

UNITED STATES NUCLEAR REGULATORY COMMISSION

WASHINGTON, D. C. 20555 November 5, 1979

Docket Nos. 50-546 and 50-547

Juplicate copy.

Stephen Laudig, Esquire Suite 815-816 445 N. Pennsylvania Street Indianapolis, IN 46204

IN RESPONSE REFER TO FOIA-79-239

Dear Mr. Laudig:

This supplements our previous letter to you dated July 9, 1979, and is in further response to your letter dated June 22, 1979, in which you requested, pursuant to the Freedom of Information Act, access to all information submitted to the Nuclear Regulatory Commission (NRC) concerning or related to the construction or operation of the nuclear generating facility at Marble Hill near Madison, Indiana.

Copies of the documents listed in Appendix A are enclosed (total 354 pages) and copies are also being placed in both the NRC Public Document Room located at 1717 H Street, N.W., Washington, DC. and in the NRC Local Public Document Room (LPDR) located in the Madison-Jefferson County Public Library, 420 West Main Street, Madison, Indiana.

Please note that while documents 30 through 49 in Appendix A are not specifically within the scope of your request, they contain information relating to construction problems at Marble Hill and copies are enclosed.

Sincerely

This completes action on your request.

J. M. Felton, Director

Division of Rules and Records

Office of Administration

Enclosures: As stated

APPENDIX A

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Latter fm J. Coughlin to Region III (1 pg)
    6/29/79
2.
    6/29/79
                     Letter fm J. Eyed to H. Denton (13 pgs)
                     Letter fm Senator R. Lugar to Chairman Hendrie (1 pg)
3.
    7/3/79
                     letter fm Senator W. Ford to Chairman Hendrie (2 pgs)
4.
     7/11/79
                     Letter fm J. Keppler to Public Service of Indiana (3 pags)
5.
     7/13/79
                     Letter fm Cong. E. Hillis to Chairman Hendrie (1 pg)
6.
    7/26/79
7.
     7/27/79
                     Letter fm J. Eyed to H. Denton (2 pgs)
                     Letter fm S. Shields to D. McDonald (2 pgs)
8.
     7/28/79
9.
    7/30/79
                     Letter fm S. Shields to R. Johnson (1 pg)
10.
     7/31/79
                     Letter fm S. Shields to R. Johnson (3 pgs)
                    Letter fm Cong. J. Myers to Chariman Hendrie (1 ng)
11.
     8/1/79
                    Letter fm S. Shields to R. Johnson (7 pgs)
12.
     8/2/79
13.
                    Letter fm Senator Staffor et al. to Chairman Hendrie (3 pgs)
     8/3/79
14.
     8/6/79
                    Letter fm S. Shields to ASME (1 pg)
                    Letter fm R. Schroeder to President Carter (2 pgs)
15.
     8/10/79
                    Letter fm R. Stephens to V. Stello (2 pgs)
16.
     8/23/79
                    Letter fm S. Shields to ASME (1 pg)
17.
     8/30/79
                    Letter fm S. Shields to V. Stello (2 pgs)
18.
     8/31/79
                    Letter fm J. Eyed to V. Stello (16 pgs)
19.
     9/1/79
                    Letter fm T. Dattilo to Region III (2 pgs)
20.
     9/4/79
21.
                    Letter fm G. Mouser to NRC (1 pg)
     9/4/79
                    Letter fm Cong. T. Moffet to Chairman Hendrie (2 pgs)
22.
     9/7/79
                    Letter fm Cong. T. Moffet to Chairman Hendrie (2 pgs)
23.
     9/19/79
                    Letter fm Cong. T. Moffet to Chariman Hendrie (1 pg)
24.
     9/21/79
25.
     9/28/79
                    Letter fm Cong. R. Mazzoli to Chairman Hendrie (2 pgs)
                    Letter fm S. Shields to J. Keppler (22 pgs)
     10/9/79
26.
27.
     Undated
                    Letter fm M. Lewis to Commissioner Bradford (1 pg)
28.
     6/12/79
                    Letter fm T. Dattilo to H. Denton (1 pg)
                    Letter fm T. Dattilo to NRC (1 pg)
29.
     9/4/79
30.
     6/14/79
                     PNO-79-155 (1 pg)
31.
     6/22/79
                     PNO-79-182 (1 pg)
                     PNO-79-182A (2 pgs)
32.
     7/10/79
                    PNO-79-272 (1 pg)
PNO-79-283 (1 pg)
33.
     7/20/79
34.
     7/26/79
35.
     8/1/79
                     PNO-79-299 (1 pg)
                    PNO-79-309 (1 pg)
PNO-79-342 (2 pgs)
     8/7/79
36.
37.
     8/16/79
                     PNO-79-357 (2 pgs)
38.
     8/21/79
                     PNO-79-364 (1 pg)
39.
     8/24/79
40.
                     IE Report No. 50-546/79-07; 50-547/79-07 (33 pgs)
     9/18/79
                     IE Report No. 50-546/79-09; 50-547/79-09 (21 pgs)
41.
     9/25/79
     7/25/79
                     Letter fm G. Fiorelli to Public Service of Indiana with
42.
                     IE Report No. 50-547/79-10; 50-547/79-10 dtd 7/23/79 (10 pgs)
                     IE Report No. 50-546/79-11; 50-547/79-11 (74 pgs)
43.
     10/3/79
44.
     8/29/79
                     Letter fm G. Fiorelli to Public Service of Indiana with
                     IE Report No. 50-546/79-13; 50-547/79-13 dtd 8/28/79 (5 pgs)
45.
     9/11/79
                     Letter fm G. Fiorelli to Public Service of Indiana with
                     IE Report No. 50-546/79-12; 50-547/79-12 dtd 9/10/79 (5 pgs)
     8/23/79
                     Letter fm J. Keppler to Public Service of Indiana with
46.
                     IE Report No. 50-546/79-14; 50-547/79-14 dtd 8/22/79 (5 pgs)
47.
     9/6/79
                     Letter fm G. Fiorelli to Public Service of Indiana with
                     IE Report No. 50-546/79-15; 50-547/79-15 dtd 9/6/79 (5 pgs)
48.
                     IE Report No. 50-546/79-16; 50-547/79-16 (67 pgs)
     9/17/79
49.
     9/24/79
                     IE Report No. 50-546/79-18; 50-547/79-18 (17 pgs)
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STEPHEN LAUDIG
Attorney at Law

