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March 18, 1983

Ms Billie Pirner Garde Director, Citizens Clinic Government Accountability Project Institute for Policy Studies 1901 Que Street, NW Washington, DC 20009 PRINCIPAL STAFF

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Dear Ms Garde

Confirming our recent discussions relating to my letter to you dated February 24, 1983, and your letter of March 9, 1983, the following states the basis of our agreement: (If this is not consistent with your understanding, please let me know as soon as possible.)

The terms as expressed in the eight numbered paragraphs of your March 9, 1983 letter, (beginning on Page 1 and ending on Page 2) are acceptable to the Company, except that we ask that the person accompanying "Individual A" (March 9, 1983 letter, numbered paragraph 2) be a co-worker or union representative. We assume also that the person chosen must be acceptable to the NRC. Also, the reference in numbered paragraph 4 (March 9, 1983 letter) to the phrase "other communication" refers to communications outside the control group.

8406120023 840517 PDR FOIA RICE84-96 PDR I indicated to you that the Company has extended a number of safeguards as expressed in past communications for those individuals who request anonymity, and will abide by those safeguards. Use of the individual's name will be limited to the small control group. The other measures requested by "Individual A" have, by in large, been accepted in past correspondence. The Company's basic philosophy is to try to limit the number of people who know the person's identity or are involved in the matter. I reiterated to you, and I believe you understood, that the Company cannot provide absolute guarantees (except as to the control group) and the Company stands by the language of the last paragraph on the first page of my February 24, 1983 letter. The Company will honor the commitments made in my February 24, 1983 letter and in Mr Cook's December 28, 1982 to James Keppler.

Thank you for your cooperation.

Very truly yours

James E Brunner (1stm)

James E Brunner

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Ron Gardner, Region III
Ron Cook, Region III
Bruce Burgess, Region III

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GOVERNMENT ACCOUNTABILITY PROJECT

Institute for Policy Studies 1901 Que Street, N.W., Washington, D.C. 20009

(202) 234-9382

March 9, 1983

A/RA

Mr. James E. Brunner Consumers Power Company P.O. Box 1593 Midland, Michigan 48640

Dear Mr. Brunner:

This letter is in response to your February 24, 1983 letter to me regarding the criteria under which an individual ("Individual A") who has provided a confidential affidavit to GAP will be able to visit the Midland jobsite.

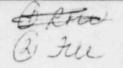
We appreciate the efforts that you have gone through to extend the opportunity to our client to visit the site and identify and explain his allegations to the Nuclear Regulatory Commission inspectors/investigators. As I indicated in my December letter, as well as throughout our conversations, both GAP and Individual A are anxious to have the problems on the site identified and resolved.

The major criteria that we have agreed upon are summarized below:

- (1) A site tour will be provided for Individual A during nonregular work hours (i.e., weekends, evenings, etc.).
- (2) Another individual, preferably a current or former plant employee, or union representative, will be allowed to accompany the individual on the site tour.
- (3) The Company and contractor Bechtel will "not disclose Individual A's identity to the media or general public." We understand that in fact Individual A's identity will not be disclosed beyond the control group identified in your February 24, 1983 letter.
- (4) The Company will not refer to the fact that Individual A had supplied information, which was transmitted to the NRC, in any job reference or any other communication which the Company provides.
- (5) That any reference to Individual A's allegations or to Individual A in company documents will be limited to the control

Mr. James E. Brunner -2-March 9, 1983 Consumers Power Company group as identified in your February 24, 1983 letter. (We strongly suggest that any reference to the individual, including company internal documents, be done with discretion. Both the NRC and GAP use an alphabetical identification system in-house as well as in any external communication. We believe following that procedure would eliminate the possibility of an internal leak.) (6) That the individual will not have to sign the usual site procedural sign-in book, since he will be accompanied at all times by both NRC and company officials. (This has been done at both LaSalle and Zimmer.) That the issue of depositions and confidentiality within the ASLB hearing process will be dealt with at some future time through the ASLB under such protective measures as are guaranteed by the Board. (8) That Individual A will not be subjected to any questioning by company officials attempting to challenge the validity of his/her allegations, or by technical consultants or employees. The purpose of the site tour is to facilitate the NRC inspection effort. Subsequent to the NRC effort we assume Consumers will take the appropriate corrective action. We further wish to clarify the points raised in your February 24, 1983 letter, paragraph 3. "Despite the above protective measures, the affiant's identity might be guessed or inferred by a co-worker or other person outside the 'control group' as a result of the identification, tagging (if necessary), or correction of the identified hardware, or because of the required QA documentation pinpointing the problem. Certain persons may already have guessed or been told by the affiant of his identity. Obviously, neither CPCo nor Bechtel is in a position to guarantee that further disclosures have not or will not be made by such persons, or that they have or will abide by the terms described below." We assume that Consumers Power Company and your contractor, the Bechtel Corporation, are responsible for the actions of your employees. On an issue as sensitive as this one it would seem appropriate that extra precautions would be taken to ensure that (1) the individual's identity is not released, and (2) that even if his/her identity were guessed or inferred by a co-worker or other person outside the "control group," that person would be aware of and familiar with the agreement made between your company and us on behalf of the protected witness. We can conceive of only a very unusual circumstance where the knowledge of Individual A's

Mr. James E. Brunner -3-March 9, 1983 Consumers Power Company identity on the part of any of your employees would be beyond your control if the conditions agreed to are faithfully followed and since the on-site tour itself will be "secret" and unannounced. We would certainly expect that in the event an employee guessed or inferred the identity, such a guess or inference would not be verified or discussed by the company or contractor or its employees. Finally, we wish to clarify your comments during our conversation in Midland about the number of people who would know the identity of the affiant. You originally stated, and your December 28, 1983 letter to James Keppler indicated that "not more than two or three persons" would know. However, in the February 24, 1983 letter and via the NRC, it appears that number may be expanding. We wish to underscore that our agreement is predicated upon the promise that the smallest possible number of individuals know our client's identity. Sincerely, Billie Pirner Garde BPG/ea Director, Citizens Clinic cc: SLewis, Region III WPaton, OELD MIMiller, IL&B MHearny OL/OM Service List JWCook, Consumers DBMiller, Consumers RAWells, Consumers JRutgers, Bechtel



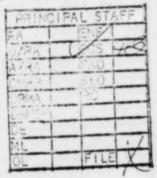


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FEBING PAT 24 OPT 1883 PO Box 1593, Midland, MI 48640

Ms Billie Garde Government Accountability Project 1901 Q Street NW Washington, DC 20009

Dear Ms Garde,



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CPCo lawyers, Mr Steve Lewis of Region III, and GAP representatives recently discussed conditions under which an individual who has provided a confidential affidavit to GAP would visit the Midland jobsite. During the discussion, you indicated that the individual would, in general, agree with the terms set forth in Mr Cook's 12/28/82 letter to Mr Keppler (copy attached). You stated that the affiant also requests (1) that the Company not disclose his identity to the media or general public, (2) that the Company not refer to the fact he had supplied information, which was eventually transmitted to NRC, in any job reference which the Company provides. There was also some discussion regarding the use of the individual's name in Company memoranda or communications regarding this matter.

The Company can, in principle, agree to the two requests made above. More specifically, the Company or Contractor representative attending the affiant's site visit would provide affiant's name only to a small group of employees investigating the matter on behalf of the Company, including necessary management personnel, and to CPCo Counsel (including necessary legal support personnel). The small "control group," thus defined, will abide by the two specific requests described above and the other terms set forth in Mr Cook's 12/28/82 letter. Changes in the membership of the control group may be made to from time to time as the need arises. The control group would confine its use of the affiant's name to communications within the group. The group would not use the affiant's name in any documentation of the matter, including formal QA documentation, except documentation available only to members of the group or to the NRC where required. Responses to job reference requests addressed to CPCo or Bechtel, Inc will contain no reference to the individual's supplying information to GAP or NRC.

Despite the above protective measures, the affiant's identity might be guessed or inferred by a co-worker or other person outside the "control group" as a result of the identification, tagging (if necessary), or correction of the identified hardware, or because of the required QA documentation pinpointing the problem. Certain persons may already have guessed or been told by the affiant of his identity. Obviously, neither CPCo nor Bechtel is in a position to guarantee that further disclosures have not or will not be made by such persons, or that they have or will abide by the terms described above.

to guarantee that further disclosures have not or will not be made by such persons, or that they have or will abide by the terms described above.

The affiant should also be advised that because intervenors have created a hearing issue out of the undisclosed GAP affidavits, the Company plans to depose all affiants (at some future time). The Company would not object to reasonable steps to protect this individual's anonymity in that desposition or subsequent hearings on the matter. However, the deposition and subsequent hearing process will cause disclosure of the affiant's identity beyond the "control group" defined above, (for example, to the Hearing Board) though under such protective terms as are established by the Hearing Board.

On behalf of the Company, I invite other present or past workers who have made allegations to your organization to visit the Midland Site, under the terms described in Mr Cook's letter and/or extended in this letter. To the extent your organization encourages individuals to take advantage of this opportunity, we appreciate your assistance. Thank you for your cooperation.

Very truly yours,

James E Brunner

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December 28, 1982

J G Keppler, Administrator, Region III U S Nuclear Regulatory Commission 799 Roosevelt Road Glen Ellyn, IL 60137

MIDLAND NUCLEAR COGENERATION PLANT
MIDLAND DOCKET NOS 50-329, 50-330
ACCESS TO JOBSITE BY SOURCES OF ALLEGATIONS
FILE: 15.3 SERIAL: 20355

Dear Mr Keppler:

Region III has received a number of allegations regarding the Midland Project. These have been made by sources, some of whom have been publicly identified and some of whom have apparently requested non-disclosure of their identities. Recently, Region III has requested that one of its investigators be permitted access to the Midland job site with one such source in order to facilitate an NRC investigation of the merits of the allegations.

Consumers Power Company wishes to cooperate fully with the NRC in its investigations into the merits of all allegations regarding the quality of construction at the site. Accordingly, we are pleased to grant the sources of the allegations access to the site in the presence of the NRC investigators. Indeed, we urge the NRC to encourage all sources of allegations to visit the site with NRC investigators to specifically point out the defects, if any, which are the subjects of the allegations.

In accommodating the sources of allegations who come to the site, we wish to maintain the appropriate security measures and obtain an understanding of the technical specifics of the allegations. Accordingly, the routine plant security measures which apply to the NRC (e.g. signing in and out, wearing badges, etc) would apply in the normal course to the sources of allegations who visit the site. Also, in conformance with our normal plant security and insurance procedures, which provide that all site visitors be escorted by an official of Consumers Power Company, we would designate a responsible official to participate in each site visit. The official would be technically competent in the area of the allegation and would record the allegation in accordance with the existing MPQAD procedure which, upon request, includes reasonable measures aimed at protecting the anonymity of the sources of allegations. In addition, depending upon the source and nature of the

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James W Cook Vice President - Projects, Engineering and Construction

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allegation, the Company may desire to have present an additional person from its contractor or consultant organizations. He, too, will honor any request for anonymity. While the Company official may respond to NRC inquiries, during the visit he will not question or challenge the validity of the allegations. This will certainly facilitate the NRC investigations and, to the extent the allegations have any merit, it will enable us to make the necessary repairs, or otherwise resolve the matters.

Because some of the sources may request confidential treatment or restricted disclosure of their identities, we are prepared to schedule the site visits at times consistent with attaining that objective, e.g., site visits may be scheduled for weekends or after hours. Of course, we cannot guarantee that an individual visiting the site will not be recognized; we can, however, assure you that neither we nor our contractors or consultants will engage in any retribution towards such sources.

Some sources of allegations may wish to be accompanied during the site visit by a person other than the NRC investigator and the Company official. Subject to conformance with our normal plant procedures, we will have no objection if any such source requests participation in the site visit by a co-worker onsite or by his or her union representative on-site.

Site visits, under these ground rules, will materially aid NRC investigations and the resolution of the allegations, and will assure the safety of all site visitors without jeopardy to plant security. We applaud your efforts to search out the facts behind the allegations and assure you of our full cooperation.

James W. Corh

CC: RSWarnick, NRC Region III WDShafer, NRC Region III RJCook, Midland Resident Inspector