

## Close House Vote

# Private Atom Fuel Plan Is Blocked

### Washington

By a 170-to-168 vote, the House yesterday rejected an administration proposal to admit private industry to the business of producing fuel for nuclear power plants on a guaranteed no-risk basis.

The provision was backed by the prestigious Joint Committee on Atomic Energy and top leaders of both parties. When it was rejected, the bill containing the provision was pulled off the floor unfinished. It will not be taken up again until the leadership can count the votes to reverse the decision.

Since the harnessing of nuclear energy, the production of enriched uranium — used as fuel in nuclear plants — has been a secret process controlled by the government and produced at three plants.

To increase production and free federal dollars for research on other potential energy sources such as the sun, the administration proposed a program to encourage private enterprise to get into the business.

The bill authorized \$8 billion in guarantees to assure no loss to private companies contracting with the government to build enrichment plants and produce nuclear fuel.

The bill required that any such contract must be approved by Congress. It also authorized \$225 million to enlarge the government's enrichment plant at Portsmouth, Ohio.

The government has had contract discussions with Uranium Enrichment Associates, a combine controlled by the Bechtel Corp., but involving 60 per cent foreign investment.

Opponents said the bill would guarantee these things to private industry: Access to previously secret government technology; supply, by opening up the government uranium stockpile; markets, by having the government buy up unsold enriched uranium; all investment for one year, by having the government acquire plants that fail.

Former Representative Chet Holifield (Dem-Calif.) former chairman of the Joint Committee on Atomic Energy, may have played an important role in the House vote by sending a letter to congressmen that was referred to several times during the debate.

Holifield wrote: "The Ford people have come up with a new attempt to give a selected business combine a firm and monopolistic grip on the future supply and pricing of fuel for nuclear power plants." He said it might be "the worst piece of legislation" to emerge from the joint committee in its 30 years.

Representative Jonathan Bingham (Dem-N.Y.), offered the amendment to delete the private subsidy plan. He said it isn't needed, that enlargement of the Portsmouth plant will provide more enriched uranium than needed by 1985.

The bill is tailored to one contractor — Uranium Enrichment Associates — he said, and contains guarantees that are not in the public interest.

Minority leader John Rhodes (Rep-Ariz.), urged the House to approve the provision to free tax money for other energy research and hasten the day when there will be no need to rely on nuclear energy.

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