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For nucrofiche

Admitted to the Bar of:
State of Indiana
State of Illinois

445 N. Pennsylvania St. Suite 815-816 Indianapolis, IN 46204 317-632-2999

EREEDOM OF INFORMATION
ACT. REQUEST

June 22, 1979 rec & 6-29-79

Director Freedom of Information Act Nuclear Regulatory Commission Washington, D. C. 20350

> RE: Freedom of Information Act Request

Dear Sir/Madam:

Under the provisions of the Freedom of Information Act, 5 U. S. C. 552, I am requesting access to all information submitted to your agency by any corporation, partnership, group, or individuals concerning or related to the construction or operation of the nuclear generating facility at Marble Hill near Madison, Indiana.

I am making this request on behalf of several individuals who are concerned about the safe construction and operation of the facility. As you know, the act permits you to reduce or waive fees when the release of the information is considered as "primarily benefitting the public." I believe that this request fits that category and I, therefore, ask that you waive any fees.

If all or any part of this request is denied, please cite the specific exemption which you think justifies your refusal to release the information, and inform me of the appeal procedures available to me under the law.

I would appreciate your handling this request as quickly as possible and I look forward to hearing from you within 10 days, as the law stipulates.

Additionally, if there is a substantial amount of material and there exists an index to this material, I would appreciate access to the index.

Sincerely,

Stephen Laudio

SL:rl



The SASSAFRAS AUDUBON SOCIETY
of LAWRENCE - GREENE - MONROE - BROWN MORGAN & OWEN COUNTIES
INDIANA

- Committee

June 29, 1979

UNITED STATES OF AMERICA NUCLEAR RECULATORY COMMISSION

TO: Harold R. Denton, Director Office of Nuclear Reactor Regulation

RE: Public Service Indiana, Inc. (Marble Hill Nuclear Generating Station, Units 1 & 2

Docket Nos. STN 50-546 50-547

A REQUEST TO SUSPEND AND REVOKE CONSTRUCTION PERMIT AND TO REOPEN SAFETY HEARINGS ON MARBLE HILL NUCLEAR GENERATING STATION

The Sassafras Audubon Society petitions the Director of Muclear Reactor Regulation pursuant to 10 CFR 2.206 of the Muclear Regulatory Commission's Regulations to suspend and revoke the construction license for Marble Hill Muclear Generating Station, Units 1 & 2, and reopen safety hearings on said facility.

Majo environmental, health, and safety concerns relative to the construction and operation of Marble Hill have developed since issuance of the construction license. These concerns have either not been addressed, or addressed superficially, at previous hearings, by the Final Environmental Impact Statement, the Preliminary Safety analysis Report, the Environmental Report-Operating License Stage, and the Final Safety Analysis Report.

According to the decision of the U.S. Court of appeals, District of Columbia, regarding section 126(a) of the Atomic Energy Act and section 50.100 of 10 CFR in Ft. Pierce Utilities v. United States of America and the Muclear Regulatory Commission, newly revealed environmental, health, and safety problems constitute valid grounds for a post-construction licensing review "under evolving licensing standards, rather than under the standards applicable when the license was issued", and for asking the Muclear Regulatory Commission to suspend and revoke a construction permit.

We seek to be heard at a meaningful po is in an early stage of construction, as to whether continued construction i suspension of the construction license ing consideration of public concerns, "around the clock", 24 hours-a-day, 7 would constitute justice denied.

Appendix 1

DUPLICATE DOCUMENT 1318 004

Entire document previously entered into system under:

ANO 7907100559

No. of pages:

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45 East Coo Street, Proce 407

Minited States Senate

WASHINGTON D.C. 2510

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July 3, 1979

COMMITTEE:
AGRICULTURE, NUTRITION, AND FORESTRY
BANKOL, MOUSING, AND URBAN AFFAIRS
FORESON RELATIONS

ET-LET COMMITTEE ON INTE-LISEDICE

The Honorable Joseph M. Hendrie Chairman Nuclear Regulatory Commission Washington, D.C. 20555

Dear Fr. Hendrie:

I have been informed of the agreement mutually arrived at between your agency's representatives and Public Service of Indiana with respect to the company's Marble Hill power plant, and I am writing to state my support for what seems an eminently sound decision.

In particular, the NRC has behaved responsibly in rejecting proposal which would have stopped work at the plant altogether and inflicted economic hardships on large numbers of Hoosiers. Instead, you have focused your attention solely on the allegations regarding the concrete work and have obtained from PSI commitments to take a number of important steps simed at insuring all parties that the construction work at Marble Hill conforms to the very highest standards.

I applaud the reasonableness of the NRC's methods and judgment in this matter. Guessing that you have received fewer compliments than you may have earned of late, I wanted to make certain to express my viewpoint to you.

Sincerely,

Richard G. Lugar

RGL: nat

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COMMERCE SCIENCE

ENERGY AND NATURAL RESOURCES

ADMINISTRATION

United States Senate

WASHINGTON, D.C. 20510

July 11, 1979

Dear Mr. Chairman:

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Even though you cannot respond to this letter because it concerns a subject on which you may be asked to sit in adjudication, I am, nevertheless, addressing this correspondence to your personal attention so that you can be aware of several new developments regarding the Marble Hill situation which I find to be unsettling.

Let me first say that I have intentionally refrained from commenting on your agency's response to the charges of construction-quality problems at Marble Hill in order not to interfere with, or impede, the progress of the on-going investigation. Yesterday, your office advised me that the investigation was expected to take at least three more weeks, but I am writing now because of developments in recent days which seem to be inconsistent with my June 14 requestand your subsequent assurance—of a full investigation.

