutting into the Pacific on the Sonoma County coast. The plant, white square

indicated by arrow, will be located in a small valley which separates the two hills which dominate the headlands. The \$61 million project will deliver 325,000 kilowatts.

The PG&E will build the world's biggest atomic-powered electric generating plant at Bodega Head on the Sonoma County coast. The company believes that atomic power can produce electricity cheaper than today's conventional steam plants. The \$61 million Bodega plant, scheduled for completion in 1965, will have a capacity of 325,000 kilowatts, enough to serve a city of half a million. PG&E President Norman Sutherland said the plant will be powered by 77 tons of uranium, buried underground, and with safeguards against contamination of the surrounding area.

will invest \$61 million in the plant itself, \$2.7 million for transmission lines, \$6.4 million for fabrication of the uranium core. It will rent the uranium from the Atomic Energy Commission. Utility economists estimated that the first core, which will last 3 1/2 years, will produce power at a cost of 5.62 mills per kilowatt-hour, and that subsequent cores would bring this cost down to 5.32 mills. Steam generating plants with fuel at \$2.20 a barrel can produce power at 4.7 mills per kilowatt-hour, and the cost would advance to 6.82 mills, Sutherland said in collaboration with General Electric, PG&E has

been operating an experimental nuclear power plant near Pleasanton, but the costs there exceeded those of conventional plants. PG&E started acquiring the Bodega site in 1956, expecting that the area would require a large generating station. It has long been speculated that it would eventually build a nuclear plant there but the company confirmed that it would yesterday. It already has a commercial nuclear plant under construction at Humboldt Bay, near Eureka. A REMOTE location and the availability of sea water for cooling are considered prime reasons for the Bodega site. As for a safety prob-

lem, there is no reason why it couldn't be built here in town," Sutherland said, "but we don't think the public is ready for that yet." The atomic reactor will be installed below ground in a concrete and steel structure, isolated from Campbell Cove near the Bodega harbor entrance. Cooling water will be drawn from Campbell Cove and discharged through a tunnel west to the ocean. Sea-water evaporators will provide fresh water for the reactor and steam system. All land-aid applications for the plant will be asked of the AEC and the State Public Utilities Commission, and that the company is choosing for an April 1, 1962, starting date.

SANDWICH
70 WALL STREET
NEW YORK

ATOM-POWER UNIT PLANNED ON COAST

Private Utility's Plant to Be
Largest in the Country

By LAWRENCE E. DAVIES

Special to The New York Times.

SAN FRANCISCO, June 28—

A plan to build the largest atomic plant in the country was announced today by the Pacific Gas and Electric Company, one of the nation's biggest investor-owned gas and electric concerns.

Pacific's plan was in sharp contrast to the general slackening of interest that electric utilities have shown in atomic power development.

Norman R. Sutherland, president of Pacific, said that applications would be made to the Atomic Energy Commission and the California Public Utilities Commission for permission to construct a \$61,000,000-kilowatt plant on Redwood Bay, fifty miles north of this city.

He voiced confidence that the company could demonstrate at this coastal plant that atomic power would be competitive with power generated at a conventional plant using oil or other fuels.

He said that this would be done despite the fact that no economically competitive atomic power plant was operating in this country at this time.

\$61,000,000 Project

Mr. Sutherland asserted that the \$61,000,000 project would produce power at a cost of 5.22 mills per kilowatt hour with its first core of uranium fuel.

If a conventional plant were operating at the site today, with oil at \$2.25 a barrel, the cost of be 5.77 mills, he said. Oil may cost \$3 a barrel by 1968, when the Redwood Bay Atomic Park is in operation, he said. The cost of power production at a conventional plant then would be 6.22 mills, he said.

Mr. Sutherland said that the actual cost of the plant, with its forced-circulation, direct-cycle boiling-water reactor built by General Electric Company, would be about \$58,000,000. In addition, \$3,250,000 has been allowed for transmission lines.

Fabrication of the fuel rods for the first core, which will provide three and one-half years of fuel, is estimated to cost \$2,405,800. Mr. Sutherland said research indicated that power production costs would be cut to 5.22 mills per kilowatt hour on the second core.

Pacific's proposal marked at least a temporary reversal of the trend towards inaction and abandonment of new approaches to the nuclear power problem.

It was spurred, no doubt, by the Supreme Court's recent approval of safety requirements procedures of the Atomic Energy Commission, particularly as applied to the Enrico Fermi Plant at Ligonier Beach, Mich. It may also have been spurred by price cuts for nuclear fuels announced May 29 by the A.E.C.

