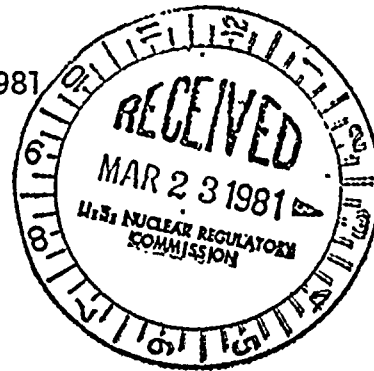




UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D. C. 20555

L PDR  
DOCKET NO.  
50-220

March 20, 1981



Niagara Mohawk Power Corporation  
ATTN: Mr. William J. Donlon, President  
300 Erie Boulevard West  
Syracuse, New York 13202

Gentlemen:

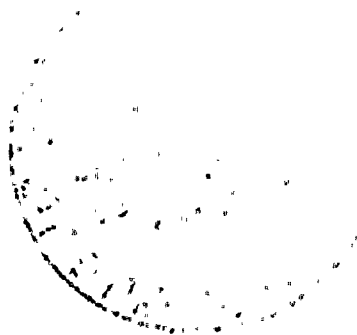
We have reviewed your submittals of December 19 and 29, 1980 and those of January 3 and 22 and March 20, 1981 regarding our enforcement action of November 26, 1980. In addition, we have met with representatives of Niagara Mohawk on several occasions within the past few weeks to discuss this matter.

It is important to clarify the underlying reasons for our enforcement actions. When we received your January 22, 1980 Answer to Show Cause order, stating that Item 2.1.8.b had been completed on December 31, 1979, the NRC relied on your submittal of December 31, 1979 as describing how you were meeting this requirement. Notwithstanding a series of communications concerning Category A items, we did not learn that you did not implement Item 2.1.8.b as stated in the December 31, 1979 letter until the Health Physics Appraisal Inspection some nine months after the January 22, 1980 answer. If we had known in January what you had actually done to meet Item 2.1.8.b, operation of the Nine Mile Point facility would not have been permitted without further modification.

I therefore concluded that strong enforcement actions were necessary to assure that Niagara Mohawk appreciated the need to provide complete and accurate information to the NRC on matters relating to health and safety. Your initial written responses suggested that you still did not appreciate the importance we attach to the accuracy and completeness of communications provided to the NRC, and the reliance we place on them. Subsequent meetings and your March 20 response have convinced me that you now understand our concern, and in light of that, we have reduced the civil penalties to \$215,000, which you have agreed to pay.

On February 23, 1981, a sworn affidavit was submitted to the Director, Office of Inspection and Enforcement, in which Mr. Perkins provided further explanation of his actions and errors that led to our November 26, 1980 Order. In this affidavit, Mr. Perkins expressed recognition of those mistakes and his commitment to avoid recurrence of those errors in the future. Subsequently, we conducted our own investigation into the reliability and past performance of Mr. Perkins.

P  
8108300496



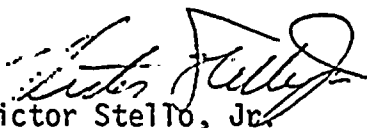
March 20, 1981

Based on the results of our investigation, we have determined that Mr. Perkins possesses the necessary character and reliability to be reinstated to a position of responsibility in the nuclear industry. Further, we have concluded that the mistaken statement made in this instance resulted from poor management control over the flow of information within the Licensee's organization, and not from any intent to willfully withhold or deceive. In an isolated case of mistaken judgment on his part, Mr. Perkins did not verify completion of work committed to in the December 31, 1979 letter and failed to recognize the flawed January 22, 1980 response. The management control system within the Niagara Mohawk Power Corporation failed to detect Mr. Perkins' error when the response to the January 2, 1980, Order to Show Cause was prepared. Since December 31, 1980, the company has been following appropriately revised procedures in this area to avoid such errors in the future. The adequacy of implementation of those procedures will be verified in NRC inspections.

Your responses provide adequate cause for allowing Mr. James Bartlett to continue involvement with nuclear matters, as we have concluded: (1) that he relied on the management chain of the Niagara Mohawk organization in signing the January 22, 1980 Answer; (2) that the corporate staff relied on the information submitted from the site which it did not question based on the concurrence of the site staff; (3) that there was no intent by Mr. Bartlett to deceive the Commission; and (4) that you have adopted procedures that should prevent the recurrence of further erroneous submittals.

Accordingly, the show cause proceeding with respect to Mr. Bartlett is terminated, and the order restricting Mr. Perkins from engaging in nuclear matters is withdrawn, as provided in the attached Order.

Sincerely,



Victor Stelto, Jr.  
Director  
Office of Inspection  
and Enforcement

Enclosure:  
Withdrawal of Ordered Modification  
and Order to Show Cause and Termination  
of Proceedings Thereon