I've always been of the opinion that anytime you smelled smoke, if you looked hard enough, you could usually find a fire. However, your agency's recent actions have directly conflicted with that theory.

Inspectors from your agency have determined that many of the allegations of improper construction are indeed correct. More than 500 air pcckets already have been discovered in the plant's two reactor-containment buildings, and of these, at least 120 are said to have been improperly repaired. Despite the mounting evidence that the problems could be much greater than originally expected, the NRC has given the contractor and Public Service of Indiana permission to resume construction in safety-related structures. Your staff has explained to me in detail the terms under which construction was allowed to resume, and I am in no position to argue the merits of the new quality-control standards.

However, I can tell you this. Given the mounting evidence that substantial problems do exist, I cannot name one good reason which justifies allowing the continuation of any construction activities involving the safety-related structures at this site until your investigation is finished.

6,0

1318 006

Page 2 July 11, 1979

Considering what is at stake here—the lasic safety of a nuclear facility—no precaution can be too great if the public interest is to be protected. Other factors, no matter how urgent or compelling, should not be assigned a higher priority than safety, and quite frankly, I do not feel that the public presently feels that this is the NRC's primary concern. If the objective of your investigation is to be fulfilled and if the public's concerns are to be resolved, your agency's every activity must have the support and confidence of the public.

I can assure you that if the NRC fulls to satisfactorily address the concerns that have been raised in a complete manner, I will not besitate to schedule a public hearing before the full Senate Energy and Natural Resources Committee on which I serve and take testimony under oath from all the principals who are involved in this investigation. The only factor that could compel such a hearing to be held would be for your agency not to carry out its responsibilities to the fullest, and I am sure you realize that.

Sincerely,

Auduce to

The Honorable Joseph M. Hendrie Chairman, Nuclear Regulatory Commission Matomic Building 1717 H Street, N.W. Washington, D.C. 20555



UNITED STATES NUCLEAR REGULATORY COMMISSION REGION III

799 ROOSEVELT ROAD GLEN ELLYN, ILLINOIS 60137

JUL 13 1979

Docket No. 50-456 Docket No. 50-457

Public Service of Indiana ATTN: Mr. S. W. Shields Vice President - Electric Systems 1000 East Main Street Plainfield, IN 46168

Gentlemen:

This refers to the meetings held at the Marble Hill construction site on June 29, and July 7, 1979, between Mr. R. M. Brown and representatives of Public Service of Indiana, Newberg-Marble Hill and Sargent and Lundy Engineers and D. W. Hayes, C. C. Villiams and others of my staff. This also refers to the meeting held in the Region III office on July 10, 1979, between you and I and members of my staff. The purpose of the meetings was to discuss the status of: (1) the upgraded program for the control of concrete activities, (2) your "overview" program for concrete activities, and (3) your examination and testing program to confirm existing concrete quality.

Based on our review of your upgraded program and its implementation in connection with portions of the Rad-Waste building and the Unit 2 Turbine building, we have concluded that the conditions outlined in Items 3 and 4 of our Immediate Action Letter (IAL) dated June 27, 1979, have been met. As discussed in the July 7, 1979, meeting, placement of concrete for safety related structures may resume with the following understanding:

- The PSI "overview" program for concrete work will be fully implemented as discussed with you and as outlined in your letter to us dated July 3, 1979.
- 2. The examination and testing program discussed in Item 1 of the IAL will be completed expeditiously.
- mpe 200131 Identified deficiencies will be evaluated in terms of their impact on the current concrete placement program.

POOR ORIGINAL

We concrete will be placed or other work performed that will coverup or otherwise prevent access to previously placed concrete relative to the surface and 'olumetric examination program.

In regard to the PSI "ov rview" program it is our understanding that all PSI "hold points" discus ed in the Newberg-Marble Hill letter to PSI dated June 28, 1979, wil. apply until adequate confidence that future concrete activities will continue to meet requirements is established to the satisfaction of PSI and the NRC. Further, PSI quality control personnel will inspect all Category I concrete placement areas to verify requirements have been met. The PSI inspections are to be conducted after Newberg QC has accepted the area, but prior to placement of concrete. PSI QC personnel are also to be present full-time at all Category I pours to verify adequate contractor QC involvement and to assure proper placement and consolidation of the concrete.

Concerning Items 1 and 2 of or IAL involving the testing and evaluation of existing concrete we have concluded that:

- Our initial review of your identification and evaluation of concrete repairs indicates it is not yet sufficiently comprehensive.
- The adequacy of the preparation of concrete defective areas (honeycomb)
 for repair and the procedure and material in making some of the
 repairs continue to remain unresolved at this time.
- Your program for acquiring and evaluating test data has not been fully developed and approved.

As discussed with you during our meeting on July 10, 1979, we understand that additional and comprehensive efforts will be made to assure all repaired areas are identified, that all material will be removed from the repaired areas and the repairs be redone. We note that some repairs were made with adequate QC coverage and are not in question. Verification of the adequacy of these repairs will be made on an individual basis with both PSI and the NRC concurring in the resolution. Further, the NRC is to be notified in advance of the removal of material and rerepair so we may elect to witness the activity. It is not intended that repairs made for cosmetics, such as tie holes be redone.

It is also our understanding that your activities for acquiring and evaluating test data relative to existing concrete is to be fully documented and controlled in accordance with your QA program with each major responsibility relative to the involved organizations being identified.

POOR ORIGINAL

YELLOW FILE COPY

Public Service of Indiana

- 3 -

JUL 13 1979

Please inform us if your understanding of the items discussed in this letter is different from that stated.

Sincerely,

James G. Keppler Director

cc: Hr. R. M. Brown, Construction Project Superintendent

cc w/ltr dtd 7/3/79: Central Files Reproduction Unit NRC 20b PDR Local PDR NSIC TIC LeBoeuf, Lamb, Leiby & MacRae

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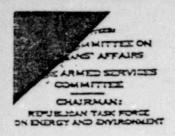
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Congress of the United States House of Representatives Weshington, A.C. 20515

July 26, 1979

SIS NORTH MAIN STREET

TELDIOR, CO-623

MANON P.O. BUELD TODANG GETTE

Mr. Joseph M. Hendrie Chairman Nuclear Regulatory Commission Washington, D. C. 20555

Dear Mr. Chairman:

As the Representative of the 5th District of Indiana, an . area that is served by Public Service Indiana, I have some serious concern in regard to the Marble Eill Nuclear Plant now under construction.