Prior to those two actions there had been a definite slow-down in the electric utilities' interest in further development of atomic power plants. The low point was reached May 6 when two groups of electric utilities abandoned plans for an experimental \$61,000-kilowatt nuclear-fueled plant in Polk County, Fla.

While other utilities have not actually abandoned projects, it is known that many of those engaged in building reactors have slowed work or postponed start-up dates. Others that had been talking about nuclear power plants have turned deaf ears on bringing forth any concrete proposals.



SAN FRANCISCO

News-Call Bulletin

CHARLES H. SCHNEIDER
Editor

WELLS B. SMITH
General Manager

640 Howard St., Telephone EX 7-5700

★ Friday, June 30, 1961

Page 14

Give Light and the People Will Find Their Own Way

New Atomic Power Plant

The total commitment of the Pacific Gas & Electric Co. to atomic power is \$100 million, President Norman R. Sutherland said this week in announcing the new electric generating plant at Bodega Head.

This sum has a strange look associated with a private venture. It would appear more in keeping with a requested appropriation for foreign aid.

And yet the investment is all private money; there is no subsidy and the bureaucratic hand is conspicuously absent. Management enterprise and foresight are the spark-plugs that set the project in motion.

So rapidly is atomic science

moving that obsolescence trots at the heels of every new piece of construction. The Bodega plant will be superior to PG&E's first nuclear plant near Eureka, which is still under construction and will itself be outmoded to an extent on the day it opens.

But it is not possible to wait for the ultimate in nuclear development—if there is such a thing—or nothing would ever be built. One day the decision has to be made to proceed with the knowledge at hand.

That is what PG&E has done. The resulting Bodega plant will be the largest of its kind in the world, a landmark of industrial and scientific progress.

San Francisco Examiner

TRUTH, JUSTICE

PUBLIC SERVICE

Page 14 SATURDAY, JULY 1, 1961 CCCC*

Time Shrinks At Bodega

THE BODEGA BAY atomic power plant, which Pacific Gas & Electric Company will build with \$61 million of its own money, offers a significant standard by which the progress in the field of nuclear energy may be measured.

Until 1945, when the first atomic bomb fell on Hiroshima, the nuclear scientist was a shadowy figure in ivied precincts. It was only then that nuclear fission had any meaning to the public.

In those 16 brief years, nuclear energy has not only been harnessed and utilized for peaceful purposes, but has become competitive. PG&E reports its Bodega Bay plant will produce power at a lower price level than could be achieved with conventional fuels, including oil. Sixteen years ago even scientists were thinking of nuclear power in this sense as being many decades away.

The fact that competitive nuclear power came sooner than expected suggests speculation in other fields, specifically the field of salt water conversion. The best informed opinion still is that many years must pass before desalination can become competitive in a cost sense with California's normal sources of fresh water. Prudence requires acceptance of that opinion. But the experience in nuclear power justifies hope that competitive desalination will come sooner than predicted—perhaps hastened by this cheap nuclear power.

In the projection of its Bodega Bay plant, PG&E has given a forceful demonstration of the vitality of the free enterprise system. There are no Government subsidies. The company has moved imaginatively into the new era of nuclear power, no longer merely tentatively and experimentally. The vision is that of an essential public service, in expectation of an earned profit.

We commend PG&E on its initiative, vision and faith. It helps us all to look to the future with courage and imagination.

Bodega Bay Plant

PG&E Reactor Biggest

The largest single-cycle boiling water atomic reactor ever built will be incorporated into Pacific Gas and Electric Company's new Bodega Bay plant.

The reactor, producing 325,000 kilowatts of power will be simpler, more compact, more economical and more flexible than earlier reactor designs, according to George White, general manager of General Electric's Atomic Power Equipment Department at San Jose.

G.E. will supply the reactor, associated nuclear steam supply equipment and nuclear fuel elements for the plant. This is the third atomic plant project in which PG&E

and G.E. have worked closely together.

The initial fuel loading of about 175,000 pounds of uranium dioxide will be fabricated into stainless steel clad rods and assembled into 592 fuel bundles at the San Jose plant. The average life of the first load will be 3½ years.

Construction of the \$61,000,000 plant, to be located on the Sonoma County coast about 50 miles north of here, is expected to start in August, 1962, and be completed in 1965.

The new plant will contain both new economical and safety features over former boiling water reactor designs,

including the improvement of calculation techniques and criteria, development of improved instrumentation systems, and development of high-performance internal steam separators.

The reactor pressure vessel will be enclosed in a dry well directly connected to a pool of water by a series of pipes. In the unlikely event of a break in the reactor pressure vessel system, the heat and radioactive fission would be absorbed in the water pool.

