

Box 673
Shoreham, NY 11786
April 13, 1984

Mr. Nunzio Palladino, Chairman
Nuclear Regulatory Commission
Matomic Building
1717 H Street, N.W.
Washington, D.C. 20555

Dear Mr. Palladino:

We are enclosing materials with regard to the Shoreham Nuclear Power Plant in Shoreham, N.Y. We realize that our materials may not become a part of the NRC hearing process but we ask you to review our position.

We are concerned about efforts being made to discredit the NRC and its members. We believe that such efforts are an outrage and an insult to your integrity. We support the process which is in place for reviewing evidence on nuclear facilities.

You can count on our continuing support of that process. We thank you for your attention and we look forward to your reply.

Yours truly,

Pete Valley
Pete Valley
Vice President, OPEN, Inc.

OPEN, INC. POSITION PAPER

TO: *Mr. Nunzio Palladino*
FROM: OPEN, INC.
RE: THE SHOREHAM NUCLEAR POWER PLANT
DATE: *4/14/84*

OPEN, INC. is a non-profit group registered with the State of New York. A number of residents of the Shoreham and Wading River communities came together and organized for the purpose of expressing and supporting an opinion on the Shoreham Nuclear Power Plant. Our membership is open to anyone who wishes to join us in expressing our opinion. We now have members from other areas of Suffolk, from Nassau, and from upstate New York. The opinion of OPEN, INC. is:

THAT THE SHOREHAM PLANT SHOULD OPEN IF THE NUCLEAR REGULATORY COMMISSION DETERMINES THAT THE PLANT CAN BE OPERATED SAFELY.

This opinion is based on a thoughtful consideration of four important issues. This consideration can be summarized as follows:

I. POLITICAL-

We believe that an ill conceived short sighted, and politically expedient decision was made in Suffolk County, New York, by the County Executive with regard to the Shoreham Power Plant. The rigidity of this position has had the effect of preventing a reasonable and moderate consideration of the Shoreham question in Suffolk County. We strongly believe that the State and Federal government should become actively involved in the resolution of the Shoreham question.

II. SAFETY-

We believe that the issue of safety has assumed a dangerously high emotional tone. The emotionality has had the effect of preventing a rational and scientific consideration of the SAFETY issue. We believe that unjustified fears have been aroused in a purposeful attempt to support the ill conceived position of Suffolk County against the opening of the Shoreham plant.

III. ECONOMIC-

We believe that the abandonment of Shoreham will have disastrous economic consequences for Suffolk County and for all of Long Island.

IV. SOCIAL/EMOTIONAL-

We believe that a climate of fear, anger, and anxiety has been created by the opponents of the Shoreham plant. This climate has had the effect of inhibiting the expression of rights and opinions in the public forum. The climate of fear, anger, and anxiety has also prevented the proper consideration of a great body of scientific experience and knowledge.

WE URGE YOU TO SUPPORT OUR POSITION
BY HELPING TO FACILITATE THE ADOPTION OF
AN EMERGENCY PLAN AND BY SUPPORTING THE ORDERLY
CONTINUATION OF THE NRC LICENSING PROCESS

THE CASE FOR SHOREHAM
OR
SHOREHAM SHOULD OPEN, IF

Shoreham and Wading River are two small communities on Suffolk County's North Shore whose residents have been caught in the swirl of controversy which surrounds the Shoreham Nuclear Power Plant. Some of us in these communities have come together for the purpose of attempting to communicate our opinions to those people who are, or will be involved in making decisions about the fate of the Shoreham Plant.

It took a while for us to come together. We gathered in a rather spontaneous manner. We had been witnessing a series of events which would have a huge impact on our lives and the lives of our children. We had experienced feelings of frustration, anger, and worst of all, helplessness. We had seen political posturing and political petulance. We had heard about conclusions based upon fear and anxiety factors. We came together and decided that we were fed up with what was happening to us.

Since we came together, we have formulated an opinion on the Shoreham Plant. Our opinion is: that the Shoreham Plant should open if the Nuclear Regulatory Commission determines that the plant can be operated safely.

