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STATEMENT OF FRANK G. ZARB  
ADMINISTRATOR  
FEDERAL ENERGY ADMINISTRATION


before the

Subcommittee on Reports, Accounting and Management  
of the  
Senate Committee on Government Operations  
July 31, 1975

Introduction

Mr. Chairman and distinguished members of the subcommittee, I appreciate the opportunity to appear before you today on behalf of recent actions taken by the Federal Energy Administration pursuant to the recommendations of the President's Labor-Management Committee.

Several months ago we appeared before you on behalf of the Utilities Act of 1975, Title VII of the Energy Independence Act. At that time, we urged support of this measure in order to combat the unprecedented financing crisis facing the electric utility industry. The financial aspect of the crisis has abated somewhat during the last few months but the utility industry continues to contend with financing problems and major uncertainties in regulatory, environmental, consumer and energy conservation issues.



One problem which is costly to consumers and adversely effects the Nation's energy and economic objectives, is the long lead time required to construct electric power plants.

In response to this situation, the President's Labor-Management Committee recommended and the President endorsed a series of legislative and administrative measures aimed at increasing electric utility construction and output. To quote the Committee's report:

"Since electric utilities require a number of years to get new plants on stream, the current slippage of schedules and cancellation of new facilities may be expected to result in future energy shortages and serious restrictions to economic expansion. It is imperative that there be substantial restoration of construction of electric utilities at once. Special measures are needed to shorten significantly the very long lead time which now exists between the design of a project and its completion."

Public announcement of the Committee's recommendations was made on June 13.

The major administrative action proposed by the Committee was the establishment of a "small task force of experts to discover the impediments to the completion of electric utility plants and to take steps to relieve the particular situation whenever possible." It was announced



that the task force would be formed on August 1.

I envision the task force as a positive, action-oriented group designed to alleviate problems impeding or delaying construction on a plant specific basis. The task force will focus on removing impediments, where feasible, to the construction of those power plants which have received approval for construction by state public utility commissions. The public's need for the energy exists, as evidenced by the state commissions' approvals. But, for a variety of reasons, the construction of the approved plants may have been delayed or postponed. Inevitably, when this takes place, it is the electricity consumer who suffers through higher utility rates. Inflation during periods of delay drives up the costs of construction. As costs increase, so does the amount of interest paid on the costs of construction. Thus, a much larger amount ultimately goes into the rate base when the completed plant is placed in service.

#### SURVEY EFFORTS

In anticipation of the formation of the task force, FEA, for the past month, conducted a preliminary fact-finding survey of power plant construction problems on a plant specific basis. The purpose of the survey was to provide an information base for the task force to use as it may deem appropriate. The task force may evaluate

these problems, verify them more extensively and make specific recommendations.

I want to emphasize that the survey effort was a simple fact-finding endeavor, not a problem-solving one. The project was initiated on June 18 with data collection completed by July 17. Within this very short time frame, a tremendous amount of data was accumulated, cross-checked, analyzed and condensed. A draft of the final report will be available by August 1.

The effort was manned by approximately 70 FEA staff members with assistance from the Office of Management and Budget, Federal Power Commission, and Nuclear Regulatory Commission. There were two major aspects of the project: (1) the field team interviews and meetings, and (2) the validation of interview data by Washington office personnel.

Prior to the actual interviews, preliminary data was gathered on each utility surveyed and a trial "run-through" of the interview process itself was held with Baltimore Gas and Electric Company on June 30, 1975. Immediately thereafter, the members of the field teams were briefed extensively on the substance, techniques, and intent of the survey.



At this same time, we contacted, by phone, telegram or letter, a number of industry representatives and public interest groups informing them of the survey and requesting their assistance. On July 3, we notified the National Governor's Conference and, on July 7, the National Association of Regulatory Utility Commissioners. On July 3, we sent a telegram to all State Public Utility Commissions explaining the purpose of the survey and requesting the assistance of state regulatory agencies in fact-finding and verification of data (see Attachment A). We notified the chairman of the FEA Electric Utility and State Regulatory Advisory Committees by phone. On July 8 a press release (see Attachment B) was issued.

On June 30, we sent telegrams (see Attachment C) to 72 major utilities with 230 generating units (see Attachment D). From July 7 to July 16, these utilities were interviewed in one of two ways:

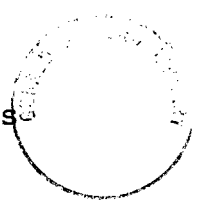
- 44 utilities were visited by 10 field survey teams and interviewed at their offices, and
- 28 utilities were interviewed at meetings conducted at FEA Regional Offices.



The survey teams were assigned to areas roughly corresponding to the ten FEA regions. Each team attempted to visit a coal plant or a nuclear plant under construction, in addition to their general utility meetings. A sample copy of an interview data sheet is attached (see Attachment E).

In addition, the Consumer Affairs/Special Impact Representative in each of our 10 Regional Offices was requested to arrange to have our field teams meet with representative consumer and environmental groups in each Region. Although the survey teams met with 27 consumer and environmental organizations throughout the country. In two instances, special visits were made after the formal surveys had been completed to accommodate those groups requesting such a meeting. (A list of such groups is attached as Attachment F).

