

NUCLEAR (cont.)

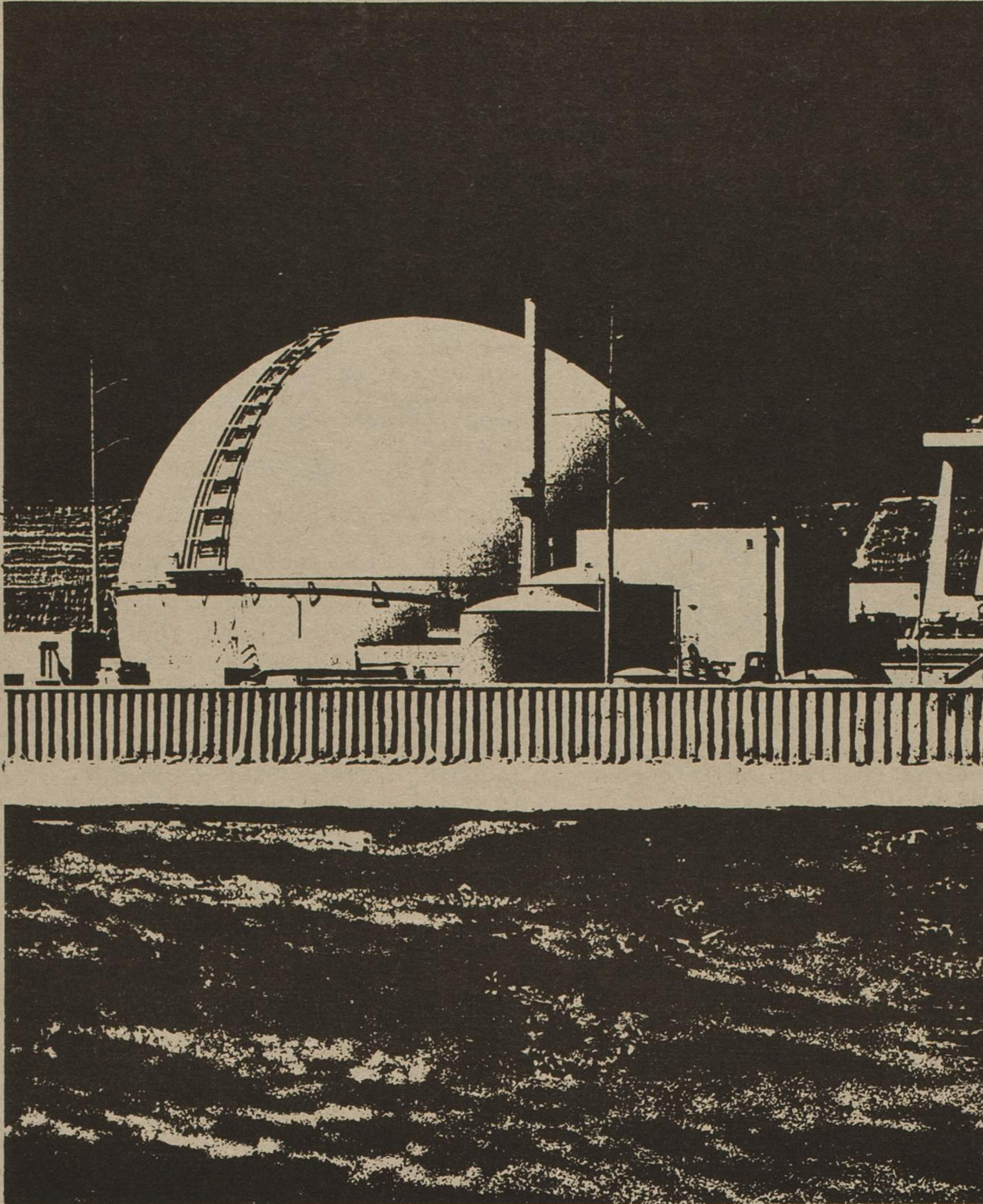
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mines to the waste storage facilities. Radioactivity cannot be detected by any of your senses, but it can kill you, give you cancer or cause birth defects in your children, nonetheless. It is the most insidious of all pollutants.

So much for the surface reasoning. What is really motivating the utilities?

