



U.S. Department of Energy  
Washington, D.C. 20585

SEP 19 1979

MEMORANDUM FOR: Chairman, Nuclear Regulatory Commission

FROM:

*Christina L. Rathkopf*  
Christina L. Rathkopf  
Executive Secretary

POOR ORIGINAL

SUBJECT:

Correspondence Referral

The attached correspondence has been misdirected to this Department for reply. Inasmuch as it appears to fall within the purview of your agency, we are referring this communication herewith for your reply. We have informed the writer of this action.

Thank you for your attention.

Ms. Rosella Schroeder  
Skyline Drive, R. No. 3, Box 190  
Floyds Knobs, Indiana 47119

Referred By: Mary Martha Seal  
Date: August 21, 1979

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THE WHITE HOUSE

WASHINGTON

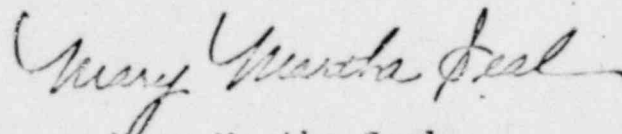
AUG 21 1979

POOR ORIGINAL

MEMORANDUM:

The attached letter(s) addressed to the President is referred to your office for suitable acknowledgment or other appropriate handling at the earliest opportunity. Should you receive mail that has been misdirected, please forward to the appropriate agency. I would also appreciate knowing when you are forwarding such mail. My phone number is 456-2717.

Thank you.



Mary Martha Seal  
Director  
Correspondence Agency Liaison

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DOE  
Rosella Schroeder  
Skyline Drive, R. No. 3, Box 190  
Floyds Knobs, Indiana 47119

August 10, 1979

POOR ORIGINAL

The Honorable Jimmy Carter, President  
The White House, 1600 Pennsylvania Ave.  
Washington, D.C. 20500

SUBJECT: A taxpayer's request that federal funds used to purchase 17% undivided ownership of Marble Hill Nuclear Power Plant (Jeff. Co., Indiana) be withdrawn

Dear Mr. President:

Your visit to Kentuckiana on July 31 was greatly appreciated and will be long remembered.

One environmental issue which was called to your attention in this area was the Marble Hill nuclear facility being built on the Ohio River 31 miles upstream from Louisville, Ky. by Public Service Indiana. Construction was stopped after workers (NOT the Nuclear Regulatory Commission) discovered and reported faulty concrete work in the nuclear reactor containment structures and auxiliary buildings in which 170 air pockets out of more than 500 detected lacked proper repairs.

These charges, verified by the NRC, prompted an investigation by the House Subcommittee on Environment, Energy and Natural Resources. Also underway is a probe by the Senate Environment and Public Works Committee of construction practices at the site. In addition, the U.S. Dept. of Justice has been asked to determine if possible criminal charges are involved in that workers have stated that they were ordered to conceal concrete defects from inspectors at the Marble Hill plant.

It has now been determined by the NRC that Public Service Indiana (PSI), who reportedly has already spent \$430 million at Marble Hill, lacked adequate personnel with first-hand experience with nuclear energy on its staff and at the construction site. PSI President, Hugh Barker, has stated that consumers (not the stockholders) must pay for PSI's mistakes, and will have to make up a difference of \$12 million each month construction of the nuclear plant is delayed.

The above data is only to furnish background information on this deplorable environmental and economic situation which renders captive consumers and taxpayers HELPLESS. Aside from the millions of tax dollars supporting the NRC's involvement in this one unneeded, unwanted nuclear plant, huge sums of money must be allocated for emergency plans in case of a nuclear accident. None of this has figured into the cost of the project.

But I am appealing to you, Mr. President, on a related matter which appears to have gone completely unnoticed in this Marble Hill fiasco. It involves PSI's co-owner of the Marble Hill nuclear plant--the Wabash Valley Power Association (WVPA) in Indianapolis, whose use of federal tax dollars has enabled it to own 17%. On Dec. 28, 1977, I received a letter from Dr. Richard F. Richter, Asst. Administrator-Electric, Rural Electrification Administration, U.S. Dept. of Agriculture, informing me of a REA loan guarantee commitment for financing a 17% undivided ownership interest by Wabash Valley Power Association in the Marble Hill plant.

2 page

One paragraph of the USDA-REA Marble Hill Environmental Impact Statement reads: "The risk associated with accidental radiation exposure will be very low". Please consider the absurdity of that statement after a hole 20 ft. long was found in concrete of a critical area of construction at Marble Hill!

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...divided ownership also mean undivided responsibility and accountability?

On April 4, 1978, the Atomic Safety and Licensing Board of the NRC (Elizabeth Powers, Chairman) issued the Construction Permit noting that the REA Loan Guarantee Commitment to WPA was \$360,604,000 to acquire 17% undivided ownership in the Marble Hill Generating Station, Units 1 and 2. Based on the above figures, the total cost of the project would be approx. \$2.12 billion, but in the March 1976 Draft Environmental Impact Statement, the est. economic costs of construction and operation of Marble Hill at time of first operation was listed at \$1.05 billion (Table 10.3, p. 10-9)!

At this hour, it should be noted also that the initial request to build the Marble Hill nuclear facility (from the March 1976 Draft EIS) was based on electrical energy needs of Public Service Indiana (65% co-ownership), Northern Indiana Public Service Co. (16% co-ownership), with Kentucky-Indiana Municipal Power Assn., City of Richmond, Ind., East Kentucky Power Cooperative and Wabash Valley Power Association as joint applicants for the 15% remaining ownership. However, all withdrew except <sup>PSI</sup>WPA. But this important change in the determination of actual need for the plant was sidestepped by the ASLB of the NRC who proceeded as if it had never existed.

Over the years the REA has done many fine things for many people in its federal funding programs, but I do not believe Marble Hill is one of them. Will you please request a review of this REA loan commitment?

If this "more power at any price" rationale prevails at Marble Hill, surely it is time to recognize a different energy crisis in our country—one in which energy GRAB of producers far outweighs energy NEED of consumers.

Respectfully submitted,

*Rosella Schroeder*  
Rosella Schroeder

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