

The original documents are located in Box 30, folder “Presidential Meetings with Members of The House of Representatives, 3/26/76-3/31/76” of the Loen and Leppert Files at the Gerald R. Ford Presidential Library.

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THE WHITE HOUSE
WASHINGTON

Charlie --

Don Clausen and
Bob Wilson notified and they understand
although there was some disappointment.

Neta
3/26/76

9-26-76

Neta: Thanks

Chen



THE WHITE HOUSE
WASHINGTON

3-25-76

Nota on Vera:

Pls. call, Don
Clausen + tell him
that this has been
turned down due to
P's heavy schedule.

TR.

Class.



Turned down 3/25/76 - no time - P. schedule full

THE WHITE HOUSE
WASHINGTON

SCHEDULE PROPOSAL
DATE: March 19, 1976
FROM: Charles Lepper *CP*
THRU: Max L. Friedersdorf
VIA: Bill Nicholson

MEETING: Signing Ceremony - H. R. 4034
Jerry L. Pettis Memorial Veterans' Hospital

DATE: Between today and March 29, 1976

PURPOSE: Change name of Loma Linda, California
Veterans' Hospital to Jerry L. Pettis
Memorial Veterans' Hospital

FORMAT: The Oval Office (15 minutes)

PARTICIPANTS: The President
Entire Republican Congressional Delegation
from California (See Tab A)

CABINET PARTICIPATION: None

SPEECH MATERIAL: None

PRESS COVERAGE: White House Photographers

STAFF: Charles Leppert, Jr.

RECOMMEND: Max L. Friedersdorf

OPPOSED: None

PREVIOUS PARTICIPATION: None

BACKGROUND:

- (1) H. R. 4034 was sponsored by the California Republican House members with the exception of Rep. McCloskey and, of course, Mrs. Pettis.
- (2) The bill would change the name of the Loma Linda, California Veterans' Hospital to the "Jerry L. Pettis Memorial Veterans' Hospital" in honor of former Rep. Jerry L. Pettis who was killed in a plane crash in February 1975.

Bob Wilson - Joell
Bob Clansen - Martha

- (3) Rep. Don Clausen (R-Calif.) initiated the request for a signing ceremony on this legislation.
- (4) With the California primary election in the near future there are some political merits in having the California delegation to the White House for a signing ceremony honoring their deceased colleague.
- (5) The late Rep. Jerry L. Pettis was elected to the 90th Congress and each succeeding Congress until his untimely death in February 1975. Rep. Pettis served as a member of the House Committees on Science and Technology and Ways and Means. At the commencement of the 94th Congress, Rep. Pettis served as the Deputy Minority Whip in the House of Representatives.

MEMBERS OF HOUSE OF REPRESENTATIVES ATTENDING THE
SIGNING CEREMONY FOR "JERRY L. PETTIS MEMORIAL VETERANS'
HOSPITAL "

Bell, Alphonzo
Burgener, Clair W.
Clausen, Don H.
Clawson, Del
Goldwater, Barry M., Jr.
Hinshaw, Andrew J.
Ketchum, William M.
Lagomarsino, Robert J.
McCloskey, Paul N., Jr.
Moorhead, Carlos
Pettis, Shirley
Rousselot, John H.
Talcott, Burt L.
Wiggins, Charles E.
Wilson, Bob

THE WHITE HOUSE
WASHINGTON

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SIGNING CEREMONY FOR "JERRY L. PETTIS MEMORIAL VETERANS'
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Moorhead, Carlos
Pettis, Shirley
Rousselot, John H.
Talcott, Burt L.
Wiggins, Charles E.
Wilson, Bob

March 16, 1976

MEMORANDUM FOR:

MAX L. FRIEDERSDORF

THRU:

VERN LOEN

FROM:

CHARLES LEPPERT, JR.

SUBJECT:

**H.R. 4034 - "Jerry L. Pettis Memorial
Veterans' Hospital".**

Rep. Don Clausen (R-Calif.) has called to request a public signing ceremony for the above bill, which designates the Veterans' Administration hospital in Loma Linda, California, as the "Jerry L. Pettis Memorial Veterans' Hospital."



President's Mail - March 16, 1976

House

1. Charles Rangel

"I would like to take this opportunity to commend you for the views you expressed recently concerning the unjust rule of Rhodesia by a white minority government. . . I urge you to continue this positive development in United States foreign policy toward African nations. . . I offer my support for any constructive policies you may develop that will achieve the goal of full self-determination in Africa. It is my sincere hope that you will take definitive action toward that end."

2. Charles Grassley

Writes in regard to the legislation he and others have introduced to repeal the salary increases of Senators and Representatives. "Should the President announce to the Congress and the people of the United States that he would sign such a bill if it were passed by both houses, it would assure the country that both the executive and legislative branches of our government are willing to set an example of responsible restraint when faced with the temptation of self-perpetuating inflation."