The answer is higher profits at the expense of Kansas workers and ratepayers. Nuclear power produces fewer jobs per dollar invested than any other energy source. This means that here will be fewer workers possibly to go on strike at Wolf Creek than at an equivalent coal facility. The utilities, thus, can have more control over revenues, which means higher profits. The ratepayers get the screws put to them when Wolf Creek is incorporated into the rate base. Rates are figured on a set percentage of power plant investment. Since a nuke costs more than an equivalent coal plant, it will bring in more revenues and, again, more profits.

Well, so much for the demented thought processes of utility executives. What has happened since KGE and KPL decided to build Wolf Creek? The drama has centered on the procedure necessary to obtain a



activities by allowing them to charge customers for power plants before they are producing power. All along, the two utilities have told the KCC and Missouri's counterpart, the Public Service Commission, (PSC), they must have CWIP or damage their financial image to Wall Street, where they borrow most of the money. Now the utilities have reversed field and told the NRC that CWIP is not important. The Chairman of the NRC board, Samuel Jensch, who is already opposed to Wolf Creek, wasn't taken in by this ploy and the confidence of one of the other two members was shaken by the obvious contradiction. So there is, believe it or not, an actual chance that the Board might vote to deny the construction permit.

At this time, MACEA has moved to reopen the hearings and add more information before a final decision. The grounds are:

1. the utilities have lowered their annual load growth projections from about 6 1/2 percent to 4 1/2 percent;
2. the cost of the plant has risen from \$825 per kilowatt installed to \$937;
3. the overall cost of capital (stocks, bonds and short-term loans) has risen from 7 1/2 to 10 percent.

Number one means that the plant may be built before it's needed. Numbers two and three mean Wolf Creek may be too expensive to build. The Board has yet to rule on that motion.

permit once it is built. The latter is obviously a formality because once a utility has made a billion dollar investment, it won't be denied the use of it.

The granting of a construction permit is a little more serious. Two of America's largest corporate concerns, General Electric and Westinghouse, make 70 percent of all nuclear reactors. The health of our government is contingent upon keeping these two companies afloat. Their commitment to nuclear power has been so great that they are unable to absorb a new energy direction. Also, most of the people who make up NRC are former employees of the nuclear industry. This blatant conflict of interest was purportedly taken care of when the old Atomic Energy Commission (AEC) was split by Congress into the NRC and the Energy Research and Development Administration in 1975. However, the subsequent resignations of people in NRC who say that the attitudes of the people in it haven't changed sets the record straight.

Three organizations decided to take part in the construction permit hearings. Two sought to stop the nuke-- the Mid-America Coalition for Energy Alternatives (MACEA) and the Wolf Creek Opposition (WCO). MACEA is a group of environmentalists based in Kansas City. WCO is a group of farmers and concerned citizens who live in the Burlington area. Because of financial hassles, WCO had to drop out of the fight. MACEA has carried on to this day and has been an able antagonist on these most inhospitable grounds.

