

Center for Development Policy

NRC PUBLIC DOCUMENT ROOM

September 18, 1979

Honorable Cyrus Vance
Secretary of State
U.S. Department of State
Washington, D.C. 20520



Re: Proposed Export--Philippine Nuclear Power Plant

Dear Secretary Vance:

The Department of State ("DOS") shortly will be deciding whether to permit the export of a nuclear reactor to the Philippines. Because it would create grave hazards both to public health and American defense interests, we urge that you withhold approval.

The Philippine government, until recently, proposed building and operating an American-made nuclear power plant on Napot Point, Bataan. This site lies beside a volcano, Mt. Natib, and is regularly rattled by earthquakes. There is mounting evidence that Westinghouse Electric Corp.--the reactor's manufacturer and plant's general contractor--and its engineering consultant, EBASCO, have regularly and substantially understated the seismic and volcanic risks, to both the U.S. and Philippine governments. Thus, Philippine President Ferdinand Marcos on June 16th stopped the plant's construction and appointed a special commission to study the plant's safety ("the Philippine Commission").

DOS recently agreed with Westinghouse to rule by September 28th on the wisdom of exporting the reactor to the Philippine site, which is near two major U.S. defense installations housing some 30,000 Americans and only 50 miles from metropolitan Manila's six million people. This ruling, based on this nation's common defense and security interests, must be made on behalf of the Executive Branch before any nuclear export can be licensed by the Nuclear Regulatory Commission ("NRC"), 42 U.S.C. § 2155(a)(1).

The Center for Development Policy ("CDP") is gravely concerned that your staff on this matter is exercising a curious unwillingness to gather, let alone seek out, evidence critical of the positions taken and material submitted by Westinghouse and EBASCO. Before detailing some of CDP's reasons for making this contention, let me summarize the disturbing history of Westinghouse's efforts to secure the export license in question.

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On December 12, 1977, DOS approved of the export, only to learn from the International Atomic Energy Agency ("IAEA") and other disinterested sources that Westinghouse and EBASCO has systematically understated the seismic and volcanic risks. Accordingly, DOS withdrew its approval.

A special IAEA study group further evaluated the site problems. Its July 1978 Report ("IEAE Report") to the Philippine government found that Westinghouse and Ebasco had grossly underestimated potential earthquakes, their proximity and strength, as well as the possibility that Mt. Natib could erupt. It found such an eruption to be "a credible event" which could engulf the plant in "an avalanche of glowing lava, or a massive fall of glowing ash, or volcanic gas, or an emulsion of gas and ash, or a massive flow of laharcic mud."

The IAEA Report was withheld from the U.S. government until May of this year. When it arrived, your Department apparently enlisted the Interior Department's U.S. Geological Survey ("USGS") to conduct expert evaluation of the geological, volcanic and seismic hazards. According to four distinguished Philippine lawyers representing the Bataan Bar Association and other opponents to the nuclear plant, Westinghouse and EBASCO representatives, but none of their opponents or critics, were involved in DOS's consultations with USGS. (See attached letter from Messrs. Tanada, Dizon, Guerrero and Arroyo dated September 7, 1979).

I have learned that the USGS staff disagrees with Westinghouse and agrees with IAEA's assessment of the site hazards. Distressingly, however, John Reinemund, chief of USGS's Office of International Geology, informed me last week that he has been instructed not to make a formal report to your Department. Equally distressing is the position taken by DOS staffers that, without such a report, USGS's views will not be considered and that DOS will not request a USGS report. This sounds as if DOS already has made up its mind to support Westinghouse and is acting to keep contrary evidence out of the record.

Such a conclusion is reinforced by my efforts to have your staff take the testimony of Walter Newcombe. Dr. Newcombe claims to be a former EBASCO geologist on the Philippine project who resigned in 1976 because the volcanic and seismic dangers were being persistently ignored or minimized in the EBASCO studies presently before your Department. CDP could not

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secure Dr. Newcombe's voluntary testimony and I have been urging your staff to seek him out for almost two weeks. However, despite the great pertinence of Dr. Newcombe's knowledge and experience, and the short time left until the 28th, DOS is making no efforts to do so. Again, a curious disinterest in adverse evidence.