I am as concerned about the safety of this plant as anyone. However, I am also concerned that it be completed in a timely fashion. The power that will be generated from this plant will be urgently needed by my area in the 1980's.

I am, of course, aware of some of the problems that have arisen in regard to the construction and I join with others in urging that all steps be taken to see that the plant is built safely.

However, I also urge you most strongly that no steps be taken to stop all construction. In my opinion, such a step is not called for at this time because there is no cangers to the public.

Any deficiencies in the construction of the plant should be caught and corrected but I feel this could be done by proper inspection and direction to the owner of the plant and its contractor.

To stop all construction would be overkill and is not justified by the fots.

Sincerely,

Elwood H.

Member of Congress

7/27.. To EDO for Prepare reply for signature of EDO.: Date due Comm: Aug 9. Distribution: OGC, Orig to Docket, OCA to Ack... Logged Ex Parte. 79-2187

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Minifed States Senate

COMMITTEL ON ENVIRONMENT AND PUBLIC WORKS
WASHINGTON, D.C. 20310

August 3, 1979

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To: Gossick

Mr. Joseph M. Handrie Chairman U.S. Nuclear Regulatory Commission Washington, D.C. 20555

Dear Mr. Chairman:

Recent disclosures of construction deficiencies in safety-related structures and systems at the Marble Hill Nuclear power plant in Indiana raise serious questions about the safe construction of the facility. We are also concerned that the problems encountered at Marble Hill may raise major issues regarding nuclear power plant construction generally. We, therefore, wish to be kept fully and currently informed of the facts surrounding construction at Marble Hill so when the Subcommittee on Nuclear Regulation of the Committee on Environment and Public Works can conduct a thorough rewiew of the matter.

the regularly briefed by the Commission ensuring that our staff be regularly briefed by the Commission staff on new developments, particularly before any regulatory action is taken by the Commission, we request that you provide us with the following information:

1. The extent to which the Commission reviewed the quality-assurance/quality-control organizational procedures of the licensec at the pre-docketing stage and at the construction-permit stage, and the Commission's assessment of these procedures at the time the construction permit was issued.

1. The extent to which the Commission reviewed, prior to issuance of the construction permit, the capabilities of the utility to manage the construction of the plant, and the findings of that review.

The Commission's present assessment of the utility's construction-management capabilities.

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4. The extent to which the Commission reviewed the Marble Hill construction company's capabilities and qualifications to build a nuclear plan' prior to issuing the construction permit, and the findings of that review.

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- 5. The frequency and the nature of the Commission's inspection of construction in progress at Marble Hill.
- The reason the Commission did not place a resident of the inspector at the Mar. le Hill site when the utility requested one.
- 7. Present Office of Management and Budget guidance to the Commission on the subject of resident inspectors, and how this guidance may have affected the decision not to place an inspector at the Marble III1 site.
- 2. The extent to which the Commission reviewed contractural arrangements between the Mathle Hill licensee and its contractors, and an assessment of the impact these arrangements have on the quality and the safety of the plant, including the affect any fixed-price contracts have had on the quality of construction.
- . The extent to which the Commission examines the construction practices of a utility during its review of an operating license application.
 - 11. The remedies available to the Commission when it uncovers deficiencies of the kind disclosed at Marble Hill.
 - II. The rile of the National Board of Boiler and Pressure Vessel inspectors in the Commission's proceedings and clarification of the extent to which the Commission accepts their inspections or duplicates them.
- 12. All documents relating to criminal allegations To regarding construction deficiencies at Marble Hill.
- 13. The reason construction was allowed to continue into July even though honeycombing was known to be occurring as early as April.

- 14. The apparent reasons for the breakdown in the III quality-assurance/quality-control procedures at the site.
- Any affidavits in the possession of the Cormission from Marble Hill construction workers relating of to information about construction problems.
 - 16. The hiring practices of Marble Hill construction contractors and the extent to which workers in experienced in nuclear facility construction were sought out and utilized by the contractors.
 - 17. The inspection practices used by the contractor and the utility and the extent to which the NRC III trains non-Commission inspectors and approves inspection methods used by them.

We ask that your response to this request for information to forwarded to us within two weeks of the date of this letter.

Truly,

Stafford

Runking Singson

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Stafford

Chairman

Gary Hard

Chairman, Subcommittee on Nuclear Regulation

Regulation

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The SASSAFRAS AUDUBON SOCIETY
of LAWRENCE - GREENE - MONRCE - BROWN MORGAN & OWEN COUNTIES
INDIANA

17 E

July 27, 1979

Mr. Harold R. Denton, Director Office of Nuclear Reactor Regulation U.S. Nuclear Regulatory Commission Washington, D.C. 20555

Dear Mr. Denton:

POOR ORIGINAL

This letter is concerned with the National Board of Boiler and Pressure Vessel Inspectors Rept of July 24, 1979, to the American Society of Mechanical Engineers (ASC), recommending that ASYE withdraw Public Service Indiana's (PSI) Certificate of Authorization for the construction of Marble Hill unless the utility corrects numerous violations and procedures.

We have not been able to obtain a copy of the <u>Report</u> as yet, but The Indianapolis Star news article on the <u>Report</u> (July 25, 1979) included many excerpts which we believe sufficient for the following request:

The Sassafras Audibon Society asks that the NRC consider the Report of the Mational Board of Boiler and Pressure Vessel Inspectors on widespread problems in quality control and materials handling at Marble Hill, as part of the Section of our Petition of June 29, 1979, entitled METICULOUS ENGINEERING, CONSTRUCTION, AND QUALITY ASSURANCE FOR MARBLE HILL?, as further grounds for our Request for Suspension and Revocation of the Construction Permit and Reopening of Safety Hearings on Marble Hill Nuclear Generating Station.

