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

JUL 31 1984

The Honorable James G. Martin
Member, United States
House of Representatives
Room 248
401 West Trade Street
Charlotte, North Carolina 28202

Dear Congressman Martin:

This is in response to your letter dated July 6, 1984 to Mr. Richard C. DeYoung regarding our reply to Mr. Robert Guild, attorney for the Palmetto Alliance.

Enclosed for your information is a copy of our letter to Mr. Guild dated July 20, 1984.

Sincerely,

(Signed) William J. Dircks

William J. Dircks
Executive Director for Operations

Enclosure:
Letter to Robert Guild
dtd. 7/20/84 w/enclosures

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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.

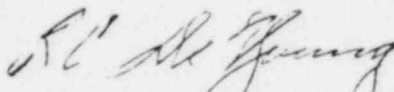
In your letter, you took issue with the Board's conclusion, notwithstanding its findings of fact, that the licensee did not violate 10 CFR 50.7 in its treatment of Mr. Ross. The Catawba Partial Initial Decision has been under review by the staff since its issuance on June 22, 1984. Part of this review 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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July 20, 1984

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:

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

J. Michael McGarry, III, Esq.
DeBevoise & Liberman
1200 17th Street, N.W.
Washington, D.C. 20036

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NUCLEAR REGULATORY COMMISSION
[Docket Nos. 50-413 and 50-414]

DUKE POWER COMPANY
(Catawba Nuclear Station, Units 1 and 2)

RECEIPT OF REQUEST FOR ACTION UNDER 10 CFR 2.206

Notice is hereby given that by letter dated June 27, 1984 Mr. Robert Guild, on behalf of the Palmetto Alliance, has requested pursuant to 10 CFR 2.206 that the Director of the Office of Inspection and Enforcement initiate proceedings pursuant to 10 CFR 2.202 to modify, suspend or revoke the construction permits for the Catawba Nuclear Station. The request is based primarily on the petitioners' disagreement with the Atomic Safety and Licensing Board over the significance of the Board's recent findings regarding inadequacies in the quality assurance program for the Duke Power Company's Catawba Nuclear Station. In its decision, the Licensing Board found that, despite instances of inadequacies in the quality assurance program and instances of harassment or intimidation of quality control inspectors, there was reasonable assurance that the plant had been constructed adequately to ensure no undue risk to public health and safety in the event that Catawba Unit 1 was authorized to operate. At the time the petitioner's request was filed, the Director was about to issue a decision regarding another petition filed on behalf of the Palmetto Alliance by the Government Accountability Project. This decision reviewed many of the same matters that were before the Licensing Board for decision. In the 2.206 decision (DD-84-16) the Director concluded that there had not been a significant

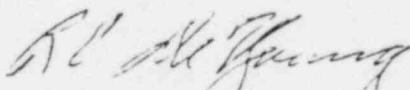
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quality assurance breakdown at Catawba such that the initiation of enforcement proceedings to modify the Catawba construction permits was warranted. The June 27th petition filed by Mr. Guild does not present any new information that was not considered in reaching the recent § 2.206 decision, and therefore no action appears warranted at this time to grant the relief requested by Mr. Guild on behalf of the petitioner. The staff is reviewing the Catawba Partial Initial Decision and the Board's findings which are of concern to petitioner relative to 10 CFR 50.7. As provided in 10 CFR 2.206, the staff will take appropriate action on the petitioner's request within a reasonable time upon completion of its review.

A copy of the petitioner's June 27, 1984 request is available for public inspection in the Commission's Public Document Room, 1717 H Street, N.W., Washington, D.C. 20555 and in the local public document room for the Catawba Nuclear Station at the York County Library, 138 East Black Street, Rock Hill, South Carolina 29730.

Dated at Bethesda, Maryland, this 20th of July 1984.

FOR THE NUCLEAR REGULATORY COMMISSION



Richard C. DeYoung, Director
Office of Inspection and Enforcement

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Requestor's ID:
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Author's Name:
G. Gower

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