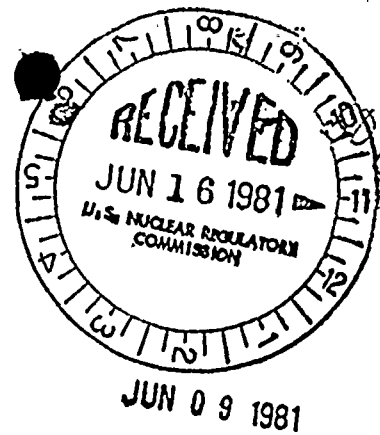
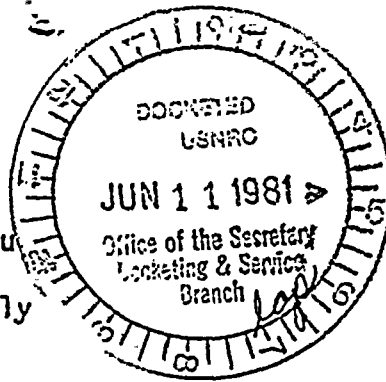


The Honorable Ernest L. Konnyu  
Assemblyman  
California Legislature Assembly  
Sacramento, CA 95814



Dear Mr. Konnyu:

I am pleased to respond to your April 24, 1981, referral of a letter from your constituent Mr. Naymark who urged the licensing of Diablo Canyon, Units 1 and 2 which has been referred to me.

The post-TMI picture of the licensing process is that the process is returning to predictability at a considerably enhanced level of safety. However, the implementation of this enhanced level of safety has raised a number of potential new issues in the contested hearings for both operating licenses and construction permits around the country. Some of these units were substantially complete at the time of the Three Mile Island accident or have been completed since then (such as Diablo Canyon). Thus, we do face a situation in which, for the first time, our hearings are or will be continuing for a significant number of plants that will be complete and ready to operate before the hearings conclude. As a result, we are working to find ways to accelerate the hearings on these plants.

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One further step to be considered is legislation to authorize the Commission to issue limited, interim operating licenses before completion of hearings where all applicable safety requirements have been met.

In summary, we are confident the actions we have taken and those we will take will provide major improvements in licensing schedules without compromising the regulatory requirements for safety.

We appreciate your interest in the Diablo Canyon project. Please be assured that while the NRC is taking reasonable steps to expedite the licensing process, the steps are totally consistent with our commitment to ensure the public health and safety.

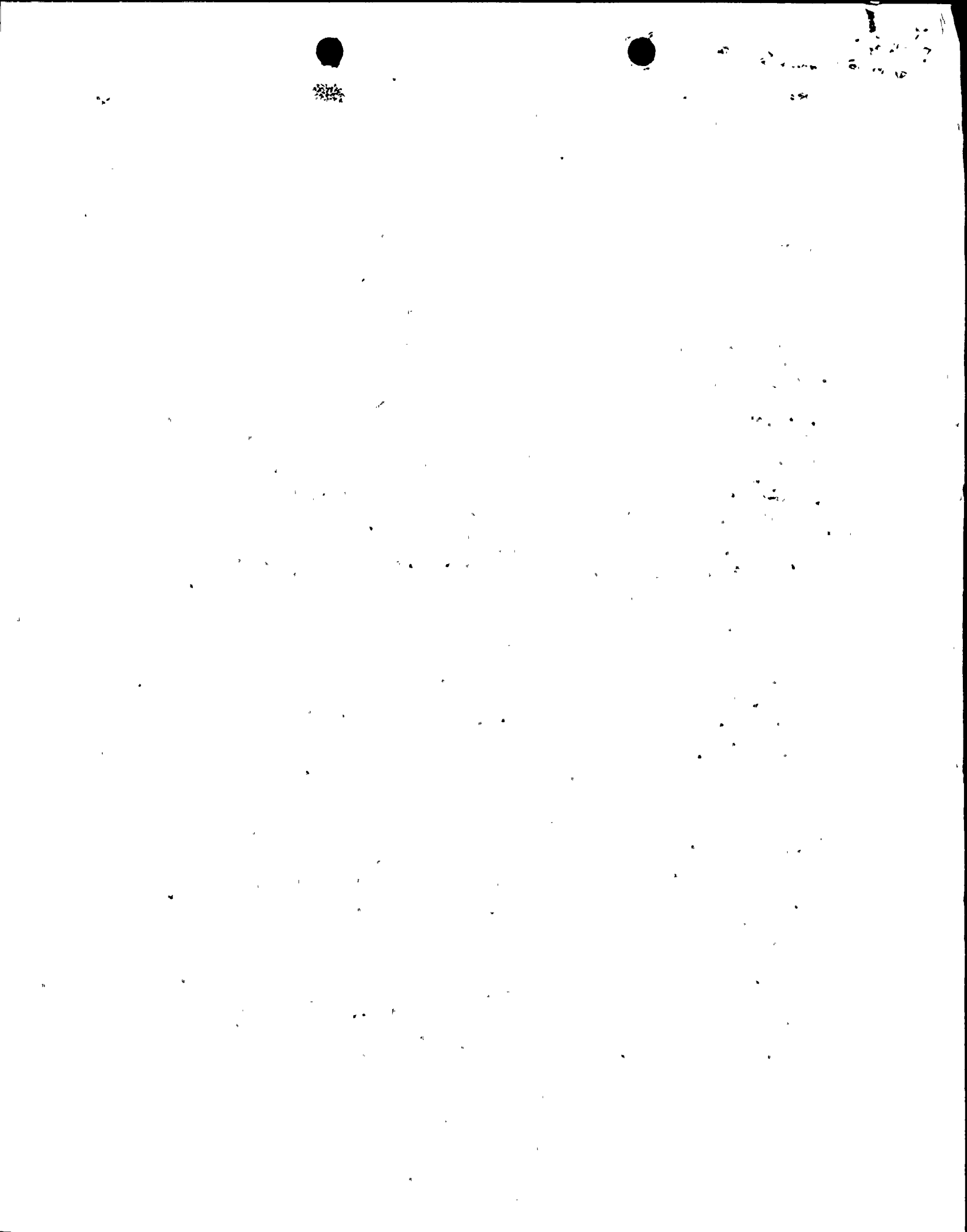
Sincerely,

*Hand signed by*  
*H. R. Denton*

Harold R. Denton, Director  
Office of Nuclear Reactor Regulations

SEE PREVIOUS CONCURRENCES!

OFFICE	DL:LB#3	DL:LB#3	OELD	DL:AD/L	DL:AD/L	NRR:DD	NRR:DIR
JRNAME	BBuckley/wt	FMitrovia	KARMAN	RL Tegesco	DEisenhut	ECase	HDenton
DATE	5/15/81	5/17/81	5/19/81	5/20/81	6/7/81	5/...../81	5/...../81



JUN 09 1981

The Honorable Ernest L. Konnyu  
Assemblyman  
California Legislature Assembly  
Sacramento, CA 95814

50-275

Dear Mr. Konnyu:

I am pleased to respond to your April 24, 1981, referral of a letter from your constituent Mr. Haymark who urged the licensing of Diablo Canyon, Units 1 and 2 which has been referred to me.