Several of these organizations expressed skepticism about the purpose of the survey and the proposed task force. Many initially did not want to participate in our meetings or found the limited time frame inconvenient. We encouraged their participation and attempted to work out a schedule agreeable to all parties. Our survey teams emphasized that the FEA role in this effort was that of a listener. We urged them to be honest and open about their problems and suggestions.



In various offices in Washington, we met with representatives of the construction industry, equipment manufacturers and representatives of various financial institutions (see Attachment F).

To support the efforts of our teams in the field, a central office staff was organized and manned with experts assigned to particular generic problem areas. Interview data was transmitted daily by facsimile from all over the country. The data was then compiled, cross-checked and verified with others familiar with the presumed source of the problem. For example, if a utility cited a certain environmental regulation as an impediment to a construction project, the FEA staff member would discuss the problem with a contact at EPA and get the "other side of the story," so to speak.

After verification of the data as indicated, the survey staff prepared an analysis and discussion of each generic problem, its background and recommendations. This report is being printed now and will soon be available to the public.

#### SURVEY RESULTS

Basically, the survey produced no great surprises or revelations. It is apparent that there are no quick





or easy solution to plant delay problems. If we did, however, provide a front-line forum for people to present their ideas and comments. Both utilities and public interest groups emphasized to us the need for meaningful communication and a continuing forum for dialogue. The very existence of the task force could prove to be a positive step in this direction.

The survey data revealed that current delays in construction are primarily due to:

- 1) financing problems,
- 2) demand uncertainties and
- 3) regulatory processes based on legislative requirements.

None of these problem areas is amenable to rapid solution by the task force. Other areas, such as labor and equipment shortage problems, were cited infrequently as the causes of delay. If, however, the economic situation changes, these problems will likely multiply.

The time available for the survey and its basic intent limited extensive documentation. We concentrated, instead, on determining the validity of the generic problems and delineating the specific problems of each plant surveyed.

#### CONCLUSION

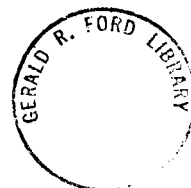
We believe that this survey effort has been a positive thrust forward in its own right, as well as



as a starting point for the Task Force. It was not set up to solve any problems or to pre-empt legal actions. We did attempt to compile as much factual information as we could on delay problems confronting specific plants.

The Task Force should begin its work with a strong informational base. Utility input is essential to any proposals for resolution of delay problems, but the Task Force, to be effective, needs input from all groups with knowledge concerning specific problems impeding construction of plants in the advanced planning or construction process.

Construction delays are caused by a variety of factors in varying degrees and combinations. No one factor operates in a vacuum. Instead, each is formed and molded by the particular environment in which it exists. The proposed solution, therefore, must recognize the unique circumstances of each plant. For this reason, every effort must be made to precisely identify the specific problem faced by each plant. Since different people have different perspectives, every effort was made to discuss problems with as many knowledgeable people as possible.



In the final analysis it is the consumer who stands to benefit from the actions of the Task Force. Construction delays and postponements are costing consumers millions annually in the form of higher rates when the plant is finally placed in service. We are all aware of the effect inflation has had on labor and construction costs in recent years. Consider this in light of the time needed to license, design and construct a nuclear plant. Ten years of rapidly increasing costs! These costs must be paid somehow, and this readily translates into higher rates and irate consumers. The risk and economic costs to society of having a plant on line one year early are far less than those resulting from a one year delay.

We do not claim that the Task Force will be able to restore the days of cheap electric power. But we do believe that, by expediting construction projects, the inordinate costs of delay will be minimized. And the consumer will ultimately benefit through lower electricity rates.

Since many of the delayed plants surveyed are coal or nuclear, eliminating construction impediments will have a positive effect on national energy policy as well. Putting these plants on line quickly will help to reduce reliance on our scarce, expensive and insecure



supplies. We will thereby advance National energy goals as well as strengthen our economy through efforts to assure adequate future supplies of power.

The FEA will continue to provide any support requested by the Task Force. We believe that the constructive, positive action evidenced by the survey will continue with the functioning of the Task Force. All parties involved thus far in this effort have much to gain and much to contribute. The use of electric power is becoming more and more important. Now is the time to channel its development in a positive manner to the benefit of all groups, and ultimately to the benefit of the Nation's energy future.



Mr. Paul Rodgers  
Administrative Director  
and General Counsel  
National Association of  
Regulatory Utility Commissioners  
Washington, D.C. 20044

Dear Mr. Rodgers:

For your information, I am enclosing a copy of a teletype, dispatched to all Public Utilities Commissions in the continental United States, concerning a survey being conducted by the Federal Energy Administration of utilities which have experienced delays or cancellations in plant construction.

Sincerely,

15/  
Robert G. Davis  
Deputy Director  
Office of Intergovernmental, Regional  
and Special Programs.

Enclosure

FMA:JSeymour:kc:7/3/75



*J. Seymour*

ALL 875

Mr. Edmund F. Rovner  
Energy Project Director  
National Governors' Conference  
1150 - 17th Street, N.W.  
Washington, D.C. 20036

Dear Mr. Rovner: We have endorsed a recommendation of this kind.

