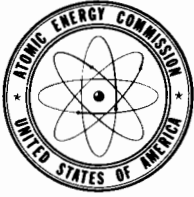


The original documents are located in Box 12, folder “Kriegsman, William E.” of the Robert T. Hartmann Files at the Gerald R. Ford Presidential Library.

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UNITED STATES
ATOMIC ENERGY COMMISSION
WASHINGTON, D.C. 20545

July 24, 1974

PERSONAL AND ~~CONFIDENTIAL~~

MEMORANDUM FOR BOB HARTMANN

Appreciated the chance to talk to you Monday. Be glad to help in any way possible.

My schedule is clear for the week including August 14 for the Idaho Falls trip. I can join in California or in Idaho Falls as you see fit.

In view of that trip, I thought you might like a quick and dirty summary of the "Politics of the Breeder Reactor." I pulled the attached together last night and hope it's useful (please hold it in confidence).

My recommendation is that the Vice President stay out of the controversy over the Breeder. Public statements should be limited, for example, to praise for the effort to date (including EBR-II at Idaho Falls) and the promise, in general, for nuclear energy contributing to the solution of our energy problems.

A handwritten signature in black ink, appearing to read "W. Kriegsman".

William E. Kriegsman
Commissioner

Attachment

Determined to be an
Administrative Marking

By SD NARA, Date 6/4/2015

POLITICS OF THE BREEDER REACTOR

1. What is a breeder reactor? A breeder reactor is a nuclear reactor which over the long run produces ("breeds") more nuclear fuel than it burns up. It accomplishes this feat by capturing in natural uranium the neutrons resulting from the fission of enriched uranium or plutonium. By this process the natural uranium is converted to plutonium which can then be used as fuel. There are several varieties of breeder reactors under consideration: the Molten Salt Breeder Reactor (MSBR), the Light Water Breeder Reactor (LWBR), the Gas Cooled Fast Breeder Reactor (GCFBR) and most importantly the Liquid Metal Fast Breeder Reactor (LMFBR).
2. Why do we need a breeder reactor? An efficient breeder reactor system will not, in contrast to current reactors, require a continuing supply of enriched uranium. While we now have sufficient low cost natural uranium from which to produce enriched uranium, the supply is not inexhaustible.

Secondly, the British, French, and Russians are vigorously pursuing breeder R&D programs and, it is argued, that the United States should not relinquish its supremacy in the nuclear field by foregoing similar R&D activities.

3. What is the U.S. Government's program? While the AEC supports the MSBR, the LWBR and GCFBR, the bulk of its funds are directed toward the LMFBR program (Liquid Metal Fast Breeder Reactor). The LMFBR program consists at this time of three elements -- a base R&D program costing several hundred million dollars per year -- the construction of a test facility at Hanford, Washington, the FFTF which is currently estimated to cost \$500 million -- and a proposed demonstration plant near Oak Ridge, Tennessee, (the Clinch River Breeder Reactor) for which \$700 million has been authorized but is currently (and privately) estimated to cost in excess of \$1.8 billion.

The EBR-II at Idaho Falls was one of the earliest breeder reactors and is presently used in the base program for general R&D purposes.

4. What are the problems? The breeder program is under attack on two diverse fronts. Conservative economists oppose the program because of its very high near-term costs and what seems to them to be a rather distant requirement for replacing conventional reactors with the breeder. Central to their argument is the belief that as the capital costs of a breeder reactor increase over the comparable costs of conventional reactors, the utilities

can afford to buy more expensive uranium to fuel their conventional reactors and that there is, in fact, no near-term shortage of higher cost uranium.

The breeder is under even sharper attack from the environmentalists and anti-nuclear forces who believe that breeder reactors are unsafe and environmentally hazardous. Their focal point is now related to the safeguards issue. Their argument is that the plutonium which is produced in large amounts in the breeder poses an enormous threat as a source of nuclear weapons for terrorists or irrational foreign governments. They also worry about plutonium contamination.