3. Keith Sebelius

Concerned about a tentative opinion by the Department of Labor Solicitor's Office to include custom combine and sheep shearing crews under the provisions of the Farm Labor Contractor Registration Act. Says it is causing great concern to farmers in the Great Plains, and custom grain harvesters are indicating they will not follow the harvest if relief is not granted from the requirements of this Act. Encloses letter from the Chairmen of the House and Senate Labor Subcommittee stating that it was the intent of Congress that custom combine and sheep shearing crews be exempted from the provisions of this Act. Urges prompt Executive action to review the Solicitor's opinion and to make the exemptions. Encloses front page newspaper story from his hometown showing the problem has gained widespread attention.

4. Bob Wilson

Writes on behalf of the California Republican delegation to request that the President designate a combatant ship the USS La Jolla.



5. Bob Wilson

Hopes there will be a public ceremony to sign H.R. 4034, to designate the V.A. Hospital in Loma Linda as the Jerry L. Pettis Memorial Veterans Hospital.

THE WHITE HOUSE

WASHINGTON

March 16, 1976

MEMORANDUM FOR: MAX L. FRIEDERSDORF
THRU: VERN LOEN 
FROM: CHARLES LEPPERT, JR. 
SUBJECT: H.R. 4034 - "Jerry L. Pettis Memorial
Veterans' Hospital".

Rep. Don Clausen (R-Calif.) has called to request a public signing ceremony for the above bill, which designates the Veterans' Administration hospital in Loma Linda, California, as the "Jerry L. Pettis Memorial Veterans' Hospital."

Completed
MAR 29 1976

THE WHITE HOUSE

WASHINGTON

March 29, 1976

PHOTO MEETING WITH CONGRESSMAN PHIL LANDRUM AND FAMILY

Tuesday, March 30, 1976

12:30-12:35 P. M. (5 Minutes)

Oval Office

Thru: Max Friedersdorf

From: Bob Wolthuis *RKW*

I. PURPOSE

To give Congressman Landrum and his family an opportunity to meet with the President and have photographs taken with Congressman Landrum's children and grandchildren.

II. BACKGROUND, PARTICIPANTS AND PRESS PLAN

A. Background:

1. Congressman John Rhodes recommended to Max Friedersdorf that the photo opportunity be scheduled. The Minority Leader pointed out that Mr. Landrum has been a strong supporter of the President in the past and will deeply appreciate this opportunity to have a family photograph taken with the President.

B. Participants:

The President
Congressman and Mrs. Phil Landrum
Susan Landrum (daughter)
Mr. and Mrs. Phil Landrum, Jr. (son)
Phil and Laura Landrum (grandchildren)
Charles Leppert (staff)

C. Press Plan:

White House Photo Only

III. TALKING POINTS

1. Phil, it's a pleasure to welcome you and your sweet wife to the White House. I am delighted that your daughter, Susan, and your son, Phil, could be here with his wife and your grandchildren.
2. I know over the years you have been a very close friend and that you have been very supportive of my administration. It's a pleasure to have you and your family here for this picture taking session.

THE WHITE HOUSE

WASHINGTON

March 25, 1976

MEMORANDUM FOR: MAX FRIEDERSDORF

FROM: WILLIAM W. NICHOLSON *WWN*

SUBJECT: Approved Presidential Activity

Please take the necessary steps to implement the following and confirm with Mrs. Nell Yates, ext. 2699. The appropriate briefing paper should be submitted to Dr. David Hoopes by 4:00 p.m. of the preceding day.

Meeting: Greet and be Photographed with Congressman Phil Landrum (D-Ga.)

Date: Tues., March 30, '76 Time: 12:30 p.m. Duration: 5 mins.

Location: The Oval Office

Press Coverage:

Purpose: Note: The Congressman's wife, children, and grandchildren will accompany him.

cc: Mr. Cheney
Mr. Hartmann
Mr. Marsh
Dr. Connor
Dr. Hoopes
Mr. Nessen
Mr. Jones
Mr. Smith
Mr. O'Donnell
Mrs. Yates
Mr. Wolthuis
✓ Mr. Loen

Meeting Re the Proposed Increase in Grazing Fees

March 31, 1976

2:30 p.m. (45 minutes)

Cabinet Room

N. E. Gate

- ~~NO~~ YES BAUCUS, Max
- ~~YES~~ CONLAN, John B.
- ~~YES~~ FOLEY, THOMAS S.
- ~~NO~~ HALEY, James A.
- ~~YES~~ HANSEN, George
- ~~YES~~ HOWE, Allan T. ~~NO~~
- ~~NO~~ LUJAN, Manuel, Jr.
- ~~YES~~ MC KAY, Gunn
- ~~NO~~ RISENHOOVER, Theodore
- ~~YES~~ RONCALIO, Teno
- ~~YES~~ RUNNELS, Harold
- ~~YES~~ SANTINI, Jim
- ~~YES~~ SYMMS, Steven
- ~~YES~~ SKUBITZ, Joe
- ~~YES~~ STEIGER, Sam
- ~~NO~~ ULLMAN, Al
- ~~NO~~ WAMPLER, William C.