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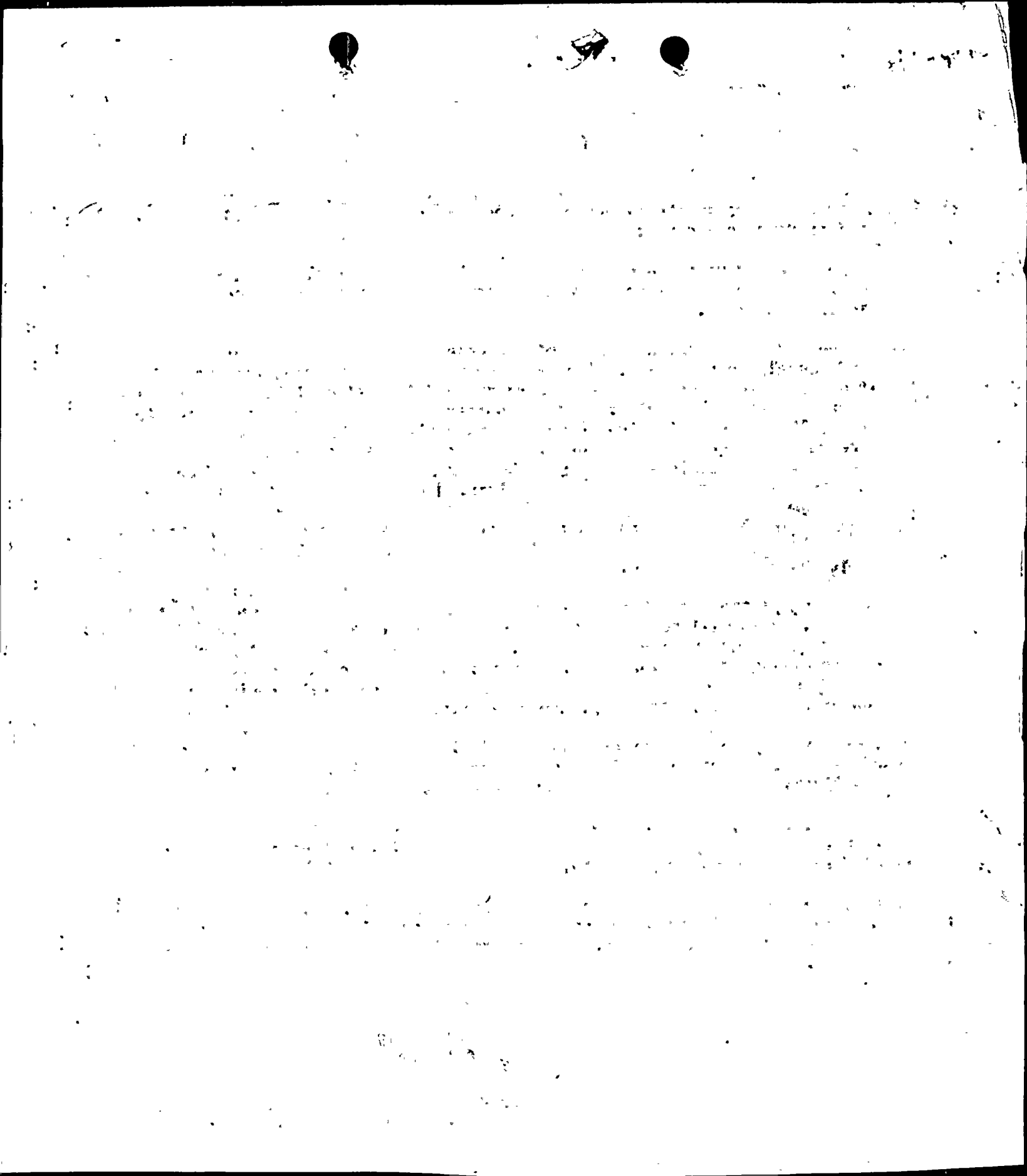
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Sincerely,

Original Signed by  
H. R. Denton

Harold R. Denton, Director  
Office of Nuclear Reactor Regulations





81-0659

No. 60-3400

Logging Date 5/8/81

NRC SECRETARIAT

- TO:  Commissioner \_\_\_\_\_ Date \_\_\_\_\_
- Exec. Dir./Oper. \_\_\_\_\_  Gen. Counsel \_\_\_\_\_
- Cong. Liaison \_\_\_\_\_  Solicitor \_\_\_\_\_
- Public Affairs \_\_\_\_\_  Secretary \_\_\_\_\_
- \_\_\_\_\_  Inspector & Auditor \_\_\_\_\_
- \_\_\_\_\_  Policy Evaluation \_\_\_\_\_

Incoming: White House Referral

From: Ernest L. Konnyu

CA Legislature Assembly

To: NRC Date 5/7/81

Subject: encloses ltr fm S. Naymark re the need  
for opening the Diablo Canyon fac

- Prepare reply for signature of:
- Chairman \_\_\_\_\_
  - Commissioner \_\_\_\_\_
  - EDO, GC, CL, SOL, PA, SECY, IA, PE
  - Signature block omitted
  - \_\_\_\_\_

*Misc*  Return original of incoming with response  
Hand Key 5/13

- For direct reply\* Suspense: May 26
- For appropriate action
- For information

Rec'd Off. EDO 5/11/81

Date.....1:45

Time.....

