



FOX INDUSTRIES

722 FOLGER AVENUE
BERKELEY, CALIFORNIA 94710

(415) 843-3123

March 22, 1979

Mr. Leon E. Ring
Tennessee Valley Authority
Knoxville, Tennessee, 37902

Dear Mr. Ring:

Thank you for your letter of March 7th.

Notwithstanding the explanation contained therein we think our position to be a valid one, that TVA being an agency of the Federal Government must leave procurement open for competing systems.

For your information we are enclosing a copy of a letter from a Mr. Harold R. Denton, Director, Office of Nuclear Reactor Regulations in response to a letter from us about the TVA bid also enclosed.

Our problems all along has been that the AE firms have regarded the guides as regulation which, according to Mr. Denton, they are not. Therefore, it should be possible for TVA to ask for a review without incurring a large expenditure of money, time and effort to prove the acceptability of the product because we have already ~~reviewed~~ incurred the expense, and the time, and the effort.

We undertook to work with TVA two years ago because it is a Federal Agency and at the invitation of Mr. Lynn Seeber your then general manager we met with your engineers and furnished them with the same engineering and test data that provided the basis of our submission to the NRC. If you will review the correspondence relative to TVA bid Reference No. 72-822237 dated March 8, 1977 you will find the same situation existed and the reasons given for non acceptance were the same as are being applied to the current bid.

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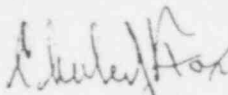
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Thus it is apparent that unless some corrective action is taken we will be faced with the same situation on future bids. In view of the comments contained in Mr. Denton's letter regarding our bid to TVA we ask what can be done to remedy this unfair situation.

Very Truly Yours

FOX INDUSTRIES



Charles J. Fox

CJF/pd

cc: Mr. R. O. Barnett
Mr. G. Ownsby

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