

February 2, 1979

Mr. Joseph M. Hendric, Chairman
Nuclear Regulatory Commission
1717 H Street N. W.
Washington, D. C. 20555

Re: TVA Invitation 73-824811
Rebar Splicing Materials - Yellow Creek
Nuclear Plant

Dear Mr. Hendric:

Attached is a copy of a letter we sent to Mr. Lynn Seeber, General Manager of TVA after receiving a notice that the award of the above invitation had been made to the only supplier approved by the NRC.

Our complaint lies not with the loss of the bid but with the circumstances surrounding the award, namely the TVA, a government agency, because of NRC regulations, cannot accept a bid for competing materials. This is against United States Government procurement policy.

For the past six years we have followed the procedures suggested by the NRC of going thru the designers, obtaining code approval from the technical societies, making the required tests, presenting engineering analysis, metallurgical considerations, and topical reports, a procedure costing approximately \$100,000. Although our petition was accepted for review for NRC a year ago it has still not been approved as far as we can find out.

Please advise what corrective steps will be taken so that a qualified supplier is not precluded from bidding on government work. Surely the NRC should not claim that there is only one safe method of joining such a mundane product as reinforcing steel, especially one that contributes greatly to construction costs.

Very truly yours

FOX INDUSTRIES

Charles J. Fox

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CJF/pk
Enclosure

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