We disagree with PSI that the inspection findings are "mere technicalities", largely involving "paperwork" and "in no way affect the quality or safety of the plant." Poor "attitudes" of Maragement toward construction standards can affect the safe construction of a plant as well as the wrong grade of materials. PSI's deliberate flouting of construction standards established to insure the safety of nuclear plants cannot be dismissed by words about "misunderstanding", or "everything can be corrected satisfactorily", nor by the belief that "N" certification, however belated, will make everything right.

Many questions must be answered as a Allison, a field representative for the Nuclear Certification Committee has a at least six weeks. PSI has said the mid-August. Since PSI, according to set the Reactor Vessel in place in August that they had no intention or prior to placement of the Reactor Vessel.

DUPLICATE DOCUMENT 1318 015

Entire document previously entered into system under:

ANO 7908010493

No. of pages:

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Congress of the United States House of Representatives Washington, A.C. 20515

August 1, 1979

Mr. Joseph M. Hendrie, Chairman U.S. Nuclear Regulatory Commission Washington, D.C. 20555

Dear Chairman Eendrie:

This letter is to express my concern about any move by the NRC to stop all construction at the Marble Hill Nuclear Power Station site near Madison, Indiana. While I share your desire to examine potential safety problems and resolve them where necessary, I do not support a complete work stoppage. The economic and energy consequences of such an action would be severa, considering the employment level and completion schedule at Marble Hill.

It is my understanding that NRC's investigation and evaluation of the management of construction activities by Public Service Indiana will conclude this week. I applied your efforts to determine the roots of any problems and hope that they will be expeditiously and satisfactorily answered before any additional workers are forced off the job.

I would appreciate being kept informed of your activities with respect to Marble Hill. Your decisions will be very important to Indiana and to the Nation.

Best Wishes.

POOR ORIGINAL

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Sincerely,

John Myers

Sincerely,

John Myers

DUPLICATE DOCUMENT 1318 016

Entire document previously entered into system under:

ANO 79100207/8

No. of pages:



PUBLIC SERVICE INDIANA

S. W. Shields Vice President - Electric System August 6, 1979

ASME 345 E. 47th Street New York, New York 10017

Attention: Mr. Gerry Eisenberg

Secretary

Gentlemen:

We have been asked by the Chief Inspector of the State of Indiana to make the following inquiry:

"Our company intends to N Stamp piping systems in accordance with the ASME Code, Section III, and has purchased material which will be used in those piping systems. May we subcontract Code material, such as welding and NDE, to an NPT Certificate Holder, without the NPT Certificate Holder being required to qualify us as a Material Supplier?"

We would appreciate a reply as soon as possible because our piping systems are currently under construction.

Very truly yours,

Muslinda

SWS:gm

cc: D.J. McDonald, Natl. Bi.Boiler R.R. Johnson, State of Indiana

Boiler & Pressure Vessel Board

W.G. Reinmuth, U.S. NRC

Victor Stello, Jr., U.S. NRC

J.G. Keppler, U.S. NRC

A.W. Henry, Hartford Steam Boiler

Uldis Potapovs, U.S. NRC Arlene Cadafino, ASME

E.J. Hemzy, Commonwealth Edison Co.

1318 017

317 .. 839 . 9611



Rosella Schroeder Skylir Drive, R. No. 3, Box 190 Floyde Knobs Indiana 47119

August 10, 1979

The Honorable Jiany Carter, President
The White House, 1600 Pennsylvania Ave.
Washington, D.C. 20500

SUBJECT: A taxpayer's request that federa' funds used to purchase 17% undivided ownership of Marble Hill Nuclear Power Plan (Jeff. Co., Indiana) be withdrawn

Dear Mr. President:

Your visit to Kentuckiana on July 31 was greatly reciated and will be long remembered.

One environmental issue which was called to your attention in this area was the Marble Hill nuclear facility being built on the Ohio River 31 miles upstream from Louisville, Ky. by Public Service Indiana. Construction was stopped after workers (NOT the Nuclear Regulatory Commission) discovered and reported faulty concrete work in the nuclear reactor containment structures and auxiliary buildings in which 170 air pockets out of more than 500 detected lacked proper repairs.

These charges, verified by the NRC, prompted an investigation by the House Subcommittee on Environment, Energy and Natural Resources. Also underway is a probe by the Senate Environment and Public Works Committee of construction practices at the site. In addition, the U.S. Dept. of Justice has been asked to determine if possible criminal charges are involved in that workers have stated that they were ordered to conceal concrete defects from inspectors at the Earble Hill plant.

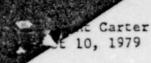
It has now been determined by the NRC that Public Service Indiana (PSI), who reportedly has already spent \$430 million at Marble Hill, lacked adequate personnel with first-hand experience with nuclear energy on its staff and at the construction site. PSI President, Hugh Barker, has stated that consumers (not the stockholders) must pay for PSI's mistakes, and will have to make up a difference of \$12 million each month construction of the nuclear plant is delayed.

The above data is only to furnish background information on this deplorable environmental and economic situation which renders captive consumers and taxpayers HELPLESS. Aside from the millions of tax dollars supporting the NRC's involvement in this one unneeded, unwanted nuclear plant, huge sums of money must be allocated for emergency plans in case of a nuclear accident. None of this has figured into the cost of the project.

But I am appealing to you, Mr. President, on a relaced matter which appears to have gone completely unnoticed in this Marble Hill fiasco. It involves FSI's co-owner of the Marble Hill nuclear plant—the Wabash Valley Power Association (MVPA) in Indianapolis, whose use of federal tax dollars has enabled it own 17%. On Dec. 28, 1977, I received a letter from Mr. Richard F. Richter, Asst. Administrator-Electric, Rural Electrification Administration, U.S. Dept. of Agriculture, informing me of a REA loan guarantee commitment for financing a 17% undivided ownership interest by Wabash Valley Power Association in the Marble Hill plant.

