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December 27, 1984 **

OFFICE OF SECRETARY
BRANCHETING & SERVICE

Chairman Nunzio J. Palladino Commissioner Thomas M. Roberts Commissioner James K. Asselstine Commissioner Frederick M. Bernthal Commissioner Lando W. Zech, Jr. US Nuclear Regulatory Commission Washington, DC 20555

RE: Duke Power Company, et al. (Catawba Nuclear Station, Units 1 and 2), Docket Nos. 50-413 and 50-414

Dear Commissioners:

On behalf of the Palmetto Alliance and the Carolina Environmental Study Group, I ask you to exercise the authority provided for under 10 CFR 50.764(f) to stay the effectiveness of licensing authority for the Catawba Nuclear Station to permit an orderly review of the serious, complex safety and environmental issues presented by the record in these proceedings. Neither misplaced confidence in your licensing process nor trust in Duke Power Company should permit the present inordinate rush to license this plant prior to appellate consideration of the quality assurance and workmanship flaws shown on this record and prior to any consideration of other claims such as those involving the TDI emergency diesel generators, the effectiveness of hydrogen control measures or the correction of control room design deficiencies at Catawba. I summarize here comments which I have asked to present to you in person when you consider your immediate effectiveness determination for Catawba.

The undue haste to license Catawba has resulted in an erosion of your own processes for assuring protection of the public health and safety as well as the clear deprivation of the public's hearing rights provided for under the Atomic Energy Act, The National Environmental Policy Act and The Administrative Procedures Act. The Licensing Board's zealous deference to Duke's ever-slipping construction schedule will not justify its' impermissible use of The Commission rules of practice to wholly deprive us of our hearing rights on serious safety and environmental contentions. The narrowed discovery opportunity and hearing consideration of the quality assurance claims that it did decide produced a flawed and incomplete record which is inadequate to support a licensing decision.

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Protection of our interests in the face of such failures has already required us to seek emergency relief from the Court of Appeals. Only the eleventh hour decision by Duke on Friday, December 7, 1984, to slip initial criticality by thirty days relieved the Court of the task of a Saturday spent reviewing the Catawba record. Your Appeal Board - which has yet to consider any Catawba appeals on the merits - refused our stay request on Christmas eve. By the time of your scheduled consideration of the matter the week of January 14, 1985, further Court of Appeals consideration will likely have been required. All involved are disserved by the needless diversion of effort and attention required by such measures, particularly in the face of Commission internal appeals procedures, which should be available to consider and remedy these licensing errors prior to permitting operations with the attendant threat of harm to the parties and public.

The record before the Catawba Licensing Board is replete with the most glaring evidence of a Quality Assurance Program simply riddled with flaws. Merely scanning the Partial Initial Decisions yourselves will show you the domination of QA by cost and schedule pressures, the harassment of QC inspectors by craft supervision, and Duke management retaliation against conscientious welding inspectors for their "strict adherance to QA procedures and expression of safety concerns." June 22, 1984 Partial Initial Decision, p. 159.

Worst of all is the horror show reflected in the latest PID, of November 27, 1984, "resolving" the recently disclosed evidence of so-called "foreman overide" practices at Catawba. In less than one month from start to finish, the Licensing Board required complete litigation of the extent and safety significance of dozens of willful violations of quality standards by Duke supervisors, under cost and schedule pressures, from some 200 present Catawba craftsmen.

The Commission's Region II Staff improperly disclosed to Duke the original, confidential concerns of specific workmanship flaws on "critical" pipe welds and threats by the subject foreman of violent retaliation. The staff then delegated to Duke the investigation and resolution of this wrong-doing. Thus, the Board's decision rests almost entirely on Duke Power Company's own self-serving version of the facts. This flawed record is simply inadequate to support the "reasonable assurance" of safe operation. Yet, even the Licensing Board agreed with us that Duke had attempted to "suppress" field weld test results indicating the existence of extensive unacceptably sensitized welds in "critical" safety systems. Such welds were identified by Duke in its own study, but disclosed only on the last day of discovery prior to the reconvened October hearings, See, November 27, 1984, PID at 38. The full identification, testing and re-work of such known defects and the identification and correction of the other products of foreman overide and related quality assurance flaws at Catawba must not be sacrificed to Duke Power Companys' narrow private interests.

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As reflected in the Affidavits of Dr. Michio Kaku, David A. Schlissel and Wells Eddleman, filed with our December 10, 1984, Appeal Board Stay Application the overiding interest in assuring nuclear safety compels full inspection and correction of these workmanship defects now prior to system contamination and the threat of accidental releases to the environment. No cognizable harm can result from staying operation of a plant not required for economical generation of power for years to come. The gravity of these issues, and the clear prejudice to their thorough consideration later clearly warrents deferring the effectiveness of licensing for Catawba pending an orderly review and resolution of these claims.

Robert Guild

cc: All Parties