In the process of formulating this opinion, we

carefully considered four important issues. These were: Political, Safety, Economic, and the Social/Emotional issues. These issues are interwoven in the complex of the Shoreham controversy. Since political decisions have been made, and will continue to be made regarding the Shoreham plant, we began with the Political issue.

When a person seeks to be elected, or re-elected to public office, he or she attempts to convince the voting public that he or she is the most worthy. Toward that end, public office seekers employ what they perceive to be the most effective means. We believe that our County Executive, Mr. Cohalan, seized upon the Shoreham Nuclear Plant controversy and took a position against the plant which he felt would help him to be re-elected. We do not believe that he carefully considered the long term impact of his position. Although Mr. Cohalan won the election, his hoped for landslide did not occur. His relatively narrow margin of victory should have alerted him to the fact that his stance against Shoreham was not as popular as he had hoped. Instead of rethinking the Shoreham question, he continued to plunge ahead without sufficient regard for the consequences. As a result, we believe that he has been responsible for spending millions of taxpayers' dollars in an effort to justify and bolster his position. He has painted himself into a political corner and dragged the taxpayers of Suffolk County with him. We strongly feel that the people of

Suffolk deserve, and should demand, a more prudent and judicious approach to this serious situation.

Our sense of outrage has been heightened by the behavior of Mr. Cohalan's deputy, Mr. Jones. We did not elect Mr. Jones but he apparently feels that election is not a necessary condition for his wielding of power. We are thus faced with a sorry state of affairs on the County level of government. Any sincere attempt at meaningful discussion about the Shoreham plant on the Suffolk County level is met with a series of patronizing quips and one-liners and sometimes followed by the expenditure of more taxpayer dollars for the purpose of creating or sustaining more obstacles or delays to the resolution of the Shoreham situation. Any person or group that disagrees with the Cohalan position is likely to be described as a tool of LILCO. (In the 3/29/84 issue of Newsday, there is a story on page three entitled "NRC Chief Urges Speedup On Shoreham." Mr. Frank Jones is quoted as follows: "It concerns us deeply to find the Chairman of the Nuclear Regulatory Commission talking about the quote - need - to expedite hearings on Shoreham. We would ask Chairman Palladino, whose need? LILCO's or the public's?") This is an example of what Mr. Jones apparently thinks is a clever response. We can cite many other examples of Mr. Jones' flippant and irresponsible quotes. It is also an example of the shoddy practice of attacking responsible people. The

Chairman of the NRC is in effect described as a lackey of LILCO.

Mr. Cohalan has not proved to be equal to the task of political leadership. He has violated one of the best traditions of the American political system - the tradition of flexibility and compromise. Fortunately for us, we do have recourse. Our ancestors anticipated the problem of political rigidity and poor leadership. They developed a multi-level system of government. Another level of government can be looked to, by the victims. It is possible to correct, or compensate for, the mistakes of lesser men. We can look to our State government where the spirit of compromise and common sense is still alive and well.

We appeal to the Governor and our State Legislature to address the Shoreham controversy. The State level of government should, and must, respond to the Shoreham question. They cannot stand by and watch the debacle at the County level.

The Federal Government must also be more involved in a judicious and prudent approach to the Shoreham question. Shoreham is not a state's rights problem that can be ignored on the grounds that Federal involvement would be intrusive. The Nuclear Regulatory Commission is already part of the Federal Government. Our elected officials on the Federal level must become actively involved in the Shoreham question.

Our consideration of the Political issue has convinced us that an ill conceived and politically expedient decision has had the effect of preventing a reasonable and moderate consideration of the Shoreham question in Suffolk County. Millions of dollars of taxpayers' money has been expended to support this shortsighted and ill conceived decision. One does not have to expend large sums of money to support a position based upon reason, facts, and common sense. Unfortunately for us, Mr. Cohalan did not take such a position.

We believe that a consideration of the Safety issue, the Economic issue, and Social/Emotional issue will demonstrate that the active involvement of State and Federal government is both needed and appropriate.

