

JUL 25 1984

Mr. S. S. Howell  
P. O. Box 523  
Matagorda, Texas 77457

Dear Mr. Howell:

This letter is written in response to your letter of June 1, 1984. We have reviewed the matters that you have raised and I would like to provide you with the information we have gathered about these items. I repeat the questions that you raised and provide our findings for each.

Question 1: "Why do Ebasco QC inspectors get paid less than a construction craftsman? The inspectors interface with foreman, general foreman and supervisors but are paid less than craftsman."

Findings: The Ebasco pay scales for the various construction site occupations are within a bracket for each occupation. A wage scale review is conducted by Ebasco of all occupations on an annual basis, in accordance with previous commitments, and appropriate adjustments are made. The NRC inspector learned that the craftsmen in the highest pay brackets are the electricians and pipefitters. This was determined by comparing the high and low limits for these with the other trades. A review of the high and low pay limits for Quality Control inspectors showed that this pay bracket is higher than those established for electricians and pipefitters. It is possible, however, for a Quality Control inspector at the lower end of his pay bracket to earn less than a craftsman who is at the upper end of his pay bracket. The median wage in the Quality Control inspector's category is higher than that for any of the construction crafts.

Question 2: "Why are Ebasco Q.C. front line supervisors paid 10 to 20 thousand dollars a year less than construction front line supervisors?"

Findings: The supervisory pay scale is established in the same manner as that for the craftsmen in that each is actually a pay bracket rather than a single pay rate. The pay brackets for "front line supervisors" in the Quality Control area and the construction crafts were compared by the NRC inspector with the same results as noted above. A Quality Control supervisor at the lower end of his pay bracket will be earning less than a craft supervisor who is at the top of his pay bracket. As a general rule, persons in the Quality Control organization, both inspectors and supervisors, have an earning potential higher than those in any of the construction trades.

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Question 3: "Why don't Ebasco Q.C. lead engineers have company cars and receive comparable pay to construction superintendents?"

Findings: Ebasco's job classifications fall into a series of pay brackets. The lead Quality Control engineers are in pay bracket fourteen and the construction superintendents are in pay bracket fifteen. Ebasco's policy is to provide automobiles to personnel in positions pay bracket fifteen but not below.

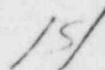
The NRC does not mandate the salaries, working conditions, or organizational arrangements that a licensee must use in meeting its regulatory requirements. The NRC requires that quality requirements are met. This, in turn, means that the licensee must hire a certain minimum number of trained craftsmen, QA/QC personnel, and the like. In the case of QA/QC personnel, our regulations require that these persons have sufficient organizational independence to ensure they are free to identify quality problems.

The commitments made to the NRC by H&P, and through them by their subcontractor B&R, in response to the findings contained in NRC inspection report 79-19, were made to correct specific deficiencies. The actions required by the NRC for such items must correct the specific item as well as provide assurance that such items do not recur. The concern raised by the NRC in NRC inspection report 79-19 was an apparent shortage of qualified QA/QC personnel and high turnover of these skilled people. H&P's review of this concern determined that one of the causes for high attrition had to do with the salary structure that was previously in place. They therefore committed to evaluate and revise the salary structure to attract and keep qualified QA/QC people.

In replacing the constructor at the STP site, H&P has not gone back on a commitment made to the NRC since our concerns were not related to salary structure, but with their ability to attract and hold a suitable number of skilled personnel to ensure quality. Our inspection program at STP will continue to review the performance of H&P and its contractors in meeting the NRC's quality requirements.

If we can be of further assistance, please contact us.

Sincerely,



E. H. Johnson, Chief  
Reactor Project Branch 1