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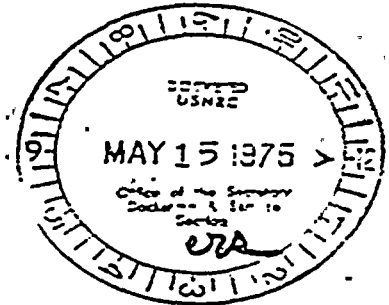
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ATED TOWER COURT
WEST MORGAN STREET

May 9, 1975

Mr. William Anders, Chairman
U. S. Nuclear Regulatory Commission
Washington, D. C. 20555

Re: Shearon Harris Nuclear Power Plant
Docket Nos. 50-400, 50-401, 50-402
and 50-403



Dear Chairman Anders:

I have just learned that a secret meeting was held last Friday, May 2, 1975, between representatives of your staff and representatives of the applicant in the above case regarding the applicant's recent decision to postpone operation dates for the above units from three to six years. I want to register the strongest possible protest to this action which, I believe, violates the letter of the law as well as the spirit of your recent pronouncements regarding openness and candor in the NRC.

My clients intervened in this proceeding over two years ago. At all times they have acted responsibly in their role as Intervenor. Almost a year and a half ago the applicant was granted an exemption to begin construction of these units allegedly because they were desperately needed and starting early would save the applicant much money. We contested these allegations in a hearing in late March, 1974, and the Board ruled against us. In May, 1974, we formally contended that this plant was not then needed and that the company could not then afford to build it. The applicant opposed those contentions.

Hardly a month later, the applicant announced it was postponing operational dates of the four plant units for up to two years because demand was down and it couldn't afford to build them now. At a Pre-Hearing Conference in July, 1974, Chairman Reilly of the Atomic Safety and Licensing Board acknowledged that our contentions were at least partially accurate even at that time. Since that time, demand for electricity in applicant's service area has continued below earlier projections and the market has continued bad for utility stocks and bonds.

Two of the three major issues left to be resolved in the hearing in this case are the need for the plant and the ability of the company to pay for it.

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Last Friday, your staff and applicant met to discuss these fundamental issues and the applicant's plans to postpone these units from three to six more years. And yet, Intervenor's were not notified of this meeting, nor have we been subsequently apprised of it. This surreptitious meeting directly violates the rule against ex parte communications (10 CFR §2.730) and makes a farce of meaningful public participation in the licensing process.

This applicant has a bad habit of clandestinely conducting its affairs with the NRC and its predecessor. On the same day as the meeting regarding Shearon Harris, May 2, 1975, your staff and applicant held another meeting regarding Docket #s 50-324, 50-325. The petitioners in that case whom I also represent, were never officially notified of that meeting.


Over a year ago applicant applied for an exemption in this case without notifying Intervenor's. In that instance, applicant was reprimanded by Chairman Alan Rosenthal of the Appeals Board for its failure to notify us.

This applicant's bad practice and the staff's acquiescence in that practice is not in the public interest and ought to be stopped. I hope that you will take whatever action is necessary to put an end to this closed-door, skulking behavior.

The issues involved in these cases are of great interest and importance to those of us who live in North Carolina. Many of us have expended great time, energy and money in participating in these processes, and our interests are vitally affected by your actions. We look to you for action commensurate with your laudable and publicly expressed goals for the NRC.

Thanking you for your immediate attention to this matter, I am

Very truly yours,


Thomas S. Erwin

Counsel for Intervenor's
Conservation Council of North Carolina -
Wake Environment, Inc.

TSE/gs

cc: Thomas Reilly
Alan S. Rosenthal
Charles Barth
Fox Trowbridge
R. E. Jones