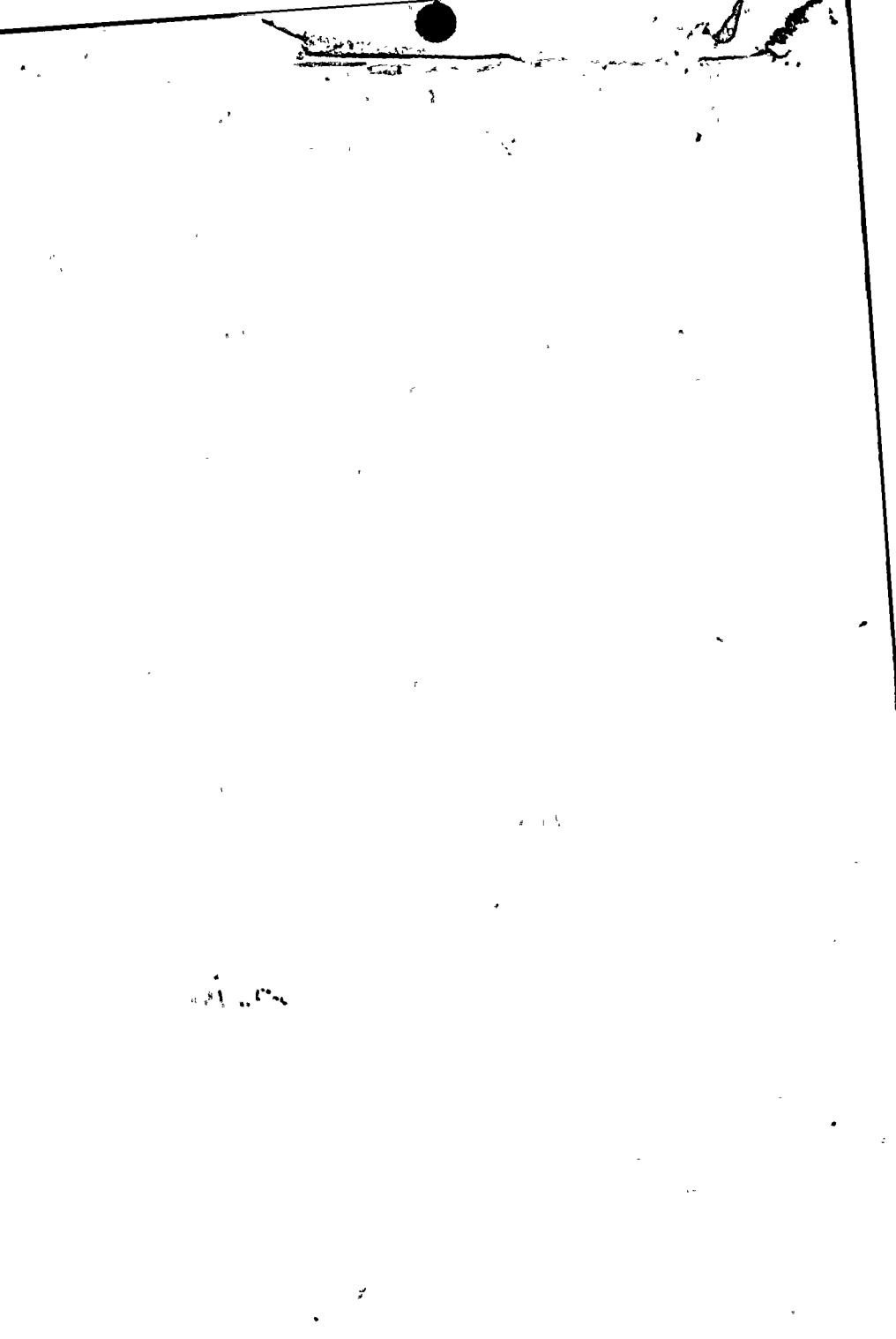
Remarks: \_\_\_\_\_

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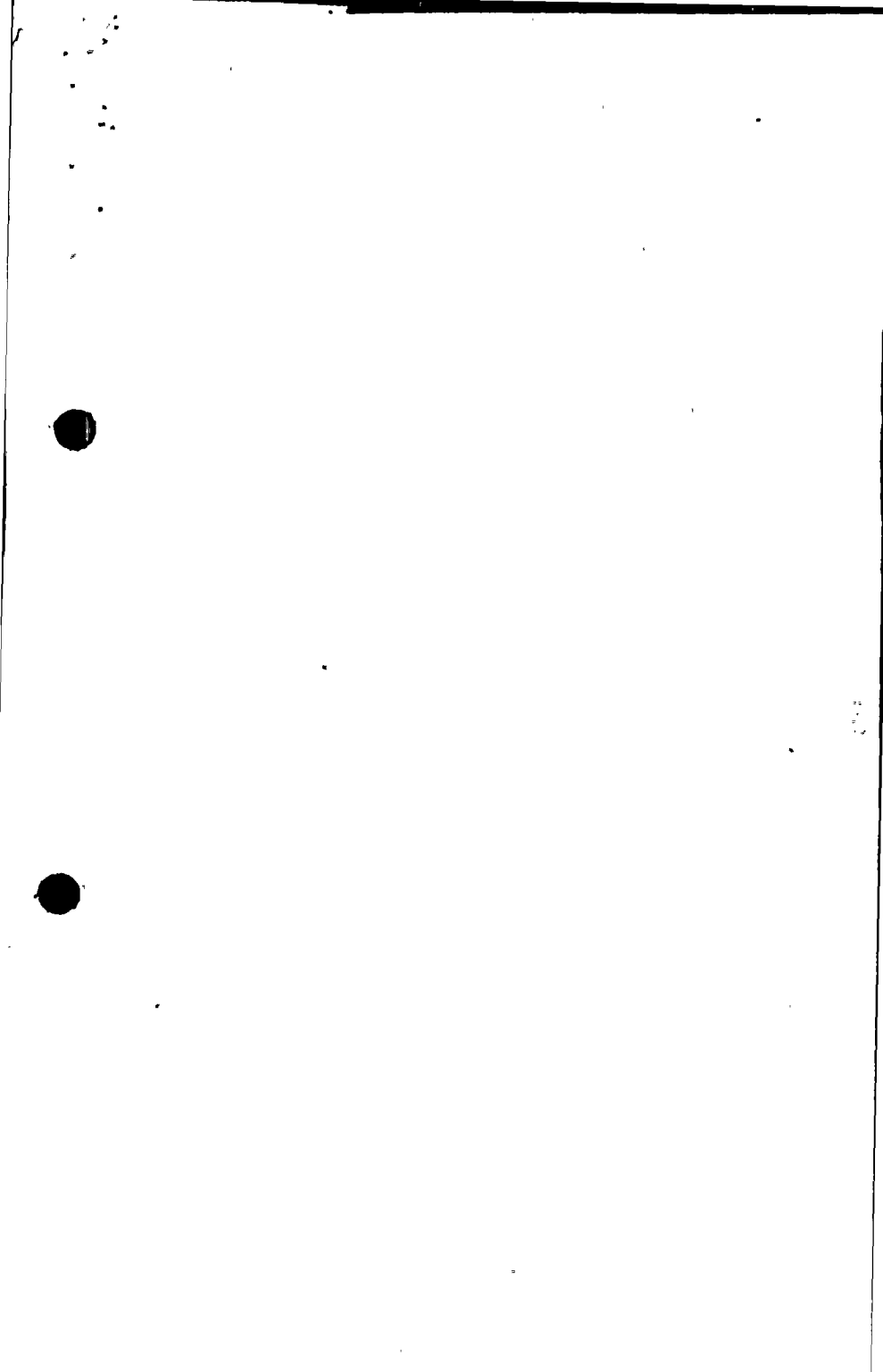
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For the Commission: billie

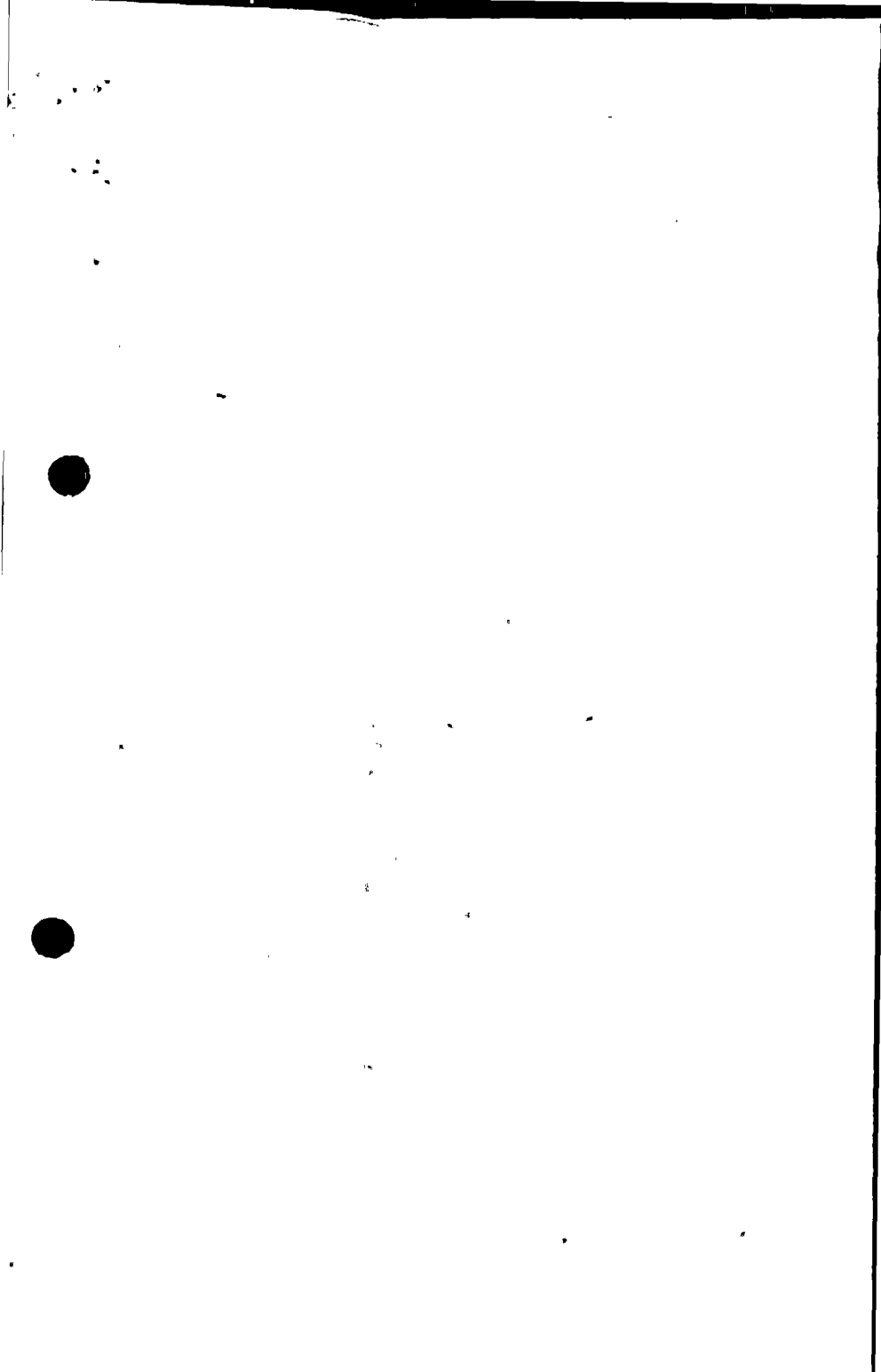
\*Send three (3) copies of reply to Secy Correspondence and Records Branch



FROM: Ernest L. Konnyu California Legislature Assembly (White House Referral)		ACTION CONTROL DATES COMPL DEADLINE 5/29/81		CONTROL NO. 10468	
TO:  The President		ACKNOWLEDGMENT		DATE OF DOCUMENT 4/24/81	
		INTERIM REPLY		PREPARE FOR SIGNATURE OF: <input type="checkbox"/> CHAIRMAN <input type="checkbox"/> EXECUTIVE DIRECTOR OTHER: <u>Denton</u>	
DESCRIPTION <input checked="" type="checkbox"/> LETTER <input type="checkbox"/> MEMO <input type="checkbox"/> REPORT <input type="checkbox"/> OTHER		SPECIAL INSTRUCTIONS OR REMARKS			
Encl. ltr fm Sherman Naymark, Quadrex dtd 4/16/81 re opening of Diablo Canyon		Return basic corres, control sheet w/copy of response to: Agency Liaison Room 33 The White House Washington, D. C. 20500			
CLASSIFIED DATA					
DOCUMENT/COPY NO.		CLASSIFICATION			
NUMBER OF PAGES		CATEGORY			
POSTAL REGISTRY NO.		<input type="checkbox"/> NSI <input type="checkbox"/> RD <input type="checkbox"/> FRD		SECY-81-0659	
ASSIGNED TO:	DATE	INFORMATION ROUTING	LEGAL REVIEW		<input type="checkbox"/> FINAL <input type="checkbox"/> COPY
Denton, NRR	5/11/81	Shapar 3. Vollmer	ASSIGNED TO:	DATE	NO LEGAL OBJECTIONS NOTIFY:
Eisenhut	5/12/81	Case 4. Mattson			<input type="checkbox"/> EDO ADMIN & CORRES BR EXT. _____
Tedesco	5/13/81	Denton 5. Murley			COMMENTS, NOTIFY: EXT. _____
Miaaglia	5/13	1. PPAS 6. Snyder			
D. Buckley		2. Hanauer			
			JCAE NOTIFICATION RECOMMENDED: <input type="checkbox"/> YES <input type="checkbox"/> NO		



