

# Nuclear power in Washington

*Inflation, TMI and endless delays  
have left it in a lot of trouble*

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Just a few short years ago, before TMI — Three Mile Island — it all looked so simple.

In September 1980, the engineers would throw the switches on a brand new nuclear power plant at Hanford, and Washington state would get 1.1 million kilowatts of electricity.

The price: Only \$504 million, not a bad deal for those days.

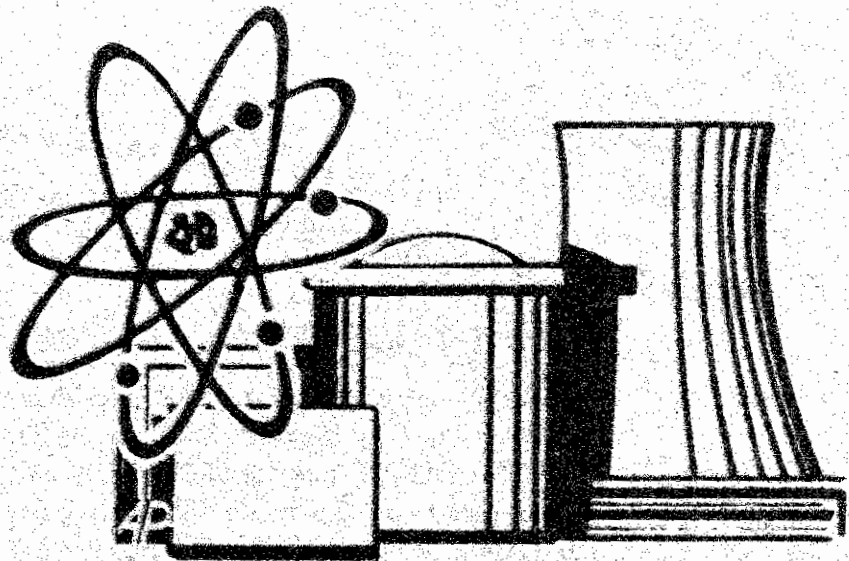
The deal looked so good four more plants were figured into the picture. They would go on line by June 1985.

The five plants, projects of the Washington Public Power Supply System, would be backed up by four more, financed by Puget Sound Power and Light and Portland General Electric Co.

The power experts said the Northwest still would be short of the electricity it would need, but the nine plants would go a long way toward making sure everybody had almost as much as homes, factories and businesses could demand.

TMI and inflation and endless delays have tossed all those big plans in the wastebasket.

Puget Sound Power backed away from its two Skagit County projects after residents, scared by the "nuclear incident" at Three Mile Island just about a year ago, voted in a referendum against the whole idea.



Portland General never got its two Pebble Springs projects off the ground.

That left WPPSS and its five power plants all alone out there — and in a lot of trouble.

Sterling Munro, Bonneville Power administrator, told a joint session of the Washington Legislature's energy committees recently that if those nine projects were reduced to five, as has happened, "well ... I just don't know how to accurately predict the size of the shortages in

the latter half of this decade."

Munro had just gotten through predicting that the state, with all projects coming into place on schedule, still would be confronted with power shortages of the magnitude of the needs "of three Seattles — and that is an overly optimistic view."

The "most menacing" year would begin in July 1983.

But that was before WPPSS announced new delays three weeks ago.

Long before, it had changed the

on-line date for its furthest-ahead plant, Washington Nuclear Plant No. 2 at Hanford, from September 1980 to September 1981.

Now it's rescheduled for "late 1982" even though it's 80 percent finished.

James Perko, assistant director of finance, said the delays are due to new Nuclear Regulatory Commission regulations as a result of the Three Mile Island accident.

Perko also said the price of the one plant has climbed from \$504 million to \$1.82 billion — plus financing.

The whole package of five, by last year's figures, is up to a whopping \$11.7 billion, more than quadruple the original figures.

And Ragnar F. Kowakowski, information officer for WPPSS, told The Spokesman-Review those figures are out of date and will be replaced by new estimates, probably by June.

"I just have no idea what they will be," he said.

Last week, Sen. Gordon L. Walgren, D-Bremerton, Senate majority leader, said in Spokane the Legislature is so upset by the cost overruns that it will begin a year-long investigation of WPPSS starting next month.

"We are very disturbed by the situation," Walgren said.