For your information, I am enclosing a copy of a teletype, dispatched to all Public Utilities Commissions in the continental United States, concerning a survey being conducted by the Federal Energy Administration of utilities which have experienced delays or cancellations in plant constructions.

Sincerely,

*RS*  
Robert G. Davis  
Deputy Director  
Office of Intergovernmental, Regional  
and Special Programs

Enclosure

*cc: Rodgers  
Natl. Assoc. of Regulatory  
Utility Commissioners*

FEA:JSeymour:hc:7/3/75



GRAPHIC MESSAGE

NAME OF AGENCY Federal Energy Administration Office of Intergovernmental, Regional and Special Programs 12 & Penn. Ave. N.W., Wash. D.C. 20461	PRECEDENCE  ACTION:  INFO:	SECURITY CLASSIFICATION
ACCOUNTING CLASSIFICATION	DATE PREPARED July 3, 1975	TYPE OF MESSAGE <input type="checkbox"/> SINGLE <input type="checkbox"/> BOOK <input checked="" type="checkbox"/> MULTIPLE-ADDRESS
FOR INFORMATION CALL		
NAME Robert Davis, Deputy Director, IRSP	PHONE NUMBER 202-961-6041	
THIS SPACE FOR USE OF COMMUNICATION UNIT		

MESSAGE TO BE TRANSMITTED (Use double spacing and all capital letters)

TO: PUBLIC UTILITIES COMMISSIONS (SEE ATTACHED LIST)

On June 13, 1975, President Ford endorsed a recommendation by his Labor Management Committee that a task force be established "to discover impediments to the completion of electric utility plants and to take steps to relieve this particular situation whenever possible."

This task force effort will begin on August 1, 1975.

To guide the formation and direction of this effort, the Federal Energy Administration (FEA) is making a survey of utilities which have experienced delays or cancellations in plant construction. The purpose of this survey is to:

- a. define and understand the explicit nature and status of current problems on a plant-specific basis,
- b. determine what actions are now being pursued and what actions the task force could undertake to alleviate the problem, and
- c. determine the impact (such as increased employment, earlier on-line date, etc.) which would result from resolution of the problem(s).



SECURITY CLASSIFICATION	
PAGE NO.	NO. OF PGS.

Beginning Monday, July 7, I am sending FEA survey teams to meet with executives of those utilities where preliminary information indicates power plant delays or cancellations have occurred. The survey is expected to be completed by July 19.

Since state regulatory agencies having jurisdiction in this area may be contacted by FEA personnel regarding the fact-finding and verification effort, I feel that you should be aware of the background and purpose of this project. If you need any additional information, please call Mr. Arthur M. Hughes, the Director of our Operations Center for this project. His number is (202) 951-3213.

Your cooperation and assistance in this program will be appreciated.

John Hill  
Deputy Administrator







FOR IMMEDIATE RELEASE

JULY 8, 1975

## TEAMS TO SURVEY POWERPLANT CONSTRUCTION PROBLEMS

Seventy utility companies which are experiencing delays in construction of vital new facilities will be surveyed to determine the source of their problems, the Federal Energy Administration announced today.

Utilities with three or more problem plants will be visited by FEA survey teams this week, and representatives of other major utilities will meet with agency officials at FEA regional offices July 14 and 15, to provide needed data.

FEA Administrator Frank G. Zarb said, "the purpose of this survey is to provide a comprehensive base of information for a task force (members yet to be named) on utility construction problems which will begin operation on August 1."

The task force was recommended by the President's Labor-Management Committee in its recent meeting at the White House, and the recommendation was adopted by President Ford.

"Because powerplant expansion is a necessary forerunner of an improved national electrical energy capacity, these construction problems take on major significance," Mr. Zarb said. "We are pleased to assist the task force in gathering this necessary information."

Key executives of major utilities have pledged their support to the data collection effort. Other Federal agencies, including the Departments of Labor, Commerce and Interior, the Office of Management and Budget, the Federal Power Commission and the Environmental Protection Agency, are providing vital assistance. Industry suppliers, architectural engineering firms, and investment bankers will meet with FEA representatives this week.

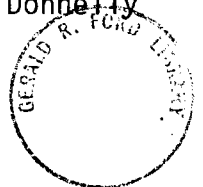
Cooperation from the public and private sectors will make this program a major step toward resolving the long-range problems confronting the future development of utilities, Administrator Zarb noted.

-FEA-

Media Inquiries: (202) 964-4781  
Press Room: 964-3538

Media Contact: John Donnelly

FE-75-226; 07027, 07029



## TELEGRAM

On June 13, 1975, President Ford endorsed a recommendation by his Labor-Management Committee that a task force be established "to discover impediments to the completion of electric utility plants and to take steps to relieve this particular situation whenever possible." This task force effort will begin on August 1, 1975.

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- b. determine what actions are now being pursued and what actions the task force could undertake to alleviate the problem, and
- c. determine the impact (such as increased employment, earlier on-line date, etc.) which would result from resolution of the problem(s).

