

UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION

DOCKETED  
BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

In the Matter of )  
ILLINOIS POWER COMPANY, et al. )  
(Clinton Power Station, Unit 1) )

'83 FEB -7 M1:24  
Docket No. 50-461 OL

PRAIRIE ALLIANCE'S ANSWER IN OPPOSITION TO  
APPLICANTS' MOTION FOR SUMMARY DISPOSITION  
OF PRAIRIE ALLIANCE CONTENTION VI

Pursuant to Section 2.749 of the Rules of Practice of the Nuclear Regulatory Commission ("NRC"), Prairie Alliance hereby responds to the Motion for Summary Disposition of Prairie Alliance Contention VI (the "Motion") filed by Illinois Power Company, Soyland Power Cooperative, Inc., and Western Illinois Power Cooperative ("Applicants"). Applicants' motion for Summary Disposition should not be granted for the following reasons:

1. There remain disputed issues of fact which are neither resolved nor addressed by the Motion.
2. All of the facts and documents relevant to Prairie Alliance Contention VI (the "Contention") remain in the possession of the Applicants and have not been made available to Prairie Alliance.

In support, Prairie Alliance states as follows:

1. The motion should be dismissed because it fails to address all of the issues raised in the Contention. On November 10, 1982 the Atomic Safety and Licensing Board approved the Contention as follows:

General Electric recently announced that it will withdraw from the nuclear hardware market. The effects of this withdrawal have not been considered by the Applicants nor the Staff. This withdrawal is especially germane in light of Applicants' lack of experience in operating nuclear plants and its future need relative to plant servicing and design modifications mandated by present and future Commission regulations and orders.

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In its brief in support of the Contention, then Supplemental Contention 4, Prairie Alliance referred to an article in the December, 1981 issue of "Electrical Week" (attached as Exhibit 1) in which the Chairman and Chief Executive Officer of GE states that GE is withdrawing from the sale of nuclear power plants and nuclear steam supply systems.

The Applicants' Motion and the affidavit filed in its support by W.H. Bruggeman (the "Bruggeman Affidavit") contain only a general statement that GE has intentions of remaining active in the "nuclear business". The phrase "nuclear business", however, is extremely broad and could encompass all activities ranging from public relations to manufacture of reactor components. It remains unknown whether the Applicants or staff have fully considered the effects of GE's decision to stop supplying major nuclear hardware. It remains unknown whether GE will remain in a capacity sufficient to supply major components throughout the lifetime of the Clinton Power Station. It remains unknown whether major reactor components used in lieu of GE components can guarantee an acceptable level of safety. The precise terms of GE's service and maintenance obligations remain unknown.

The Bruggeman Affidavit and the Motion therefore fail to resolve and address issues of fact raised in the Contention.

2. The Motion should be dismissed because all of the facts and documents relevant to the Contention remain in the possession of the Applicants and have not been made available to Prairie Alliance. On January 5, 1983, Prairie Alliance filed a document entitled "Motion to Compel Production of Documents" (Exhibit 2) requesting Applicants to produce documents directly relevant to the Contention pertaining to contract agreements and correspondence between GE and the Applicants. To date, Applicants have not produced these

documents. Prairie Alliance has repeated this request for these and other documents in the form of a Request for Production of Documents, filed on January 28, 1983 (Exhibit 3). It would be extremely prejudicial to dismiss the Contention before discovery has been allowed or completed.

THEREFORE, because: 1. There remain numerous and genuine issues of fact raised by the Contention, and, 2. All of the facts and documents relevant to the Contention remain in the possession of the Applicants and have not been made available to Prairie Alliance, the Board should dismiss Applicants' Motion for Summary Disposition of Prairie Alliance Contention VI.

Respectfully submitted

BY:

Randall L. Plant

Jean M. Foy

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Prairie Alliance  
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DATED: February 3, 1983

UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION

In the Matter of

ILLINOIS POWER COMPANY, et al.

(Clinton Power Station, Unit 1)

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Docket No. 50-461 OL

STATEMENT OF MATERIAL FACTS AS TO WHICH  
THERE ARE GENUINE ISSUES TO BE HEARD

1. General Electric has announced it will no longer manufacture or supply major nuclear components.
2. The effects of General Electric's decision to no longer manufacture or supply major components of the Clinton Power Station have not been considered by the Applicants.
3. General Electric will not be in a position to supply major components for the Clinton Power Station throughout its lifetime.
4. Replacement components used in lieu of components manufactured by General Electric cannot guarantee an acceptable level of safety.

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## GE BOWING OUT OF NUCLEAR HARDWARE MARKET; WESTINGHOUSE WILL STICK

General Electric is bowing out of the nuclear hardware market, sees no domestic reactor orders in sight for a decade and expects to ship out its last nuclear steam supply system in 1986 or shortly thereafter. But the big diversified manufacturer will continue to compete aggressively in the nuclear plant servicing and nuclear fuel businesses including fuel reloadings. Westinghouse, the other major U.S. supplier of nuclear power plants, plans to stick it out — beating the bushes for overseas business until the domestic market comes back. With favorable shifts in political and regulatory attitudes, Westinghouse believes U.S. utilities could resume placing nuclear plant orders in four or five years. For other heavy electric utility equipment, the market ap-

praisals of the top men at GE and Westinghouse are less divergent.