One paragraph of the USDA-RIA Marble Hill Environmental Impact Statement reads: "The risk associated with accidental radiation exposure will be very low". Please consider the absurdity of that statement after a hole 20 ft. long was found in concrete of a critical area of construction at Larble Hill!

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Does undivided ownership also mean undivided responsibility and accountability?

On April 4, 1978, the Atomic Safety and Licensing Board of the NRC (Elizabeth Bowers, Chairman) issued the Construction Permit noting that the REA Loan Guarantee Commitment to WVPA was \$360,684,000 to acquire 17% undivided ownership in the Marble Hill Generating Station, Units 1 and 2. Based on the above figures, the total cost of the project would be approx. \$2.12 billion, but in the March 1976 Draft Environmental Impact Statement, the est. economic costs of construction and operation of Marble Hill at time of first operation was listed as \$1.355 billion (Table 10.3, p. 10-9)!

At this late hour, it should be noted also that the initial request to build the Marble Hill nuclear facility (from the March 1976 Draft EIS) was based on electrical energy needs of Public Service Indiana (65% co-ownership), Northern Indiana Public Service Co. (20% co-ownership), with Kentucky-Indiana Municipal Power Assn., City of Richmond, Ind., East Kentucky Power Cooperative and Wabash Valley Power Association as joint applicants for the 15% remaining ownership. However, all withdrew except wypa. But this important change in the determination of actual need for the plant was sidestepped by the ASLB of the NRC who proceeded as if it had never existed.

Over the years the REA has done many fine things for many people in its federal funding programs, but I do not believe Marble Hill is one of them. Will you please request a review of this REA loan commitment?

If this "more power at any price" rationale prevails at Marble Hill, surely it is time to recognize a different energy crisis in our country-one in which energy GREED of producers far outweighs energy NEED of consumers.

POOR ORIGINAL

Respectfully submitted,

Ander Selveder

Rosella Schroeder

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COMMONWEALTH OF KENTUCKY

OFFICE OF THE ATTORNEY GENERAL

ROBERT F. STEPHENS FRANKFORT

August 23, 1979

Victor llo, Jr., Director
Office of Inspection and Enforcement
Un ted States Nuclear Regulatory Commission
Washington, D.C. 20555

We are that II rectain to

RE: Public Service Co. of Indiana, Inc., et al., (Marble Hill Nuclear Generating Station, Units 1 and 2), Docket Nos. STN 50-546/547

Dear Mr. Stello:

This letter is in response to your "Order Confirming Suspension of Construction", dated August 15, 1979. We are very concerned about the construction problems uncovered at the Marble Hill Nuclear Generating Station site. As the order states, some of the non-compliances are of long duration. Others reflect faulty construction practices and inadequate inspections which could compromise the integrity of safety-related structures. From what we know of the situation, the Commission was correct in -confirming by order a halt to safety-related construction until PSI can demonstrate that it will comply with the quality assurance criteria for nuclear power plants contained in Appendix B of 10 C.F.R. Part 50. No balancing of economic or other factors should be considered by the Commission when violations of regulations concerning safety is discovered, for ". . . [O]nce a regulation is adopted, the standards it embodies represents the Commission's definition of what is required to protect the public health and safety". Vermont Yankee Nuclear Power Corp. (Vermont Yankee Nuclear Power Station), ALAB 138, RAI-73-7, 520, 528 (July, 1973).

The allegations concerning attempts to withhold knowledge of defective concrete from inspectors and the new allegations of falsified test reports are even more distressing. Criminal as well as civil proceedings should be instituted if these allegations turn out to be true. Even if there were no criminal acts committed, we do not understand why the Commission has not, to our knowledge, instituted a proceeding to assess civil penalties

Victor Stello, Jr.
United States Nuclear Regulatory Commission
August 23, 1979
Page Two

pursuant to 10 C.F.R. 2.205. We believe the Commission should address this issue publicly.

We note that PSI prepared to go forward with construction several times this summer, only to stop work after finding additional deficiencies in its concrete work. Based on this poor track record, we are concerned that PSI may receive permission from the Commission to resume work before it is capable of doing so in compliance with all Commission requirements. Consequently, we will carefully review the submission by PSI under Part IV of the order and any Commission approval to resume safety-related construction, and will take appropriate legal action to review any Commission action we disagree with.

Since we believe it was proper to halt safety-related construction at the Marble Hill site, we do not seek a hearing under the terms of Part V of the order dated August 15, 1979. However, if a hearing is requested and held, we wish to participate in the hearing as an interested state pursuant to 10 C.F.R. 2.715(c).

Sincerely

Robert . Stephens Attorney General

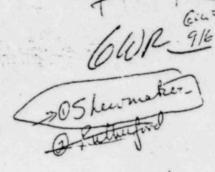
1318 021



PUBLIC SERVICE INDIANA

S. W. Shields Vice President - Electric System

August 30, 1979



ASME 345 E. 47th Street New York, New York 10017

ATTENTION: Mr. Gerry Eisenberg

Secretary

Gentlemen:

On August 6, 1979, we submitted an inquiry concerning qualification as a Material Supplier. We withdraw that inquiry as we have been able to resolve the question with the Chief Inspector of the State of Indiana.

However, another question has been raised regarding documentation of material, and we would appreciate a response to the following inquiry:

Although NPT stamped piping subassemblies were ordered from a Certificate Holder, some pieces of straight pipe material were furnished to the job site. Documentation which is traceable to that material is being reviewed to assure compliance with the requirements of NX-2000, the material specification, NCA-3800 and the Design Specification. If the Authorized Nuclear Inspector is satisified that the requirements of Section III have been met on the basis of this review, is the material acceptable for construction?

Very truly yours,

Mellish

SWS/kc

cc: D. J. McDonald, Natl. Boiler Bd.