I need the results of this survey by Saturday July 19, 1975. To achieve this objective, we would like to send an FEA survey team to meet with appropriate members of your staff during the week of July 7, 1975. Within the next few days, an FEA representative will call your office to obtain the name of your designee who can make the necessary meeting arrangements. If you have any questions regarding this program, please call Don Craven at (202) 961-8471, or Robert Hanfling at (202) 961-8454, who are directing the effort on my behalf.

Your cooperation and assistance in this first step of a positive, action-oriented program, are appreciated.

Sincerely,

Frank G. Zarb



## TELEGRAM

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I need the results of this survey by Saturday July 19, 1975. To achieve this objective, we would like to arrange a meeting in the FEA region office with the appropriate members of your staff on July 14 or 15th.

Within the next few days, an FEA representative will call your office to obtain the name of your designee who can make the necessary meeting arrangements. If you have any questions regarding this program, please call Don Craven at (202) 961-8471, or Robert Hanfling at (202) 961-8454, who are directing the effort on my behalf.

Your cooperation and assistance in this first step of a positive, action-oriented program, are appreciated.

Sincerely,

Frank G. Zarb



ATTACHMENT D



UTILITIES/PLANTS

STATE

- |  |               |
|--|---------------|
| 1. NORTHEAST UTILITIES<br>Montaque #1 & #2<br>Millstone #3                                   | Connecticut   |
| 2. BOSTON EDISON COMPANY<br>Pilgrim #2   | Massachusetts |
| 3. NEW ENGLAND POWER COMPANY<br>Canal #3   | Massachusetts |
| 4. PUBLIC SERVICE OF NEW HAMPSHIRE<br>Seabrook #1 & #2                                       | New Hampshire |
| 5. UNITED ILLUMINATING COMPANY<br>New Haven Harbor   | Connecticut   |
| 6. TAUNTON MUNICIPAL LIGHTING<br>Cleary Flood #9   | Massachusetts |
| 7. CENTRAL MAINE POWER COMPANY<br>Wyman #4<br>Sears Island                                   | Maine         |
| 8. NEW YORK STATE ELECTRIC & GAS<br>Homer City #3<br>Cauuga Lake                             | New York      |
| 9. JERSEY CENTRAL POWER & LIGHT<br>Forked River  | New Jersey    |
| 10. PUBLIC SERVICE ELECTRIC & GAS<br>Hope Creek #1 & #2<br>Salem #1 & #2<br>Atlantic #1 & #2 | New Jersey    |
| 11. CENTRAL HUDSON GAS & ELECTRIC<br>Roseton   | New York      |
| 12. AMERICAN ELECTRIC POWER<br>D. Cook #2  | New York      |



<u>UTILITIES/PLANTS</u>	<u>STATE</u>
13. LONG ISLAND LIGHTING COMPANY Jamesport #1 & #2 Shoreham	New York
14. NIAGRA MOHAWK POWER COMPANY Nine Mile Point #2 Osnego #6	New York
15. ROCHESTER GAS & LIGHT Sterling #1 & #2 Sterling Nuclear	New York
16. PHILADELPHIA ELECTRIC COMPANY Limerick #1 & #2 Fulton #1 & #2 Peach Bottom	Pennsylvania
17. PENNSYLVANIA POWER & LIGHT Susquehanna #1 & #2	Pennsylvania
18. METROPOLITAN EDISON COMPANY Three Mile Island	Pennsylvania
19. PENNSYLVANIA POWER COMPANY Bruce Mansfield #1, #2, #3	Pennsylvania
20. DUQUESNE LIGHT COMPANY Beaver Valley #2	Pennsylvania
21. POTOMAC ELECTRIC POWER COMPANY Chalk Point #4 Douglas Point #1 & #2 Dickerson Point #4	Maryland/D.C.
22. VIRGINIA ELECTRIC POWER COMPANY North Anna #1 - #4 Chesterfield #1 - #3 Passum #1 & #2 Portsmouth #1 & #2 Surry #3 & #4 Bath County	Virginia



<u>UTILITIES/PLANTS</u>	<u>STATE</u>
23. DELMARVA POWER & LIGHT Summit	Delaware
24. DOVER ELECTRIC DEPARTMENT Mckee Run #3	Delaware
25. CAROLINA POWER & LIGHT 830 Swick #1 Harris #1 Roxbord #4	North Carolina
26. SOUTH CAROLINA ELECTRIC & GAS Sumner #1	South Carolina
27. SOUTH CAROLINA PUBLIC SERVICE AUTHORITY Wynyah #2	South Carolina
28. NEBRASKA PUBLIC POWER DISTRICT Gentleman #1	Nebraska
29. GEORGIA POWER COMPANY Wansley #2 Central Georgia #1, #2, #3, & #4 Vogtle #1, #2, #3 & #4 Rocky Mount Hatch #2 Wallace Dam	Georgia
30. ALABAMA POWER COMPANY Barton #1 - #4 Farly #1 & #2 Harris Dam Mitchell Dam Martin Dam	Alabama
31. MISSISSIPPI POWER COMPANY Jackson County #1	Mississippi