Nancy

Meeting Re the Proposed Increase in Grazing Fees
March 31, 1976
2:30 p.m. (45 minutes)
Cabinet Room
N. E. Gate

N
Y BAUCUS, Max - 3211 - (Debra) Mike
Y CONLAN, John B. - 3361 (Chris) Luc
Y FOLEY, THOMAS S. - 2006 Sandy
N HALEY, James A. - 5015 Alice
Y HANSEN, George - Connie - 5531
Y HOWE, Allan T. - 3011 - Phyllis
LUJAN, Manuel, Jr.
MC KAY, Gunn
RISENHOOVER, Theodore
V RONCALIO, Teno
RUNNELS, Harold
SANTINI, Jim -
SYMMS, Steven
SKUBITZ, Joe
K STEIGER, Sam
ULLMAN, Al
WAMPLER, William C.



Reda.

Meeting Re the Proposed Increase in Grazing Fees
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2:30 p.m. (45 minutes)
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BAUCUS, Max
CONLAN, John B.
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HALEY, James A.
HANSEN, George
HOWE, Allan T.
LUJAN, Manuel, Jr.
MC KAY, Gunn
RISENHOOVER, Theodore
RONCALIO, Teno
RUNNELS, Harold
SANTINI, Jim

SYMMS, Steven

SKUBITZ, Joe

STEIGER, Sam

ULLMAN, Al

WAMPLER, William C.

- Margaret -

- Harriet Jones -

- Beverly -

- Kathy Kearn -

- Jane -

WCB

WCB

WCB

WCB

WCB

*said yes tentatively - won't show
if a quote comes up*

YES(?)

YES

(Josh Bell)
TENTATIVE



Vera

Meeting Re the Proposed Increase in Grazing Fees
March 31, 1976
2:30 p.m. (45 minutes)
Cabinet Room
N. E. Gate

BAUCUS, Max
CONLAN, John B.
FOLEY, THOMAS S.
HALEY, James A.
y. HANSEN, George
HOWE, Allan T.

No LUJAN, Manuel, Jr. - 6316 - *Diana Murray*
yes MC KAY, Gunn - 0453 - *Wanda Scott*
No RISENHOOVER, Theodore - 2701 - *Marilyn Storm*
yes RONCALIO, Teno - 2311 - *Mary Cook*
yes RUNNELS, Harold - 2365 - *Shirley Dickins*
yes SANTINI, Jim - 5965 - *Rose Quinlan*
SYMMS, Steven
SKUBITZ, Joe
yes STEIGER, Sam
ULLMAN, Al
WAMPLER, William C.



THE WHITE HOUSE
WASHINGTON



3/29/76

CL:

We do need a Schedule Proposal for the Santini meeting re grazing feed. We have nothing in the records to indicate that one has been submitted.

k

BACKGROUND ATTACHED

3.29-76

Kelly: Pls do draft
Schedule proposal
for me. Clem.

2-27-76
7
February 27, 1976

Dear Jim:

In response to your February 23 letter to the President, please be assured that the names of Senators Garn and Congressman Ullman will be added as cosigners of the February 18 letter concerning grazing fees.

With kindest regards,

Sincerely,

Vernon C. Loeb
Deputy Assistant
to the President

The Honorable James D. Santini
House of Representatives
Washington, D.C. 20315

bcc: w/incoming to Bill Nichols for further action
bcc: w/incoming to James Cannon - FYI
bcc: w/incoming to Alan Krasowitz, OMB, FYI

VCL:JEB:VO:70

LIBRARY OF CONGRESS

February 23, 1976

Dear Congressman Santini:

Thank you for the February 19 letter to the President in which you joined with a number of your Western colleagues to request a meeting to discuss the proposed increase in grazing fees.

Please be assured that prompt consideration will be given to your request, and that you will hear further as soon as possible.

With best regards,

Sincerely,

Max L. Friedersdorf
Assistant to the President

The Honorable James D. Santini
House of Representatives
Washington, D.C. 20515

MLF:JEB:VO:pft

bcc: w/incmg to Bill Nicholson for further action
bcc: w/incmg to James Cannon - FYI
bcc: w/incmg to Alan Kranowitz, ONB - FYI
bcc: w/incmg to Vern Loen - FYI
bcc: w/incmg to Bill Kendall - FYI



February 19, 1976

DISTRICT OFFICES:
SUITE 4-620 FEDERAL BUILDING
300 LAS VEGAS BOULEVARD SOUTH
LAS VEGAS, NEVADA 89101
TELEPHONE: (702) 383-6375
SUITE 2024 FEDERAL BUILDING
300 BOOTH STREET
RENO, NEVADA 89502
TELEPHONE: (702) 784-5657

FEB 23 1976
The Honorable Gerald R. Ford
President of the United States
The White House
Washington, D. C. 20500

Dear Mr. President:

We are writing to request a meeting with you on a matter of the greatest concern to ourselves and our States.

Recently, the Department of Interior compounded the already serious economic problems of America's stock operators by announcing a 51% increase in the fee charged for stock grazing on the public lands. If fully implemented, this new policy will cost Western cattlemen and wool growers more than Five Million additional dollars in 1976. Given current economic conditions — cost of agriculture production up 25% since 1973, selling price of Western cattle down nearly 20% since 1973 — this proposed increase in grazing fees will be a fatal blow to many Western stock operators.

America's consumers will also suffer as a direct consequence of this grazing fee increase. Consumers will eventually absorb the increased grazing cost and may additionally be confronted with a dwindling supply of meat. Therefore, from both consumer's and producer's perspectives, the increased grazing fee is untimely, ill-advised, and will impair your Administration's success in controlling inflation.