5. Who are the players?

- A. Chet Holifield - Holifield has clearly provided the Congressional push for the Liquid Metal Fast Breeder Program. His commitment is total (and very emotional). He believes that the LMFBR program is the primary if not sole answer to the energy crisis.
- B. The President - The President at Holifield's urging first supported the program in 1971, giving it his personal endorsement and setting a 1980 date for the completion of the demonstration plant (this date cannot be met). It appears that his support was based on a sincere belief in the merits of the program as well as a desire to obtain Holifield's support for his (RN's) reorganization plans. Subsequently, the President's enthusiasm for the program has varied, although on balance he has supported it.
- C. OMB, Domestic Council staff, FEA and CEA have never shared very much enthusiasm for the program, but have not to date vigorously opposed it.
- D. The reactor manufacturers, particularly Westinghouse, vigorously support the program. They, of course, stand to gain the most from both the current Federal contracts and future sales.
- E. The utility industry has collectively pledged \$250 million to cooperate in the demonstration (Clinch River) plant. Their interest has been lukewarm, at best, and seems to be wavering even more at this moment.
- F. Within AEC support continues high among the staff. The leading proponents -- former Commissioner Ramey and R&D Director Milt Shaw -- have, however, left AEC. At the Commission level, Chairman Ray is the only vocal supporter of the program, although Commissioner Anders also supports it. Commissioners Doherty and Kriegsman have supported the AEC's efforts to date, but have not been vocal supporters of the program and remain uncommitted with respect to future actions.

OFFICE OF THE VICE PRESIDENT

WASHINGTON, D.C.

7/23

9:46 a.m.

Julie Robben in Mr. Wimer's office called re Bill Kriegsman (AEC)

President announced his intention to nominate Mr. Kriegsman on April 12, 1973; nomination was signed and delivered to the Senate on April 13; nomination confirmed by Senate on June 12, 1973.

He was fulfilling the unexpired term of Jim Schlesinger when he went to Defense. His term will be up June 30, 1975.

(AEC is going out of business -- we will have ERDA in place of AEC-- so Mr. Kriegsman will probably not be renominated.

She is sending me a copy of their press release on him.

Neta

OFFICE OF THE VICE PRESIDENT

WASHINGTON, D.C.



ABC

Bill Kriegsmann

X2231

Get background material
on him from Wimer's office.

9/23 - Mary Burke in Mr. Wimer's office
called. They do not have any back-
ground info. on Mr. Kriegsmann. Nomi-
nated probably about a year ago.

APRIL 12, 1973

Office of the White House Press Secretary

THE WHITE HOUSE

The President today announced his intention to nominate William E. Kriegsman, of Bethesda, Maryland, to be a Commissioner of the Atomic Energy Commission for the remainder of the term expiring June 30, 1975. He will succeed James R. Schlesinger, who is now Director of Central Intelligence.

Mr. Kriegsman has been Manager of the Washington, D.C., office of Arthur D. Little, Inc., since 1971. His work has been concentrated in the areas of energy, technology and the environment. From 1969 to 1971, he was a Staff Assistant at the White House, where his duties included the areas of the environment, space, nuclear energy and oceanography.

With the exception of one year (1965-66) as a Congressional Fellow on the staffs of Senator Howard H. Baker, Jr., of Tennessee, and Congressman Donald Rumsfeld of Illinois, Mr. Kriegsman served with the Atomic Energy Commission from 1957 to 1969. From 1957 to 1962 he was a Supervisory Health Physicist and from 1962 to 1969 he was an Inspection Specialist directing and conducting studies of AEC management problems.

He was born on February 22, 1932. He received his bachelor's degree in chemistry from the University of Rochester in 1953 and his master's degree in engineering administration from George Washington University in 1964. From 1953 to 1957 he was an officer in the U.S. Navy with duties including supervision of the nuclear weapons assembly team aboard an aircraft carrier.


Mr. Kriegsman is married and has two children. The Kriegsmans reside in Bethesda, Maryland.

