

They are going up, whether we pass an energy program or not, as fuel becomes more scarce and more expensive to produce...

We will use research and development projects, tax incentives and penalties, and regulatory authority to hasten the shift from oil and gas to coal, to wind and solar

power, to geothermal, methane and other energy sources.

... We should reward individuals and companies who discover and produce new oil and gas, but we must not give them huge windfall profits on their existing wells at the expense of the American people....

## Fast Breeder Still Alive Despite Carter 'Veto'

This press agency was the first to publicly reveal the fact that, due to a number of preemptory moves taken by the Congress, the widely publicized veto by President Carter has not yet killed the controversial appropriations of \$80 million for the Clinch River nuclear fast breeder demonstration project.

As revealed to *NSIPS* by informed Capitol Hill sources, although Carter technically vetoed the so-called authorization bill containing authorization for the Clinch River, Congress, anticipating such a veto, wrote the Appropriations Bill, the bill which voted the actual funds, in such a way that even if the authorization were vetoed, this would not affect the Appropriations Bill which has yet to reach the president's desk. That Appropriations Bill, further, includes the funds for the Clinch River project together with a \$7 billion public works package that also includes the phase-out funding to terminate the B-1 bomber program.

Thus, if the president vetoes that supplemental appropriations bill in order to kill the breeder, he will be forced to resurrect the B-1, a move which would greatly harm his chances of making progress with the Soviet Union on SALT II.

Informed Capital Hill sources speculate that the president will choose instead to sign the full supplemental appropriations bill later this month, then subsequently act to impound the specific funds for the breeder. He can do this under the provisions of the Congressional Budget and Impoundment Act of 1974 by sending Congress a rescission.

This is a highly vulnerable move, far more than a presidential veto which requires a full two-thirds vote of both houses of Congress to overturn. Unless both houses allow such a rescission, the Administration is legally bound to spend the money Congress appropriates. If the President chooses to defer spending, either house can force spending simply by disallowing the deferral.

At a press briefing Nov. 7, Presidential Press Secretary Jody Powell was forced to acknowledge the accuracy of this situation in answer to a detailed query from *NSIPS* outlining the above situation. Powell's reply was a feeble, "whatever action we take on that, it is important that we vetoed the authorization bill." In a subsequent discussion with *NSIPS*, Powell was forced to acknowledge that Carter's veto action was indeed largely "symbolic," stressing that "still, we have several options."

### Congress Debates Clinch River

*The following excerpts from the Nov. 1 Congressional*

*Record recapitulate a debate on the Clinch River Breeder Reactor project between Senator Robert Dole, former Republican vice-presidential candidate, and Senator Dale Bumpers (D-Ark.). The debate occurred on the eve of President Carter's veto of the Clinch River authorization:*

**Dole:** Mr. President, I support the committee's full recommendation for the Clinch River breeder reactor demonstration project — \$80 million — which is the same amount authorized earlier this Congress for the coming fiscal year. This amount will be enough to continue crucial procurement contracts for the reactor, although construction itself will be delayed until fiscal year 1979. This is a balanced and reasonable approach to this controversial project. I will oppose any effort to reduce the funds or to make them contingent on enactment of the authorization bill now before the President.

In July of this year, I expressed my full support for continued funding of the breeder reactor demonstration program. Opponents of the Clinch River project have argued against the program on grounds that it will lead to proliferation of nuclear weapons. They fear that America's policy position against the international spread of nuclear explosives will be somehow undercut by proceeding with the Clinch River project.

Yet France, Britain, and the Soviet Union already have these reactors and are well ahead of the United States in fast breeder reactor technology. Our abandonment of the Clinch River project will not slow proliferation of nuclear arms. The campaign against proliferation should proceed on different grounds. The nonproliferation of nuclear weapons is best encouraged through diplomacy, not restraint of technology.

**Bumpers:** The President originally asked \$33 million (for Clinch River —ed.). My preference would be zero...

Mr. President, I have been disturbed about the whole concept of breeder reactors for a long time... The President has said that he is opposed to the breeder for all time to come. I am not saying that I am opposed to it... What we are saying is this: "Wait a minute. Let's not go off half-cocked and start producing the most lethal substance the world has ever known, in massive quantities, before we know what we are doing and how we are going to dispose of it."