We are all concerned about the Safety issue. Our group does not support the opening of the Shoreham plant if the Nuclear Regulatory Commission does not rule that the plant can be operated safely. We are confident that the ruling will be based upon a thoughtful consideration of the facts. We are very concerned about those who would attempt to influence the Commission ruling with rhetoric, unjustified speculations, or with arguments based on fear and anxiety. We do not believe that the adequacy of an evacuation plan is a necessary part of a deliberation on plant safety. We will first address the Safety issue and then discuss the question of an evacuation plan.

The first nuclear power station in the United States opened in the late 1950's. There are over 70 nuclear power plants in the United States with operating licenses and about 300 worldwide. Our neighbors across Long Island Sound and in the rest of New England have learned that nuclear power is safe and reliable. A large percentage of the electric power in New England is generated by nuclear power. France and Japan seem determined to secure their nations' energy independence through the development of nuclear power.

Yet, Mr. Cohalan has chosen to ignore the positive aspects of the nuclear power record. Instead, he has concentrated on the fearful images of nuclear catastrophe thereby creating widespread concern. Other opponents of the Shoreham plant also seek to maintain a high level of fear in the public mind. What are the consequences of a nuclear accident?

It is very important to make it clear that a power plant nuclear accident would not result in a Hiroshima or Nagasaki type explosion. We believe that there are people who think that a devastating explosion is a possible result of a nuclear power plant accident. Responsible officials should make it clear that this is not the case. If public officials do not make this clear, they are not being honest or responsible.

The most serious consequence would be the escape of

radiation into the surrounding area. The escape of radiation resulting from a power plant nuclear accident is justifiably perceived as potentially dangerous. For this reason, the Nuclear Regulatory Commission has assigned field staff to monitor the construction and operational procedures at the Shoreham facility. These "on site" people must report to the Commission. Certainly their assessments are as reliable, and expert, as the theories and charges of those who contend that safety has not been a priority in the construction of the Shoreham plant.

Despite findings based on Nuclear Regulatory Commission staff assessments, opponents of Shoreham have constantly clamored about alleged hidden construction flaws or other defects. These allegations have been based upon word of mouth stories and rumors. Mr. Cohalan and other opponents have chosen to base their concern about safety on charges which have already been found to be false by the Nuclear Regulatory Commission. How can this be? The answer is quite simple, Mr. Cohalan and other Shoreham opponents simply dismiss any opinion which is not in agreement with their own.

Another safety related aspect is related to the question of risk. Many studies estimating the probability of a serious accident at a nuclear plant site have been made. All of these studies indicate that the likelihood of a nuclear plant accident which would result in death to

people as the result of high radiation levels is extremely low. Even the consultants hired by Suffolk County estimated this risk to be about one in a million per year. This is about the same as the risk of having a meteorite fall on us and strike us dead. We do not believe that this is the type of risk factor that should lead us to abandon an electrical generating station which could be so important to Long Island.

In spite of this low risk factor, Mr. Cohalan and other Shoreham opponents insist on absolute safety. This is nonsense. Safety cannot be guaranteed in any activity that we engage in. Mr. Cohalan cannot guarantee absolute safety to himself or other people working in his office building. The building could collapse or be attacked by fire. All of us live with risks and accept them because we know that they are unlikely. If the Nuclear Regulatory Commission rules that the Shoreham plant can be operated safely, it will have determined that there is minimal risk to any of us living in Shoreham, Wading River or elsewhere.

When one considers the safety of the Shoreham plant, it is legitimate to ask questions about what would be done to protect people who live in close proximity to the plant if there were a dangerous and life threatening nuclear accident. Provisions for protection and/or evacuation certainly must be considered. The question of an evacuation plan has been perhaps the most controversial of any of the

questions about the Shoreham nuclear power plant.

