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OFFICE OF THE SECRETARY

TO: PRESIDENT AND CINCUS NIXON
FROM: M.L. MCDOWELL, PRIVATE CITIZEN
SUBJECT: EXPEDITING CONSTRUCTION OF HL&P ALLEN CREEK
NUCLEAR POWER PLANT.

REFERENCES: AEC LTR DTD 12-20-73, DKT # 50-466, 50-467. - DK-6451
AEC LTR DTD 3-5-74, DKT # 50-466, 50-467. - DR-6716
MLM LTR DTD 2-10-74, DKT # 50-466, 50-467. DE-6716

DEAR PRESIDENT NIXON:

1. To summarize what has happened to date: An energy crisis was proclaimed by your office. I read about the ungodly length of time it took to construct a nuclear power plant. In my opinion, this is the energy source of the future. I wrote to your office to see what is being done to cut the time. Mr. A. Giambusso, Deputy Director for Reactor Projects sent me a matrix showing the license process. A simple PERT network showed that it took an unconscionable 508 days to issue a license. THIS IS TOTALLY UNACCEPTABLE TO ANY REASONABLE MAN. It also showed lawyers doing nothing but taking reams of unnecessary testimony from each other often calling themselves environmentalists. No one ever reads this crap. My personal conclusion is that all that is needed is the construction plans and specifications drawn up by the power plant engineers. Eliminate the lawyers and biologists and their reams of testimony and let the plans and specs form any legal defense needed. At least as far as the HOUSTON LIGHT & POWER CO is concerned.

2. I see by the newspaper that the AEC has finally changed its regulations to allow utilities awaiting construction permits to apply for a "limited work authorization." To me, this indicates that Mr. Giambusso and General John D. Peters has been working hard on the time lag problem. They have apparently cut the time by seven months and they are entitled to a couple of beers for their efforts. Mind you, it is good, but not good enough. When the time is reduced to less than two weeks from receipt of plans and specs to issuance of license, only then can we consider the problem resolved.

3. But there is no point in the AEC doing all this work to cut the time element if the people in private

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industry ignore the results. This is precisely what the officials in charge of the HL&P nuclear project are doing. The following is quoted from the Houston Chronicle, May 19, 1974: "...Before HL&P can get a limited work authorization, it must present its plans at a public environmental hearing, scheduled tentatively for the second week in November. Within 30 days after the hearing, the Atomic Safety and Licensing Board must agree that no reason has been found to disapprove the Allen Creek site. At that point, the authorization can be issued, Cushman said. However, the AEC official noted that the board's action does not mean final approval of the site. That would come later, just before the issuance of the formal construction permit in mid-1975. Any work done by HL&P under a limited work authorization would be at the company's own financial risk, Cushman said...." HOW WOULD YOU LIKE TO SPEND MILLIONS OF DOLLARS IN THE FACE OF STATEMENTS LIKE THESE FROM GOVERNMENT REPRESENTATIVES? And these dollars are not going to be spent by HL&P; they are going to first be collected from users like me. I am the one who is going to pay and pay and pay.

4. THE FOLLOWING ACTION IS REQUESTED IN ORDER TO USE THE TIME SAVED. First of all, Robert Cushman, AEC Environmental Project Officer in charge of the Allen Creek Nuclear Power Station Project, is an obstructionist. His sole purpose is to stop or slow down all nuclear projects he possibly can. I suspect he is an extreme liberal working at cross-purpose in this energy crisis. He has no concept of time and doesn't know what a deadline is. He should be removed from office and sent back to NYC and let him study environment to his heart's content. In the meanwhile, have the President's Council send a mailgram authorizing full construction and backing. If necessary, take out an insurance policy or allot AEC funds as back-up guarantee that no government action will cost them money. The license should be granted IMMEDIATELY. All hearings from this point on should be ignored by this license and incorporated in a certificate issued by the POST-ACCEPTANCE MODIFICATION REVIEW BOARD. I know you don't have such a board so create one and appoint me the chairman. I will serve for a \$1.00 a year and expenses. As for the replacement for Mr. Cushman, I will make you an offer you can't refuse. Appoint me as the AEC environmental project officer in charge of the Allen Creek nuclear power Station project. I will serve for a \$1.00 a year and expenses; you can't beat that and the project will have aggressive representation.

5. I will now quote what that fireball HL&P Vice-President in charge of construction, Mr. George W. Oprea Jr., had to say: "...I don't think the limited work authorization will affect the time we anticipate going operational. This, he explained, is because critical parts, such as the General Electric nuclear reactor and the massive concrete-and-steel shield that goes around it already have been ordered on a fixed delivery schedule. There is normally anywhere from four to six months of what we call preconstruction work, where you have to set up buildings, set up a way to bring in materials and establish roads. We plan to start construction in July, 1975 and start operating in 1980. In no case can we start excavating the 8000 acre cooling pond until 1978." How do you like that for an aggressive response? Everybody is making a frantic effort to cut scheduled time but the man who is in charge of the project. He refuses to review his present schedules, instead he sounds like 'Alibi Ike'; you know the type, he finds excuses for NOT doing a job. AEC has cut time by seven to ten months. This is May 1974 and they are scheduled to start construction in July, 1975; that is one year and two months away. It don't occur to him to set up his schedule by ten months and revise his in-house PERT network accordingly and require suppliers to revise their in-house networks. If General Electric refuses to expedite fabrication of the nuclear reactor on the grounds of insufficient capacity, then please give us Texans a chance to qualify for part of the contract. We have hundreds of highly skilled machinists, engineers, and scientists who would love to take on any sub-contract on parts scheduled beyond the 90 days limit. By this, I mean, if they claim long time schedule rights because of incapacity or simply refuse to expedite reactor fabrication, then such work should be removed from their control and sub-let to other companies. As I said, "We sure would like to qualify for this work."

6. Mr. Oprea claims he can't start pouring the massive concrete-and-steel shield that goes around the the reactor because it has been ordered on a fixed delivery schedule. This sounds like a weak excuse as all schedules allow a certain amount of flexibility as to lead time. I can't think of one reason why he can't start pouring now. On the other hand, I can think of

several reasons why he should start now. The main reason being that massive pours require lots of time for heat removal unless refrigeration is used and plenty of time is needed for curing. He claims he can't start the cooling ponds until 1978; why can't he start now? If he goes over to the Robinson plant in Bayport and goes to the top, he can look down on an excavating project going in full swing. What is stopping him from doing the same thing?

7. If this were a pure private enterprize project, I would object to government interference, but this is a High-Security and Hazardous as well as a controlled material. The government invests a lot of money in making this material available to selected customers. There is no point in the different branches or committees knocking their brains out trying to cut construction time, if the intended recipient ignores the results. So far as the publicity and therefore the public is concerned, the project engineer is ignoring government efforts. He has lost sight of the fact that there is an ENERGY CRISIS AND TIME IS OF THE ESSENCE. The old schedules ought to be discarded and new target dates set. In fact, work should start now instead of July, 1975. Around the clock schedule should be maintained. All buildings should start at once. Excavating the pond should start now. Your new operational date should be December 31, 1976. And there is no logical reason why you can't meet that deadline.

8. To put a little fire in the management of HL&P nuclear project, the President's Council should send an expeditor to the Manager of HL&P and remove any and every objection he might bring up right there and then on the phone and by mailgram. Maybe a brief review of "Kaiser Expeditors" during WWII would be in order.

Yours,

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