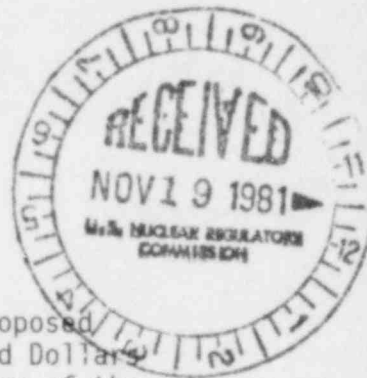


November 18, 1981  
EN 81-41

OFFICE OF INSPECTION AND ENFORCEMENT  
NOTIFICATION OF SIGNIFICANT ENFORCEMENT ACTION

Licensee: Cincinnati Gas and Electric Company, Cincinnati, OH;  
Wm. H. Zimmer Nuclear Power Station  
Docket No. 50-358

Subject: PROPOSED IMPOSITION OF CIVIL PENALTIES - \$200,000



This is to inform the Commission that a Notice of Violation and Proposed Imposition of Civil Penalties in the amount of Two Hundred Thousand Dollars (\$200,000) will be issued to the Cincinnati Gas and Electric Company of the State of Ohio on or about November 24, 1981. This action is based on numerous alleged violations concerning the licensee's failure to exercise adequate oversight and control of his principle contractors, to whom he delegated the work of establishing and executing quality assurance programs. This failure manifested itself in a widespread breakdown of the licensee's implementation of his quality assurance program and caused the NRC to require the licensee to undertake an extensive quality confirmation program to provide confidence that safety-related structures, systems, and components would perform satisfactorily in service. Significant aspects of the quality assurance breakdown were findings relating to false records and harassment/intimidation of quality control inspectors.

A news release will be issued about the time the licensee receives the Notice. The State of Ohio will be informed.

It should be noted that the licensee has not been specifically informed of the enforcement action. The schedule of issuance and notification is:

Action Signed:	11/18/81
Mailing of Notice:	11/24/81
Telephone Notification of Licensee:	11/24/81
Region III Public Meeting with Licensee:	11/25/81

The licensee has 30 days from the date of the Notice in which to respond. Following NRC staff evaluation of the response, the civil penalties may be remitted, mitigated or imposed by Order.

Contact: G. Barber, IE 24785 R. Wessman, IE 24900 D. Thompson, IE 24909

Distribution:

H St. <u>2:36</u>	MWBB <u>2:53</u>	Phillips <u>2:40</u>	EW _____	Willste <u>2:44</u>
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Comm Gilinsky	DED/ROGR		OIA	RES
Comm Bradford	AEOD			
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PE		II <u>3:14</u>	V <u>3:22</u>	
		III <u>3:17</u>		

PRELIMINARY INFORMATION - NOT FOR PUBLIC DISCLOSURE UNTIL NOVEMBER 24, 1981