

December 29, 1982

Docket No. 50-358

Cincinnati Gas and Electric  
Company  
ATTN: Mr. Earl A. Borgmann  
Senior Vice President  
Engineering Services and  
Electric Production  
139 East 4th Street  
Cincinnati, OH 45201

Gentlemen:

This refers to the management meeting held by me and other NRC representatives with you and other representatives of Cincinnati Gas and Electric Company on June 29, 1982, to review the results of the NRC's assessment of the utility's regulatory performance for the William H. Zimmer Nuclear Power Station in accordance with NRC Manual Chapter 0516, "Systematic Assessment of Licensee Performance (SALP)," covering the period October 1, 1980 through March 31, 1982.

A preliminary copy of the SALP Report was provided for your review in advance of our meeting. The final SALP Report including the SALP Board Chairman's letter to you and your written comments is enclosed.

During our meeting of June 29, 1982, we discussed our assessment of your regulatory performance during the assessment period. At that time we acknowledged your efforts to improve the overall Quality Assurance Program, and emphasized the need for continued effort on your part. Notwithstanding, the totality of events subsequent to that meeting led the NRC to ultimately conclude that more drastic action was needed to cope with Zimmer's regulatory problems culminating in the November 12, 1982, Commission's "Order to Show Cause and Order Immediately Suspending Construction."

With respect to the comments provided in your letter of July 28, 1982, on the SALP Report, we found no bases to change our original findings and conclusions. However, we would like to make the following clarifications:

- Item A: Mr. Keating's inspection activities were in the area of Containment and other Safety-Related Structures, but it was part of a special inspection focusing on the implementation of the IAL and QCP discussed under Sections IV.12 and IV.13.
- Item E: We acknowledge that subsequent to the inspection documentation was furnished regarding the calibration of the air monitors. However, this documentation was not readily available nor was there assurance that it existed at the time of the inspection. We will followup on your corrective action in a subsequent inspection.

- Item F and G: We believe these conclusions have been adequately documented in our inspection reports.
- Item H: The statement concerning the recent reporting of old problems was used as further evidence of an inadequate corrective action system. No reporting requirement can be effective if there is an inadequate system for the timely identification, evaluation, and documentation of problems.
- Item K: Under the provisions of the construction permit and 10 CFR, the licensee is responsible for the vendor supplied items provided for installation at the facility, specifically regarding the QA Program approvals and reporting requirements.

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and the SALP Report will be placed in the NRC's Public Document Room.

No reply to this letter is required; however, should you have any questions concerning these matters, we will be pleased to discuss them with you.

Sincerely,

James G. Keppler  
Regional Administrator

Enclosure: SALP Report  
No. 50-358/82-08

cc w/encl:

J. R. Schott, Plant Superintendent  
 J. D. Flynn, Manager, Licensing  
 Environmental Affairs Department  
 DMB/Document Control Desk (RIDS)  
 Resident Inspector, RIII  
 Harold W. Kohn, Power Siting Commission  
 Citizens Against a Radioactive Environment  
 Helen W. Evans, State of Ohio  
 Robert M. Quillin, Ohio  
 Department of Health  
 Thomas Applegate  
 Thomas Devine, Associate Director,  
 Institute for Policy Studies  
 Dave Martin, Office of Attorney General  
 Mark Wetterhahn, Esq.  
 Jerome A. Vennemann, Esq.  
 Gretchen Hummel, Ohio Consumers' Counsel  
 James R. Williams, State Liaison Officer,  
 Ohio Disaster Services Agency

RIII *Ruby* *Warnick* *Spessard* *Notelius* *Hand* *Davis* *Keppler*  
*12/27/82* *12/27/82* *12/27/82* *12/27/82* *12/27/82*  
 JAH  
 ABO