The Philippine Commission is receiving a steady stream of scientific criticism of the Napot Point site and of the suspect EBASCO and Westinghouse studies. This is especially significant because dissent in the Philippines is not widely tolerated.

For example, the National Society for Seismology and Earthquake Engineering of the Philippines found that earthquake risks at the site are enormous and "that the EBASCO approach is inaccurate, unreliable and biased." The Bataan Chapter of the Integrated Bar of the Philippine has come out strongly against the nuclear plant, as has Bataan Province's elected legislature, the Sanguniang Bayan Panlalawigan, and the town council of Morong, where the plant is located.

Documents on these and other developments in the Philippines will be given to your staff today by Mr. Jaime L. Guerrero, a lawyer who represented the Bataan Bar Association before the Philippine Commission and is providing valuable input to CDP regarding the Philippine reactor.

Your staff's agreement to meet with Mr. Guerrero, a mere 10 days before you have agreed to render the Executive Branch's determination, is in marked contrast to its ongoing consultations with Westinghouse and EBASCO. Despite mounting evidence that they have presented NRC and DOS with distorted, if not fraudulent, evidence, your staff indicates that materials prepared by those firms are its primary evidence regarding the hazards. And, as if to add insult to injury, the apparently critical USGS geologists, upon whom DOS was relying to analyze the highly technical geological, seismological and volcanological data, have been mysteriously called off the case at the eleventh hour.

In sum, the export's proponents seem to be your Department's closest counselors, while its opponents' suggestions are not pursued and frequently are systematically denied input. In addition, DOS obligated itself to Westinghouse to hurry its determination even though critical

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and pertinent evidence is mounting daily, here and in the Philippines. Finally, DOS's decision to exclude critical USGS geologist apparently is depriving your staff of the expertise needed to make an informed decision.

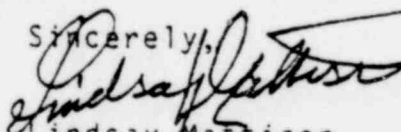
In addition to DOS's apparent reluctance to pursue evidence which would directly discredit the scientific information supplied it by Westinghouse, your Department apparently has not fulfilled its statutory requirement to coordinate the Executive Branch's determination by consulting with other departments of government. Most notably, we have been told by the Department of Defense that it has not been consulted about the effects of the reactor and the hazards that it may pose to American military bases in the Philippines and American defense interests in the Pacific and Indian Oceans.

We are aware of the enormous political pressures being exerted by Westinghouse, including its contacts with the White House. This is all the more reason why DOS must avoid any appearance of bias in Westinghouse's favor.

This can only be done, we submit, by first either abandoning the September 28th deadline or, if you stick with it, denying permission for the Philippine exports; the risks are too high to permit any other result at this time. If DOS does not issue a negative decision on the 28th, you should hold public hearings both to restore DOS's credibility and get at the truth.

CDP will be happy to consult with you on these matters and I look forward to your prompt response which, hopefully, will allay many of the concerns set out in this letter.

Sincerely,


Lindsay Mattison,
Director

cc: President Carter
✓ U.S. Nuclear Regulatory Commission (all Commissioners)
Honorable Clarence Long
Honorable Toby Moffitt
Honorable Jonathan Bingham
Honorable Edward Kennedy
Honorable Howard Metzenbaum

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Manila, September 7, 1979

Hon. Cyrus R. Vance
Secretary of State
Department of State
Washington, D.C. 20520
U. S. A.



Dear Secretary Vance:

This has reference to the review of the safety of the proposed site chosen for the first nuclear reactor plant in the Philippines at Napot Point in the province of Bataan, Philippines being undertaken by the U. S. Geologic Survey at the instance of the State Department.

This review, we have learned, was initiated because of the concerns expressed by the International Atomic Energy Agency mission as to the safety of the proposed site.

