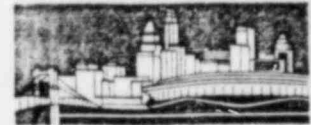


THE CINCINNATI GAS & ELECTRIC COMPANY



CINCINNATI, OHIO 45201

November 10, 1982

W. H. DICKHONER  
PRESIDENT

DOCKETED  
USNRC

United States of America  
Nuclear Regulatory Commission

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Commissioners:

OFFICE OF SECRETARY  
DOCKETING & SERVICE  
BRANCH

Nunzio J. Palladino, Chairman  
Victor Gilinsky  
John F. Ahearne  
Thomas M. Roberts  
James K. Asselstine

Gentlemen:

Re: Wm. H. Zimmer Nuclear Power Station,  
Unit No. 1 - Docket No. 50-358

I understand that the Commissioners are considering a number of alternatives with respect to the Zimmer Station, one of which might be the issuance of a show cause order which would have the effect of shutting down all or a large part of the work.

We have made continued efforts to improve our construction and quality assurance program in order to complete the project in full compliance with all regulatory requirements. CG&E and its partners fully recognize the seriousness of the situation. We have taken further positive steps to assure completion of the project in full compliance with all applicable requirements.

I am pleased to report to you that we have arranged for the procurement of the management, quality assurance, and construction expertise of a recognized leader in the nuclear field - The Bechtel Power Corporation. The first step in this program (which will start immediately) will be an initial assessment of the project which will take approximately three weeks, during which Bechtel senior people will assess the project's problems and design an approach and staffing plan for resolving the problems and completing the project. On the basis of this assessment, the details of a formal contract with Bechtel will be worked out.

-REC'D CHRM

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Re: Wm. H. Zimmer Nuclear Power Station,  
Unit No. 1 - Docket No. 50-358

The Bechtel Power Corporation will become a joint manager with CG&E (licensee) of the project until its successful completion. Under the arrangement, Bechtel will direct the project and their personnel will match licensee's management in selected key positions. Project management will report directly to me. Bechtel management will have direct access to me at any time. In addition, I will conduct progress meetings with the parallel management personnel on a periodic basis.

Under this new program, no re-work on quality confirmation program matters will commence until after the Bechtel organization has reviewed each matter and determined the proper corrective course of action. All project procedures affecting safety-related work will be reviewed to determine if further changes need be made to assure their effectiveness.

Prior to loading of fuel, the licensee in cooperation with the Commission, will consider a specific scope of work to be performed by an independent firm to confirm the acceptability of selected safety systems.

A forced shutdown of the project would result in the loss of some 1500 jobs. We do not believe that the imposition of this hardship on these individuals and their families provides any counter-balancing benefit to the general public. To the contrary, keeping these workers in place while the new organization, under Bechtel's guidance, takes hold will allow the Zimmer Station to be completed expeditiously.

For these reasons, we do not believe that shutting down the project is in the public interest. I wish to assure you that it is our policy to cooperate fully with the Commission. Augmented by the Bechtel expertise, we will continue to work closely with the Office of Inspection and Enforcement to assure its agreement with our continued work.

I, together with the appropriate officials from the Bechtel Power Corporation, would be pleased to meet with you to explain the details of our program.

Yours very truly,

THE CINCINNATI GAS & ELECTRIC COMPANY



W. H. Dickhoner  
President

mbp

cc: Mr. William Dircks  
Mr. Richard DeYoung  
Mr. James G. Keppler