... The best source I have seen on this whole subject comes from a MITRE report... sponsored by the Ford Foundation.

## WPIX-TV Urges Veto Override On Breeder

*New York City's television station WPIX urged in an editorial statement Nov. 9 that Congress override the Clinch River Breeder Reactor veto because it "is essential to the development of a rational energy policy" for the immediate future and because it is an important transition to thermonuclear power. The day before, the New York Daily News — affiliated with WPIX and owned by the Chicago Tribune — editorially reversed its earlier support of the breeder saying its funds could better be spent on fusion research and development. While both editorials correctly view fusion power as the solution to the energy crisis, WPIX, unlike the Daily News, is correct in citing the importance of the breeder as a "bridge" to fusion power.*

... the Management of WPIX continues to believe that the breeder reactor is essential to the development of a rational energy policy, and we urge the Congress to vote to override. It makes no sense at all to make a gesture toward less reliance on nuclear energy, when an impartial examination of the energy needs not only of this country, but the entire world, indicates that nuclear power must play an increasing role in the next step in a technology which is remarkable for its safety record, and the bridge between present technology and nuclear fusion, which, when developed, will solve the energy shortage once and for all.

The Congress acted wisely in voting to continue Clinch River over the President's objections. We believe it should continue to act in wisdom by overriding his veto.

*New York Daily News, editorial, "Negative Reaction," Nov. 8:*

...Although we strongly supported the initial breeder-reactor proposal, we have come to the conclusion that the President is right....

Moreover, the \$2 billion-plus outlay for the pilot plant might better be spent advancing research on fusion energy — the long-term answer to our power needs.

### Is the New York Times Printing the Whole Truth on Breeder Vote?

While the business-connected Wall Street Journal and *Journal of Commerce* both correctly understand that the Clinch River breeder reactor is not dead until Carter votes a second appropriations bill, the New York Times makes no mention of this. Even the *Washington Post*, while editorially applauding the "political courage" of the "President's first veto," recognizes that the battle is not yet over.

*Journal of Commerce, Nov. 9:*

...However, the presidential veto may not be sufficient to scuttle the project.

Contained in the supplemental appropriations bill that is pending before a House-Senate conference committee is a \$80 million appropriation for the Clinch River project.

While critics of the breeder project would like the President to veto this bill as well, a second presidential veto would mean jeopardizing \$7 billion in other federal projects, including a provision terminating the production of the B-1, another project the President favors ending.

With the supplemental appropriations bill still in conference, the White House refuses to say what action it is going to take....

*Wall Street Journal, Nov. 7:*

The President rejected a bill authorizing funds for energy research and development because it contained \$80 million for a nuclear breeder reactor at Clinch River, Tenn....But the veto, even if sustained, probably won't stop the plant as Congress has already appropriated another \$80 million for it in another bill considered almost veto-proof. House Speaker O'Neill (D-Mass.) had urged the President not to cast a politically troublesome veto on an issue that was thus mainly symbolic, but some Carter advisers apparently saw this as a good opportunity to demonstrate that he won't be pushed around.

*Washington Post, Nov. 6:*

However, he (Carter's chief domestic adviser, Stuart Eizenstat) was unwilling to speculate if Carter will veto an appropriation bill, containing funds for the Clinch River breeder as well as other projects, has yet to reach the President's desk.

These facts were ignored by the *Post* in an editorial, Nov. 8:

...The Clinch River legislation richly deserved to be blocked, and it also raised sufficiently important policy questions to have induced Mr. Carter's first veto — an action the President had evidently hoped to avoid taking at all this year.

Because being overridden or otherwise stared down on a first veto has ripple effects of damage to a President that go beyond the subject at hand, Mr. Carter was taking a pretty hefty risk in deciding to cast his first veto on this bill. It was, in our opinion, worth the high risk, and will be worth a fight of whatever severity is required to see it through. We think the President has shown good judgement on this one, sound values and, yes, political courage.

*Neither a Nov. 6 New York Times news story nor a Nov. 10 editorial make mention of need for a second veto to kill the breeder. Instead, the Times editorial, "Saying No to the Breeder and Meaning It," states the following:*

...But now Mr. Carter has stuck to his guns and fired off his first veto (on the breeder). He was right, memorably right, to do so.

