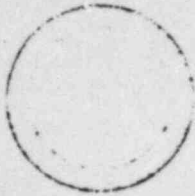


RJ Cook



Consumers  
Power  
Company

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April 5, 1982

Mr J G Keppler  
Regional Administrator  
US Nuclear Regulatory Commission  
Region III  
799 Roosevelt Road  
Glen Ellyn, IL 60137

MIDLAND PROJECT - DOCKETS 50-329 AND 50-330  
QUALITY ASSURANCE FOR REMEDIAL FOUNDATION WORK  
FILE 0.4.9.20.6 SERIAL 16161

Reference 1: Letter from Mr D Hood, dated March 12, 1982 on the subject:  
"Summary of March 10, 1982 Meeting Concerning Quality  
Assurance to be Applied to Remedial Foundation Work"

On March 30, representatives from Consumers Power Company (Messrs J W Cook, J A Mooney, B W Marguglio, et al) met with representatives from the NRC (Messrs C E Norelius, W Little, E G Adensam, D S Hood, et al) in the Region III office in Glen Ellyn, Illinois to discuss the Quality Assurance Program for the Midland Remedial Foundation Work. The purpose of this letter is to document the conclusions and commitments that were made at that meeting and subsequently discussed during several telephone conversations on April 2, 1982.

The major conclusion reached at the meeting was the Consumers Power Company commitment to place essentially all of the to-go underpinning work under the coverage of the Quality Plan For Underpinning Activities, MPQP-1, which had previously been discussed with the staff, most recently at the March 10, 1982 meeting in Bethesda as summarized in the correspondence cited as Reference 1. This expansion of the QA program coverage for the underpinning work is effective immediately, but recognizes specific exceptions to cover previously completed non-Q-listed work and certain future work as identified in Attachment 1 to this letter. Expansion of QA program coverage is in recognition not only of the importance of this work to public health and safety but also to the overall success of the Midland Project. As a result, the program is being applied to both safety-related and nonsafety-related items and activities without any further attempt to resolve prior discussions as to the exact definition and boundaries of safety-related as applied to each individual aspect of the underpinning work.

Certain other concepts related to the extended application of the QA program to the underpinning work were discussed at the prior meeting on March 10 (Reference 1) and reaffirmed in the discussion at our meeting on March 30.

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Both parties agreed that the Quality Assurance Program for Remedial Foundation Work will be applied to the multitude of underpinning items and activities to the extent commensurate with the importance of the individual items. This will be implemented by identifying the specific quality requirements that apply to each of the items and activities now covered by the program so that all parties whether carrying out or inspecting the work will have a clear understanding of what the actual quality requirements are for each item and activity.

As the underpinning work progresses, any new exceptions to the coverage under the QA program which are considered appropriate will be communicated in writing to Mr C E Norelius of the NRC Region III such that it is received at least five working days prior to the scheduled start of the affected work. It was agreed that this communication mechanism will provide NRC with sufficient time to review any such requests and respond to Mr J A Mooney of Consumers Power Company prior to the scheduled start of the affected work.

With regard to the exception list, subsequent to the March 30 meeting, discussions have been held with the NRC Region III staff on April 2 during which the NRC raised questions about the Q-list status of two items: (1) the rock bolts and rock and earth anchors, and (2) the connecting piping for the permanent dewatering system. In response to the first item, program coverage will be extended to all rock bolts and rock and earth anchors to be installed after April 2, 1982 which includes all permanent installations. With regard to the second item, the exception list as provided during the March 30 meeting, included the permanent dewatering system. However, this item has been deleted from the attached exception list because it is not a part of the underpinning work. It should also be noted that the non-Q classification of the permanent dewatering system, except for the installation of wells and the monitoring of fines, had been specifically resolved previously with the NRR staff.

