

BEFORE THE NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C.

DOCKETED
USNRC

11/4/81

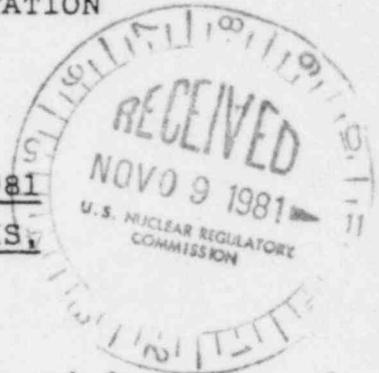
TO THE COMMISSIONERS: NUNZIO J. PALLADINO, CHAIRMAN
COMMISSIONER VICTOR GILENSKI
COMMISSIONER PETER A. BRADFORD
COMMISSIONER JOHN F. AHERNE
COMMISSIONER THOMAS ROBERTS

NOV -6 P1:56
OFFICE OF SECRETARY
OF PETING & SERVICE
BRANCH

IN RE THE MATTER OF MARBLE HILL
NUCLEAR GENERATING STATION

STN-50-546
STN-50-547

SAVE THE VALLEY'S RESPONSE TO OCTOBER 5, 1981
COMMISSIONERS' DIRECTIVE TO WILLIAM J. DIRCKS,
EXECUTIVE DIRECTOR FOR OPERATIONS, NRC



Comes now Save The Valley (STV) by its counsel, and for cause of
STV's Response, states:

1. That on April 14, 1981 and on July 10, 1981 STV filed its
Petition and Addendum to the Commissioners to review the inspection
and enforcement order of Victor Stello, Director, of March 27, 1981,
allowing resumption of concrete placement in safety areas at Marble
Hill.

2. That pursuant to the Office of Policy Evaluation letter of
Forrest J. Remick dated September 10, 1981, "It is not clear to us
at the mistake (in the S&L sampling plan) is significant enough to
justify altering the Director's Denial". Mr. Remick obviously is
speaking without proper statistical foundation for these reasons:

(A) There has been no statistical value given R. Meunow by the
NRC as his qualification test;

DSO 3
5
1/1

8111100578 811004
PDR ADOCK 05000546
PDR

(B) An error still exists and no valid test has been developed by the NRC that discusses what the error in the sampling plan is;

(C) The Staff has simply attempted to explain away all defects.

2. As additional commentary, it should be stated that William Petro, Executive Director, Nuclear Project Management of PSI, stated on October 31, 1981 on WHAS-TV, a Louisville, Kentucky station, substantially that he had been assured that there would be no shutdown at Marble Hill. It is requested by this writer that the NRC Commissioners investigate to find out if anyone in the NRC stated this to Mr. Petro and by what authority. If the statement was made, there is the question as to whether or not the authority of the NRC Commissioners has been lessened.

3. Criteria of 95% reliability with 95% confidence has been set unilaterally by the NRC Staff concerning the Marble Hill concrete. The Remick letter of September 10 validates that said statistical criteria has not been met nor exceeded. Do the NRC Commissioners intend to lower the standard again toward the construction of a nuclear power plant? There are no amount of words and excess verbiage that should allow the NRC Staff to equivocate on this issue; the Director's response to this writer's Section 2.206 filing was such an equivocation without foundation.

4. The "desired result" has in this instance not been met.

5. Attached is a copy of a Louisville Courier Journal editorial of this date, November 4, 1981, which is to be attached hereto and made a part hereof

WHEREFORE, Save The Valley respectfully requests the Commissioners to accept the stated criteria of 95% reliability with 95% confidence on a multiple sampling test, to order the Director of Inspection & Enforcement to rescind his March 27, 1981 order that allowed resumption of construction at Marble Hill, or, in the alternative, to order the agents of the NRC Staff, Messrs. Parme and Hamm, to appear in Washington before the Commissioners subject to cross-examination of STV, and to order STV to present its experts subject to cross-examination, and for all other and proper relief in the premises.

