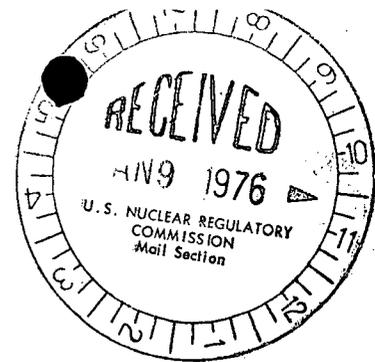


William J. Cahill
Vice President

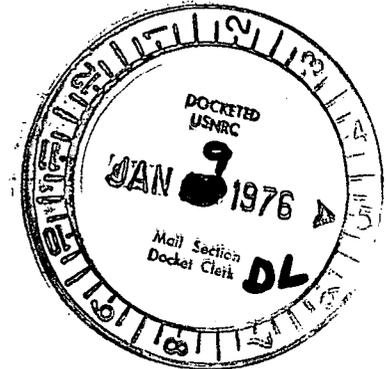
Consolidated Edison Company of New York, Inc.
4 Irving Place, New York, N Y 10003
Telephone (212) 460-3819

50-286



January 5, 1976
Regulatory Docket File

Mr. Domenic B. Vassallo, Chief
Light Water Reactors
Project Branch 1-1
Division of Reactor Licensing
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555



Dear Mr. Vassallo:

The purpose of this letter is to confirm discussions which took place with Dr. Stepp of the NRC Regulatory Staff on December 10, 1975, at a meeting held at the Indian Point site to discuss Dames and Moore's investigation of on-site faults. A report describing this work had been submitted to the NRC Regulatory Staff on December 5, 1975.

During this meeting, we advised Dr. Stepp that Dr. Nicholas M. Ratcliffe, one of the members of the panel retained to review the Dames & Moore work, had advised Con Edison by letter dated December 9, 1975 that his supervisors at the U.S.G.S. were concerned that an apparent conflict of interest might develop from his participation on the review panel. As a result, Dr. Ratcliffe indicated that he cannot co-sign the review panel's evaluation of the report. A copy of his letter is attached.

We regret that Dr. Ratcliffe's supervisors believe his employment by U.S.G.S. requires him to take this position. We will, however, endeavor to use the evaluation and supporting advice that Dr. Ratcliffe may provide to the remaining members of the panel at its next meeting on January 10, 1976. Thereafter, Dr. Ratcliffe will not participate in the preparation of the review panel's evaluation of the report to be forwarded to you.

attach
mp

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PDR ADOCK 05000286
P PDR

Very truly yours,

William J. Cahill, Jr.
William J. Cahill, Jr.
Vice President

Sworn to before me this
5th day of January, 1976.

Angela Roberti

ANGELA ROBERTI
Notary Public, State of New York
No. 03-0593813
Qualified in Bronx County
Commission Expires March 30, 1976

166

Closter Road
Palisades, New York 10964
December 9, 1975

Mr. Victor Gonnella
Project Engineer
Consolidated Edison
4 Irving Place
New York, New York

1-5-76

Dear Victor:

Recent discussions with you make it clear that my position on the Dames and Moore review board and my relationship as reviewer with respect to N.R.C. must be clarified for our mutual best interests.

As you know, I am intermittently employed by the U. S. Geological Survey to do research in Massachusetts. My research on the Ramapo fault in New York State, that is in part funded by your company, overlaps neither in time nor subject matter any of my U.S.G.S. work. The code of ethics of the U. S. Geological Survey clearly permits temporary members to consult or accept research grants from private companies providing that equipment or information gained by government funded research is not used.

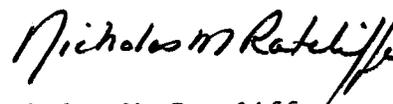
Despite the clear separation both geographically and temporally of my Ramapo studies from my U.S.G.S. research, my immediate supervisors with the U.S.G.S. are concerned that an apparent conflict of interest might develop were I to counsel you or N.R.C. regarding capability. I must, therefore, refrain from making any qualitative judgments regarding recent fault activity that could be construed as endorsement of a capability assessment.

I realize this forced reticence on my part places you in a difficult position, but I also find myself trapped between a rock and a very hard place.

I agreed to serve on the review panel as an evaluator and intermediary between you and Dames and Moore and not as an evaluator for N.R.C. My review remarks on the Dames and Moore report are, therefore, strictly speaking for internal use and I hope useful as critical review.

I trust that this letter will help clarify my position and that in turn you will be able to explain this fully to members of the N.R.C. committee.

Sincerely yours,



Nicholas M. Ratcliffe

cc: Dr. Norman Hatch
Chief, Branch Eastern Environmental Geology
U. S. Geological Survey