



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

July 20, 1984

Docket Nos. 50-413
and 50-414
(10 CFR 2.206)

Robert Guild, Esq.
P.O. Box 12097
Charleston, South Carolina 29412

Dear Mr. Guild:

This is in response to your June 27, 1984 request for action on behalf of your client, the Palmetto Alliance, pursuant to 10 CFR 2.206 with respect to the Catawba Nuclear Station. You asked that I institute proceedings pursuant to 10 CFR 2.202 to modify, suspend or revoke the construction permits for the Catawba plant, and to take other appropriate action to address instances of harassment and intimidation of quality control inspectors, violations of the 10 CFR Part 50, Appendix B, and the detrimental effects of such licensee conduct on the effectiveness of its quality assurance program. Your request is based primarily on your disagreements with the Licensing Board's recent Partial Initial Decision authorizing issuance of an operating license for Catawba Unit 1 in spite of the Board's finding of instances of harassment of quality control inspectors and violations of Appendix B.

At the time I received your letter, I had just issued a "Director's Decision under 10 CFR 2.206" (copy attached) that responded to an earlier petition filed on behalf of the Palmetto Alliance by the Government Accountability Project. That petition raised many of the same issues and relied substantially on much of the same evidence that was presented in the operating license proceeding for Catawba. In my decision on the petition, I concluded, as did the Licensing Board, that though problems have existed with the quality assurance program for Catawba, these problems did not represent a significant breakdown in the quality assurance program. Your letter does not raise any new factual information regarding the matters covered in my decision or, for that matter, in the Licensing Board's decision. Therefore, for the reasons fully stated in my decision under § 2.206, I do not believe that the problems identified at Catawba represent a massive or pervasive breakdown in the quality assurance program such that initiation of show-cause proceedings is warranted.

In your letter, you took issue with the Board's conclusion, notwithstanding its findings of fact, that the licensee did not violate 10 CFR 50.7 in its treatment of Mr. Ross. The Catawba Partial Initial Decision has been under review by the staff since its issuance on June 22, 1984. Part of this review concerns the Board's conclusion relative to Mr. Ross to determine whether enforcement action is appropriate. Your comments will be considered in this respect and you will be informed of my decision.

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A PDR

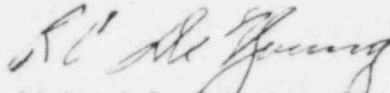
Robert Guild, Esq.

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A copy of this letter will be provided to the Secretary of the Commission in view of the pendency of my § 2.206 decision before the Commission for its discretionary review under 10 CFR 2.206(c). I also enclose for your information a notice that will be forwarded to the Office of the Federal Register for publication.

Sincerely,



Richard C. DeYoung, Director
Office of Inspection and Enforcement

Enclosures:

1. Letter to Billie Garde dtd.
7/6/84 transmitting Director's
Decision
2. Notice

cc w/enclosure:

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ATTN: Mr. H. B. Tucker, Vice President
Nuclear Production Department
P. O. Box 33189
422 South Church Street
Charlotte, North Carolina 28242

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