Furthermore, because recent court decisions raise the imminent possibility of reductions in grazing allotments and because the West is in the grip of a severe drought, the proposed 51% grazing fee increase is especially burdensome this year. A partial rollback of this fee increase would, under these circumstances, be particularly welcome and appropriate.

As representatives of Western states, we have sought support within the Department of Interior for a partial rollback of this fee increase. In meeting with Secretary Kleppe and with the Bureau of Land Management Director, Curt Burklund, we were advised that you alone could reverse or revise the 1976 fee schedule. We, therefore, request the opportunity to discuss with you the 1976 fee, as well as proposals for a revised fee formula.

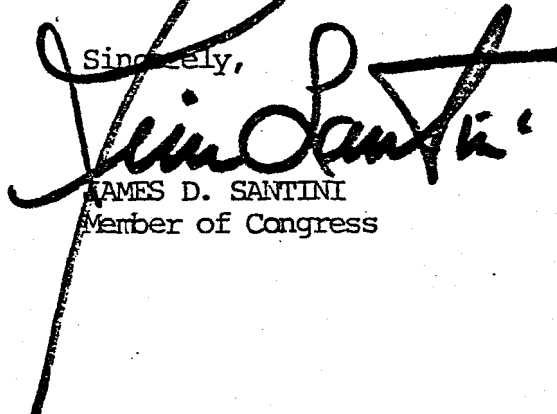
The Honorable Gerald R. Ford
February 19, 1976
Page Two

It is our hope that a formula can be agreed upon by the Administration, the Congress and the livestock industry that will assure a future grazing fee that is related to costs of production. The basic concept was agreed to in 1974 by both the Departments of Interior and Agriculture. Only through such a formula can we provide the opportunity for our vital family ranches to survive.

As the grazing fee increase is scheduled to take effect on March 1, 1976, // we would hope to meet with you at your earliest convenience.

With best regards, I am,

Sincerely,

A large, stylized handwritten signature in black ink, which appears to read "Jim Santini". The signature is written over the printed name and title.

JAMES D. SANTINI
Member of Congress

JDS:sq

THE WHITE HOUSE
WASHINGTON

SCHEDULE PROPOSAL

DATE: March 31, 1976
FROM: Tom Loeffler *TL*
THRU: Max Friedersdorf
Charles Leppert, Jr. *CL*
VIA: Bill Nicholson

MEETING: Congressman Jim Delaney (D. -N. Y.)
DATE: As soon as possible
PURPOSE: For Congressman Jim Delaney to personally talk
with the President about the possibility of Mr.
Patrick J. Delaney's nomination to a high-level
executive position
FORMAT: The Oval Office
5 minutes

CABINET

PARTICIPATION: None

PARTICIPANTS: The President
Rep. Jim Delaney

SPEECH

MATERIAL: Talking points will be provided

STAFF: Tom Loeffler

RECOMMEND: Max Friedersdorf

PREVIOUS

PARTICIPATION: None

BACKGROUND:

1. Congressman Delaney briefly chatted with the President concerning this matter on the evening of March 17th during the State Dinner held for Prime Minister Liam M. Cosgrave of Ireland.
2. The Congressman is most interested in being able to personally talk with the President concerning the possibility of Mr. Patrick J. Delaney's nomination to a high-level executive position.

3. Pat Delaney is the son of Congressman Jim Delaney. Pat is presently serving on the Domestic Council in the White House.
4. Congressman Delaney is a Member of the House Rules Committee and provides strong support for Administration positions both in the Committee and on the floor of the House.

APPROVE _____ DISAPPROVE _____

7/20/76

Pat Delaney was nominated to SEC.



THE WHITE HOUSE
WASHINGTON

Max:

~~Max~~ Scheduling says on the
Schedule Proposal for Harsha
to meet with the President
before the recess on Uranium
Enrichment - they've received
a very adverse reaction
from Jim Lynn - ~~xx~~

Lynn says it would muddy
the waters at this time

Nancy

THE WHITE HOUSE
WASHINGTON

SCHEDULE PROPOSAL
DATE: March 31, 1976
THRU: Max Friedersdorf
FROM: Charles Leppert *CL*
VIA: Bill Nicholson

MEETING: Rep. William H. Harsha (R-Ohio)

DATE: During the week of April 5-9

PURPOSE: To discuss pending legislation. H.R. 8401/S. 2035 -
Nuclear Fuel Assurances Act (Uranium Enrichment)

FORMAT: Oval Office - 10 minutes

PARTICIPANTS: The President
Rep. William H. Harsha (R-Ohio)
Charles Leppert (Staff)

SPEECH MATERIAL: Talking points to be provided

PRESS COVERAGE: White House photographer only

STAFF: Charles Leppert

RECOMMEND: Max Friedersdorf

BACKGROUND: 1. H.R. 8401/S. 2035 - Nuclear Fuel Assurances Act,
is still in committee (Joint Committee on Atomic
Energy). Mr. Harsha would like to discuss with
the President the part of the legislation that allows
for private industry to enter into the uranium
enrichment field. At present, there are three
government-run uranium enrichment plants,
1.) Oakridge, Tennessee, 2.) Paducah, Kentucky,
and, 3.) Portsmouth, Ohio, which is in Mr.
Harsha's District.