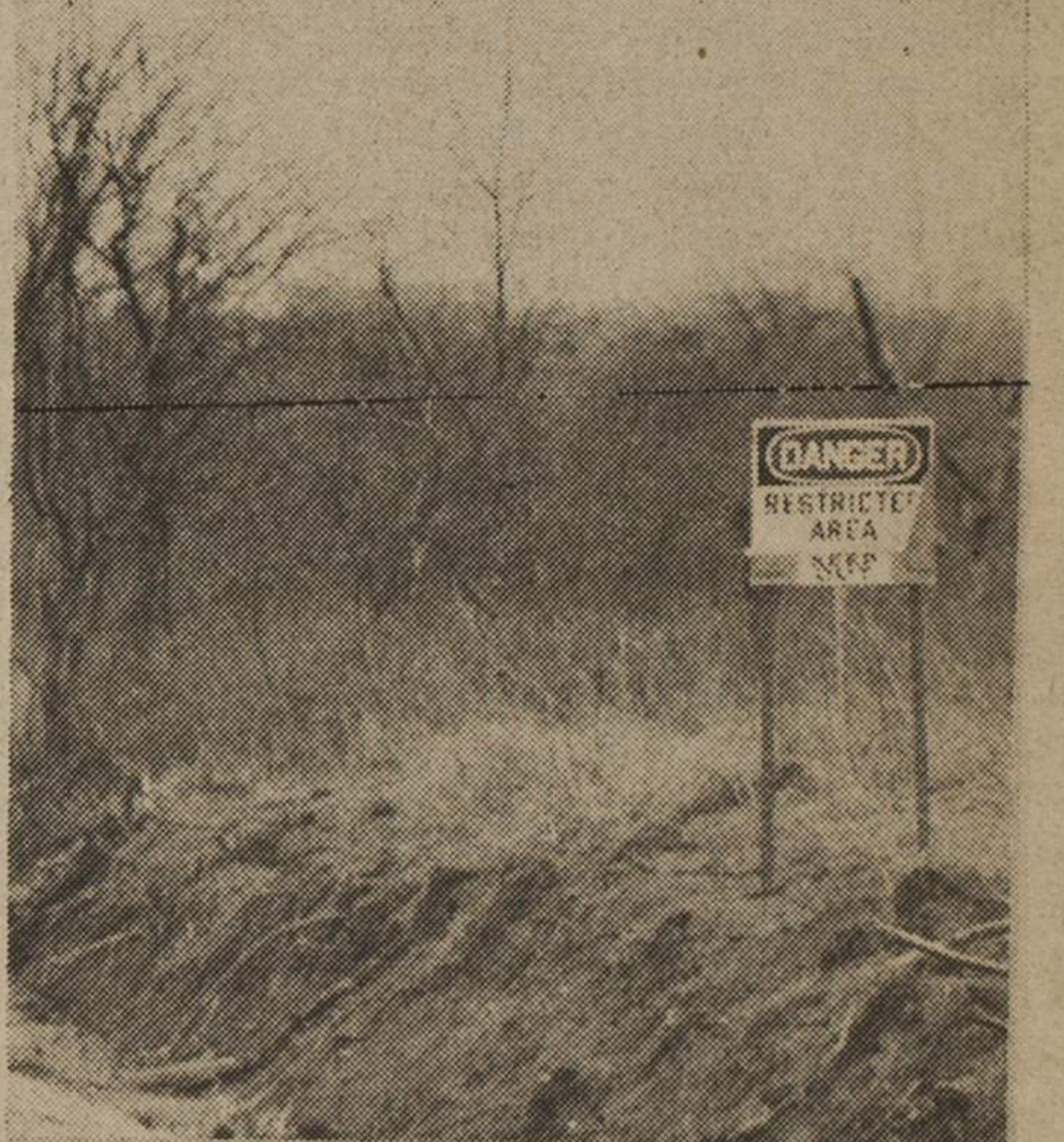
The third intervening party was the Kansas Attorney General's office, which states publicly that it only wants to make sure that the two utilities can pull off this venture. Privately, the attorney general's office is opposed to it. The other parties are the utilities, the NRC staff (a transparent ally of the utilities, supposedly defending the public interest) and the three-member Atomic Safety and Licensing Board, which is supposed to listen to all arguments and make the actual decision to grant or deny the permit.

The hearings are a long and rather boring series of legalistic debates over such topics as: Can the utilities afford it? Will nuclear waste harm the people or the environment of Kansas? Can the utilities get fuel for Wolf Creek during its lifespan? Is it the most economical way to go? Is there a real need for it?

Some interesting things have happened to liven up the proceeding. First, Westinghouse defaulted on the contract to supply fuel for the plant because the price of uranium unexpectedly doubled twice in five years. Westinghouse, thus, couldn't supply fuel at the price agreed on and had to say no to over 38 utilities it had made deals with or to go bankrupt.