R. R. Johnson, Ind. Boiler Bd.

W. G. Reinmuth, US NRC

Victor Stello, Jr., US NRC -

J. G. Kappler, US NRC

A. W. Henry, Hartford

Uldis Potapovs, US NRC

Arlene Spadafino, ASME

E. J. Hemzy, Commonwealth Edison 1000 East Main Street, Plainfield, Indiana 46168 1318:022

317 .. 839 . 9611



SERVICE INDIANA

August 31, 1979

S. W. Shields Vice President - Electric System

> Mr. Victor Stello, Jr. Director, Office of Inspection and Enforcement United States Nuclear Regulatory Commission Washington, D.C. 20555

> > Re: Docket Nos. 50-546, 50-547

Dear Mr. Stello:

On behalf of Public Service Company of Indiana, Inc. and Wabash Valley Power Association, Inc. ("Licensees"), I am submitting this letter in response to the "Order Confirming Suspension of Construction" issued by you on August 15, 1979.

Licensees accept the terms and conditions set forth in part IV of your Order. Licensees intend to comply fully with part IV and are working diligently to do so.

Since it is our intention to comply with part IV of your Order in all respects, Licensees do not contest the truth of the allegations contained in parts II and III of the Order. With respect to the items of noncompliance listed in Appendix A, it is our understanding that Appendix A contains preliminary findings that will be confirmed in formal correspondence and inspection reports to be issued by Region III. Upon receipt of such formal identification of specific noncompliance items, Licensees will respond fully in accordance with the provisions of 10 C.F.R. Part 2.

Part V of your Order creates the possibility of a public hearing concerning the validity of the Order. Licensees see no need to conduct a public hearing and do not request one. There are no issues to be considered at such a hearing in view of the fact that Licensees agree that the Order

SERVICE INDIANA

> should be sustained and do not contest the facts upon which it is based. Licensees, however, reserve the right to respond to any request for a public hearing filed by a third - party.

> > Sincerely,

S. W. Shields

SWS:ka

cc: Mr. James G. Keppler Thomas M. Dattilo, Esq. Mr. John A. Eyed



The SASSAFRAS AUDUBON SOCIETY
of LAWRENCE - GREENE - MONROE - BROWN MORGAN & OWEN COUNTIES
INDIANA

September 1, 1979

Victor Stello, Jr., Director
Office of Inspection and Enforcement
United States Nuclear Regulatory Commission

RE: Public Service Indiana, Inc.
(Marble Hill Nuclear Generating) STN 50-546
Station, Units 1 & 2) STN 50-547

A REQUEST FOR A HEARING ON ORDER CONFIRMING SUSPENSION OF CONSTRUCTION

I

The ORDER CONFIRMING SUSPENSION OF CONSTRUCTION at Marble Hill, issued August 15, 1979, by the Office of Inspection and Enforcement (IE), U.S. Nuclear Regulatory Commission, states (page 7) that any person whose interests may be affected by this order may request a hearing within 20 days of the date of the order, and that the issues to be considered at such a hearing shall be: (1) Whether the facts set forth in Parts II and III of the Order are true; and (2) Whether the Order should be sustained.

II

- The Order 1) Confirms the stop work order on all safety-related construction issued August 7, 1979, by the licensee (Public Service Indiana) and cites in Sections II, III, and Appendix A, numerous instances of the licensee's noncompliance with Criteria of Appendix B 10 CFR Part 50 of the Commission's regulations; refers to the inspection of the National Board of Boiler and Pressure Vessel Inspectors, June 12-14, 1979, at the Marble Hill site which resulted in the Board's recommendation that the licensee's ASME Certificate of Authorization should be withdrawn and that the licensee should cease acting as a supplier of ASME Code material to its subcontractors without ASME authorization; and notes the failure of the licensee to institute a quality assurance program for the construction of Marble Hill;
 - 2) Requires that the licer Director of Inspection vised quality assurance that safety-related con with Appendix B of 10 tions;

DUPLICATE DOCUMENT 1318 025
Entire document previously

Entire document previously entered into system under:

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THOMAS M. DATTILO ATTORNEY AT LAW 311 EAST MAIN STREET MADISON INDIANA 47250 PHONE 812 - 265-6355

September 4, 1979

United States Nuclear Regululatory Commission Region III 799 Roosevelt Road Glen Ellyn, Illinois 60137

Attention: Mr. James G. Keppler, Regional Director

Dear Mr. Keppler:

This writer did not receive a copy of the N.R.C. response to the Senate Subcommittee on Nuclear Regulation, which supposedly state that "an April inspection by N.R.C. personnel provided the first real evidence of a serious breakdown in construction supervision (at Marble Hill)." See the Courier-Journal, September 1. 1979 States News Service article by Charlie Green.

Kindly advise if your office or any of your agents had notice in mid to late 1978 of the following:

> That Newberg Construction Company was not following concrete specifications,

> 2. That improper vibrations of concrete were

taking place, and,

That United States Testing was using some untrained personnel to test concrete at Marble Hill.

This writer would appreciate a response under oath so that there be no confusion or problems with the N.R.C. aiding in the criminal investigation of alleged "cover-up" at Marble Hill in connection with the F.B.I. and the U.S. Attorney's Office for the Southern District of Indiana.

Further, according to the above States News Service article, "the N.R.C. added that it sees no reason why P.S.I's organization cannot be strengthened to function acceptably."

We intervenors have always had problems with the lack of objectiv ty, in our opinion, shown by the N.R.C. in its relationship with the nuclear power industry in general, and with P.S.I. 1318 7257 2 1631 \$503

United States Nuclear Regulatory Commission September 4, 1979 Page Two

in particular. Obviously, many discussions have occurred behind closed doors and will continue.

This writer respectfully requests that you remove yourself as the main investigative body of construction defects at Marble Hill if your office cannot espond negatively under oath to the above question concerning N.R.C. knowledge in 1978.