<u>UTILITIES/PLANTS</u>	<u>STATE</u>
32. MISSISSIPPI POWER & LIGHT Grand Gulf #1 & #2	Mississippi
33. FLORIDA POWER CORPORATION Chrystal River #3 An Clate #2	Florida
34. FLORIDA POWER & LIGHT Palatka Manatee #1 & #2 Martin #1 & #2 St. Lucy #1 & #2	
35. NORTHERN STATES POWER COMPANY Tyrone #1 & #2 Sherburne #3 & #4	Wisconsin
36. WISCONSIN ELECTRIC POWER Pleasant Prairie Koshkonong	Wisconsin
37. ILLINOIS POWER COMPANY Clinton #1 & #2	Illinois
38. COMMONWEALTH EDISON LaSalle County #1 & #2 Collins #1 - #5 Byron #1 & #2 Braidwood WATER QUALITY REPORT	Illinois
39. NORTHERN INDIANA PUBLIC SERVICE Bailey Schaefer #1 & #2	Indiana
40. DAYTON POWER & LIGHT Killen #1 & #2	
41. CINCINNATI GAS & ELECTRIC COMPANY Zimmer #1 & #2 Miami Fort #8 West End East Bend #1 & #2	Ohio





	<u>UTILITIES/PLANTS</u>	<u>STATE:</u>
42.	CLEVELAND ELECTRIC ILLUMINATING CO. Perry #1 & #2	Ohio
43.	DETROIT EDISON Fermi #2 Greenwood #1 & #2	Michigan
44.	CONSUMERS POWER COMPANY Campbell #3 Karn #1 Midland #1 & #2	Michigan
45.	TOLEDO EDISON COMPANY Davis Bessee #1 - #3	Ohio
46.	OHIO EDISON COMPANY Erie #1 & #2	Ohio
47.	COLUMBUS & SOUTHERN OHIO ELECTRIC COMPANY Conesville #1 - #6 Poston #5 & #6	Ohio
48.	INDIANAPOLIS POWER & LIGHT COMPANY Petersburg #4	Indiana
49.	SOUTHERN IDIANA GAS & ELECTRIC A. B. Brown #1	Indiana
50.	PUBLIC SERVICE OF INDIANA, INC. Gibson #1 & #2	Indiana
51.	GULF STATES UTILITIES COMPANY Blue Hills #1 & #2	Texas
52.	GULF STATES UTILITIES COMPANY Nelson #5 & #6 River Bend #1 & #2	Louisiana



<u>UTILITIES/PLANTS</u>	<u>STATE</u>
53. HOUSTON LIGHT & POWER Allens Creek Green Bayou W. A. Parish #5 & #6	Texas
54. LOUISIANA POWER & LIGHT Waterford #1 & #2 & #3 St. Rosalie #1 & #2	Louisiana
55. ARKANSAS POWER & LIGHT Arkansas Nuclear #2 White Bluff #1 - #4	Arkansas
56. ARKANSAS ELECTRIC COOP., CO. Flint Creek #1	Arkansas
57. PUBLIC SERVICE COMPANY OF OKLAHOMA Black Fox #1 & #2	Oklahoma
58. CENTRAL POWER & LIGHT COMPANY Laredo #3 Coleto Creek #1	Texas
59. TEXAS UTILITY GENERAL COMPANY Holding Co. for Dallas Power & Light, Texas Electric Service & Texas Power & Light (No delayed projects)	Texas
60. TEXAS POWER & LIGHT	Texas
61. UNION ELECTRIC COMPANY Rush Island #1 & #2	Missouri
62. KANSAS GAS & ELECTRIC COMPANY Wolf Creek #1	Kansas



<u>UTILITIES/PLANTS</u>	<u>STATE</u>
63. MONTANA POWER Colstrip #3 & #4	Montana
64. PORTLAND G. E. COMPANY Trojan Boardman Pebble Springs #1 & #2	Oregon
65. WASHINGTON PUBLIC POWER SUPPLY WPPS Units #1 - #5	Washington
66. PUGET SOUND POWER & LIGHT COMPANY Skagit #1 & #2	Washington
67. PACIFIC GAS & ELECTRIC Diablo Canyon #1 & #2 Geyser #12 - #15 Helmes East Stonislaus	California
68. SOUTHERN CALIFORNIA EDISON Kaiparowits #1 - #4 San Onofre #2 & #3	California
69. SAN DIEGO GAS & ELECTRIC Encina #5 Sun Desert Kaiparowits	California
70. SACRAMENTO MUNICIPAL UTILITY DISTRICT Rancho Seco #2	California
71. SALT RIVER PROJECT Coronado #1 & #2 Hayden #2	Arizona



<u>UTILITIES/PLANTS</u>	<u>STATE</u>
72. PUBLIC SERVICE COMPANY OF COLORADO  Fort St. Vain (no problems)	Colorado
73. GENERAL PUBLIC UTILITIES  Holding company for Metropolitan Edison Co., and Jersey Central Power & Light. Also Pennsylvania Electric	New York
74. DAIRYLAND POWER COOPERATIVE  Alma #6	Wisconsin
75. OKLAHOMA GAS & LIGHT  Muskona #4	Oklahoma
76. PACIFIC POWER & LIGHT  Wyodex Jim Bridger #4	Oregon
77. UTAH POWER & LIGHT  (No problem)	Utah
78. ALLEGHENY POWER SYSTEM  Pleasants #1 & #2	New York
79. CONSOLIDATED EDISON OF N.Y.  Waterside #4 - #9 & 14 & 15 Cornwall	New York
80. ONTARIO HYDRO TRANSLINE  Subsidiary of Consolidated Edison of N. Y.	New York
81. NEW ENGLAND POWER COMPANY  Charleston Salem #5	Rhode Island
82. IDAHO POWER COMPANY  Pioneer #1 & #2	Idaho