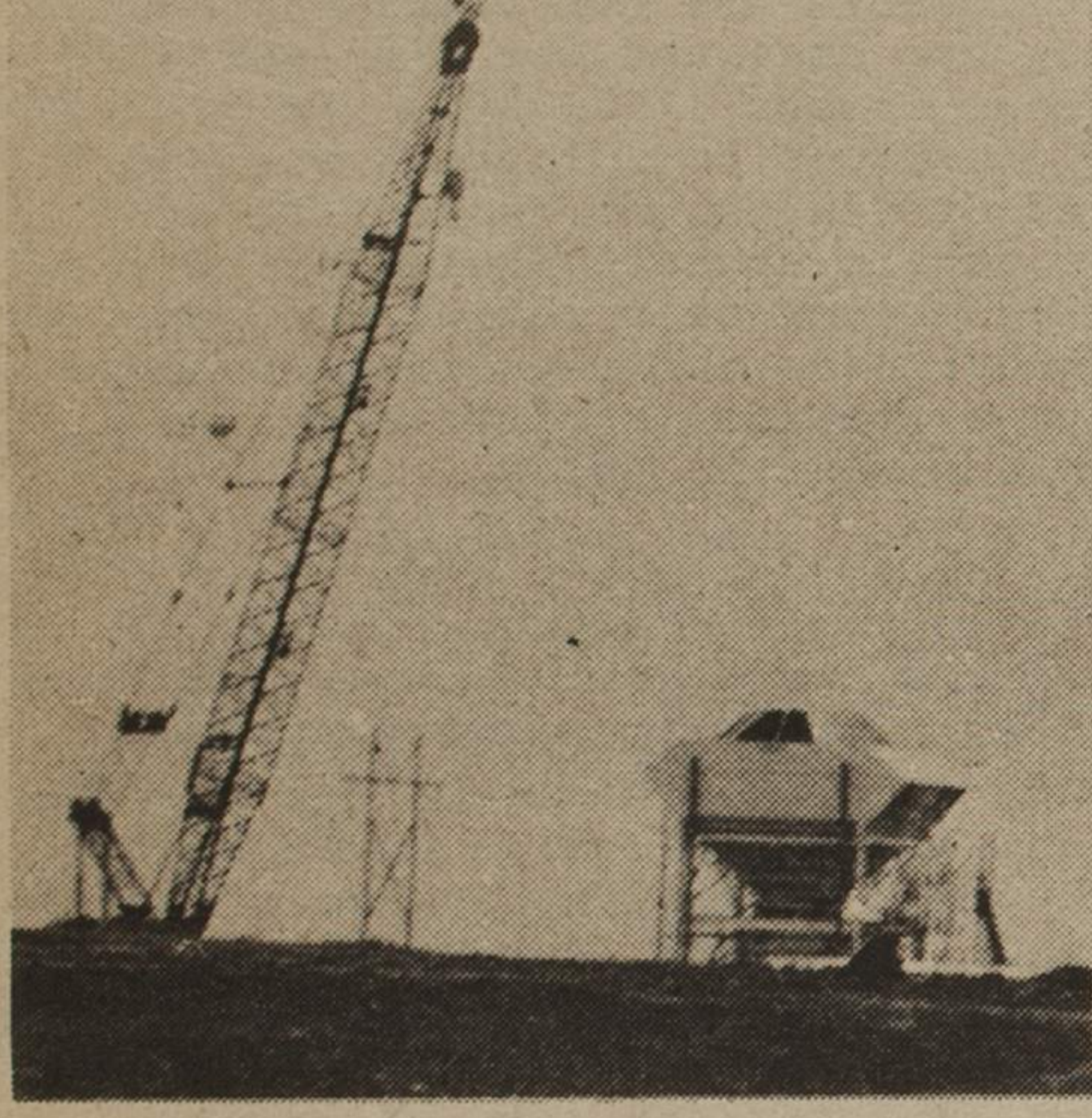
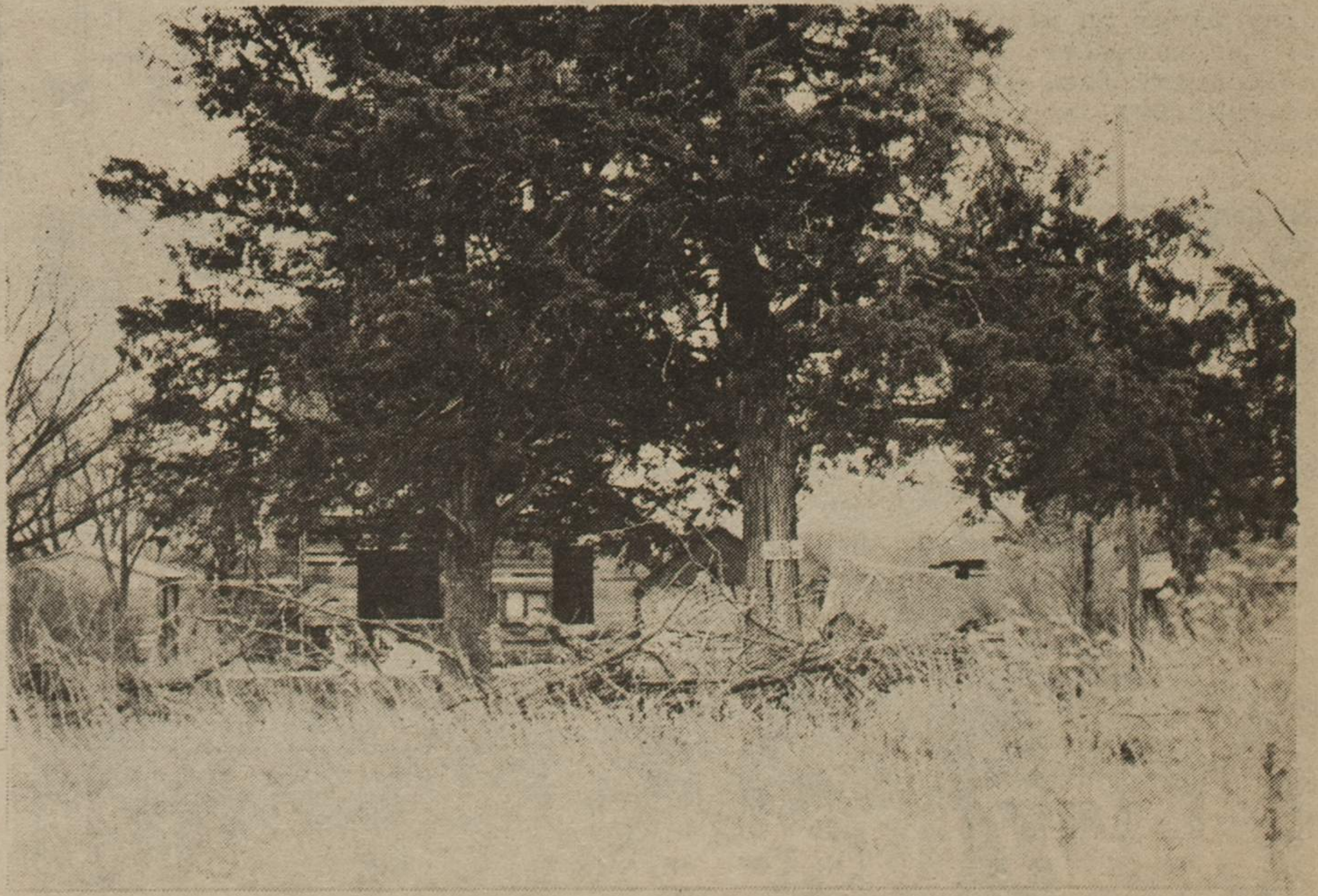
The utilities immediately sued, and Westinghouse sued, in turn, 29 foreign and domestic producers of raw uranium, charging they had conspired to jack up prices. A lot of this brouhaha still is unresolved, but KG&E and KCPL aren't going to get any nuclear fuel out of it. They have yet to find another supplier, although they are negotiating with "an individual" in New Mexico. One only hopes they don't buy the Brooklyn Bridge twice.

Next, the utilities failed to ram a rip-off gimmick called "construction-work-in-progress" (CWIP) through in the Missouri or Kansas legislatures. In Missouri, the people voted it out in a referendum last fall. In Kansas, it has been stopped by the Kansas Corporation Commission (KCC). KCPL, whose rate case was involved, took the KCC to court, and it is currently on appeal. CWIP would have helped the utilities finance Wolf Creek and their other construction



Although those are three very substantial points, it is known that the requests to reopen are largely a delaying tactic with the hope that the utilities will get tired of the whole mess and throw in the towel. Because even if the Board says no, the utilities can appeal their decision and the Appeal Board has never turned them down.

In the meantime, Wolf Creek continues to flow unmolested as it has for thousands of years.



construction permit from the federal Nuclear Regulatory Commission (NRC).

The government long ago recognized that civilian applications of atomic power would have to be monitored because of the hazards posed by radioactivity. Before a utility can construct a nuke, it must get a permit to do so and it must also get an operation

