



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

November 7, 1984

Docket No. STN 50-485

Ms. Billie Garde
Director of Citizens Clinic
Government Accountability Project
1555 Connecticut Avenue, N. W.
Suite 202
Washington, D. C. 20036

Dear Ms. Garde:

Subject: Acknowledgement of GAP Letter dated September 28, 1984, Requesting
Suspension of Low-Power License and Denial of Full-Power License
for Callaway Plant, Unit No. 1

On September 28, 1984, Ms. Michele Varricchio and yourself submitted a letter on behalf of the Concerned Citizens About Callaway which requested "immediate action" by the Commission to suspend the low-power operating license for Callaway Unit 1. In accordance with the Commission's usual practice, the request was referred to the staff for appropriate action pursuant to 10 CFR 2.206.

The letter requested suspension of the low-power license pending an investigation of the allegations contained in the letter and completion of any necessary reinspections to determine the scope of identified problems. As a basis for this action, the letter points to, among other things, various alleged construction deficiencies related to welding, electrical cabling, concrete placement, poor construction drawings, undue pressure on quality control inspectors, and drug and alcohol abuse at the site. The NRC received the letter only a few days before the Commission's scheduled meeting on authorization of a full-power license for Callaway Unit 1. In preparing for that meeting, the staff reviewed the information contained in the letter and informed the Commission that the concerns raised by the letter did not warrant immediate action by the Commission to suspend the low-power license or stay issuance of a full-power license.

Several members of my staff along with personnel from the NRC Region III office and the Office of Inspection and Enforcement have reviewed the allegations. As a result of its evaluation, the staff has determined that there is sufficient evidence to conclude that the low-power license should not be suspended and that the full-power license should be issued. (License NPF-30 granting full-power operation of the Callaway Plant, Unit 1 was issued to Union Electric Company on October 18, 1984.) The basis for the staff determination is:

- (1) several allegations were previously reviewed by the staff and closed; these are documented in reports;

8411160329 841107
PDR ADOCK 05000483
P PDR

- (2) many of the allegations identified areas where the alleger believed there was a concern; however, in all such instances, the necessary requirements were met; and
- (3) several allegations were too broad and, based on previous NRC and licensee inspections, evaluations, and reviews, no problems had been identified.

I would also note that with respect to quality assurance, including the adequacy of welding and concrete placement, this subject was a primary issue in the operating license proceeding for Callaway Unit 1. Both the Licensing Board and the Appeal Board concluded from the evidence on the record that there was no general breakdown in quality assurance procedures and that there was reasonable assurance that the Callaway plant could be operated safely. See LBP-82-109, 16 NRC 1826 (1982), aff'd, ALAB-740, 18 NRC 343 (1983).

Although no immediate action is warranted, the staff will continue to review the request and reach a final determination on it within a reasonable time in accordance with 10 CFR 2.206. In that regard, your letter states that the allegations forming the basis for the request have been compiled from affidavits of former plant workers. These affidavits have been received by the staff and based on its review, the staff has determined that the affidavits, in general, do not provide any additional details concerning the allegations.

However, in the absence of more specific information supporting the petition, it is difficult to assess the need for further action. The NRC staff is prepared to meet with you and the allegers, whose identity will be protected where possible, to obtain factual information concerning the allegations.

With respect to the letter dated October 17, 1984, also from Ms. Varricchio and yourself, GAP stated that the actions on the part of the staff in reviewing the allegations in the September 28, 1984 letter were hastily done and did not consider other available evidence. Additionally, GAP requested that it be given 14 days notice prior to issuance of the full-power operating license.

At no time did the NRC treat the concerns in a hasty or haphazard manner. The staff decision to issue the full-power license was based on a review of available information. The information you submitted was not of sufficient specificity to cause the staff to change its position.

The staff was unable to give GAP the 14 days notice it requested since the full-power license was scheduled for issuance on October 18, 1984. The licensee had satisfied all of the restrictions prohibiting operation above 5% of rated power and had satisfactorily completed its low-power test program; therefore, a 14 day delay in issuing the license was not justified.

As noted above, the staff is prepared to meet with the allegers to ensure that all avenues of information are explored. By permitting the NRC to discuss the concerns directly with the allegers, GAP will be assured that a thorough review of the allegations has been performed. Otherwise, the staff has no basis to change the conclusions drawn above. I suggest that a meeting be held with the NRC and GAP within the next week to discuss this proposal. The staff will contact you regarding such a meeting.

A copy of a notice being filed with the Office of the Federal Register for publication is enclosed for your information.

Sincerely,

Original Signed By
E. G. Case
for Harold R. Denton, Director
Office of Nuclear Reactor Regulation

Enclosure: As stated

DISTRIBUTION:
See attached page

*SEE PREVIOUS PAGE FOR CONCURRENCES

<i>11/1/84</i> LB#1:DL JHolonich:kab 10/25/84	<i>11/1/84</i> LB#2:DL *BJYoungblood 10/26/84 <i>11-1-84</i>	<i>10/7/84</i> D:NER ECase 10/7/84	<i>10/7/84</i> D:NER HDenton 10/7/84	<i>10/5/84</i> OELB JLieberman 10/2/84	<i>10/5/84</i> AD:DL TNovak 10/5/84	<i>10/5/84</i> D:DL DEisenstat 10/5/84	<i>10/25/84</i> RIII *JKeppler 10/25/84
--	--	---	---	---	--	---	--

*Phone concurrence
via R. Warmick RIII
to J. Holonich, NRC
11/1/84*

WITS ITFMS 000004 [acknowledgement letter (1st part)]
000060 (closes this item)

DISTRIBUTION: CALLAWAY 2.206 Dated: November 7, 1984
Docket File* (w/incoming)

NRC PDR*
L PDR* PRC System*
NSIC*
EDO Reading
WDircks
JHolonich
PO'Connor
MRushbrook
LB#1 R/F
TNovak/Peggy
MJambor/Marie
S. Burns, OELD
KBowman, #000004
CMiles
VYanez
ASLP
ASLAP
ACRS (16)
JKeppler
JRoe
TRehm 1/
VStello
RDeYoung
GCunningham

1/ Note for T. Rehm from E. Case. -- This copy is being forwarded without prior discussion with you due to your absence.