UTILITIES/PLANTS

STATE

83. DUKE POWER COMPANY

North Carolina

McQuire #1 & #2  
Catawba  
Duke  
Perkins  
Cherokee

84. MIDDLE SOUTH, INC.

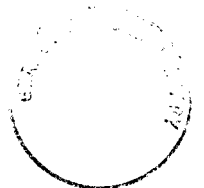
Lousiana

Holding company for  
Lousiana Power & Light

85. TENNESSEE VALLEY AUTHORITY

Tennessee

Raccoon Mountain #1 - #4  
Brown's Ferry #3  
Sequoyah #1 & #2  
Watts Bor. #1 & #2  
Belle forte #1 & #2  
Hartsville #1 - #4



UTILITY DELAY DATA SHEET

UTILITY \_\_\_\_\_

I. GENERAL INFORMATION

1. Names of plants or units in delay status. (Place in table below)
2. For each delay plant, ask and fill in below.
  - a. Original and revised commercial operating date.
  - b. Name of engineer, constructor, and boiler or nuclear steam generator vendor.
  - c. Principle cause of delay (Load growth, finance, labor, equipment, regulatory, other)

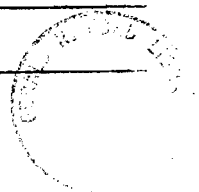
Plant/Unit	Orig.	Rev.	Month Delay	Engineer Construct.	Vendor NSSS/Boiler	Cause

II. DEMAND/SUPPLY INFORMATION

1. Will delay(s) cause difficulty in having adequate capacity available to meet projected loads?
 
                            
 yes                  no

If yes, continue with the following questions:

- a. Can additional firm supplies be purchased from power pool or other sources? \_\_\_\_\_
- b. What impact will delays or alternative sources of supply have on cost of electricity to consumers and to availability of power? \_\_\_\_\_



c. What impact will delay have on planned retirements of existing units? Identify specific plants to remain operation

d. What impact will delay have on use of gas turbines as alternative energy source? \_\_\_\_\_

e. Have there been any recent revisions in load forecasts? \_\_\_\_\_ If so, what were these revisions and the reasons for them? \_\_\_\_\_

g. To what extent has your generating capacity been affected or appear likely to be affected by:

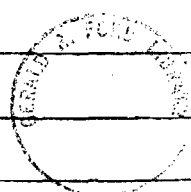
(1) Reduction in availability of oil or gas? \_\_\_\_\_

(2) Full compliance with state or EPA air quality standards? \_\_\_\_\_

(3) Full compliance with EPA water quality standards? \_\_\_\_\_

(4) Full compliance with licensing procedures? \_\_\_\_\_

(5) Slowness in rate adjustments? \_\_\_\_\_



2. What was your average system plant availability factor last year? \_\_\_\_\_ What was average capacity factor of your system? \_\_\_\_\_
3. Are any load management or adjustment practices under consideration? yes no If yes, please specify:  
\_\_\_\_\_
4. Does the state utilities commission confirm need for plant/unit?  
\_\_\_\_\_
5. In general, what help is needed to deal with supply/demand problems? \_\_\_\_\_

### III. GENERAL FINANCIAL INFORMATION

1. Cost of Capital. What is your current yield to maturity of most recent senior debt issue?  
\_\_\_\_\_
2. What is your current P/E ratio of common stock?  
\_\_\_\_\_
3. What is the range of common price for 1974 and first half of 1975? \_\_\_\_\_
4. What is the current price? \_\_\_\_\_
5. What was the book value per share for mid 1974?  
\_\_\_\_\_ Mid 1975? \_\_\_\_\_



6. What was the earning per share for 197  
1974? \_\_\_\_\_ First half of 1974? \_\_\_\_\_  
First half of 1975? \_\_\_\_\_

7. What was the return on common equity b  
reported earnings for 1973? \_\_\_\_\_ 197  
First half of 1974? \_\_\_\_\_ First half 5?  
\_\_\_\_\_

8. What were the terms on most recent iss  
debt (coupon - term - call date)? \_\_\_\_\_  
\_\_\_\_\_

9. What were MOODYS and S&P ratings on mo  
senior debt? \_\_\_\_\_

10. What were changes in MOODY's and S&P ra  
the last 2 years? \_\_\_\_\_

11. What is the current debt coverage ratio  
Coverage requirement? \_\_\_\_\_

12. What were the common dividends for 197  
1974? \_\_\_\_\_ Most recent quarter? \_\_\_\_\_

13. What underwritings were cancelled or p  
1973, 74, and 75 (date, debt or equity )?  
\_\_\_\_\_  
\_\_\_\_\_

14. What was the cash flow generated in 1  
\_\_\_\_\_



15. What is the estimated cash flow for 1975 and 1976?

---



UNIT SPECIFIC QUESTIONS

IV. FINANCIAL ANALYSIS

1. Does \_\_\_\_\_ unit have delay related to financial problems?

yes                      no

(If no, go to #2)