*Notified 4/19 that
they had scheduled
him for April 20
at Noon for 15 minutes.
He was fishing in Florida
and not available. K.*



2. Mr. Harsha feels that allowing the Uranium Enrichment Associates, of which Bechtel is the major corporation involved, to build a new uranium enrichment plant in Dothan, Alabama, would cost the United States in time as well as money. He believes that the Portsmouth facility could be expanded to meet the increased need for uranium enrichment by 1983, for a projected cost of \$2.1 billion. The Bechtel proposal presently before ERDA also shows a completion date by 1983, but for a total projected cost of \$5.7 billion. Rep. Harsha notes that part of the projected cost (\$2.2 billion) for the Bechtel proposal is to build two nuclear power plants to run the nuclear enrichment plant. Due to additional construction, he doubts that this plant will be operational by 1983.
3. Both proposals would increase the production of nuclear power plant fuel by nine million separative work units (SWU).

APPROVE _____ DISAPPROVE _____

MAR 31 1976

THE WHITE HOUSE
WASHINGTON

March 30, 1976

MEMORANDUM FOR: CHARLIE LEPPERT
FROM: MAX FRIEDERSDORF *mf*
SUBJECT: M.C. Bill Harsha

Harsha wants to see the President on his nuclear plant problem involving Bechtel.

Will you please get the details from Harsha and prepare a Schedule Proposal.

Harsha wants to do this next week, so we should get the proposal in ASAP.

FEDERAL ENERGY ADMINISTRATION
WASHINGTON, D.C. 20461

received
APR 1 1976

OFFICE OF THE ADMINISTRATOR

Honorable Ronald M. Mottl
House of Representatives
Washington, D. C. 20515

Dear Mr. Mottl:

This is in regard to your letter to the President of January 21, 1976, forwarded to me by Vernon Loen.

Your letter states that data made available to you by the General Accounting Office (GAO) indicates our Nation is in serious danger of running short of domestic uranium within the next 10 years. Your letter expresses concern that our continued dependence on nuclear power could lead to unwise dependence on foreign sources of uranium, and suggests that the United States curtail immediately the export of domestic uranium, nuclear reactor materials, and nuclear technology, pending the formulation of a new policy. Your letter also refers to "serious doubts that have been cast upon the safety and economic viability of nuclear power" and suggests that the President set up a panel to review the national and international aspects of the safety and economics of nuclear power.

The Federal Energy Administration (FEA) is responsible for assessing the availability of domestic energy resources and for developing policies which are aimed at assuring that this country has adequate energy resources in the years ahead. In this connection, we have assessed the availability of uranium resources, and we find that there are ample uranium resources now available to fuel all the nuclear power plants now operating and under construction as well as those which will be needed in the near future.

bcc: Mr. Vernon C. Loen
The White House

We have consulted with the GAO and find that the data which they have included in their draft report was developed by the Energy Research and Development Administration (ERDA), [the same data on which our own conclusions are based]. This data indicates that at the present time the United States has over 600,000 tons of proven uranium reserves, and over 1,100,000 tons of uranium in the category of "probable resources" for a total of 1,700,000 tons. The latter category is entitled "probable resources," rather than proven resources, because the uranium mining industry has not yet done the exploratory and development drilling needed to extract this uranium from the ground. The specific ore bodies which constitute this category of resources cannot be geographically delineated, and therefore, cannot be defined as reserves until this exploration and development drilling is accomplished. The fact that this has not been done does not reduce our confidence that this quantity of economically recoverable uranium exists.

The present type of nuclear power plant uses over its 30-year lifetime between 5,000 and 6,000 tons of uranium. By 1990 we expect to have about 300 reactors in operation, most of which are already ordered, under construction, or operating. Thus, we already have enough identified domestic uranium to fuel all of the reactors that are expected to be on line by 1990 over their entire lifetime.

In addition to the 1,700,000 tons of reserves and probable resources, ERDA has identified another 2 million tons of possible and speculative resources whose existence is less assured. ERDA has underway a program called "The National Uranium Resource Evaluation" program, which in the next 5 to 6 years is expected to verify the existence of these resources. This additional uranium should be sufficient to fuel reactors that may become operational well into the next century.



With regard to your concerns over safety and the need to establish an independent panel to evaluate safety, the law already provides for several independent and rigorous evaluations of every nuclear facility that is brought into operation. The staff of the Nuclear Regulatory Commission (NRC) makes thorough reviews of the design and construction of each facility prior to construction and again prior to operation. A separate "Advisory Committee on Reactor Safeguards," consisting of highly qualified experts in the field, also reviews the safety of all nuclear facilities. Public hearings on safety and environmental issues are mandatory before a construction permit is granted, and are held a second time if requested prior to granting an operating license. An Atomic Safety and Licensing Board is appointed for each project to coordinate hearings. Decisions of the Board are subject to review by a separate appeal board, and by the Commission itself. The entire process is open to the public. In view of the thorough and public nature of this existing review process, I do not believe that additional panels to evaluate safety are needed.