We do not believe that it is impossible to develop an adequate evacuation plan for Shoreham. The County's approach, after Mr. Cohalan's decision to oppose the Shoreham plant, has been to declare that all Long Island would be in danger. This is not true! If a serious accident occurred at Shoreham, only those people living a few miles from the plant would have to be evacuated. Others in the emergency planning zone (a ten mile radius from the plant) should stay in their homes with the doors and windows closed until the emergency is over. Other people on Long Island could go about their business. The risk falls off very quickly as the distance from the plant increases. The main point is that we simply do not have to evacuate Long Island or Suffolk County.

Since opponents of the plant do not seem to be concerned with scientific data and fact, they ignore the evidence and persist in trying to convince the public that a mass evacuation would be necessary in the event of a serious accident at the Shoreham plant. They then employ the transparent reasoning that the area's "unique geography" makes a large scale evacuation impossible. This is nonsense!

If Suffolk County was interested in seriously developing an evacuation plan based upon the erroneous contention that a large scale plan was necessary, such a

plan could of course be developed. Such a plan would lead the County to request the involvement of the resources of New York State and the Federal Government.

It is difficult to accept the premise that a country with our technological capacity and resources could not develop and implement a plan which could quickly move a large number of people a distance of ten miles. As this is being written, the television news is reporting that Governor Kane of New Jersey is calling out the National Guard to help evacuate people from areas of the Jersey shore who are being threatened by a severe storm. There have been many instances of National Guard units being mobilized during disasters. Obviously an adequate evacuation plan should include the many resources available such as the National Guard or other reserve military units.

Sometime back a person wrote to Newsday and described the British evacuation of Dunkirk in May, 1940, as an example of an evacuation which was successfully completed because those planning and executing it had the will and determination to do it. If 350,000 people could be evacuated by sea under heavy attack during bad weather in 1940, then it is certainly conceivable that people living within a ten mile radius of Shoreham could be moved, or directed to move, in a successful evacuation in 1984. The evacuees would certainly not be disciplined military units but they certainly would be able to follow a well organized

and well staffed plan.

In summary, the Safety issue has been distorted by Suffolk County and other Shoreham opponents. Facts and substantive data have been ignored and replaced by questionable arguments which appeal to fear and anxiety.

The next issue to be considered is the Economic issue. There certainly are Economic consequences, and serious ones, involved in the Shoreham controversy. There has been a great deal of discussion with regard to the Economic impact of the abandonment of the Shoreham nuclear power plant. Mr. Cohalan would have us believe that the economic impact would not be very serious. Various numbers have been bandied about, sometimes in an almost jocular fashion. The quipsters in Hauppauge had been rather blase about the issue, until quite recently. Now the residents and elected officials of the entire Town of Brookhaven are faced with the harsh reality of a 28% loss of tax revenue. If the plant is abandoned, Town taxes will have to be increased 40% to make up for this revenue loss. The other alternative will be drastic program cuts which means the loss of many jobs. All of the residents of Suffolk County will soon be faced with the same harsh facts. Suffolk County will lose 8% of its present revenues. Mr. Cohalan has to prepare a budget for the next fiscal year. For a number of reasons, a large deficit situation is very likely. The disastrous financial plight of the Southwest Sewer

District is one reason. (Mr. Cohalan used the issue of the Southwest Sewer District to gain the nomination, and to subsequently run for County Executive. That political decision of expediency has apparently not translated into the leadership necessary for the resolution of the Southwest Sewer District problem.) The fact remains that because of fiscal commitments which must be kept, the Suffolk County Government is faced with the prospect of levying a substantial tax increase on its already over-taxed citizens. The prospect even looms of Suffolk County becoming the owner of an abandoned nuclear plant which had previously generated a significant amount of tax revenue. Mr. Cohalan must now spend more of the taxpayers money to pay for the legal costs incurred in the effort to obtain the withheld tax revenue from LILCO. This issue is so serious that the State of New York has also entered the legal battle to obtain the money. It is quite revealing to us that Mr. Cohalan Did not anticipate the possibility of such a situation. After all, an effective elected official can be expected to have some sense of the long term effects of his or her positions and policies. This is not too much to ask. Suffice it to say the loss of tax revenue from the Shoreham nuclear plant will have a disastrous effect on the people of Suffolk County who are already among the most highly taxed in the nation.

