

# Budget's Ink Is Barely Dry, but

## WPPSS Is in the Red

By Joel Connelly

The Washington Public Power Supply System has taken much more time and spent more money on its five nuclear plants than was planned in a budget approved by WPPSS directors just nine months ago.

Information in a WPPSS report obtained by The Post-Intelligencer indicates the "schedule slippages" are most acute at projects WNP-1, WNP-2 and WNP-3, for which Seattle is helping to pay.

WNP-2, the first project slated for completion, has slipped 35 weeks on its "critical path" since last July's schedule. The critical path represents the most vital, time-consuming work on a nuclear plant.

But WPPSS officials claimed Friday that improvements are being made in how the nuclear plants are managed.

"Well, of course I think we're doing better, but it's not showing up yet in the statistics," said Frank McElwee, WPPSS assistant director for projects.

The WPPSS budget for fiscal year 1980 pegged the project's total cost at \$11.8 billion, and said the five nuclear plants would be completed between 1981 and 1986.

On Thursday, however, WPPSS directors cut back the completion date to between 1983 and 1987. The WPPSS staff now estimates total cost at \$15.6 billion.

The WPPSS Level 1 Management Report, reporting on work completed through March 23, showed severe slippages on the first three nuclear projects slated for completion.

WNP-2, scheduled to be 91.1 percent complete, is only 83.3 percent complete. WNP-1 is 38.6 percent complete, compared with a projected 46.3 percent. WNP-3 is 21.5 percent complete, compared to a planned 25.5 percent.

The WPPSS report listed a variety of problems contributing to the delays. These included new federal regulations, defective equipment, "production inefficiencies" and labor disputes such as one that stopped work on two of the projects for several days last month.

On WNP-2 a wetwall retrofit "will result in a week-to-week slippage" until the repair work is completed in September, said the Level 1 report.

The picture is brighter for WNP-4 and WNP-5, the last two WPPSS plans. WNP-4 is 15.4 percent complete, close to the projected 16 percent. And WNP-5 is actually ahead of schedule at 9.6 percent complete versus the scheduled 8 percent.

But additional work requirements have caused WPPSS to push back completion dates on the final two projects by 12 months.

WPPSS is the construction arm of the state's public

utilities, including Seattle City Light. Its nuclear program is one of the biggest construction projects ever undertaken by public agencies in America.

Suspicion about WPPSS schedules produced a rare dissenting vote as a two-day meeting of the WPPSS Board of Directors ended here yesterday.

Seattle City Light Superintendent Bob Murray voted against budgets for WNP-1 and WNP-2, claiming they presented a too-rosy picture of when work will be

"The schedules called for production rates much higher than what have been achieved in the past," said Murray. "I see evidence that our work schedules are much higher than the nuclear industry average, while performance has been substantially below it."

Murray cast the lone dissenting vote on the 17-member WPPSS board of directors.

McElwee later conceded that "it's true some work in the past has been behind the industry average." But he added that WPPSS is becoming "more ambitious" in its schedules. "As more areas of work open up, you increase your expectations," he explained.

A WPPSS newsletter published Friday shows four of the five plants running above the nuclear industry's average costs — with WNP-5 slightly below average. The newsletter blames cost increases and delays almost entirely on federal regulations, in contrast to the internal Level 1 report.

Overall, since initial estimates were made in the early 1970s, WPPSS plant costs have soared from \$4.1 billion to \$15.6 billion — with the plants now running more than five years behind their initial completion dates.

It was peace and harmony for WPPSS on one front Friday. After more than a year of negotiating, it signed a "memorandum of understanding" with the Bonneville

Power Administration. The BPA will have greater oversight over the WPPSS project.

Bonneville Power Administrator Sterling Munro called WPPSS directors "a gracious, determined, able, jovial bunch of cutthroats." "You're tougher than hell yourself," replied Howard Prey, a Douglas County utility commissioner.

The BPA has agreed to buy most of the power from the first three WPPSS plants — whatever its eventual cost. The price tag for those soared from initial estimates of \$1.55 billion to \$7.3 billion.

Seattle City Light gets about one-third of its power from the BPA, which recently increased its wholesale power rates to the city by a whopping 112 percent.

Seattle homeowners will begin paying the higher BPA bill — and, indirectly the cost of WPPSS nuclear

plants — in a record City Light rate increase expected this summer.

But the WPPSS board wound up its two-day session in high spirits with little talk of costs. Board members — elected public utility district commissioners from around the state — had individual portraits taken by a WPPSS photographer.

They also spent an hour watching a movie prepared by Illinois Power in response to a CBS "Sixty Minutes" documentary attacking cost overruns at a nuclear plant in the Midwest state.

Harlan Kosmata, WPPSS communications chief, pointed to parallels between the Illinois expose and revelations about WPPSS in Washington state newspapers.

"Sometimes all these issues in the nuclear industry are not treated fairly by the press," said Kosmata.