In this regard, I would call your attention to a report submitted to the House of Representatives by the Joint Committee on Atomic Energy on February 19, 1976, entitled "Nuclear Breeder Subcommittee Report." Among other things the report recommends:

"The tendency within the Federal government towards duplicative and redundant reviews of nuclear power and the need for the breeder reactor should be recognized and held to a minimum. Further reviews should be on narrower issues, such as means for improving cost and scheduler performance. Their emphasis should not be on the issue of "should we do the job," but on "how best to get the job done."

I completely agree with this recommendation and commend this report to you.

With regard to the economics of nuclear power, the data available to the FEA indicates that for the first 6 months of 1975, nuclear electric generation saved the Nation's electric consumers \$675 million as well as the equivalent of 115 million barrels of oil. The cost of electricity generated by nuclear power was on the average 43.6 percent lower than that generated using fossil fuels. While nuclear electric costs are expected to go up in the future because of increased capital cost as well as increased uranium costs, fossil generated electricity costs will also increase. It is not possible to predict with assurance which will increase more.

At present, very little uranium is exported, and that which is exported is subject to export license which must be approved by the Nuclear Regulatory Commission. Our domestically developed uranium enrichment technology is under tight controls and is not being released to foreign governments or individuals. There has been substantial export of light water reactor power plants--in fact, the export of this technology and associated components will enable many nations to become less dependent on foreign sources of oil. This is an international objective which forms one of the principal bases of the International Energy Program.

The uranium used in these exported reactors, even when it is enriched in this country, for the most part is of foreign origin. The United States government has been concerned about the possibility that special nuclear material associated with these exported nuclear power plants could be diverted for weapons purposes; therefore, we have insisted on rigorous controls safeguarding such material, both through bilateral agreements, and through the International Atomic Energy Agency. We are in the process of reviewing and strengthening these safeguards where appropriate.

We hope this information will ease some of your concerns with regard to the Administration's policy on nuclear power. We will be glad to provide additional information if you desire.

Sincerely,

Frank G. Zarb

Frank G. Zarb
Administrator

THE WHITE HOUSE
WASHINGTON

SCHEDULE PROPOSAL
DATE: March 4, 1976
FROM: Charles Leppert *CL*
THRU: Max L. Friedersdorf
Vern Loen *VL*
VIA: Bill Nicholson

MEETING: With Rep. William Harsha (R-Ohio)

DATE: After March 16, 1976

PURPOSE: To give Rep. Harsha an opportunity to discuss uranium enrichment by the federal government versus private interests

FORMAT: The Oval Office (15 minutes)

PARTICIPANTS: The President
Rep. Bill Harsha
Jim Connor (staff)
Glenn Schleede (staff)
Charles Leppert, Jr. (staff)

CABINET PARTICIPATION: None

SPEECH MATERIAL: Talking Points

STAFF: Charles Leppert, Jr.

RECOMMEND: Max L. Friedersdorf

OPPOSED: None

PREVIOUS PARTICIPATION: None

BACKGROUND:

1. Rep. Harsha represents the Sixth Congressional District of Ohio and serves as the Ranking Minority Member of the House Committee on Public Works and Transportation. Rep. Harsha's congressional district includes the existing federal gaseous diffusion uranium enrichment facility at Portsmouth, Ohio.
2. Rep. Harsha will propose that the federal government proceed with an add-on plant at the Portsmouth facility as the most immediate and reliable method of obtaining the next increment of uranium enrichment capacity necessary to maintain world leadership in this area.

3. The Administration has submitted to the Congress on June 26, 1975 a proposal providing that the uranium enrichment needed to fuel nuclear power plants domestically and internationally be made available through the American private enterprise system.
4. The Joint Committee on Atomic Energy has conducted hearings on the Administration's proposal, the "Nuclear Fuel Assurance Act (NFAA)" and all Administration witnesses have testified. The Committee has not proceeded to mark-up and report out the bill despite repeated requests to mark-up and report the bill.
5. The Administration proponents of the Nuclear Fuels Assurance Act (NFAA) are all in agreement that to proceed with the add-on plant will effectively kill the private enterprise interest in a uranium enrichment program.



STATEMENT OF WILLIAM H. HARSHA
REPRESENTATIVE TO CONGRESS
BEFORE THE JOINT COMMITTEE ON ATOMIC ENERGY
UNITED STATES SENATE AND HOUSE OF REPRESENTATIVES
WASHINGTON, D.C.

DECEMBER 4, 1975

Mr. Chairman and Members of the Joint Committee:

Thank you for affording me the opportunity to present my views on H.R. 8401, the Administration's proposal for privatization of the Uranium Enrichment Program. I believe it is universally accepted that there is need to expand United States production of enriched uranium. As of August of this year there were approximately 54 nuclear power plants licensed to operate and another 187 plants under construction, on order, or announced. By the year 1985, approximately 200 nuclear power plants should be in operation and, of course, as the years go by that figure should significantly rise.