FROM: Ernest L. Konnyu California Legislature Assembly (White House Referral)		ACTION CONTROL	DATES	CONTROL NO. 10468
TO: The President		COMPL DEADLINE	5/29/81	DATE OF DOCUMENT 4/24/81
		ACKNOWLEDGMENT		
DESCRIPTION <input checked="" type="checkbox"/> LETTER <input type="checkbox"/> MEMO <input type="checkbox"/> REPORT <input type="checkbox"/> OTHER		INTERIM REPLY		PREPARE FOR SIGNATURE OF: <input type="checkbox"/> CHAIRMAN <input type="checkbox"/> EXECUTIVE DIRECTOR OTHER: <u>Denton</u>
		FINAL REPLY	S/Denton	
		FILE LOCATION	6/7/81	
Encl. ltr fm Sherman Naymark, Quadrex dtd 4/16/81 re opening of Diablo Canyon		SPECIAL INSTRUCTIONS OR REMARKS		
CLASSIFIED DATA		Return basic corres, control sheet w/copy of response to: Agency Liaison Room 33 The White House Washington, D. C. 20500		
DOCUMENT/COPY NO.		CLASSIFICATION	SECY-81-0659	
NUMBER OF PAGES		CATEGORY	LEGAL REVIEW <input type="checkbox"/> FINAL <input type="checkbox"/> COPY	
POSTAL REGISTRY NO.		<input type="checkbox"/> NSI <input type="checkbox"/> RD <input type="checkbox"/> FRD	ASSIGNED TO: DATE	
ASSIGNED TO:	DATE	INFORMATION ROUTING	NO LEGAL OBJECTIONS NOTIFY:	
Denton, NRR	5/11/81	Shapar 3. Vollmer		<input type="checkbox"/> EDO ADMIN & CORRES BR
Eisenhut	5/12/81	Case 4. Mattson		EXT. _____
Tedesco	5/13/81	Denton 5. Murley		COMMENTS, NOTIFY:
Misaglia		1. PPAS 6. Snyder		EXT. _____
Buckley	5/13	2. Hanauer		
JCAE NOTIFICATION RECOMMENDED:			<input type="checkbox"/> YES <input type="checkbox"/> NO	

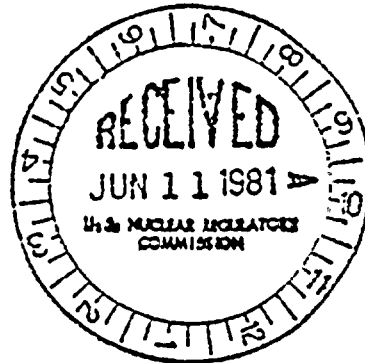


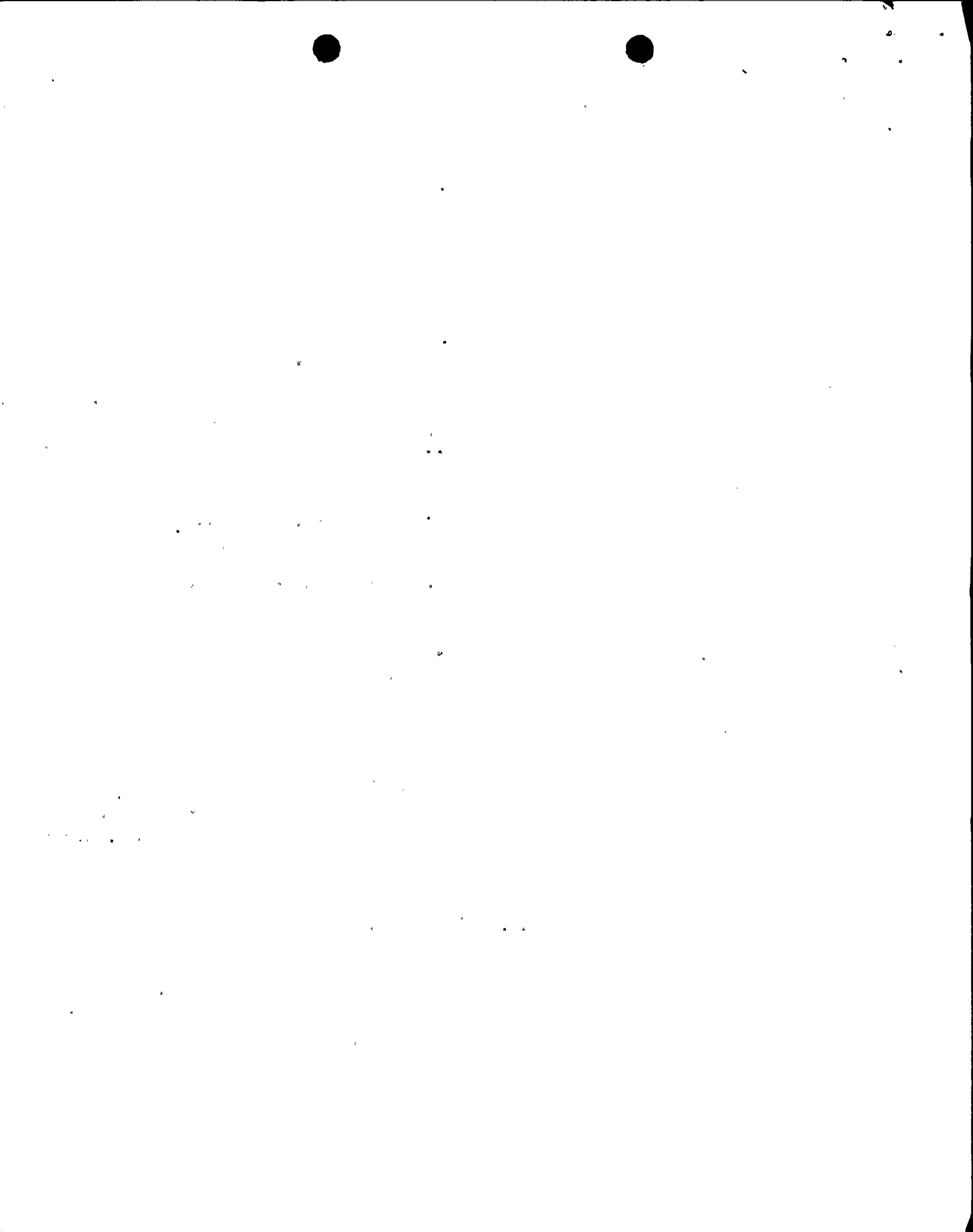
DATED 5/ JUN 09 1981 /81

DISTRIBUTION - Green Ticket 10468

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LPDR  
PDR  
NSIC  
TERA  
LB#3 File  
EDO Reading  
HRDenton  
EGCase  
DGEisenhut  
RPurple  
Attorney, OELD  
OCA (3)  
GErtter (10468)  
SCavanaugh (10468)  
EHughes  
A/D Secretary  
FJMiraglia  
KJabbour  
BPaul Cotter (ASLB)  
IE (3)  
SECY (3) (81-0659)  
WJDircks  
KCornell  
TRehm  
Shapar  
LUnderwood  
PPAS  
SHanauer  
RMattson  
TMurley  
BSnyder  
RVollmer  
HThompson  
MLicitra  
The White House







JUN 09 1981

The Honorable Ernest L. Konnyu  
Assemblyman  
California Legislature Assembly  
Sacramento, CA 95814

Dear Mr. Konnyu:

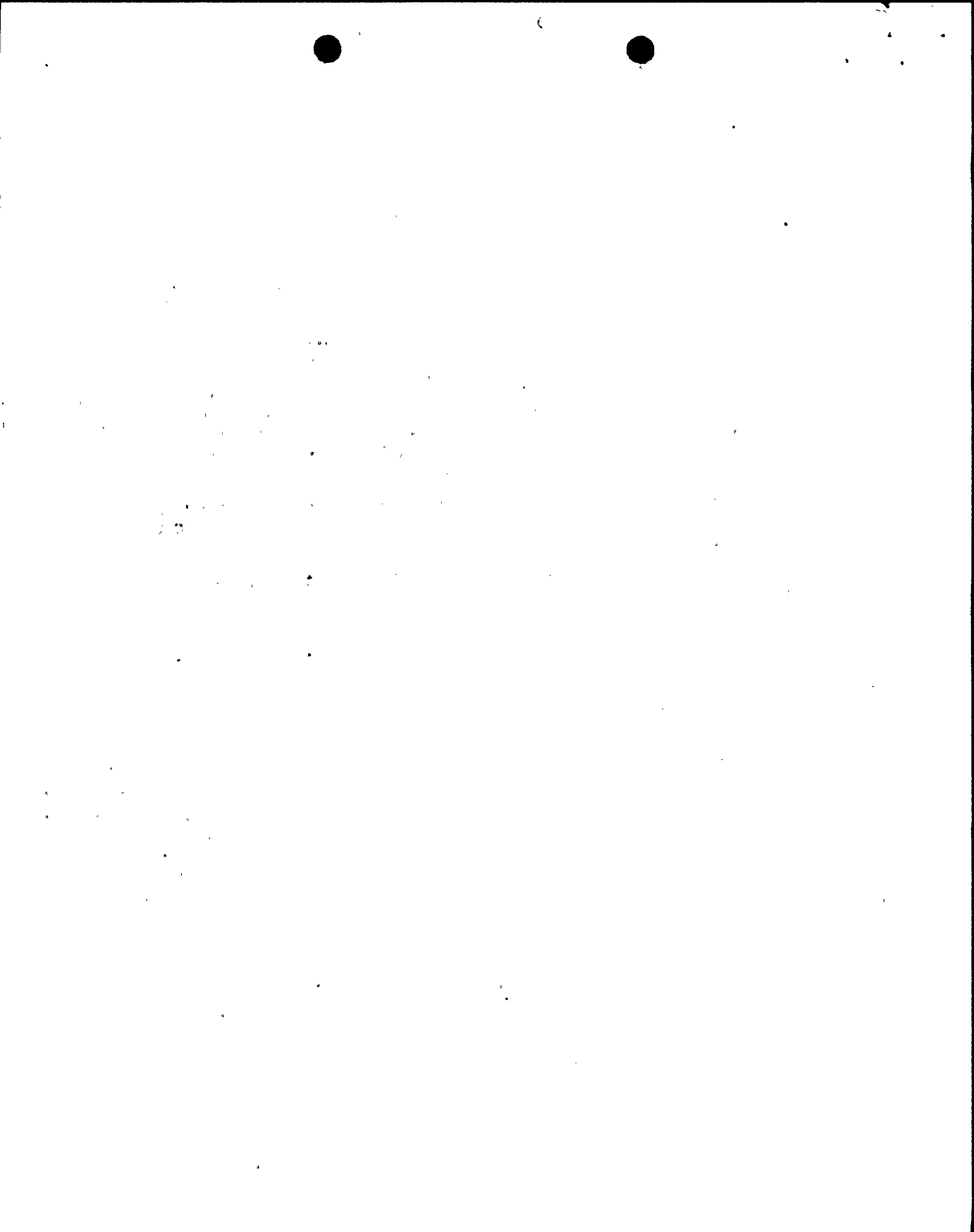
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We appreciate your interest in the Diablo Canyon project. Please be assured that while the NRC is taking reasonable steps to expedite the licensing process, the steps are totally consistent with our commitment to ensure the public health and safety.

Sincerely,

Original Signed by  
H. R. Denton

Harold R. Denton, Director  
Office of Nuclear Reactor Regulations

SEE PREVIOUS CONCURRENCES!



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Harold R. Denton, Director  
Office of Nuclear Reactor Regulations

OFFICE	DL:LB#31	DL:LB#3	OELD	DL:AD/L	DL:AD/L	NRR:DD	NRR:DIR
SUPNAME	BBuckley/wt	FMiEasia	KARMAN	RLTedesco	DEisenhut	ECase	HDenton
DATE	5/15/81	5/19/81	5/19/81	5/20/81	6/7/81	5/18/81	6/8/81



FROM: Ernest L. Kannyu California Legislature Assembly (White House Referral)		ACTION CONTROL		DATES		CONTROL NO. 10468	
TO:  The President		COMPL DEADLINE		5/29/81		DATE OF DOCUMENT	
		ACKNOWLEDGMENT				4/24/81	
DESCRIPTION <input checked="" type="checkbox"/> LETTER <input type="checkbox"/> MEMO <input type="checkbox"/> REPORT <input type="checkbox"/> OTHER		INTERIM REPLY				PREPARE FOR SIGNATURE OF:	
		FINAL REPLY		S/Denton 6/9/81		<input type="checkbox"/> CHAIRMAN <input type="checkbox"/> EXECUTIVE DIRECTOR	
Encl. ltr fm Sherman Naymark, Quadrex dtd 4/16/81 re opening of Diablo Canyon		FILE LOCATION				OTHER: Denton	
CLASSIFIED DATA		SPECIAL INSTRUCTIONS OR REMARKS					
DOCUMENT/COPY NO.		CLASSIFICATION		Return basic corres, control sheet w/copy of response to: Agency Liaison Room 33 The White House Washington, D. C. 20500			
NUMBER OF PAGES		CATEGORY		SECY-81-0659			
POSTAL REGISTRY NO.		<input type="checkbox"/> NSI <input type="checkbox"/> RD <input type="checkbox"/> FRD		LEGAL REVIEW <input type="checkbox"/> FINAL <input type="checkbox"/> COPY			
ASSIGNED TO:		DATE		INFORMATION ROUTING		NO LEGAL OBJECTIONS NOTIFY:	
Denton, NRR		5/11/81		Shapar 3. Vollmer		<input type="checkbox"/> EDO ADMIN & CORRES BR	
Eisenhut		5/12/81		Case 4. Mattson		EXT. _____	
Tedesco		5/14/81		Denton 5. Murley		COMMENTS, NOTIFY:	
Misaoka		5/13		1. PPAS 6. Snyder		EXT. _____	
J. Huc. Pley		5/13		2. Hanauer		JCAE NOTIFICATION RECOMMENDED: <input type="checkbox"/> YES <input type="checkbox"/> NO	

NRC FORM 232  
(11-75)

EXECUTIVE DIRECTOR FOR OPERATIONS

DO NOT REMOVE THIS COPY

PRINCIPAL CORRESPONDENCE CONTROL

FROM: Ernest L. Kannyu California Legislature Assembly (White House Referral)		ACTION CONTROL		DATES		CONTROL NO. 10468	
TO:  The President		COMPL DEADLINE		5/29/81		DATE OF DOCUMENT	
		ACKNOWLEDGMENT				4/24/81	
DESCRIPTION <input checked="" type="checkbox"/> LETTER <input type="checkbox"/> MEMO <input type="checkbox"/> REPORT <input type="checkbox"/> OTHER		INTERIM REPLY				PREPARE FOR SIGNATURE OF:	
		FINAL REPLY		S/Denton 6/9/81		<input type="checkbox"/> CHAIRMAN <input type="checkbox"/> EXECUTIVE DIRECTOR	
Encl. ltr fm Sherman Naymark, Quadrex dtd 4/16/81 re opening of Diablo Canyon		FILE LOCATION				OTHER: Denton	
CLASSIFIED DATA		SPECIAL INSTRUCTIONS OR REMARKS					
DOCUMENT/COPY NO.		CLASSIFICATION		Return basic corres, control sheet w/copy of response to: Agency Liaison Room 33 The White House Washington, D. C. 20500			
NUMBER OF PAGES		CATEGORY		SECY-81-0659			
POSTAL REGISTRY NO.		<input type="checkbox"/> NSI <input type="checkbox"/> RD <input type="checkbox"/> FRD		LEGAL REVIEW <input type="checkbox"/> FINAL <input type="checkbox"/> COPY			
ASSIGNED TO:		DATE		INFORMATION ROUTING		NO LEGAL OBJECTIONS NOTIFY:	
Denton, NRR		5/11/81		Shapar 3. Vollmer		<input type="checkbox"/> EDO ADMIN & CORRES BR	
Eisenhut		5/12/81		Case 4. Mattson		EXT. _____	
Tedesco		5/14/81		Denton 5. Murley		COMMENTS, NOTIFY:	
Misaoka		5/13		1. PPAS 6. Snyder		EXT. _____	
J. Huc. Pley		5/13		2. Hanauer		JCAE NOTIFICATION RECOMMENDED: <input type="checkbox"/> YES <input type="checkbox"/> NO	

