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

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AUG 8 1980

Mr. Robert Park
4141 Walshwood Court
Dayton, OH 45424

Dear Mr. Park:

Your letter to President Carter has been referred to me for reply. The concerns you expressed regarding the safety of nuclear power in general and the South Texas Project (STP) in particular are valid, and form the very basis for the federal regulation of nuclear energy. During construction and operation of all nuclear power facilities, such as STP, the licensee, in this case Houston Lighting and Power Company (HL&P), is required by federal regulations to establish a quality assurance program to assure that the plant is constructed and operated in accordance with federally established criteria. The licensee is further required to impose these same requirements on all tiers of his contractors and subcontractors, and to establish audit programs to assure that these contractors are complying with the same criteria. These requirements do not guarantee that defects will not be produced during the construction process, but do provide a high degree of assurance that defects will be found and corrected if the quality assurance program is properly designed and implemented. Construction at STP, according to the recent investigation report, had not resulted in significant deficiencies that were not being properly corrected; however, failure to follow all of the procedures and to fulfill all of the requirements of the quality assurance program was found to be such that, unless strong measures were taken to effect better adherence to procedures, unacceptable construction may eventually have resulted.

The Nuclear Regulatory Commission (NRC), through its regional offices and resident inspectors at selected construction sites (including the South Texas Project) and all operating facilities, inspects for compliance with federal regulations and commitments previously made to the NRC by the licensee. It was an outgrowth of this inspection program, together with allegations from workers and former employees, that led to a special investigation at STP. This special investigation resulted in a number of identified failures of the licensee to assure that his contractors were complying with applicable federal regulations and licensee commitments. As a result, the licensee was cited for these items of noncompliance and fined \$100,000. The NRC also imposed an Order involving extreme changes in the construction process at South Texas or, alternatively, a shutdown. The licensee has responded to the cited items of noncompliance and paid the \$100,000 fine. The response to the topics described in the Order was received on July 29, 1980. Following initial review of this response, a public meeting between the NRC and HL&P is planned in Bay City, Texas, on August 19, 1980 to review the adequacy of the proposed corrective actions and to permit the public to question and voice opinions

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regarding the response. Corrective actions necessary to resolve the identified problems at STP will be the subject of subsequent inspections by the NRC to assure full compliance by both HL&P and their contractors.

One of the principal allegations which led to the STP investigation related to harassment, intimidation, and physical abuse of inspectors. As a part of the NRC 1980 Supplemental Authorization, Congress made it a federal offense to murder, assault, intimidate, oppose, resist, or otherwise interfere with any construction or quality assurance inspector on a project licensed by the NRC.

It is the position of the federal government, as mandated by Congress and the Administration, that compliance with federal regulations regarding quality assurance, as enforced by the NRC, will provide adequate assurance that the nuclear power facilities are constructed and operated in a manner sufficient to assure the health and safety of the public. When a facility such as STP receives extraordinary enforcement action, it necessarily receives a degree of notoriety and publicity that reflects on other facilities. In fact, this enforcement action is evidence of the intended functioning of the federally mandated controls over the peaceful use of nuclear energy, and is assurance of the proper construction of facilities without similar enforcement sanctions. It further is intended that corrective actions taken will remedy identified problems and assure proper completion of the STP facility.

A request for a hearing on the issues involved at the South Texas Project is under consideration by the NRC Commissioners.

Sincerely,



Victor Stello, Jr.
Director
Office of Inspection
and Enforcement

President Carter:

I've just watched the report on the construction of the Brown and Root nuclear reactor in Texas, presented by 60 Minutes. I am shocked by a number of the disclosures.

1. I am shocked that safety inspectors were intimidated and even beaten up because they tried to enforce safety regulations.

2. I am shocked that the inspectors simply signed papers for 5 months.

3. I am shocked by the lax supervision by the NRC.

4. I am shocked that this is not just an isolated instance.

I demand that there be many full-time inspectors, paid by the NRC, at each construction site. Further, I demand full criminal prosecution of anyone intimidating a safety inspector.

Furthermore, I insist on a full-scale investigation of every nuclear power plant, and any that are deficient, must be shut down until all ~~defects~~ deficiencies are corrected.

Robert Parks