

WASHINGTON STATE POWER COMMISSION  
414 INSURANCE BUILDING, OLYMPIA, WASH.

NEWS RELEASE (HOLD FOR TUESDAY AFTERNOON APRIL 19, 1955)

Olympia, April 19, - The northwest was given a look into its atomic power future today when J. Frank Ward, Managing Director of the Washington State Power Commission related information he obtained while attending the American Power Conference in Chicago and the Atomic Industrial Forum in San Francisco.

"The development of atomic power is moving ahead with tremendous strides and while it is still costly and not presently commercially competitive, it will have an important place in future power development," Ward said.

"But," he added "meanwhile the Commission had better continue its studies into the feasibility of constructing conventional steam plants to avert a shortage which is anticipated by 1962-1963."

Ward told of the atomic conferences when the Commission held its regular meeting here today.

He said, "In time atomic power will become competitive with other fuel sources. But it will become competitive most quickly in areas where fuel costs are highest."

Ward said atomic energy experts and the people who are actually designing and building commercial power plants, consider the atom a tremendous potential source of power which however is still quite far from being competitive with other sources.

Ward quoted speakers at the convention who represented four organizations who propose to build commercially operated atomic energy power plants. The organizations are the Atomic power Development Association, the Nuclear Power Group, the Yankee Atomic Energy Co., and the Consolidated-Edison Co.

"No commercially competitive reactor can be built in the United States at the present," Ward quoted one speaker as saying. "This group is spending \$400,000 a year in reactor study, and two years study will be needed to determine the

feasibility of a reactor," he quoted further.

Ward said others indicated the atomic reactor power plants would have greater feasibility where fuel costs are high and where the reactor can be fitted into an integrated power system.

When asked why these companies should undertake developments which at the present do not promise to produce power at competitive cost, Ward said, "one of the speakers emphasized that 'there is a job to be done in the development of this power source. We must get on with the job and serve our apprenticeship in the development, train our own men, be on the spot, and gain the lift in morale within the industry which the effort will bring.'"

Ward said the men who are actually working on the development of atomic power do not hold with the "unrealistic economic evaluation and unwarranted general optimism voiced in some parts."

He said the manufacturers, power producers and scientists estimated the advent of atomic power will not outmode conventional power at any time in the foreseeable future. They estimated that the power from an atomic energy plant would cost one and one-half to two mills per kilowatt more than steam in the New York area --slightly less in New England where fuel costs are higher---and considerably more in areas such as the Southwest which has gas and the Midwest which has coal, where fuel costs are considerably lower.

Ward quoted the men in the business as saying an atomic reactor boiler will cost \$80 per kilowatt as compared to \$40 per kilowatt for conventional boilers. Fuel inventories for nuclear reactor will cost \$80 per kilowatt.

All speakers agreed that the fixed charges for nuclear power plants will dominate the cost of power, Ward said. And one speaker said there is "no definition as to what is meant when we speak of a nuclear power plant becoming economically competitive with a conventional power plant. No date has been set for achieving

a competitive nuclear power cost."

Ward said the technology of the reactor operation was discussed, revealing the cost of a nuclear reactor will be from \$200 to \$270 per kilowatt, as compared to a cost of \$150 per kilowatt for conventional installations.

"On the basis of one million kilowatts of fuel generated capacity which the Northwest will need by 1962, that's a lot of difference," Ward said.

Ward said the experts don't expect to reduce the cost of using nuclear fuels effectively before 1960.

He said they anticipate that in 1960 only two percent of the annual growth of power generation will be nuclear; in 1970 only 14 percent of the new power will be nuclear, by 1975 only 45 percent; and by 1980, 65 percent of the power growth will be nuclear.

"To put it in another way," Ward said, "The total power producing facilities of the nation will increase from 100 million kilowatts in 1960 to 514 million kilowatts in 1980--and of that amount possibly 120 million kilowatts will be nuclear power."

Ward said "It's obvious that while progress is tremendous, the experts don't expect nuclear power to eliminate the necessity for other sources overnight. Atomic power is coming--but it's still too far away to meet the immediate needs of Washington or to deter the Commission in its studies relative to the possible construction of steam plants to offset the shortage expected in the next decade."