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UNITED STATES
ATOMIC ENERGY COMMISSION
WASHINGTON, D.C. 20545

WILLIAM E. KRIEGSMAN
COMMISSIONER

August 5, 1974


MEMORANDUM FOR ROBERT HARTMANN

Attached is my itinerary for the Idaho trip.
I will arrive in Monterey early Tuesday
afternoon.

I am totally flexible. If it appears that
the plane will be filled up or if other
problems arise let me know and I will meet
you in Idaho.



Enclosure

ITINERARY

Commissioner William E. Kriegsman
U. S. Atomic Energy Commission

Tuesday, August 13, 1974

9:00 a.m. - Lv Dulles airport via UA 53 F
11:35 a.m. - Ar San Francisco, Ca.
12:15 p.m. - Lv San Francisco via UA 873 F
12:50 p.m. - Ar Monterey, Ca.

RESERVATION: Del Monte Hyatt House (408) 372-7171

Wednesday, August 14, 1974

- Lv Monterey via Government air
- Ar Idaho Falls
4:50 p.m. - Lv Idaho Falls via WA 23 Y
5:55 p.m. - Ar Salt Lake City, Utah

RENTAL CAR: Hertz car reserved at airport

RESERVATION: Holiday Inn, 1659 W. North Temple

PHONE: (801) 322-1045

Thursday, August 15, 1974

10:00 a.m. - Lv Salt Lake City via UA 226 F
11:09 a.m. - Ar Denver, Colorado
11:55 a.m. - Lv Denver via UA 632 F
5:15 p.m. - Ar Dulles airport

OFFICE OF THE VICE PRESIDENT

WASHINGTON, D.C.

If Rth is not here,
Tell Kriegsmann
~~Rth~~ will be
back after 5 pm.

home phone:

229-0472

Office: 973-6555

ATC
Commissioner
Buegeman
will be there
PFA



JSB

OFFICE OF THE VICE PRESIDENT
WASHINGTON

July 31, 1974

ACTION MEMORANDUM

MEMORANDUM FOR: THE VICE PRESIDENT

FROM: Gwen Anderson

SUBJECT: Visit to Idaho Falls, Idaho
10th anniversary of nuclear breeder reactor
August 14, 1974

Congressman Orval Hansen has suggested the following events for your visit to Idaho Falls on August 14.

1. Visit to EEE (Environmental, Education and Energy) Center. This is a Bicentennial project to which the AEC has donated \$660,000. Handshaking and brief remarks at groundbreaking ceremony (12:20-12:40 p.m.).

Approved _____ Disapproved _____

2. Tour of EBR-II and site (1:20-2:00 p.m.) to be followed by brief program in which Mr. Sachs, President of Argonne will present Congressman Hansen who will present the Vice President. (2:00-2:20 p.m.).

Approved _____ Disapproved _____

3. Very brief period with candidates and party workers at airport, greeting and handshaking (Idaho primary will have been on August 6th).

Approved _____ Disapproved _____

If you indicate approval of these three items, your August 14 schedule will be as follows:

12:10 Arrive Idaho Falls
12:20 EEE Center groundbreaking
12:40 Drive to site
1:20 Tour of EBR-II and site
2:00 Brief program with Mr. Sachs and Rep. Hansen
2:20 Return to airport
2:30 Brief period with candidates and party workers
Departure

cc: Mr. Hartmann, Mr. Seidman, Mr. Robin Martin, Mr. Rustand

UNITED STATES
ATOMIC ENERGY COMMISSION
WASHINGTON, D.C. 20545

WILLIAM E. KRIEGSMAN
COMMISSIONER

August 8, 1974

PERSONAL AND VERY ~~CONFIDENTIAL~~

MEMORANDUM FOR BOB HARTMAN

SUBJECT: Think pieces

As I promised, attached are some very brief issue papers.
If you wish me to develop any of the thoughts in greater
detail, let me know.

Have a good trip.



Enclosures:

- 1-Suggested Positions on
Energy Issues
- 2-Domestic Policy Formulation
- 3-Science Advice - Do We Need
It?