NRC FORM 232  
(11-75)

EXECUTIVE DIRECTOR FOR OPERATIONS

DO NOT REMOVE THIS COPY

PRINCIPAL CORRESPONDENCE CONTROL





81-0659

No. 33-3400 Logging Date 5/8/81

NRC SECRETARIAT

- TO:  Commissioner \_\_\_\_\_ Date \_\_\_\_\_
- Exec. Dir./Oper.  Gen. Counsel
- Cong. Liaison  Solicitor
- Public Affairs  Secretary
- \_\_\_\_\_  Inspector & Auditor
- Policy Evaluation

Incoming: White House Referral

From: Ernest L. Konnyu

CA Legislature Assembly

To: NRC Date 5/7/81

Subject: encloses ltr fm S. Naymark re the need  
for opening the Diablo Canyon fac

- Prepare reply for signature of:
- Chairman
  - Commissioner \_\_\_\_\_
  - EDO, GC, CL, SOL, PA, SECY, IA, PE
  - Signature block omitted
  - \_\_\_\_\_
  - Return original of incoming with response

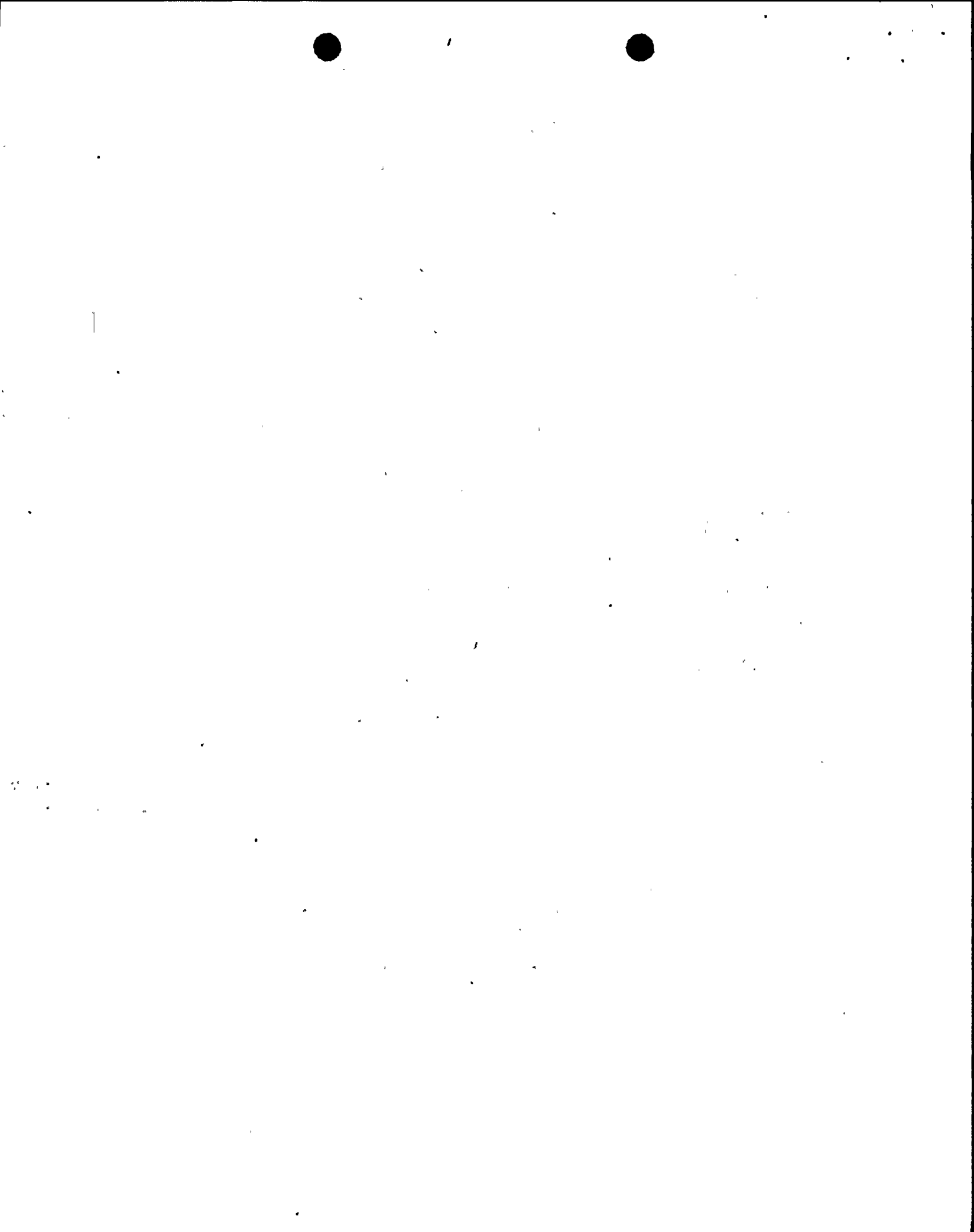
- For direct reply\* Suspense: May 26
- For appropriate action
- For information

RECEIVED 5/11/81  
 12.3  
 J. 45

Remarks: \_\_\_\_\_

For the Commission: billie

\*Send three (3) copies of reply to Secy Correspondence and Records Branch



THE WHITE HOUSE OFFICE

REFERRAL

MAY 7, 1981

TO: NUCLEAR REGULATORY COMMISSION

ACTION REQUESTED:

DIRECT REPLY, FURNISH INFO COPY

DESCRIPTION OF INCOMING:

ID: 022375

MEDIA: LETTER, DATED APRIL 24, 1981

TO: PRESIDENT REAGAN

FROM: THE HONORABLE ERNEST L. KONNYU  
ASSEMBLYMAN  
CALIFORNIA LEGISLATURE ASSEMBLY  
SACRAMENTO CA-95814

SUBJECT: ENCLOSURE COPY LETTER FROM SHERMAN NAYMARK AND  
ARTICLE FROM THE SAN JOSE MERCURY NEWS,  
REGARDING THE NEED FOR OPENING OF THE DIABLO  
CANYON NUCLEAR POWER GENERATING FACILITY IN  
CALIFORNIA

PROMPT ACTION IS ESSENTIAL — IF REQUIRED ACTION HAS NOT BEEN  
TAKEN WITHIN 9 WORKING DAYS OF RECEIPT, PLEASE TELEPHONE THE  
UNDERSIGNED AT 456-7486.

RETURN BASIC CORRESPONDENCE, CONTROL SHEET AND COPY OF RESPONSE  
(OR DRAFT) TO:  
AGENCY LIAISON, ROOM 33, THE WHITE HOUSE

BY DIRECTION OF THE PRESIDENT:  
LESLIE SORG  
DIRECTOR OF AGENCY LIAISON  
PRESIDENTIAL CORRESPONDENCE



THE WHITE HOUSE OFFICE

REFERRAL

MAY 1, 1981

TO: DEPARTMENT OF ENERGY

ACTION REQUESTED:

DIRECT REPLY, FURNISH INFO COPY

DESCRIPTION OF INCOMING:

ID: 022375

MEDIA: LETTER, DATED APRIL 24, 1981

TO: PRESIDENT REAGAN

FROM: THE HONORABLE ERNEST L. KONNYU  
ASSEMBLYMAN  
CALIFORNIA LEGISLATURE ASSEMBLY  
SACRAMENTO CA 95814

SUBJECT: ENCLOSES COPY LETTER FROM SHERMAN NAYMARK AND  
ARTICLE FROM THE SAN JOSE MERCURY NEWS,  
REGARDING THE NEED FOR OPENING OF THE DIABLO  
CANYON NUCLEAR POWER GENERATING FACILITY IN  
CALIFORNIA

PROMPT ACTION IS ESSENTIAL — IF REQUIRED ACTION HAS NOT BEEN  
TAKEN WITHIN 9 WORKING DAYS OF RECEIPT, PLEASE TELEPHONE THE  
UNDERSIGNED AT 456-7486.

