

INPO

700 Galleria Parkway
Atlanta, GA 30339-5957
404-644-8200

17486
*Institute of
Nuclear Power
Operations*

*Zack T. Pate
President & Chief
Executive Officer*

June 9, 1994

The Honorable Ivan Selin
Chairman
U.S. Nuclear Regulatory Commission
Washington, DC 20555

Dear Dr. Selin:

Relevant to the matter we discussed Monday and yesterday, I believe senior NRC management has been inadequately informed/misled with respect to certain regional activities. Under the present circumstances, a regional administrator can tightly control the information flow to headquarters if he chooses, and can then abuse the enormous power vested in these individuals by the agency. This is because of the following:

- NRC has no equivalent to utility programs designed (or required) to provide alternate paths for information flow (QA, self assessment, oversight committees, outside agents like NRC and INPO). To my knowledge, ACRS rarely looks at regional activities.
- Utility executives simply will not inform NRC management of inappropriate region activities because of the real or perceived risk of retribution.
- INPO will inform NRC management of region/utility interface problems only in an extreme situation, where the utility's ability to manage its nuclear program is being seriously undermined — when there is the potential for an adverse impact on plant safety.

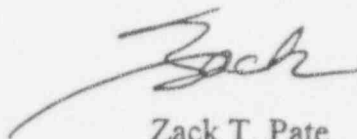
I recognize there is a natural reluctance to take the strong action that is urgently needed based on my account alone. Hopefully the

9406240119 940616
PDR COMMS NRCC
CORRESPONDENCE PDR

June 9, 1994
Page 2

regulatory survey that is being led by Towers Perrin, and is now in progress, will identify a lot of the problems we discussed as well as others (I expect the ones we discussed will be the worst) but the survey results will not be available for some months. In my view that may be too late. That is why I think it is so important that you initiate dialogue with some of the persons we discussed.

Sincerely,

A handwritten signature in cursive script, appearing to read "Zack".

Zack T. Pate

ZTP:cs