Speaking before some 300 security analysts and newsmen in New York last Tuesday, GE chairman and chief executive officer John Welch said, "Our planning does not anticipate any new nuclear plant orders." He said GE would work off its backlogs and remain in the nuclear fuel and nuclear plant servicing businesses where it expects to turn a profit. "If we were starting again, we would not enter this business," Welch told his attentive audience.

Following the formal presentation, GE executive vice president and power systems sector executive Herman Hill said he expects to ship out the last of the nuclear plants now on order by the end of 1986. Contacted later, Hill said that would include the overseas orders for which GE is presently competing, but extended his deadline to "1986 or in that time frame." He said he doesn't foresee any U.S. nuclear plant orders being placed in the next decade, and he doesn't know whether the nuclear option in the U.S. will be revived after that. He said he will keep an engineering staff together for the servicing activity — hinting this could be a nucleus for expansion if GE sees things differently in the future.

At Westinghouse, power systems president Gordon Hurlbert said he still believes in "the nuclear imperative" and has faith that American citizens will arrive at the "right trade-offs" among safety, economics and fuel conservation. To revive the nuclear power option in the U.S., he said, "we must eliminate the uncertainties" now involved in the permitting process. "If some of these uncertainties are eliminated and inflation comes down," Hurlbert said, "we would expect to see nuclear orders placed by U.S. utilities within four or five years."

Meanwhile, Hurlbert said, Westinghouse will be working the overseas markets — Taiwan, Korea, Japan, England (which has studied the possibility of going to Westinghouse-type pressurized water reactors) and Italy. Noting that Westinghouse has already closed down its Tampa, Fla., nuclear component production facility, Hurlbert said steam generators and internals are being produced at its Pensacola, Fla., plant. He said the major disadvantage U.S. heavy equipment suppliers have in working the overseas markets is the lack of competitive financing through the Export-Import Bank or other institutions. For some of its overseas work, Hurlbert said, Westinghouse is turning to foreign "sourcing" — manufacturing components in countries which will furnish competitive financing for export deals. He said such "sourcing" may be suggested for U.S. equipment orders, but that will depend on how U.S. buyers feel about such arrangements. "It would take jobs out of this country," he said.

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NUCLEAR REGULATORY COMMISSION

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

In the Matter of

ILLINOIS POWER COMPANY, et. al.

(Clinton Power Station, Unit 1)

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Docket Nos. 50-461 OL  
 50-462 OL

PRAIRIE ALLIANCE'S MOTION TO  
 COMPEL PRODUCTION OF DOCUMENTS  
TO APPLICANTS

Prairie Alliance moves the presiding officer for an order compelling applicants, Illinois Power Company, Soyland Power Company, and Western Illinois Power Cooperative, Inc., to produce documents.

1. Identify and supply all contracts, including all subsequent amendments to date, between Illinois Power Company (IP) and General Electric Company (GE) relating to GE's obligation to carry out and supply hardware for all design modifications at Clinton Power Station (CPS) which may be mandated by present and future NRC decisions.
2. Identify and supply all contracts, including all subsequent amendments to date, between IP and GE relating to the maintenance and the replacement of components of the Nuclear Steam Supply System and associated nuclear hardware components supplied by GE at CPS.
3. Identify and supply all correspondence between IP and GE relating to GE's decision to withdraw from the nuclear hardware market.

Respectfully submitted,

BY: Randall L. Plant

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DATED: 5 January, 1983

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BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

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FOR PRODUCTION OF DOCUMENTS

1. Identify and supply all contracts, including all supplemental amendments to date, between Illinois Power Company (IP) and General Electric Company (GE) relating to GE's obligation to provide service, maintenance, and the replacement of hardware components at the Clinton Power Station (CPS).

3. Identify the divisions or departments at GE which have responsibility for the design, the engineering, the maintenance, and the construction of the:

- a) NSSS  
b) Turbine-generator



4. For the divisions and departments listed in 3(a) and 3(b), state the following:

a) Number of total employees in each department or division in 1970, 1975 and 1983, and anticipated number of employees in each department or division in the years 1983-1985 and 1985-1990.

b) Number of engineers employed in each department or division in 1970, 1975, and 1983, and anticipated number of engineers employed in each department or division in the years 1983-1985 and 1985-1990.

5. Identify the number of GE NSSS units sold in each of the last ten years. Identify and supply current forecasts for anticipated sales of GE NSSS units in the years 1983-1985, 1985-1990, and for 1990 and beyond.

Respectfully submitted,

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DATED: 28 January, 1983

UNITED STATES OF AMERICA  
NUCLEAR REGULATORY COMMISSION

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

In the Matter of	)	
	)	
ILLINOIS POWER COMPANY, <u>et al.</u>	)	Docket No. 50-461 OL
	)	
(Clinton Power Station, Unit 1)	)	

CERTIFICATE OF SERVICE

We hereby certify that copies of "PRAIRIE ALLIANCE'S ANSWER IN OPPOSITION TO APPLICANTS' MOTION FOR SUMMARY DISPOSITION OF PRAIRIE ALLIANCE CONTENTION VI" in the above-captioned proceeding have been served upon the following by deposit in the United States mail, first class, this 3rd day of February, 1983.

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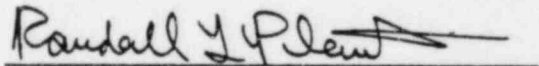
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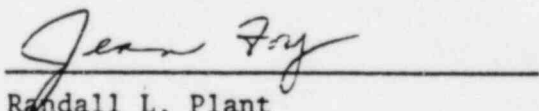
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