In order to facilitate communications between Consumers Power Company and NRC Region III personnel during the course of the underpinning work, a number of agreements were reached as to communication channels. Dr R B Landsman has been designated as the Region III lead inspector for underpinning work with Mr R J Cook to assist in his capacity as resident inspector at the site. Consumers Power Company designated Messrs J R Schaub and D E Horn as the prime contacts for Dr Landsman and Mr Cook to obtain whatever specific detailed information they required for this work. In addition, we agreed to provide Region III, through normal distribution, weekly or biweekly reports (frequency to be determined) summarizing the results of the just completed work and describing the schedule of work for the immediate forthcoming period. All of the above information is in addition to the existing transmittal of nonconformance reports and other documents to Region III.

We believe that the results of the March 30 meeting as summarized above addresses all outstanding items in the staff's review of the Quality Assurance Program for the Remedial Foundation Work. We would appreciate a written confirmation of this conclusion.

We also discussed, as part of our March 30 meeting, Consumers Power Company's request that the NRC's lead inspector for the underpinning work spend as much time on the site as practicable in order to be thoroughly conversant with all current and short-term planned activities. We believe this is essential in order that we may be responsive to whatever additional information and discussions he wishes to pursue and to minimize the possibility of any misunderstandings. In order to facilitate the NRC's inspection planning, we will provide shortly and continue to provide updated overall underpinning schedule information and our specific recommendations of which aspects of this work the NRC should consider including in their inspection plan.

*James W. Cook*

JWC/BWM/kdz

Attachment 1: Exceptions to the Project Quality Assurance Program  
Coverage for Underpinning

CC: Atomic Safety & Licensing Appeal Board

Director - Office of Inspection & Enforcement  
Att: Mr Richard C DeYoung, US NRC

Director - Office of Management Information & Program Control, US NRC

CBechhoefer, ASLB	JDKane, US NRC
MMCherry, Esq	Wotto, US Army Corps of Engineers
✓ K Cook, Midland Resident Insp	WHMarshall
FPCowan, ASLB	SJPoulos
REDecker, ASLB	FRinaldi, US NRC
HRDenton, US NRC	HSingh, US Army Corps of Engineers
JHarbour, ASLB	MSinclair
DSHood, US NRC	BStamiris
CENorelius, US NRC	
WLittle, US NRC	

Exceptions to the Project Quality Assurance Program Coverage for Underpinning:

1. Freeze wall, other than for the protection of Category I utilities which are covered;
2. Auxiliary building access shaft activities above elevation 609 and soldier piles;
3. The procurement of soldier pile material; tools and equipment (such as torque wrenches, jacks, gauges and threading machines - but their calibrations are covered); steel and wood logging; backpacking material; rock bolts and rock and earth anchors already installed for temporary installations; and glue.

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May 13, 1983

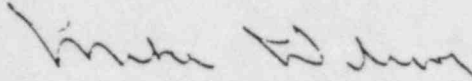
Note to: Ross Landsman  
Ron Cook  
Ron Gardner  
Darl Hood

SUBJECT: CPC'S TESTIMONY ON THE CABLE PULLING INCIDENT

I am enclosing CPC's testimony on the cable pulling incident. Please look it over and provide me with your comments. I do not know at this point if we or CPC will go first on this issue. Listed below are questions which I think should be addressed.

- (1) Is there any basis to CPC's assertion that at the March 10 meeting, they did not commit that all to-go underpinning work would be Q-listed unless specifically exempted? (CPC testimony, p. 11)
- (2) Do the Staff's meeting minutes corroborate CPC's belief that there was no commitment made at the meeting? (CPC testimony, p. 11)
- (3) Is there any basis to CPC's belief that instrumentation was not Phase 2 and therefore not required to be Q? (CPC testimony, p. 12)
- (4) Did Region III think that all wiring for the underpinning had been completed? (CPC testimony, p. 13)

(5) Why do we believe instrumentation was not "well underway?" (CPC testimony, p. 13)



Michael N. Wilcove  
Attorney, OELD

say that proper controls could be ignored or that NRC approval was unnecessary. Because the fireline relocation was essentially an ancillary task, I do not believe the Company had discussions with NRR concerning it.

