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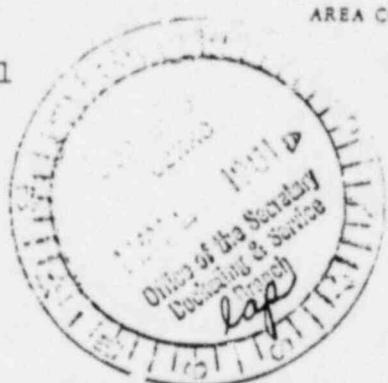
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April 21, 1981

Mr. Gene Snyder  
Member of Congress  
House Office Building  
Washington, D.C. 20515



Dear Representative Snyder:

This letter is written in memorandum of our conversation of this date (April 21, 1981) regarding my concerns about the recent developments relative to Public Service Indiana's receiving NRC approval to resume safety-related work at the Marble Hill Nuclear Power Plant site.

Enclosed are copies of two articles which appeared in the "Madison-Courier."

In the article dated March 28, 1981, wherein it is reported that PSI has been given approval by the NRC to resume safety-related work, it is stated that two independent consultants retained by the NRC to review existing concrete work have made initial determinations that the existing concrete work is structurally sound; however, it is stated that the report of these two consultants has yet to be completed. As far as I know, the NRC has yet to receive the completed reports. Nothing is said within the article regarding the findings of a third independent consultant which was selected by Save the Valley, Dr. Michael Cassaro, of the University of Louisville. The enclosed article of March 25, 1981, seems to indicate that Dr. Cassaro's initial determination on the matter is that existing concrete work is not structurally sound.

It is my understanding that when the NRC agreed to allow independent engineers to inspect the plant site and make reports concerning the structural soundness of critical concrete work, the NRC agreed to not allow PSI to resume safety-related work until such reports had been reviewed. The enclosed articles seemed to indicate that the NRC allowed safety-related work to be resumed prior to reviewing the final reports of the independent inspectors. From what I can glean from these articles, it appears that the two California independent inspector's initial determination are that existing concrete work is sound. On the other hand, Dr. Cassaro's initial findings are that concrete work is not sound.

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Mr. Gene Snyder  
April 21, 1981  
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It appears to me that the NRC has not kept its word on these matters in that it has allowed safety-related work to resume prior to reviewing the final reports by the independent inspectors and to add insult to injury, the NRC has allowed safety-related work to be resumed in the face of conflicting reports regarding the construction of critical areas.

I would very much appreciate it if your office would contact the NRC and try to obtain an explanation regarding these matters. I would very much like to believe that the NRC has the situation at Marble Hill under control and that I can rest assured that the NRC is making every effort to insure that the Marble Hill facility will be safe. However, if the NRC continues to go back on its word and displays every appearance that it is trying to "cover up" the independent inspectors' reports, I cannot help but lose faith with the NRC.

Your attention to this matter will be greatly appreciated and I'm sure that your continued interest in the matter is of value to all concerned.

With warm personal regards, I am

Sincerely yours,



Max H. Schwartz

MHS:js  
Enclosures

Wednesday Afternoon's

# MADISON COURIER

Volume No. 275

Madison, Indiana, March 25, 1981

Single Copy

student at the junior high. Miss Sheldon and Miss Knowland were alternates for the scholarships presented by Psi Chi and Tri Kappa sororities and the Madison Music Club. (Staff photo by Steve White.)

## Marble Hill concrete tests said inadequate: Independent engineer

The independent engineer selected by Save The Valley to study the concrete tests at Public Service Indiana's nuclear power plant at Marble Hill claims the tests were inadequate.

Dr. Michael Cassaro of the University of Louisville said the tests need to be expanded to ensure the concrete work meets federal safety standards.

He said in two reports sent to the Nuclear Regulatory Commission that too few ultrasound tests were done to assure at least a 95 percent chance of accuracy, as required by the NRC.

Sixty tests, each involving about a cubic yard of concrete, were done at the plant. The safety-related structures have about 90,000 cubic yards of concrete, according to Cassaro's reports.

Not even 500 tests, the tests said, would guarantee with 95 percent accuracy that ~~concrete in the safety-related areas~~ meets NRC safety standards. In the tests, ultrasound waves were beamed into the

concrete and their echoes measured to find air pockets.

Save The Valley President Robert Gray said Cassaro told him that 700 concrete tests would guarantee at least 95 percent accuracy.

Two independent California engineers hired by the NRC to study the concrete test findings are expected to complete their reports soon. The NRC said that their study is expected to support test findings that the concrete is safe.

Gaston Fiorelli, NRC branch chief of project inspection in Chicago, said he had already received a verbal report that the two California engineers have concluded they have no problems with the quality of the concrete.

PSI is currently waiting for word from the NRC to begin all safety-related work. The utility has already received permission to do some safety-related work.

Fiorelli said that if the California engineers' report supports the concrete tests as expected, the resumption of all

construction would be "fairly imminent."

Barton Grabow, PSI vice president-public relations, told The Madison Courier today that "the NRC has expressed full confidence in the reliability of the evaluation of in-place concrete at Marble Hill, based on findings of two independent concrete specialists retained by the NRC. Public Service Indiana shares that confidence."