The present production of the three government-owned enrichment facilities is already contracted for, including the additional capacity that will be provided at the conclusion of the so-called Upgrading Program. In addition to this, several foreign countries have indicated a desire to go the route of nuclear power plants and have indicated an interest in constructing their own enrichment facilities. Therefore, it seems rather obvious that if the United States is to maintain its leadership in the uranium enrichment industry and provide adequate capacity for domestic use as well, we must get on with the program of providing that capacity expansion. Failing this, we will be unable to meet even domestic demands, to say nothing of maintaining our leadership in the world in enriched uranium production and our ability to cope with

the energy crisis. If we do not meet this challenge, we will probably see a proliferation of the troublesome sale of enrichment technology to other countries with the danger that the operation will not be properly supervised and safeguarded.

Unfortunately, it takes from eight to ten years to design, construct and put into operation an enrichment facility. In view of the long lead-times presently required to build the separation plants and supporting facilities, it is imperative that the Congress act and act expeditiously.

As you know, there are presently three methods of enriching uranium: 1) gaseous diffusion; 2) gas centrifuge; 3) and, laser separation. Gaseous diffusion has been in existence for a number of years and has a 99 and 5/10 percent reliability rate. While gas centrifuge holds great promise and is unquestionably superior, it is as yet untried or tested on a commercial basis. Plant experience is needed to perfect this process. Laser separation is yet a long way off in proving its feasibility. Therefore, the most immediate and reliable method of obtaining the necessary capacity in the immediate future is to proceed with construction of a gaseous diffusion plant sufficient to provide the next increment of enriched uranium.

An additional reason for proceeding with nuclear development is the significant reduction in the amount of oil this country consumes by virtue of the use of nuclear power. A recent survey by Public Utility Fortnightly indicated that power from the atom in 1974 saved about one

quarter of a billion barrels of oil, which might otherwise have had to be imported. By 1985, this saving should increase to about 2.4 billion barrels of oil per year. If we are to become self-sufficient in the energy field, certainly the role played by nuclear power will be a significant one and augurs well for expeditious efforts to increase our enrichment capacity.

This increased capacity can be provided by the Federal Government and conceivably by the Administration's bill for encouraging private enterprise to get into the uranium enrichment field. At present there is only one proposal submitted to ERDA from private enterprise to venture into the enrichment field using the gaseous diffusion method. Significantly, there are three proposals from private enterprise to enter this field, utilizing the more advanced gas centrifuge technology. Although centrifuge technology is, as yet, unperfected, it is obviously recognized by private industry as holding the greatest potential. Reasons for this are that smaller plants can be constructed with smaller capacity, minimizing the initial capital outlays. Approximately 1/3 of the required capital investment for a gaseous diffusion plant is necessary to economically operate a centrifuge plant. However, the chief advantage is less than 10 percent of the electrical demands of the gaseous diffusion process is needed for the centrifuge process. It would appear, therefore, on the surface, that the centrifuge process is the most interesting to private enterprise and is the process which will most probably lead to a competitive market created by private enterprise activities. Therefore, it is quite probable that the next

enrichment facility employing the gaseous diffusion method will be the last of its kind and will eventually become technologically obsolete. This is very important: particularly in view of the tremendous guarantees and assurances required by private enterprise to construct a gaseous diffusion facility.

UEA, the only applicant, has estimated that their plant would cost in the neighborhood of 3 and 1/2 billions of dollars. With the assurances and guarantees required of the Federal Government by this proposal, I respectfully submit to this Committee that it is no longer a private enterprise venture at all. All of the risks have been removed and a rather princely profit has been assured the investors. Aside from that, another important factor is that with the Federal Government offering these kinds of assurances and guarantees, and the possible 8 billion dollar liability authorized in this bill, this legislation will serve as a great deterrent to further perfection of the centrifuge process. Quite naturally, in order to protect so large a possible liability, the Federal Government would, in effect, discourage other private entrepreneurs from getting into the uranium enrichment field by the centrifuge process. The Government would also have to offer guarantees and assurances to these investors to perfect a process that will make obsolete, the gaseous diffusion program in which they have a potential liability of 8 billions of dollars.

In addition to that, a Government-owned add-on plant can be constructed at the present site near Portsmouth, Ohio, for considerably

less than the sums estimated for the construction of a stand-alone facility. The add-on can be phased-in in increments, thereby keeping additional gaseous diffusion capacity at the minimum consistent with the development of centrifuge technology and maximizing flexibility to deal with problems of changing market conditions.

A large stand-alone plant of the size contemplated by UEA cannot be segregated into smaller increments. A new stand-alone plant requires a minimum size of about 9 million SWUs to operate economically while an add-on plant to an existing facility, such as at Portsmouth, can be increased in increments as the demand necessitates and still be economically efficient.

Mr. Chairman and Members of this Committee, there are a number of reservations concerning the UEA proposal, as set forth in the GAO report with which you are familiar. I will therefore only allude to the report in support of my position rather than to reiterate each objection. In addition, there is considerable reservation among the Congress as well as the public as to the advisability of turning over this process to private industry because of the attendant safeguards that are required.