RESPECTFULLY SUBMITTED,

SAVE THE VALLEY

BY: Thomas M. Dattilo
THOMAS M. DATTILO, ATTORNEY
FOR SAVE THE VALLEY

THOMAS M. DATTILO
ATTORNEY AT LAW
311 EAST MAIN STREET
MADISON, INDIANA 47250
PHONE: 812-265-6355.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Response has been mailed to the following persons by regular U.S. mail, (except where noted), postage prepaid, this 4th day of November, 1981:

✓ Nunzio J. Palladino, NRC, Washington, D. C. 20555

Victor Gilenski, NRC, Washington, D. C. 20555

Peter A. Bradford, NRC, Washington, D.C. 20555 (CERTIFIED MAIL)

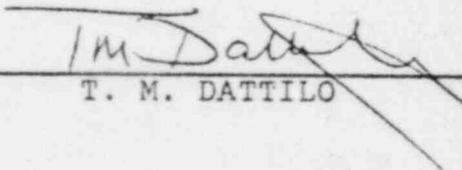
John F. Aherne, NRC, Washington, D. C. 20555

Thomas Roberts, NRC, Washington, D. C. 20555

James Keppler, NRC, 799 Roosevelt Road, Glen Ellyn, Illinois 60137

James Pope, Public Service Company of Indiana, 1000 E. Main St.,
Plainfield, Indiana 46168

NRC Docketing Section, Washington, D. C. 20555



T. M. DATTILO

DOCKETED
USNRC

'81 NOV -6 P2:00

OFFICE OF SECRETARY
DOCKETING & SERVICE
BRANCH

Lax regulation adds to doubt about Marble Hill

IF YOU CANT follow the rules, change them. That's a poor way to play a ball game. It's an even poorer way to build a nuclear plant, where thousands of lives and the virtual existence of a large section of the country depend on the job being done right.

But that's the way the Nuclear Regulatory Commission plays the game with Public Service Indiana, the utility company that is building the Marble Hill nuclear plant 30 miles up the Ohio River from Louisville. The NRC interrupted construction of Marble Hill in 1979 after an environmental organization, Save the Valley, was proved correct in charging that shoddy work

was being done on the exterior shell that would protect the region in case of disaster inside the plant.

The NRC allowed full construction to resume last spring, rejecting arguments from Save the Valley that testing had been insufficient to ensure that safety-related concrete work was sound. The agency now acknowledges that Save the Valley and its engineering consultant were right.

No matter. Construction will go ahead anyway. The tests, the NRC says, assure a 90 percent probability of accuracy, though the NRC's standards call for 95 percent accuracy. PSI says, in effect, that it's all academic, since

no defects were found in a sampling program, and that produces "the 95 percent confidence of 95 percent reliability level."

Even the 95 percent probability seems small enough, considering the magnitude of the disaster the containment shell is designed to prevent. Indeed, the public would have a more reason to feel comfortable about living in the same region with Marble Hill if Save the Valley were building it instead of Public Service Indiana.

Save the Valley, in fact, has been right on all the things PSI has been wrong about since the Marble Hill controversy began in 1975. Besides the construction difficulties, Save the Valley pointed out the absurdity of the power-demand forecasts PSI used to justify the plant, and it predicted the escalating costs that make the future look pretty dismal to PSI's ratepayers.

Marble Hill originally was to cost \$1.9 billion, which was more than the value of all PSI's other assets put together. PSI now acknowledges that the cost will reach \$4.3 billion. Save the Valley predicted that years ago and now points out that a similar plant in New York is expected by the industry to cost \$7.7 billion. So PSI wants current ratepayers to start shelling out ahead of time for the construction cost.

That's going to be exceedingly hard to sell, especially since it apparently will require legislation. The new evidence of lax regulation of Marble Hill's construction isn't going to raise enthusiasm among ratepayers, legislators, or private investors for funneling more dollars into Marble Hill's apparently bottomless pit.