



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
REGION III  
799 ROOSEVELT ROAD  
GLEN ELLYN, ILLINOIS 60137

*DMB/Document  
Control Desk  
(CRDS)*

*50-329  
50-330*

June 29, 1984

Mrs. Mary Sinclair  
5711 Summerset Drive  
Midland, MI 48640

Dear Mrs. Sinclair:

Your May 10, 1984, letter to Chairman Palladino concerning the Midland Nuclear Power Station has been referred to me for reply. The main thrust of your letter focusses on the utility's schedule for completion of the plant, and is critical of my statements on that schedule. You also requested that a Caseload Forecast Panel evaluate the schedule for completion of the plant.

It appears to me that you misapprehend the function of the Caseload Forecast Panel. The NRC does not review construction schedules as a check on the accuracy of a utility's estimates, but rather to develop a projection for NRC use in allocating staff and resources for licensing reviews. The Panel's review is not a regulatory requirement, but rather a management tool for the NRC's licensing program. Since the Midland project was more than two years from completion under the utility's schedule, NRC Headquarters management determined that a Caseload Panel review was not needed at that time. You should recognize that Consumers Power Company had also requested such a review, but that request was denied. Headquarters management, however, did decide it would be appropriate for the utility to describe the basis for its schedule in a public meeting -- and that meeting, as you know, was held May 4, 1984, in Midland.

At that meeting I stated that the utility's estimated completion date of 1986 for the Midland project was "reasonable and attainable." These comments were consistent with the remarks given by Messrs. Dircks and Eisenhut, and me at the NRC Commission meeting of April 22, 1984, in which you and others were given an opportunity to state your views to the Commission on Midland. You should note that I qualified my statement at the Midland public meeting by noting that the key factor likely to affect the schedule was the amount of rework that would be required based on the reinspection program.

You also listed several problems which you label "insurmountable in the time period from now until December 1986."

You state that the Brookhaven task force report determined that the Diesel Generator Building (DGB) does not meet FSAR requirements. This is not an accurate characterization of the report's findings.

8407060043 840629  
PDR ADOCK 05000329  
H PDR

*IE 01 11*

The report states: "It is difficult to show that the stresses in the DGB meet the criteria of the FSAR." The report then goes on to present a list of recommendations (on pages 16-17 of Appendix III). These recommendations, when implemented, should provide the basis for confirming the adequacy of the Midland DGB. The NRC staff, including Dr. Landsman, agrees that these recommendations, or acceptable alternatives, are necessary and appropriate. Satisfactory implementation of the recommendations or acceptable alternatives should provide reasonable assurance that the structural integrity of the DGB will be maintained and its functional requirements will be filled.

You are correct that the soils bearing capacity was found to be half the expected value for the auxiliary building underpinning. However, it is not true that this situation is causing significant unanticipated problems. The licensee has performed a reanalysis of the auxiliary building, using the revised values, and has determined that the reduced values will have little or no effect on the adequacy of the auxiliary building remedial repairs. This reanalysis was reviewed and accepted by the NRC staff.

My staff is unaware of the 1/8 inch tolerance for movement of the auxiliary building referenced in your letter. We are involved in the review and authorization of underpinning activities, and not in the establishment of specific underpinning standards. The utility has developed the crack mapping program to monitor previously existing cracks for the effects of the underpinning activities on plant structures. The mapping program was not established as a result of "developing cracks" as stated in your letter.

You also cite as an issue relevant to scheduling the fact that the Construction Completion Program was held up by documentation problems until February 1984 and that only about 2 per cent of the program has been implemented. This was obviously known at the time of the May 4, 1984 meeting and considered as part of my assessment of the Midland schedule.

You were also critical of me for failing to "vigorously pursue" allegations that Consumers Power knew that the soils were poorly compacted sitewide in 1977 and that the soils' testing techniques were deliberately altered to provide favorable results. Additionally, you requested an explanation as to "how such a key sitewide problem (the soils problem) can be overcome and corrected to get this nuclear plant on line by December 1986."

Mrs. Mary Sinclair

-3-

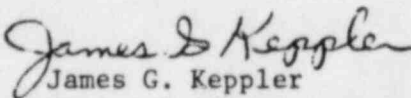
June 29, 1984

The remedial soils work has been underway for some five years now -- and the details of the corrective measures are well understood and have been covered fully in the Atomic Safety and Licensing Board (ASLB) hearing in which you have been a participant. Therefore, the soils issue should be resolved by December 1986. The allegations of earlier knowledge of the soils problems and of a deliberate change in the soils testing technique are recent allegations, stemming from the Dow Chemical Company lawsuit, and not, as you suggest, from the 1981 ASLB hearings. The NRC's review of the soil boring log during NRC staff testimony in the August 8, 1981, hearing session did not focus on the space on the log of Stamiris exhibit 19 which indicates, in barely visible numbers, a hammer fall of 18 inches. On the contrary, questions addressed to the NRC staff by Ms. Stamiris were directed to the proper location of a particular boring and to the presence of a concrete mudmat on the boring log.

Based on the above, your statement that the NRC had knowledge of possible discrepancies in the boring logs for several years is clearly incorrect. This allegation was just recently obtained and it is being investigated by the NRC's Office of Investigation. Therefore, I disagree with your assessment that this allegation is not being vigorously pursued.

I believe this response addresses the concerns raised in your letter to Chairman Palladino.

Sincerely,

  
James G. Keppler  
Regional Administrator

cc: See Attached Distribution  
List

Distribution List

cc:

NRC Commissioners  
Secretary, NRC  
Senator Levin  
Senator Riegle  
Congressman Don Albosta  
Representative M. Hayes  
State Senator John Engler  
Governor James Blanchard  
Attorney General Frank Kelly  
W. J. Dircks, EDO  
H. R. Denton, NRR  
G. Cunningham, ELD  
L. Barry, RM  
R. C. DeYoung, IE  
W. Paton, ELD  
Mr. James W. Cook  
    Consumers Power Company  
    Vice President/Midland Project  
DMB/Document Control Desk (RIDS)  
Resident Inspector, RIII  
The Honorable Charles Bechhoefer, ASLB  
The Honorable Jerry Harbour, ASLB  
The Honorable Frederick P. Cowan, ASLB  
Michael Miller, Esq.  
Ronald Callen, Michigan  
    Public Service Commission  
Myron M. Cherry  
Barbara Stamiris  
Wendell Marshall  
James E. Brunner  
Roger Fisher, PSC  
Joe Tuchinsky, Michigan Citizens Lobby  
Lynne Bernabei, GAP,  
Billie P. Garde, GAP  
Colonel Steve J. Gadler (P.E.)  
Howard Levin, (TERA)  
Stone and Webster Michigan, Inc.