The impact of the Shoreham plant in terms of electric rates has also been the subject of a great deal of

discussion. The abandonment of Shoreham will result in increased costs to ratepayers in Nassau, Suffolk and part of Queens. The magnitude of the increased costs is really the only contested issue. The bottom line is that all of us served by LILCO will pay more, if Shoreham is abandoned.

Opponents of Shoreham have recently come up with some rather strange figures which suggest that rate increases will be less if Shoreham is abandoned. Can anyone seriously be expected to believe that LILCO could reduce rates after sustaining an investment loss of over 4 billion dollars?

Opponents of Shoreham claim that we could substitute "cheap hydro-electric power" from up north for the expensive LILCO power. One should ask about the practical implications of such a possibility. Apparently the supporters of the substitution of "cheap hydro-electric power" would have us believe that such power would be magically available when needed. Would it really be cheap? Would the construction of transmission lines be automatically approved by those communities which would have these lines passing through their midst? What safety factors are involved with high voltage transmission lines? Is the state of transmission line technology advanced enough to prevent significant power loss over long distance? Can anyone seriously believe that the people of upstate New York and their elected officials would support the diversion of hydro-electric power to an area which has a brand new

nuclear generating plant sitting idle? Mr. Cohalan and Shoreham opponents apparently believe this, but they are not in the habit of considering the facts, reason, and common sense.

One very real possibility is also the bankruptcy of LILCO. Some say that this would be acceptable and even desirable. Why? The stockholders would certainly be hurt. We would ask about the problem a family might have if they planned their retirement in such a way that their LILCO stock would constitute an important source of income. We do not believe that the demographic profile of LILCO stockholders would indicate uniformly great wealth.

LILCO is apparently seeking sources of funds. Should LILCO be "bailed out" by some public sector scheme? We do not know the answer to that question. We do know that New York City was "bailed out." We know that the Chrysler Corporation was "bailed out." The reasoning for these "bail out" precedents involved the impact that bankruptcy would have on the local economies involved and also the impact on the national economy. The efficiency of management was certainly not the primary consideration. Perhaps a person of the caliber of a Felix Rohatyn might be available to formulate and help implement a financial plan which would provide for LILCO solvency. A "Big Mac" type of scheme might be developed.

We are not ardent admirers of LILCO. The company must

get its corporate house in order and operate on a more efficient and effective basis. We also do not believe that LILCO bankruptcy is a desirable, or productive goal at this time.

One final economic consideration involves the question of national energy policy as it might relate to Shoreham. At the present time, oil is plentiful and relatively cheap. Will this situation prevail into the foreseeable future? The situation in the Middle East is hardly conducive to a great sense of security about the long term availability and price stability of oil. Shoreham should be viewed in the context of national energy policy.

What about the economic effect of Shoreham's abandonment on human beings in the local area? There is a real possibility that small businesses will fail, that homeowners will lose their homes, that children will be hurt. Is this supposed to be a desirable goal for anyone?

The final issue which we wish to address is the Social/Emotional issue. We feel that this issue is extremely important in the context of the Shoreham nuclear power plant controversy.

We believe that there exists a very distorted and negative Social/Emotional climate with regard to Shoreham. We, as residents of the communities of Shoreham and Wading River are outraged by this climate. Because we have derived economic benefit from tax revenues, we have been attacked

and ridiculed. Other communities derive tax revenues from large industries and commercial properties. Our community has no such resources. We are described as "fat cats" who are reaping benefits at the expense of other residents of Long Island. In fact, we are a largely middle class community who want the best for our children, just like everyone else. Most of us work hard, and many of our families have both parents working.

We have not been kind to Mr. Cohalan in our considerations but he has made decisions and taken positions which we feel were wrong. What did we do to hurt anyone? If we choose, and we have done so, to express our views on Shoreham, we are dismissed because our motivation must surely be suspect. "Oh, they are just looking out for their tax revenues, they can't be taken seriously." We did not come together for the exclusive purpose of protecting our pocketbooks. We came together because to our amazement, it appears that the Shoreham controversy might be resolved on the basis of emotional factors alone. The atmosphere of fear and anxiety is staggering. Facts and reason have taken a back seat. There are several examples of this in social and emotional terms.