Apropos to this review, a meeting was set up on May 24th, 1979 at the State Department in Washington, D.C. between representatives of the State Department and the U.S.G.S. on the one hand, and representatives of the Philippine Government-owned National Power Corporation (NPC) which would operate the Bataan nuclear plant, Westinghouse International Projects Company which is constructing the plant and would supply its principal nuclear components, and the EBASCO Services, Inc. which is the consultant of the NPC on the other, precisely to discuss the safety review.

On September 2nd, 1979, an Associated Press dispatch datelined in Washington, D.C., reporting on the court petition filed by Westinghouse to compel the U.S. Nuclear Regulatory Commission to issue an export license for the nuclear components intended for the Bataan nuclear plant in the Philippines, likewise reported that "as part of the court proceedings, the State Department promised to make up its mind by September 28th."

In the light of this development, we would like to convey to your goodself that there is strong opposition in the Philippines to the establishment of the first nuclear reactor plant on the site chosen at Bataan anchored on scientific and technical grounds. These seismological, geological, geophysical, and engineering objections have

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been formally expressed, documented, and submitted at the hearings before the Philippine Commission on Nuclear Reactor Plants. These are available to the U.S.G.S. which can utilize them and we would like to urge the State Department to make full use of these records.

The Philippine Government-owned National Power Corporation, Westinghouse, and EBASCO Services, Inc., at the request of the State Department, have supplied the U.S.G.S. with documentary evidence designed to show the safety of the site chosen. It would not be consistent with the sporting idea of fair play if in the evaluation of the safety of the proposed site, only the side of the proponents of the site would be considered while the evidence of the oppositors, which are available, will not be considered.

Various groups have formally entered their oppositions to the establishment of the Bataan nuclear plant with the aforesaid Philippine commission. Among them are the Bataan Chapter of the Integrated Bar of the Philippines represented by the undersigned, Wilfrido E. Dizon and Jaime L. Guerrero, president and member of the chapter, respectively; and the panel represented by the undersigned Lorenzo M. Tañada and Joker P. Arroyo.

The Sanguniang Bayan Panlalawigan (Provincial Council) of the Province of Bataan, headed by the Provincial Governor, and the Sanguniang Bayan (Municipal Council) of the Municipality of Morong, headed by the Municipal Mayor, as well as the civic and community sectors of the people thereof where the plant would be located have submitted resolutions expressing opposition to the establishment of the nuclear plant. The National Society for Seismology and Earthquake Engineering of the Philippines (NNEEP) have submitted position papers expressing serious doubts about the safety of the site as well as the design of the plant.

Mr. Guerrero would be in Washington, D.C. sometime in the middle of this month and he would not only be available for interview but also to give some assistance to the U.S.G.S., if desired.

Considering the proximity of the September 28th deadline, we are coursing a copy of this letter for delivery to the State Department thru the U.S. Embassy, Manila, and we would appreciate a reply to this request as early as possible with the request that a copy thereof be likewise coursed thru your embassy in Manila and that the

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same be addressed to -

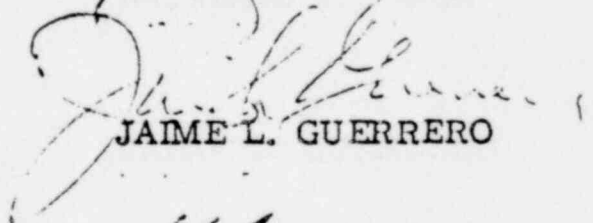
Senator Lorenzo M. Tañada
Consolidated Mines Building
Ayala Avenue, Makati
Metro-Manila
Philippines.

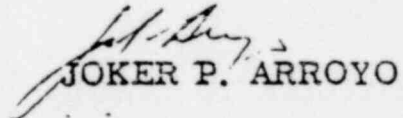
Thank you.

Very sincerely,


LORENZO M. TANADA


WILFRIDO E. DIZON


JAIME L. GUERRERO


JOKER P. ARROYO

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