In addition to the reasons I have heretofore outlined, I want to become a little more parochial in my testimony pertaining to the reasons for constructing a Federally owned add-on plant at the Portsmouth facility. In the first place, all the risks are eliminated by Government guarantees and assurances in the UEA proposal, thereby, in effect, making it a


government project wherein the Government assumes all of the responsibilities and liabilities, but without being the recipient of the normal benefits that are derived therefrom. The facility at Portsmouth would be much less costly; in the neighborhood of 2 billion 100 million dollars for a capacity expansion of approximately 9 million SWUs. It would be much more flexible. In addition, a plant the size of UEA's proposal would require approximately 2500 megawatts of electric power. These power facilities would have to be constructed for the UEA proposal at approximately 2 billion 200 million dollars additional. The Portsmouth facility can be supplied by the electrical service which will be available in 1980. I have a letter from the Public Utilities Commission of Ohio relative to that effect which I would request be made a part of the record. In addition to that, the unemployment statistics in the area where the UEA proposal will be constructed indicate that there is presently an unemployment rate of 6.1%, while the average unemployment rate in the area of the existing Portsmouth facility is a little higher than 12%. Obviously, the necessary work force would be available in the Portsmouth area to complete construction. In addition to that, I have with me a letter from the Area Building and Construction Council, AFL/CIO, stating that, should such a facility be constructed at the Portsmouth site, all local unions affiliated with that Council have pledged that in the process of the construction, there will be no unauthorized work stoppages. Also, if any type of a dispute does arise there will be no work delays pending settlement of the dispute in question and procedural rules which apply in all cases there, will be adhered to. In addition to that, I have letters from the Mayors of the



surrounding municipalities indicating their support for an add-on facility.

There are a number of reasons why ERDA selected the Portsmouth site for any add-on construction. The area has low seismic earthquake and tornado risks; there is ample electric power available as well as the favorable possibility of contracting for as much as is needed; and there is adequate space available to facilitate any proposed expansion.

One very important item is that all of the environmental problems surrounding the construction of such a facility are considerably minimized because this facility has been operating for approximately twenty years. The people there know what to expect. They no longer fear the presence of a uranium plant in their neighborhood. They now understand that it is very safe to operate, to live by and to exist with, and there is no hesitation to welcome into the community additional capacity. This is important, particularly in view of the Environmental Policy Act now on the books, as it applies to the completion schedule of the project. Added to this, encouragement can be given to private enterprise to get into this field via the gas centrifuge method by providing time for perfecting that process. At the same time, all domestic commitments and increased capacity can be met. We can retain our world leadership in this industry and provide for international needs thereby reducing the proliferation of the production of uranium 235. This will meet the ultimate objectives of the



Administration's bill and preserve the best interest of the public and the American taxpayer.

In conclusion, I would make the suggestion that Section 4 of the Bill be amended so as to actually authorize the construction of an additional enrichment facility so that that step may be behind us as we proceed to meet the needs of the Nation.

And finally Mr. Chairman, I might add that I have numerous requests from labor leaders, business leaders and community officials, if the Committee so desires, to appear before you and testify as to their unqualified support for an expansion of the Portsmouth facility.

Thank you.

Kathy Reid
sent file to Schleeed during week of 4/19

7/27
Schleeed x6556
to handle
Karen Kemp
will call back about
file - 4/27

THE WHITE HOUSE
WASHINGTON

SCHEDULE PROPOSAL
DATE: March 31, 1976
THRU: Max Friedersdorf
FROM: Charles Leppert *CL*
VIA: Bill Nicholson

MEETING: Rep. William H. Harsha (R-Ohio)

DATE: During the week of April 5-9

PURPOSE: To discuss pending legislation. H.R. 8401/S. 2035 - Nuclear Fuel Assurances Act (Uranium Enrichment)

FORMAT: Oval Office - 10 minutes

PARTICIPANTS: The President
Rep. William H. Harsha (R-Ohio)
Charles Leppert (Staff)

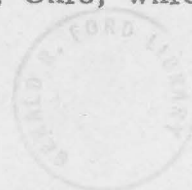
SPEECH MATERIAL: Talking points to be provided

PRESS COVERAGE: White House photographer only

STAFF: Charles Leppert

RECOMMEND: Max Friedersdorf

BACKGROUND: 1. H.R. 8401/S. 2035 - Nuclear Fuel Assurances Act, is still in committee (Joint Committee on Atomic Energy). Mr. Harsha would like to discuss with the President the part of the legislation that allows for private industry to enter into the uranium enrichment field. At present, there are three government-run uranium enrichment plants, 1.) Oakridge, Tennessee, 2.) Paducah, Kentucky, and, 3.) Portsmouth, Ohio, which is in Mr. Harsha's District.



2. Mr. Harsha feels that allowing the Uranium Enrichment Associates, of which Bechtel is the major corporation involved, to build a new uranium enrichment plant in Dothan, Alabama, would cost the United States in time as well as money. He believes that the Portsmouth facility could be expanded to meet the increased need for uranium enrichment by 1983, for a projected cost of \$2.1 billion. The Bechtel proposal presently before ERDA also shows a completion date by 1983, but for a total projected cost of \$5.7 billion. Rep. Harsha notes that part of the projected cost (\$2.2 billion) for the Bechtel proposal is to build two nuclear power plants to run the nuclear enrichment plant. Due to additional construction, he doubts that this plant will be operational by 1983.
3. Both proposals would increase the production of nuclear power plant fuel by nine million separative work units (SWU).

APPROVE _____ DISAPPROVE _____