...Mr. Carter had to veto a \$6.7 billion energy research and development bill to block the \$80 million authorized for Clinch River, and he made it plain that he would use all his powers — including the controversial one of impounding funds — to prevent the plutonium breeder from going forward. That took political courage. It will go a long way toward persuading the nuclear industry . . . Congress and the world that this time President Carter means what he says.

## Coleman Nomination Criticized by Energy Austerity Advocates

At Senate Energy Committee confirmation hearings for Lynn R. Coleman as general counsel in the Department of Energy on Nov. 9, Senators William Proxmire (D-Wisc.) and Henry Jackson (D-Wash.) squared off against proponents of energy growth, who had pressured for the nomination, Jackson and Proxmire opposed the nomination of Coleman because he has long represented the interests of the oil and gas industry for expanded production and research and development. As lawyer for the firm of Vinson and Elkins, Coleman has represented such oil companies as Quintana Petroleum and Belco Petroleum. And, as the *Washington Post* noted in a front-page article last week, Coleman is a law partner of former Texas governor John Connally, one of the most vocal supporters of U.S. economic development through high-technology energy expansion.

In testimony submitted in opposition to Coleman's nomination Senator Proxmire declared, "Once again, the Senate is being asked to accept as a high-ranking official in a federal energy agency, yet another nominee whose professional career has been dedicated to the furtherance of the private interests of that industry." And in a letter to Energy Secretary James Schlesinger, Proxmire angrily stated, "if the Department of Energy is going to do an effective job, then it is going to have to win the credibility of the American people from the beginning. The nomination of an oil and gas industry lobbyist to be the chief legal officer of this new department is no way to begin the first major battle — the credibility battle — in the war to save energy...."

Senator Jackson agreed with Proxmire. "I think the problems we face... is whether in light of your association with the law firm, you can credibly perform your job", he told Coleman. The nomination now has to be voted on by the full Senate.

## Environmentalists in Full Deployment to Bankrupt Nuclear Industry

The environmentalist movement is being activated across the nation for a campaign to bankrupt the nuclear industry. Since Carter's symbolic veto of authorization for the Clinch River fast breeder program several parallel operations have gone into motion, each designed to force U.S. nuclear technology development programs

into bankruptcy before Clinch River project and others can be reactivated.

While carefully maintaining a pronuclear facade, energy czar James Schlesinger is playing a key role in coordinating this operation. Schlesinger advocates a divide-and-conquer decentralization strategy for the nuclear industry. "We are pronuclear," Schlesinger's public spokesman, Jim Bishop told an NSIPS reporter recently, "but we believe each local utility company should be responsible for financing their own nuclear energy plants."

The environmentalist groups have quickly exploited this opportunity. "We have found economic arguments the most effective," a spokesman for Ralph Nader's Critical Mass antinuclear organization said. "We are trying to get a bill passed in Congress that will force the utilities to chip in for their cost overruns on nuclear plant construction. The nuclear industry could not exist without the Federal government propping it up," the spokesman argued.

Meanwhile every environmentalist, pacifist, retired antiwar activist who still has a shred of "left" credibility, is on tour against nuclear technology at "teach-ins" on college campuses around the country. The umbrella group coordinating this zero-growth drive is the "Mobilization for Survival" composed of over 40 pacifist, anarchist, and terrorist groups headed by the Institute for Policy Studies, the Washington, D.C.-based terrorist command center made up of former National Security Council and State Department employees.

The Union of Concerned Scientists, a zero-growth antitechnology formation designed to add "scientific" credibility to the environmentalist movement, has also filed a petition with the Nuclear Regulatory Commission, demanding that all 65 operating nuclear power stations in the United States be shut down for an indefinite period until it can be determined that wiring conduits inside the reactor building are safe from fires. "We don't know this is a problem in every reactor, but until we can prove it is not, all should be shut down," a UCS spokesman said when questioned this week.

In a parallel move to force bankruptcy onto the nuclear industry, the Supreme Court this week agreed to review an environmentalist case against the Price-Anderson Act of 1957 which placed a \$560 million limit on liability insurance for nuclear power companies. If the plants are so safe the environmentalists argue, why is there a ceiling on liability? A decision by the Court to reverse the Price-Anderson Act based on these ridiculous arguments would probably mean a vast, and prohibitive, increase in the insurance costs of the nuclear industry.