Q6. Mr. Mooney, could you please describe your views of the so-called "cable-pulling incident" of March, 1982.

A6. Because I was personally involved in these discussions, I wish to explain my view of the "cable-pulling" incident referenced in the Attachments to Mr. Keepler's testimony. This incident has been the subject of a formal NRC investigation as to whether material false statements were made. I believe that the incident arose because of ineffective communication between the Company and the NRC Staff.

The Company proposed a quality assurance plan for the auxiliary building underpinning work to the NRC in a letter dated January 7, 1982, and at a meeting with Region III on January 12, 1982. Over the next two months, discussions between the Company and the Staff continued regarding which underpinning activities were to be Q-listed.

On March 10, 1982, there was a meeting between Company and NRR and Region III. At this meeting,

Company sought to define those underpinning activities which were considered safety-related and subject to the quality assurance program and therefore needed to be Q-listed.

However, the NRC Staff did not accept the classifications proposed by the Company and took the position that all soils activities beginning with Phase 2 work should be Q-listed except for specific items for which it could be shown, in a fashion acceptable to the NRC, that there was a specific basis to justify non-Q treatment.

One area of misunderstanding between the NRC Staff and the Company was the question of whether the Company agreed to the Staff's position at the March 10 meeting. Apparently some NRC Staff members believed that the Company had committed at that meeting that all to-go underpinning work would be Q-listed unless specifically excepted. I and other Company employees believe no such commitment was made. I viewed this meeting as a chance to discuss the issue with the NRC Staff and not as one at which a commitment would be made. I can recall indicating to the NRC Staff that we understood the Staff's request for such a commitment and that we would "get back to them on it." The NRC Staff's meeting minutes do not indicate any such commitment, corroborating my recollection that no commitment was made.



A second area of misunderstanding arose because of the failure to define instrumentation installation as either a part of Phase 1 or Phase 2 of the underpinning work. The NRC Staff's position at the March 10 meeting was that they wanted all underpinning activities beginning with Phase 2 to be Q-listed unless specifically excepted. Since instrumentation had to be installed and functioning before the start of Phase 2 work, the Company believed that the NRC Staff did not require that the installation of underpinning instrumentation be covered by the quality assurance program. The Company had stated that calibration of instruments and checkout of the system would be Q-listed.

A third area of confusion related to the completion status of underpinning instrumentation on March 10 and 12, 1982. At the March 10 meeting, Region III inspectors formed the impression that underpinning instrumentation had been completed. The NRC investigation conducted to review this matter determined that statements made by the Company at the May 10 meeting were understood by several NRC personnel to mean "work had begun without giving a report on the status of completion."

On March 12, 1982, I and others from the Company initiated a telephone call to Region III Staff. During this call, the Company identified a list of items which we

believed could justifiably be treated non-Q. The Region III inspectors were provided a matrix which showed that instrumentation installation was one of the items that was to be non-Q. With no intent to mislead the NRC Staff, but meaning only to inform the Region III inspectors that underpinning instrumentation work had begun, Alan Boos of Bechtel stated, "Our instrumentation is essentially well underway. Wiring has been pulled -- raceway has been installed." The Region III inspectors apparently understood these statements to mean that all wiring for the underpinning instrumentation had been completed, an unintended inference.

The misunderstandings and poor communications of March 10 and 12, 1982 came to light during the March 17-19, 1982 Region III safety inspection. The NRC inspectors discovered that instrumentation installation was in progress, not completed. They then informed the Company that this activity was to be Q. In response, the Company suspended all underpinning instrumentation installation and reclassified the activities as Q.

Subsequent to these events, Mr. Cook had a number of discussions with the NRC Staff Management leading up to a March 30, 1982 meeting with Region III and NRR, at which time the Company committed to Q-listing essentially all of the to-go underpinning work. As a result of the March 30

commitment by Company Management, instrumentation installed and cables pulled without being covered by quality assurance requirements were upgraded to comply with all quality assurance requirements. Since March 30, 1982, all underpinning instrumentation has been installed pursuant to quality program requirements.