RETURN BASIC CORRESPONDENCE, CONTROL SHEET AND COPY OF RESPONSE  
(OR DRAFT) TO:  
AGENCY LIAISON, ROOM 33, THE WHITE HOUSE

BY DIRECTION OF THE PRESIDENT:  
LESLIE SORG  
DIRECTOR OF AGENCY LIAISON  
PRESIDENTIAL CORRESPONDENCE



UT

WHITE HOUSE  
CORRESPONDENCE TRACKING WORKSHEET

O - OUTGOING

H - INTERNAL

I - INCOMING

Date Correspondence Received (YY/MM/DD) 8/10/27

Name of Correspondent: Ernest L. Konnyu

MI Mail Report

User Codes: (A) \_\_\_\_\_ (B) \_\_\_\_\_ (C) \_\_\_\_\_

Subject: Enclosure copy letter from Sherman Wayman  
a article from the San Jose Mercury News,  
discussing the need for preservation of the  
Pistone Canyon National Park generating  
ROUTE TO: facility in California.

Office/Agency (Staff Name)	Action Code	Tracking Date YY/MM/DD	Type of Response	Code	Completion Date YY/MM/DD
<u>EA Piac</u>	ORIGINATOR	<u>8/10/27</u> <sup>MG</sup>		<u>S</u>	<u>8/10/29</u> <sup>CO</sup>
<u>ENERGY</u>	R	<u>8/10/29</u> <sup>CO</sup>		<u>C</u>	<u>8/10/05</u>
<u>NRC</u>	R	<u>8/10/27</u> <sup>TR</sup>			<u>1 1</u>
		<u>1 1</u>			<u>1 1</u>
		<u>1 1</u>			<u>1 1</u>

ACTION CODES:

- A - Appropriate Action
- C - Comments
- D - Draft Response
- F - Fact Sheet
- I - Info Copy/No Action Necessary
- R - Direct Reply w/Copy
- S - For Signature
- X - Interim Reply

DISPOSITION CODES:

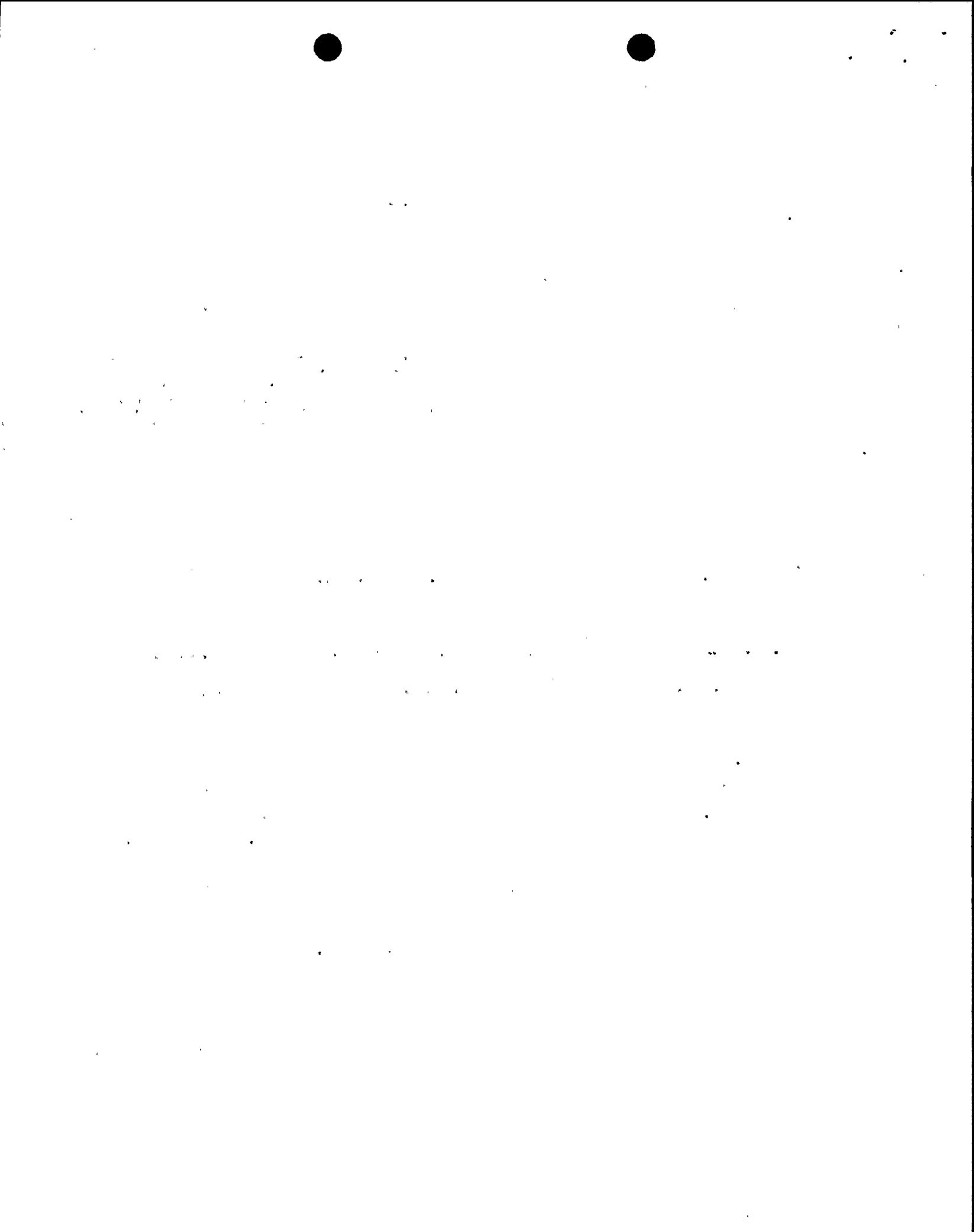
- A - Answered
- B - Non-Special Referral
- C - Completed
- S - Suspended

FOR OUTGOING CORRESPONDENCE:

- Type of Response = Initials of Signer
- Code = "A"
- Completion Date = Date of Outgoing

Comments: \_\_\_\_\_

Keep this worksheet attached to the original incoming letter.  
Send all routing updates to Central Reference (Room 75, OEOB).  
Always return completed correspondence record to Central Files.  
Refer questions about the correspondence tracking system to Central Reference, ext. 2590.





# RECORDS MANAGEMENT ONLY

## CLASSIFICATION SECTION

No. of Additional Correspondents: \_\_\_\_\_ Media: L Individual Codes: 2200

Prime Subject Code: UT Secondary Subject Codes: AT PU  
CM 002  
ST 005

## PRESIDENTIAL REPLY

Code	Date	Comment	Form
C	_____	Time: _____	P. _____
DSP	_____	Time: _____	Media: _____

**SIGNATURE CODES:**

- CPn - Presidential Correspondence
- n - 0 - Unknown
- n - 1 - Ronald Wilson Reagan
- n - 2 - Ronald Reagan
- n - 3 - Ron
- n - 4 - Dutch
- n - 5 - Ron Reagan
- n - 6 - Ronald
- n - 7 - Ronnie

- CLn - First Lady's Correspondence
- n - 1 - Nancy Reagan
- n - 2 - Nancy
- n - 3 -

- CBn - Presidential & First Lady's Correspondence
- n - 1 - Ronald Reagan - Nancy Reagan
- n - 2 - Ron - Nancy

**MEDIA CODES:**

- B - Box/package
- C - Copy
- D - Official document
- G - Message
- H - Handcarried
- L - Letter
- M - Mailgram
- O - Memo
- P - Photo
- R - Report
- S - Sealed
- T - Telegram
- V - Telephone
- X - Miscellaneous
- Y - Study



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SACRAMENTO ADDRESS  
STATE CAPITOL  
SACRAMENTO, CA 95814  
(916) 445-8305

DISTRICT OFFICE  
7337 BOLLINGER ROAD  
CUPERTINO, CA 95014  
(408) 446-4114

# Assembly California Legislature

ERNEST L. KONNYU  
ASSEMBLYMAN, TWENTY-SECOND DISTRICT

COMMITTEES:

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AND TOXIC MATERIALS  
HOUSING AND COMMUNITY  
DEVELOPMENT  
REVENUE AND TAXATION  
JOINT LEGISLATIVE AUDIT

*J. Placher*

022375

April 24, 1981

The President  
The White House  
Washington, D.C. 20500

Mr. President:

I would like to take this opportunity to make you personally aware of the opinion of one of the leading newspapers of our area, The San Jose Mercury-News and an important industrialist, Sherman Naymark, President of Quadrex Corporation; relative to the need for opening of the Diablo Canyon Nuclear Power generating facility in California.

I share the concerns of these two authors that steps be taken to assure our country of an adequate and timely supply of electrical power.

I further share the opinion voiced that the Diablo Canyon Nuclear power generating facility should be placed in operation without further undue delay.

