DISTRIBUTION: Courtesy Copy AKKXRNK

KNKXXXKNK

DockeT DEC 4 1973

L Rdg RP Rdg PWR-4 Rdg RCDeYoung

OGC OCR (3) GErtter JCook

MGroff EHughes EGreen SDMacKay

Docket Nos. 50-329 and 50-330

> Mr. Edward J. Bauser Executive Director Joint Committee on Atomic Energy Congress of the United States

Dear Mr. Bauser:

Consumers Power Company is the holder of Construction Permits Nos. CPPR-81 and CPPR-82 for construction of the Midland Plant, Units 1 and 2. Reviews conducted by the Directorate of Regulatory Operations of various activities performed under the construction permits have revealed significant deficiencies in the implementation of Consumers Power Company's quality assurance program and have resulted in the suspension of the applicant's cadwelding work. By memorandum dated November 26, 1973, the Atomic Safety and Licensing Appeal Board wrote to the Director of Regulation taking note of some of these matters and urging that appropriate enforcement action be taken against Consumers Power Company.

On December 3, 1973, the Director of Regulation issued to Consumers Power Company an order to show cause why all activities under Construction Permits Nos. CPPR-81 and CPPR-82 should not be suspended. The Order also confirms the continuing suspension of cadvelding work.

Enclosed for the information of the Committee are copies of the Order to Show Cause and the response of the Director of Regulation to the Atomic Safety and Licensing Appeal Board's memorandum dated November 26, 1973, s copy of which is enclosed to the above mentioned order to Show Cause.

THIS DOCUMENT CONTAINS POOR QUALITY PAGES

1. Order to Show Cause

Letter to Atomic Safety and

Licensing Appeal Board

Sincerely,

Original signed by Walter P. Haass

A. Giambusso, Deputy Director for Reactor Projects

Directorate of Licensing

JYore, ASLB ASchwencer

VHWilson ElGoulbourne

RO (3) AGiambusso

OCR 12/

173

RSBoyd OFFICE

Form ABC-31# Rev. 9-53) ABCM 0240 800710062

Enclosures: