

329/330/367

REGULATORY DIVISION THE CORPS

NOV 14 1979

X

NOTE TO: H. Denton, Director, Office of Nuclear Reactor Regulation  
FROM: J. P. Knight, Assistant Director for Engineering, DSS  
SUBJECT: FOLLOW-UP ON NIPSCO MEETING

Following our meeting with NIPSCO on 11/13/79 we telephoned John Thompson of the Corps of Engineers to clarify the status of NRC work underway in the Detroit district. We found that, consistent with our previous negotiations, the Corps stands ready to immediately provide the full required effort on a dedicated basis for the Bailly and Midland projects. The quid pro quo for doing this is the transfer of four slots to CE for 1 1/2 years. Attached is a telefax copy of the letter that has been sent to state this position, the letter should be in any time now. My impression is that they are simply protecting their manpower ceilings from charges that they are fat if they can afford to take on such large chunks of work.

Herb Berkow telephoned me on the afternoon of 11/13 to say that he had initiated inquiries with the Comptroller's Office as to the mechanism whereby such a transfer could take place. Since our agency has never engaged in such a transfer before, it's reasonable to expect some consternation that will cause us considerable delay in starting this effort. However, I feel that with a good faith commitment by the appropriate NRC person (administrative officer? controller?) to carry off the transfer (perhaps even to discuss it with the right OMB people) Corps headquarters would be willing to direct the Detroit district to go full time on Bailly and Midland. The most important step right now seems to be making contact with the Corps through the channels that will be used for such discussions.

To the maximum extent practical we will guide the Corps personnel and our other consultants to the use of decision point meetings that culminate in a declaration of final staff position for each item under discussion.

J. P. Knight, Assistant Director  
for Engineering  
Division of Systems Safety

cc: R. Mattson  
F. Schroeder  
H. Berkow  
S. Varga

L. Heller  
B. Grenier  
D. Lynch  
E. Sullivan

Central File  
NRR Rdg. File  
DSS:AD/E Rdg. File

MEMO

OFFICE	L. Rubenstein Jackson	DSS:AD/E	D. Hood		
SURNAME	JPKnight:in			2912050.540	x4
DATE	11/14/79				A