Perko, revealing the new delays of 12-16 months at WNP No. 2, disclosed new completion date goals on

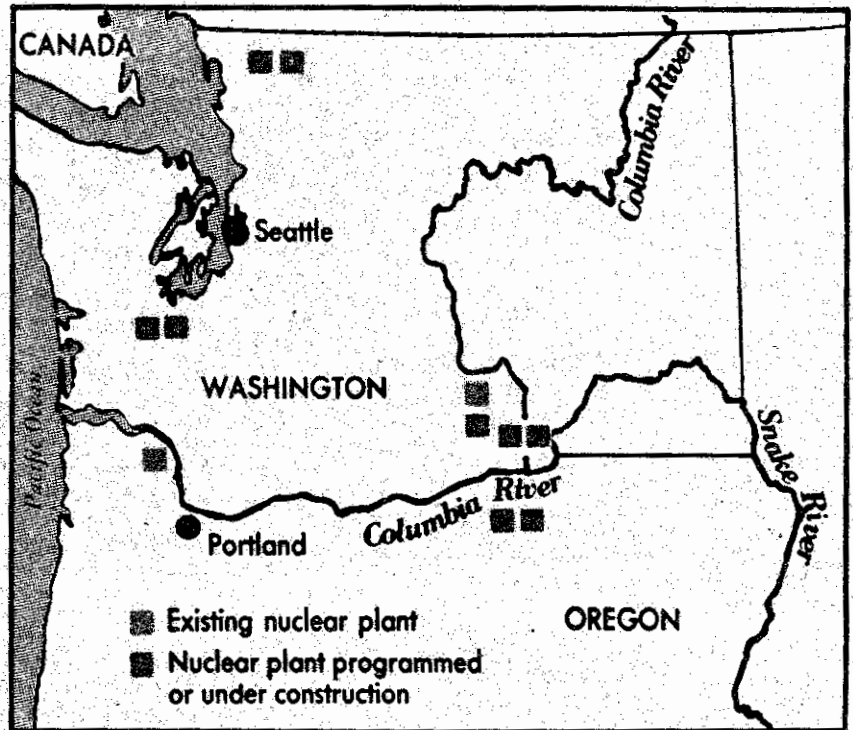
the other four plants as well.

The new dates, extra delays and current cost estimates are as follows:

● WNP No. 1, at Hanford, 36 per-

cent complete, to start up June-December 1984, a new delay of 6-12 months, cost \$1.78 billion;

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# Nuclear power

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● WNP No. 3, at Satsop, 20 percent complete, to start September 1985, new delay of 9 months, \$1.7 billion.

● WNP No. 4, at Hanford, 14 percent, March 1986, 10 months, \$1.73 billion.

● WNP No. 5, at Satsop, 8.5 percent, March 1987, 9 months, \$1.82 billion.

The numbers do not include financing.

Munro said each month of delay costs an additional \$20 million for a large nuclear plant, including financing.

So Perko's newly announced delays, totaling some 46 to 56 months, means an extra bill of up to \$1.12 billion on top of the present \$11.7 billion estimate.

And Munro's figures were based on an interest rate of 7.2 percent.

This month, Perko delayed issuing \$150 million in bonds because the best bid he could get was 10

percent.

But the picture is not totally grim, although it certainly is not totally bright either.

Despite the public anxiety raised by Three Mile Island, the five plants under construction in Washington probably will be completed eventually, supplying more than 6 million kilowatt hours of electricity to the Northwest.

The price will be high, but at least the power will be there.

Munro noted that when BPA recently nearly doubled its wholesale power rate to 6 mills per kilowatt hour (a mill is a tenth of a cent), "many people were offended."

But replacing that power, if you could get it, at the current rate paid in other states would come at a cost of 50 to 70 mills per kilowatt hour.

Ray Foleen, Munro's deputy administrator, told The Spokesman-Review that when the first

WPPSS plant starts up, its power price probably will be in the "low 40s" and when the final plants come in, the numbers will be about 50 mills.

"Everybody else has similar costs throughout the country," Foleen said.

Munro called the power shortage situation "grave."

Gov. Dixy Lee Ray, in a speech in Richland last week, said the public needs to get involved.

"When are people going to wake up?" she said. "I hear it's not going to happen until the lights go out."

"We have been talking about this problem for years," Foleen told an interviewer by telephone from his Portland office.

"But now it's getting more acute. We're now getting to the point where the problem is coming upon us dramatically. And the probabilities of interruption, of just having an insufficient supply

are becoming greater.

"We see the 1980s as being an era of very short supply in electrical energy. You ask me why people don't believe us, I don't know the answer."

Foleen also said he had hopes that the deferred Skagit and Peble Springs plants would be built, even though several years off schedule.

But time is a wasting, Munro noted, whether it's nuclear or coal plants people want or whether they decide to do without.

Ray pointed out that delays in putting up new power sources already have cost some 2,000 jobs in aluminum plants.

"It's too late now to start a new coal-fired or nuclear power project — if that's what people decide they want — to help during the '80s," Munro said.

"It takes 10 years to get a new coal plant on line and 12, or likely more, for a nuclear plant."