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EURATOM GRANTED APPROVAL TO SUBSIDIZE  
CONSTRUCTION OF NUCLEAR POWER REACTORS

WASHINGTON, D. C., July 7 -- Europe's public and private utilities will be eligible for special aid this year from the European Atomic Energy Community (Euratom) for building atomic power plants, it was reported from Brussels today.

Following meetings this week, Euratom's Council of Ministers approved a proposal placed before it by the Euratom Commission for participation by the Community in the cost of building power reactors. Hitherto, the high initial cost of nuclear power reactor construction has served to deter utilities from entering the atomic power field.

Euratom won approval to use up to \$19 million in 1961 from the present research budget of the Community to help spur construction of commercial power reactors. It also received endorsement for modifying Annex V of the Euratom Treaty (dealing with research), generalizing the terms of Euratom aid participation from "three high-power reactors" to "several power reactors."

With official Council approval, Euratom's policy will be to encourage the building of a number of medium-sized power plants operating on various promising reactor systems. Under the aid program, Euratom plans to subsidize the reactors only during construction and in the initial stages of operation when costs, compared with those of conventional power stations, are especially high. It is not intended that the Commission would take any part in the management of the projects or that there would be any changes in the normal civil responsibilities of the firms concerned.

The \$19 million approved for calendar year 1961 will come from Euratom's \$215 million research budget for the first five years of operation (1958-63).

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