This "pressure suppression" containment eliminates the need for the containment sphere or capsule which used to be the symbol of nuclear power stations.

JUN 29 1961

JUN 29 1961

#170

MEMORANDUM FOR CHAIRMAN BOARD OF
COMMISSIONER CHAIRMAN
COMMISSIONER WILSON
COMMISSIONER OLSON
COMMISSIONER HARRIS

SUBJECT: ANNOUNCEMENT MADE BY P G & E OF PLANS FOR NEW REACTOR
IN CALIFORNIA

Attached for your information is the text of an announcement issued Wednesday, June 28, by Pacific Gas and Electric Company concerning its plans to construct a power reactor 20 miles north of San Francisco. The company made the announcement at a press conference held June 28 at San Francisco.

J.F.L.O.
Morton Clark, Director
Office of Public Information

Attachment

cc: A. R. Insodcho, General Manager
Harold L. Fries, Acting Director of Regulation

bcc: E. X. Donovan, OCL
Dr. Frank K. Pittman, DRD
E. Lowenstein, LAR
Secretary

OPE

OVI

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ANNOUNCEMENT BY PACIFIC GAS AND ELECTRIC COMPANY

One of the largest atomic power plants in the world will be built by Pacific Gas and Electric Company at Bodega Bay on the Sonoma County coast 50 miles north of San Francisco.

Plans for the project to be called Bodega Bay Atomic Park, were announced today by PG&E President Norman R. Sutherland. He said applications to the U. S. Atomic Energy Commission and the California Public Utilities Commission for permission to build the plant would be made as soon as possible.

The Bodega Bay atomic installation will have an electric generating capacity of 325,000 kilowatts, powered by a boiling water reactor. That capacity is enough to serve a city of half a million population.

PG&E estimates the station will cost \$61 million and will produce electricity for slightly less than six mills per kilowatt hour. It is scheduled for completion late in 1965, Mr. Sutherland said.

PG&E believes electricity produced at Bodega Bay with nuclear fuel will be economically competitive with electricity that could be generated in a conventional steam plant (gas and oil fueled) at that location. A north bay site was selected because PG&E will require a large generating station in that region in 1966.

Mr. Sutherland pointed out that no economically competitive atomic power plant is operating in the United States, but PG&E's 60,000-kilowatt Humboldt Bay nuclear unit, under construction near Eureka, California, is expected to produce electricity competitive in that area. Humboldt Bay will be completed in 1962.

(over)

Continuing, Mr. Sutherland said: PG&E's Atomic Power Development Program, begun in 1951, always has had large, economic plants as its prime objective. The atom will achieve its important role in energy production when it produces electricity to serve a large and diversified power market as economically and as reliably as available conventional fuels.

We are convinced that atomic energy can do this at Redeye Bay, taking its place as an economic source of energy alongside natural gas, oil, falling water and geothermal steam to serve central and northern California.

PG&E now has committed the investment of about \$100 million to atomic power, the better to serve residents of this region in coming decades. It already has paid handsome dividends in engineering improvements that are hastening economic atomic power everywhere.

As with all our atomic projects, we will build Redeye Bay with our own money. There will be no government subsidy or financial contribution from any other source.

Redeye Bay Atomic Park will be built on a 225-acre site at the south end of Redeye Head, the narrow peninsula that separates Redeye Harbor from the Pacific Ocean. PG&E owns 160 acres of the site and is negotiating for purchase of the additional land.

The proposed plant is to be situated inland from Campbell Cove near the entrance to Redeye Harbor. Cooling water will be drawn from Campbell Cove and discharged through a tunnel running west to the ocean.

The Redeye Bay Plant will be fueled by approximately 13 tons of uranium, equivalent to more than three million tons of coal, which is expected to run the plant for three and one-half years. Fabrication of

the first load of fuel, called the reactor core, will cost an additional \$8,500,000.

Like PC&E's Humboldt Bay Nuclear Unit, Bodega Bay will utilize pressure suppression containment, developed by PC&E, which allows the reactor to be installed below ground. The reactor and containment system will be enclosed in a concrete-and-steel structure built below ground to a depth of 100 feet.

Sea-water evaporators, pioneered by PC&E at its Hervo Bay Power Plant, will provide the Bodega Plant with fresh water for the reactor and steam system, and auxiliary uses.

If necessary licenses and permits are obtained on schedule, PC&E will start work at Bodega Bay in August 1962. An estimated 300 men will be at work on the project at the peak of construction activity. PC&E will function as its own engineer and construction manager.