Very truly yours,

Thomas M. Dattilo

TMD/jmc

cc: U.S. Attorney's Office for the Southern
- District of Indiana

Knob & Walley Audubon Society of Southern Indiana P. O. Box 556, New Albany, 9N 47150 xeptember 4, 1979 50 U.S. Muclear Regulatory Commission If Office of Inspection & Enforcement; We request hearings on the Marble Hill nuclear Generating Plant based on information given in Save The Valley Hidavite and the original motion to open Safety Hearings. Our member ship is comprised of Hark, Floyd, Harrison, Crawford and Jefferson Counties in Indiana on the This River. There are questions in our minds about whether the N. R. C. is carable marble Hill deficiencies gincerely, George J. Mouser President- Frot & Valley andubon Society The ecological conscience of Clark, Floyd and Harrison Counties
CRAWFORD EJEFFERSON 1318

NINETY-SIXTH CONGRESS

Congress of the United States

House of Representatibes

ENVIRONMENT, ENERGY, AND NATURAL RESOURCES SUBCOMMITTEE OF THE

COMMITTEE ON GOVERNMENT OPERATIONS RAYBURN HOUSE OFFICE BUILDING, ROOM B-371-B-C WASHINGTON, D.C. 20515

September 7, 1979

Honorable Joseph M. Hendrie Chairman Nuclear Regulatory Commission Washington, D. C. 20555

Dear Chairman Hendrie:

On March 20, 1979, the NRC presented to the Congress a proposal for increased civil monetary penalties. Page 2 of this proposal contains the following language:

> In contrast to the large majority of licensees, however, a few major NRC licensees have been unresponsive. For example, several utilities have committed violations resulting in the imposition of multiple civil monetary penalties in the past few years . . . (T)he Commission believes that the few major NRC licensees who have not provided systematic lasting corrections in response to penalties issued under the current limits might have responded more effectively to higher penalties. . . . Higher civil penalty limits are needed to provide NRC with escalated enforcement sanctions short of license suspension for the few major licensees with records of significant noncompliance who have not responded to penalties under the existing authority."

Please provide the Subcommittee with the following information:

- The names of the "major NRC licensees" to which you referred as "unresponsive";
- The names of the "several utilities [which] have committed violations resulting in the imposition of multiple civil monetary penalties in the past few years";

MAJORITY-121-427

PAUL N. MCCLOSKEY, JR., CALIF. AFLAN STANGELAND, MINN, JOEL DECKARD, IND.

Honorable Joseph M. Hendrie Page Two

- The names of the "major NRC licensees who have not provided systematic lasting corrections in response to [civil] penalties"; and,
- The names of the "major licensees" to which you referred as having "records of significant noncompliance."

This request is made pursuant to the following legal authorities:

- Rules X and XI of the Rules of the House of Representatives:
- Section 303 of the Atomic Energy Act of 1954, as amended; and
- 3. 5 U.S.C. 2954. Congressmen Drinan, Maguire, Kostmayer, Synar, McCloskey and Deckard have authorized me to state that the above request is made, pursuant to this provision, on their behalf.

This request is properly within the jurisdiction of the Committee on Government Operations, as granted it by Rule X of the House of Representatives, and of this Subcommittee, as delegated to it by Rule 8 of the Rules of the Committee on Government Operations and by the actions taken by the Committee on Government Operations at its organizational meeting for the Ninety-Sixth Congress on February 1, 1979.

The Subcommittee would appreciate receiving your response to this request by September 21, 1979.

TM:bbm

NINETY-SIXTH CONGRESS

ARLAN STANGLAND, MINEL AND DECAME, MO.

MINORITY ES ME

Congress of the United States

House of Bepresentatibes

ENVIRONMENT, ENERGY, AND NATURAL RESOURCES SUBCOMMITTEE

COMMITTEE ON GOVERNMENT OPERATIONS
RAYBURN HOUSE OFFICE BUILDING, ROOM B-371-8-C
WASHINGTON, D.C. 20818

September 19, 1979

Honorable Joseph M. Hendrie Chairman Nuclear Regulatory Commission Washington, D.C. 20555

Dear Chairman Hendrie:

In connection with the Subcommittee's ongoing investigation of construction problems at Public Service of Indiana's Marble Hill nuclear facility, I request that you provide us with the following information:

- (a) The name of each licensed U.S. commercial nuclear power plant in which Gust K. Newberg Construction Company or Gust K. Newberg, Inc. has been involved in any aspect of the construction, the nature of the work in which they were involved, and the approximate dates on which the work was performed.
- (b) The name of each U.S. commercial nuclear power plant now under construction in which Gust K. Newberg Construction Company or Gust K. Newberg, Inc. has been involved, currently involved, or is expected to be in alved in any aspect of the construction, the nature of the work in which they were or will be involved, and the approximate dates on which the work was or will be performed.
- (c) The name of each licensed U.S. commercial nuclear power plant in which Sargent and Lundy has been involved in any aspect of the construction, the nature of the work in which it was involved, and the approximate dates on which the work was performed.
- (d) The name of each U.S. commercial nuclear power plant now under construction in which Sargent

Honorable Joseph M. Hendrie September 19, 1979 Page Two

and Lundy has been involved, is currently involved, or is expected to be involved in any aspect of the construction, the nature of the work in which it was or will be involved, and the approximate dates on which the work was or will be performed.

- (e) The name of each licensed U.S. commercial nuclear power plant in which U.S. Testing has been involved in any aspect of the construction, the nature of the work in which it was involved, and the approximate dates on which the work was performed.
- (f) The name of each U.S. commercial nuclear power plant now under construction in which U.S. Testing has been involved, is currently involved, or is expected to be involved in any aspect of the construction, the nature of the work in which it was or will be involved, and the approximate dates on which the work was or will be performed.

This request is made pursuant to the following legal authorities:

- Rules X and XI of the Rules of the House of Representatives;
- Section 303 of the Atomic Energy Act of 1954, as amended; and
- 5 U.S.C. 2954. Congressman Drinan, Maguire, Kostmayer, Synar, McCloskey and Deckard have authorized me to state that the above request is made, pursuant to this provision, on their behalf.

This request is properly within the jurisdiction of the Committee on Government Operations, as granted it by Rule X of the House of Representatives, and of this Subcommittee, as delegated to it by Rule 8 of the Rules of the Committee on Government Operations and by the actions taken by the Committee on Government Operations at its organization meeting for the Ninety-Sixth Congress on February 1, 1979.

The Subcommittee would appreciate receiving your response to this request by October 4, 1979.

Tooy Moffett

Chairman

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