The first example involves the evacuation question. One of the factors that has had a bearing on this question is the possible behavior of emergency personnel in the event of disaster. In spite of a long national history of

effective community response to disaster and crisis, we are now supposed to be convinced that designated emergency personnel would cut and run if there were a nuclear accident emergency. We are to be convinced that it would be every person for himself, that a howling, panic stricken mob would be fleeing in total disarray in the event of a serious emergency situation. Is the frightening stealth of escaping radiation so mind boggling that people would be at their worst? People are capable of giving their best, not their worst. Is the escaping radiation more frightening than a howling hurricane, a relentless flood, a large explosion, or being in a fox hole at Bastogne in 1944? If it is, it is because of fear of the unknown. It can't be seen, it can't be smelled. It can be measured, medications are available to make its effects less serious, it can be responded to in a crisis.

Another example has already been mentioned. This involves social divisiveness, hostility and selfishness. Proponents of the Shoreham plant are simply dismissed because they are lackeys of LILCO, because they are motivated by monetary factors, because they are selfish. If one lives in Shoreham and Wading River and is a proponent of the Shoreham plant, one's credibility is at best dismissed, and at worst attacked, or both. Even an internationally renowned institution, Brookhaven National Laboratory, has fallen victim to the emotional climate which exists and

which is sustained. There is a tremendous concentration of nuclear expertise and scientific knowledge at Brookhaven National Laboratory. Scientists there are known and respected all over the world because of their expertise. In the view of Shoreham opponents, any person who works at Brookhaven National Laboratory and who is a proponent of the Shoreham plant, is dismissed as "pro nuclear." We have witnessed the incredible spectacle of technological expertise and scientific knowledge being dismissed in the Shoreham controversy. The opponents of Shoreham have purposely created a climate of fear and anxiety to suit their purposes. Their tactics dictate that they must try to discredit anyone who opposes them. They know that they cannot rely on facts, reason, and common sense.

We will be involved in the debate from now on. We are not second class citizens who do not have the right to be heard. We will not go away and be quiet any longer. We will work hard to communicate our opinion to others. It took a while for us to come together, but together we are.

OPEN, INC.

4/10/84

ECONOMIC CONSEQUENCES OF SHOREHAM'S ABANDONMENT

Studies undertaken by Suffolk County, LILCO, the Hudson Institute, Coopers and Lybrand, and the Marburger Commission all report results that indicate the serious negative economic consequences which would result from the abandonment of the Shoreham Nuclear Plant. Among these consequences for Long Island are the following:

1. Electric Rates- The residential electric ratepayer would pay an increase of \$856 over the first ten year period.
2. Business and Industry- There would be a decline in business output of \$500 million increasing to \$1.2 billion by 1993. This would represent a total loss of \$8.3 billion dollars for the first decade following abandonment.
3. Jobs- There would be a loss of 4,500 jobs in each year from 1984 to 1993 for a total of 45,000 lost jobs for the first decade.
4. Labor and Proprietor Income- There would be an income decline of \$133 million in the first year increasing to \$331 million by 1993. This would be a total income loss of \$2.4 billion in the first decade.
5. Tax Revenues- Tax revenues paid to local schools and government would decrease by \$4.1 billion over the 30 year period in which the plant would have been operational. To make up for the loss of revenue, tax increases in the first year could be as high as 400% in the local school district; 40% in Brookhaven Town; and 10% in Suffolk County. Taxes are levied on electricity no matter where it is generated.
6. Education- The Shoreham-Wading River School District would require a large increase in state aid in order to survive as a viable system. This would mean less state aid for other districts and have a resultant negative impact on them. BOCES I costs paid by districts would also increase substantially.
7. The Cost of Borrowing- Local government and businesses would have to pay much higher rates to borrow money for survival.

We ask the question: Can the Economy of Suffolk County and the rest of Long Island remain healthy in the face of these consequences? The answer is a resounding no!