In a March 20 letter to Cassaro, professor of civil engineering at the University of Louisville, from James G. Keppler, director of Region 3 of the NRC, said that based on four separate evaluation methods used by the consultants, "The NRC has concluded that the quality of in-place concrete at Marble Hill has been adequately assessed...to this extent NRC requirements have been met."

The two California engineers who examined the concrete studies for the NRC were Alfred L. Parme and Roland C. Hamm, both of San Diego, Calif.

## Ranch Supermarket owner Haston purchases Red & White Food Store

Ernest R. Haston, founder of Ranch Supermarkets, Inc., Greensburg, has purchased the Red & White Food Store on Madison's hilltop at 2106 Lanier Drive.

The store, which was also formerly Pick N Pack IGA No. 2, became the Ranch Supermarket on Monday of this week.

Haston purchased the grocery from E. Bierhaus & Sons, Inc., Vincennes. That company had purchased it just about a year ago.

Haston, who was the recipient of the 1981 Greensburg Area Chamber of Commerce Community Service Award this month, founded Ranch Supermarkets, Inc., in 1965. The corporation now includes five such stores as well as Sunnycrest Distributors, Bo-Ka Shop, Circle Printing, Ohio River Realty, and Multi-Rand.

A native of Sparta, Tenn., Haston was one of nine children, being one of a set of twins. His parents, Smith and Ethel Haston, now reside in Anderson.

He graduated from White County High School in Sparta in 1945 and served three

now does supermarket consulting in over 30 states and Canada and owns a farm in Decatur County.

Haston is a member of the board of directors of the Decatur County Bank and the Bible Baptist Church.

He and his wife, the former Betty Jo Schlabach, a native of Anderson, have four children — Susan, 29, principal and teacher at Indiana Christian Academy in Anderson; Marc, 27, printer at Circle Printing in Greensburg; Greg, 26, manager of the Bo-Ka Florist Shop in Greensburg and an artist; and Eric, 24, who works for the

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POOR ORIGINAL

Saturday Afternoon's

# MADISON COURIER

Volume 145, No. 278

Madison, Indiana, March 28, 1981

Single Copy 25¢

## PSI gets NRC approval to resume Marble Hill safety-related work

Public Service Indiana has received approval from the Nuclear Regulatory Commission to resume safety-related work at its nuclear power plant at Marble Hill.

PSI expects to resume work on safety-related construction at the Marble Hill site within a week. Work was halted some 18 months ago because of quality assurance and construction management problems.

"The resumption of safety related construction has been a deliberate painstaking process but we're very confident that the nuclear experience we've added over the last year and a half and the changes we've made will assure safe construction at Marble Hill," said S.W. Shields, senior vice president-nuclear for PSI. "None of the conditions which remain should create unexpected delays."

Yesterday's authorization for resumption of safety-related work at the plant provides for close scrutiny by NRC inspectors to determine the adequacy of the work.

Unrestricted authority to continue the work will not be granted until the utility demonstrates its quality assurance and construction management programs are being adequately implemented, the NRC said.

Victor Stello Jr., director of the NRC's Office of Inspection and Enforcement, said

that all safety-related work could now progress except that which would cover concrete areas not yet adequately evaluated, and repaired to the satisfaction of inspectors from the NRC's Chicago regional office.

Although Shields didn't expect employment levels to make immediate, dramatic jumps, a gradual increase will be noted. The company now employs 550 workers at the plant and will see a peak level of 2,000-3,000 workers.

The safety-related areas where PSI will re-start work are those which apply to the nuclear part of the plant such as the containment building which holds the nuclear reactor, said PSI officials.

PSI was allowed to continue its construction schedule for non-safety related areas such as a turbine generating building, cooling towers and a switchyard after the 1979 order. And, the NRC had permitted some safety-related work such as piping and electrical insulation to begin in December 1980.

The latest authorization also includes removal and replacement of all patches previously made to repair surface defects in the concrete.

An NRC investigation in 1979 determined that many patches were made improperly. An NRC review of tests and examinations

has concluded that the existing concrete work is structurally sound.

Two independent consultants retained by the NRC in July 1980 to review existing concrete work have also made an initial determination the existing concrete work is structurally sound. The report of two California consultants — Rolland C. Hamm and Alfred L. Parme — is not expected to be completed for at least several weeks.

The company projects the first unit of the \$3.4 billion power plant will go into commercial operation in late 1986 and a second unit due in late 1987.

Shields also said current cost estimates for the project will result in at least a 25-percent savings over the life of the nuclear plant when compared to other alternatives, including natural gas generation, which was suggested in recent Save The Valley letters to the utility.

The cost of extending the proposed Alaskan natural gas pipeline from Chicago to Madison, the cost of building a natural gas-fired power plant (which is not currently permitted by federal law), the potential effect of decontrol of natural gas prices and the cost of scrapping most the Marble Hill equipment all would make the idea infeasible and prohibitively expensive, Shields said.

## Herman Yater to retire Tuesday; has been PSI manager since 1959

By STEVE WHITE

Herman Yater will end his many years in the business of providing electricity when he retires Tuesday.

Yater, manager of the Madison district for Public Service Indiana, began his career in January of 1959.



said. "It was the worst disaster our electric operation ever had in Madison by far."

He said that businesses and dairies sent food for the men to eat during the time they were in Madison.

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students of  
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Dattilo, Ang  
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