Determined to be an
Administrative Marking

By SO NARA, Date 4/4/85

Suggested Positions on Energy Issues

Coal

1. Strong support of the use of coal to meet near-term energy requirements.
2. Recognize environmental concerns and indicate that, in general, this can be handled.
3. Support research and development in coal gasification and liquefaction that would lead to economical products.
4. Call attention to the current shortage of adequate rail transportation.
5. Show concern over the possibility of a coal strike in November.

Gas

1. Strongly support de-regulation of natural gas prices in order to increase exploration and thus supply of this very clean fuel.
2. Recognize that there may well be a severe shortage of natural gas this winter.

Oil

1. Support secondary and tertiary recovery techniques.
2. Support Alaskan pipeline and domestic development (including off-shore efforts).
3. Call attention to the fact that on a long-term basis, burning oil to produce heat or electricity is a waste of an important resource.

Nuclear

1. Encourage the expansion of the use of nuclear power subject to adequate regulatory controls over safety, environmental and safeguards considerations.
2. Remain neutral (or silent) on the Liquid Metal Fast Breeder Reactor Program.

Solar

1. Recognize the potential of solar energy, but note that it is no panacea.
2. Support solar energy research and development, particularly those with near-term application.

Geothermal, Wind Power, etc.

Support continued research but recognize limited potential.

Conservation

Support conservation research and development most particularly in methods of increasing the efficiency of existing systems, e.g., air conditioners and in reducing, for example, electrical transmission line losses.

"Self-Sufficiency"

If "self-sufficiency" is defined to mean complete independence from foreign sources of energy producing raw materials, this is a foolish proposition and is unattainable for sure by 1980, and doubtful by 1985, even if desirable.

A more reasonable definition (which has not been enunciated) is that "self-sufficiency" means that the United States should not be in a position such that our economy will not be severely damaged by relatively short interruptions in foreign supplies similar to the Arab countries actions of last year. To achieve this will require additional domestic sources and, most importantly, a vastly enlarged storage system for oil and other critical resources.

Domestic Policy Formulation

The existing mechanism for the formulation of domestic policies for the President leaves lots to be desired.

Some of the major problems that have arisen include:

1. Centralizing policy formulation in the White House has created friction with and engendered lack of support from the departments and agencies who must carry out the policies.
2. Those who must develop the policies (the Domestic Council staffers) are frequently not sufficiently knowledgeable in their specific policy areas. Thus initiatives have on occasion been poorly developed or ill-chosen.
3. OMB has become all powerful since it controls not only the budget but also policy formulation. Too often this results in the selection of least cost options when in fact the President's desires may require greater fiscal support.
4. Congressional involvement in Administration policy formulation has been nil.

Specific suggestions for improvement:

1. Appoint a Chief Domestic Advisor with (1) the ability and desire to work with Republicans on the Hill, the Cabinet Officers and Agency Heads; and (2) the stature to be credible when personally advocating Presidential programs.
2. Revamp Domestic Council staff organization to include greater professional expertise and representation from affected Cabinet Officers and Agency Heads.
3. Place significant restraints on OMB's role in policy formulation (as distinct from execution).

Science Advice - Do We Need It?

Last year the Nixon administration with good reason abolished the then existing science advisory organization in the Executive Offices. The organization had become unresponsive to the needs of the President and represented an internal pressure group whose sole function was to advocate more money for "scientific research."

It's my view that a much reduced and non-advocacy science advisory role should be created in the White House. National Defense, Intelligence and Energy issues, among others, all are based on high technology and the ability to obtain rational advice from a technologist is very desirable.

My suggestion to handle this would be to create at most a two-man office in the Executive Offices consisting of a Science/Technology Advisor and perhaps a deputy. (In contrast to the old Office of Science and Technology no other staff would be provided). The Advisor would be given the authority (and funds) necessary to form ad hoc panels from the government or the outside to study specific issues raised by the President.

If the Science Advisory position were filled by a Bill Baker or an Ed David it could be a useful operation as well as have lots of political payoff.