If yes, the problem is in which of the following categories:

a. Capital availability ----- yes                      no

If yes,

- 1. Discuss problem
- 2. Cause
- 3. How to correct

b. Cost of capital----- yes                      no

If yes,

- 1. Discuss problem
- 2. Cause
- 3. How to correct

c. Low common stock prices----- yes                      no

If yes,

- 1. Discuss problem



2. Cause

3. How to correct

d. Lag on rate changes----- yes no

If yes,

1. Discuss problem

2. Cause

3. How to correct

e. Other ----- yes no

Please list - \_\_\_\_\_

If yes,

1. Discuss problem

2. Cause

3. How to correct

Financial Data Questions (Always address these even if there is no problem in the category.)

1. What will plant/unit cost? \_\_\_\_\_

2. What is the interest rate on construction? \_\_\_\_\_

3. What is the escalation rate on the plant/unit? \_\_\_\_\_

4. How is the plant/unit financed?

Debit      Equity      Combination      Other



LABOR ANALYSIS

Does \_\_\_\_\_ unit have delay related to labor type problems?

yes                      no

If yes, the problem is in which of the following categories:

a. Shortage of skilled crafts ---- yes                      no

If yes,

- 1. Discuss problem
- 2. Cause
- 3. How to correct

Productivity ----- yes                      no

If yes,

- 1. Discuss problem
- 2. Cause
- 3. How to correct

c. Jurisdictional disputes ----- yes                      no

If yes,

- 1. Discuss problem



2. Cause

3. How to correct

d. Apprenticeships ----- yes no

If yes,

1. Discuss problem

2. Cause

3. How to correct

e. Other ----- yes no

Please list - \_\_\_\_\_

If yes,

1. Discuss problem

2. Cause

3. How to correct



VI. EQUIPMENT AND MATERIALS ANALYSIS

1. Does \_\_\_\_\_ unit have delay related to equipment and materials analysis problems?                        
yes                      no

If yes, the problem is in which of the following categories:

- a. Equipment shortages in general-                        
yes                      no

If yes,

1. Discuss problem
2. Cause
3. How to correct

- b. Quality control - especially on nuclear components with strict Q-A -----                        
yes                      no

If yes,

1. Discuss problem
2. Cause
3. How to correct

- c. Concrete -----                        
yes                      no

If yes,

1. Discuss problem
2. Cause
3. How to correct



d. Structural steel ----- yes no

If yes,

- 1. Discuss problem
- 2. Cause
- 3. How to correct

e. Chemicals ----- yes no

If yes,

- 1. Discuss problem
- 2. Cause
- 3. How to correct

f. Pumps ----- yes no

If yes,

- 1. Discuss problem
- 2. Cause
- 3. How to correct

g. Valves ----- yes no

If yes,

- 1. Discuss problem







VII. NON-NUCLEAR PLANT UNIT SITING AND LICENSING INFORMATION

1. Does \_\_\_\_\_ unit have delay related to siting and licensing type problems?                        
yes                      no

If yes, the problem is in one or more of the following categories

- a. Site approval permits -----                        
yes                      no

If yes,

1. Discuss problem
2. Cause
3. How to correct

- b. Baseline studies -----                        
yes                      no

If yes,

1. Discuss problem
2. Cause
3. How to correct

- c. Compliance with air and water quality regulations

- |                                     |                   |                   |
|-------------------------------------|-------------------|-------------------|
| o SO <sub>2</sub> emission criteria | <u>          </u> | <u>          </u> |
|                                     | yes               | no                |
| o Closed cycle cooling              | <u>          </u> | <u>          </u> |
|                                     | yes               | no                |

If yes,

1. Discuss problem
2. Cause
3. How to correct

d. NEPA review status ----- yes no

If yes,

1. Discuss problem\*
2. Cause
3. How to correct

e. Intervenor status ----- yes no

If yes,

1. Discuss problem
2. Cause
3. How to correct

f. Other ----- yes no

- \*a. Is there any redundancy or overlap in Federal and State environmental review, if so, specify: \_\_\_\_\_
- b. Is environmental impact assessment better handled at State or Federal level. \_\_\_\_\_

Please list - \_\_\_\_\_

If yes,

- 1. Discuss problem
- 2. Cause
- 3. How to correct

Non-Nuclear Siting and Licensing Data Questions (Plant/unit specify)

a. Has plant/unit at this site received all Federal & State approvals necessary? \_\_\_\_\_

b. Has the site had a complete baseline survey regarding following parameters:

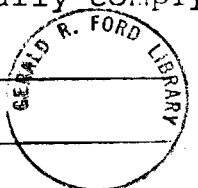
- o Meteorology \_\_\_\_\_
- o Ecology \_\_\_\_\_
- o Water quality \_\_\_\_\_
- o Air quality \_\_\_\_\_
- o Geological \_\_\_\_\_
- o Others \_\_\_\_\_

c. Will plant/unit comply with all air and water quality standards?