Respectfully yours,

Ernest L. Konnyu  
Assemblyman 22nd District

ELK:flp



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APR 20 1981



QUADREX

QUADREX CORPORATION  
1700 COLLE AVENUE  
CANTER, CA  
CALIFORNIA 95028

408 822 4510  
TWO 910-560-2128  
TELEX 25 2031

April 16, 1981

The Honorable Assemblyman  
Ernest Konnyu  
State Capitol  
Sacramento, CA 95814

Dear Assemblyman Konnyu:

I have enclosed an editorial clipping from the San Jose Mercury News for your review. I agree--we must open Diablo Canyon.

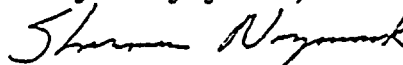
The "illusion of abundant energy" of the 70's has been painfully shattered for Santa Clara Valley residents and all Californians by gasoline lines and increased costs of energy and petroleum-related products. Countless studies have been generated stating that, in spite of conservation efforts, the U.S. demand for energy will out-strip supply in the 1980's. The growing demand for energy will deepen the economic and social traumas of this decade.

I support our country's effort to develop alternative energy sources. Long lead times required to establish such energy sources mean that, through the year 2000, our only alternatives are nuclear and coal. Our state's leaders must realize that the U.S. needs to rely on sources of energy which can meet our need for electricity and reduce our dependence on foreign oil.

Planning new nuclear electric generating facilities has come to a halt as has our planning for most other energy facilities, because Government has simply said "No" to new energy facilities, or simply said nothing. Government and the energy industry must together formulate an energy policy now to keep the energy shortage indicated in the 1970's and anticipated for the 1980's from becoming irreversible for the 1990's and beyond.

I invite you to address this crisis that is a result of our State and Country not having an effective energy policy. I also offer my help and Quadrex's resources in meeting this challenge.

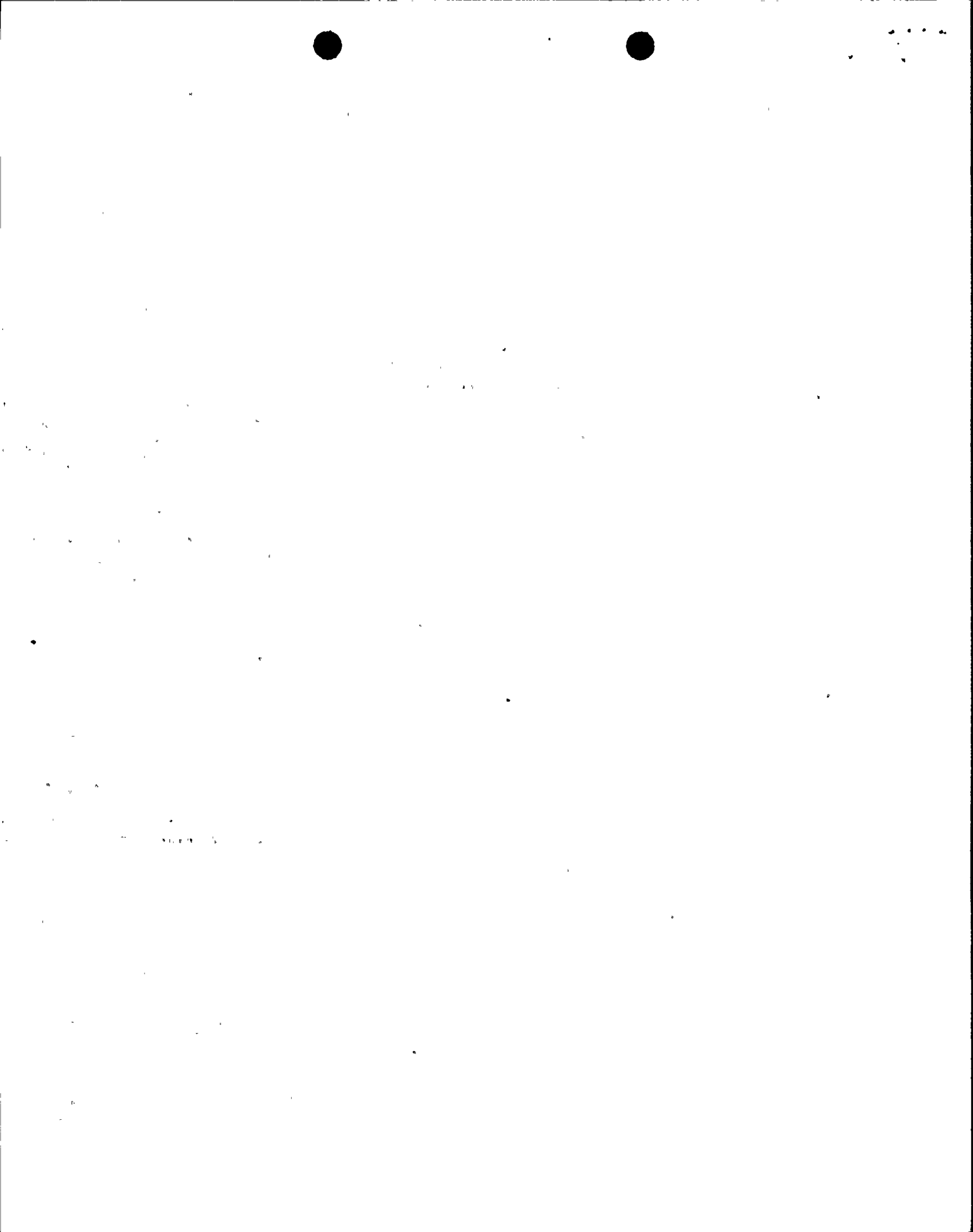
Very truly yours,



Sherman Naymark  
President

SN:kg

Enclosure



# Sunday Mercury News

P. ANTHONY RIDDER  
President and Publisher

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Vice President and Executive Editor

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Editor

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GENE FALK  
Director of Operations

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Vice President,  
Employee/Community Relations

Editorials

April 5, 1981

6C

## Providing the power for California's future

**L**IKE the blossoming of the daisies by the side of the freeway and the cheery note of the mockingbird building its nest, warnings of impending power shortages from Silicon Valley industrialists are a familiar California springtime phenomenon.

The danger is that the warnings will become so familiar that they will be ignored. And that would be a serious mistake for all Californians because there's a sizable element of truth in what the industrialists are constantly reiterating.

This year, Santa Clara Valley manufacturers are jittery over Pacific Gas and Electric Co.'s efforts to institute a voluntary program under which industries would agree to cut back their power demands in the event of a shortage. In return for joining the program, companies would get an assurance that they would never lose all their power, except in case of a disaster.

Neither the manufacturers nor PG&E nor the state Energy Commission believes the voluntary curtailment plan is evidence that power blackouts or brownouts are expected this summer. But the existence of the plan reinforces the manufacturers' fears about the long-term reliability of Northern California's power supply.

The available projections show that the manufacturers are not simply playing Chicken Little. Utilities, state officials and manufacturers generally agree that an adequate reserve power margin is in the range of 15 to 20 percent. Thanks to more-than-ample rain and snow two winters ago and adequate precipitation this year, which ensures a plentiful supply of hydroelectric power, the reserve margin for PG&E is projected to be 12.4 percent in 1981. That means the power situation will be

tight, according to PG&E officials, but shortages aren't likely unless unexpected equipment failures occur.

The picture for next year and beyond, however, is anything but reassuring. In 1982, without the twin Diablo Canyon nuclear reactors in operation, PG&E's reserve margin will shrink to 10.9 percent, according to Energy Commission projections. If the year is dry and no excess power is available for purchase from the Northwest, PG&E's reserve could shrink to a distinctly dicey 5.7 percent; the statewide reserve would drop to 12.2 percent.

With Diablo Canyon cranking out its two million kilowatts of power — equivalent to 16 percent of Northern California's total need — the reserve margin would be more than comfortable. If the nuclear plant is on line in 1982, the Energy Commission estimates PG&E's reserve would be 24.2 percent and the statewide reserve would be 27.4 percent.

But after nearly six years of hearings, studies, reports and protest demonstrations, the utility still hasn't gotten the permission it needs from the Nuclear Regulatory Commission to start operating Diablo Canyon. And shrewd manipulation of the licensing procedures by the diehard anti-nuclear faction could stall approval for months or even years.

The NRC licensing board has examined the seismic-safety problem at Diablo Canyon exhaustively and concluded that the plant would be adequately protected from earthquake jolts. If opponents of the plant have any substantive new issues to raise, by all means they should raise them. If they are only engaging in obstructionism for obstructionism's sake, they should get out of the way and let PG&E get on with the job of providing the power California needs.



11-11-11