	Federal	_____	_____
	State	_____	_____
		yes	no

If not, indicate which ones it may not fully comply with \_\_\_\_\_

\_\_\_\_\_



d. Will unit use

high cooling?

yes

no

If yes, what is  
of Federal Water

of compliance with section 316(a)  
ion Control Act? \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

e. What method will  
SO<sub>2</sub> emission of

plants use to comply with

\_\_\_\_\_  
If scrubbers,  
manner for di

\_\_\_\_\_  
t type of scrubbers and  
y waste products. \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

f. If site has b  
permits and/  
these and who  
cause delay p

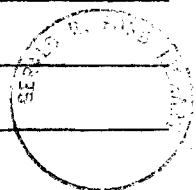
but other construction  
licensing are pending, indicat  
or appear likely to

- a. PUC certifi
- b. local bui
- c. State air
- d. State wat
- e. NRC const.
- f. Corp of E
- g. Other

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
permits \_\_\_\_\_  
permits \_\_\_\_\_  
perating license \_\_\_\_\_  
d const. permits \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



g. Is any Federal NEPA EIS required for project? \_\_\_\_\_

\_\_\_\_\_

If so, indicate status of this and which Federal agency is lead. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_



VII. NUCLEAR LICENSING ANALYSIS ( NUCLEAR PLANTS ONLY )

1. Does \_\_\_\_\_ unit have delay related to nuclear licensing type problems? \_\_\_\_\_ yes      \_\_\_\_\_ no

If yes, the problem is in which of the following categories:

a. Design changes caused by changing NRC standards and criteria ----- \_\_\_\_\_ yes      \_\_\_\_\_ no

If yes,

- 1. Discuss problem
- 2. Cause
- 3. How to correct

b. Safety issues ----- \_\_\_\_\_ yes      \_\_\_\_\_ no

If yes,

- 1. Discuss problem
- 2. Cause
- 3. How to correct

c. Fuel cycle uncertainties yes      no

- o Enrichment \_\_\_\_\_
- o Reprocessing \_\_\_\_\_
- o Recycle \_\_\_\_\_
- o Waste disposal \_\_\_\_\_



If yes,

- 1. Discuss problem
- 2. Cause
- 3. How to correct

d. Other -----                                            
yes no

Please list - \_\_\_\_\_

If yes,

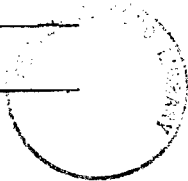
- 1. Discuss problem
- 2. Cause
- 3. How to correct

2. Nuclear Licensing Data Questions

a. If already granted a construction permit:

o Are there any design features which must be added or modified as a result of new NRC requirements? \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

o Could any of these affect the cost and schedule for completing construction? \_\_\_\_\_  
 \_\_\_\_\_





b. If construction permit applied for, but not yet granted:

o When was application filed? \_\_\_\_\_

o What is the projected schedule for remaining steps on construction permit application?  
\_\_\_\_\_

1. Staff safety analysis \_\_\_\_\_

2. Draft environmental impact statement \_\_\_\_\_  
\_\_\_\_\_

3. Advisory Committee on Reactor Safety Review  
\_\_\_\_\_

4. Public Hearings \_\_\_\_\_

o Has above schedule changed since application was submitted?  
\_\_\_\_\_

yes

no

If so, for what reason? \_\_\_\_\_  
\_\_\_\_\_

o Are interveners involved -- what are their objections and what actions have they taken?  
\_\_\_\_\_  
\_\_\_\_\_

o What future delays do you foresee? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



Additional MeetingsConsumer and Environmental Groups

Rhode Island Consumers Council	Region I - Boston
Citizens for Lower Utility Bills	
Connecticut Citizens Action Group	
Vermont Public Interest Research Group	
New Jersey Public Interest Group	Region II - New York
Town of Huntington Consumer Protection Board	
North Carolina Consumer Center	Region IV - Atlanta
North Carolina Consumer Council	
Sierra Club	
Citizens for a Better Environment	Region V - Chicago
League of Women Voters	
Business in the Public Interest	
Minnesota Public Interest Group	
Greater Kansas City Consumers Association	Region VII - Kansas City
Missouri Consumer Association	
Mid-America Coalition for Energy Alternatives	
Utilities Consumer Council	
Environmental Action of Colorado	Region VIII - Denver
League of Women Voters	
Utilities Information Service	
Northern Plains Resource Council	
Toward Utility Rate Normalization (TURN)	Region IX - San Francisco
Environmental Defense Fund	
Washington Environmental Council	Region X - Seattle
Friends of the Earth	
Sierra Club	
Washington Consumer Council	

Construction Industry and Equipment Manufacturers

General Electric  
 Westinghouse  
 Bechtel  
 Combustion Engineering  
 United Engineers  
 Stone and Webster  
 Babcock and Wilcox

Financial Groups

The First Boston Corporation  
 Reis and Chandler, Inc.  
 Merrill Lynch, Pierce, Fenner and Smith, Inc.  
 Goldman Sachs and Company  
 Mitchell, Hutchins, Inc.  
 Kidder Peabody and Company  
 Arthur Anderson and Co.  
 Morgan, Stanley and Co., Inc.

