

JAN 8 1985

DISTRIBUTION

Docket File

NRC PDR

LPDR

LB#1 R/F

MRusbrook

JScinto

EJordan

JGagliardo

SBurwell

CPTRT R/F

Docket Nos.: 50-445/446

Mr. M. D. Spence, President
Texas Utilities Generating Company
400 N. Olive Street
Lock Box 81
Dallas, Texas 75201

Dear Mr. Spence:

Subject: Formation of Two Panels Consisting of NRC Senior
Staff Management to Address Comanche Peak Hearing Issues

On December 24, 1984, the Executive Director for Operations directed the formation of two panels consisting of NRC senior staff management. One panel will prepare the NRC staff position on the Comanche Peak Hearing Contention No. 5. The second panel will prepare the NRC staff position on whether intimidation occurred and make a determination on the effects of any such intimidation on the overall QA/QC Program at Comanche Peak.

A copy of the two memoranda directing the formation of each panel is provided for your information. The Atomic Safety and Licensing Board and operating license proceeding are being notified by a Board Notification. If the Panels wish information from TUEC, arrangements will be made through Mr. Noonan's office.

Darrell G. Eisenhut, Director
Division of Licensing
Office of Nuclear Reactor Regulation

Enclosures: As stated

cc: Service List

OFC	:CPTRT	:CPTRT	:DE/EQB	:	:	:	:
NAME	:RWessman	:VSNoonan	:DGEisenhut	:	:	:	:
DATE	:1/8/85	:1/8/85	:1/8/85	:	:	:	:

OFFICIAL RECORD COPY

8501140444 850108
PDR ADOCK 05000445
A PDR



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

JAN 8 1985

Docket Nos.: 50-445/446

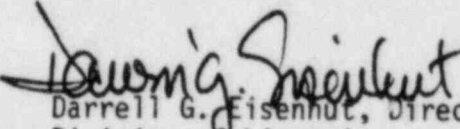
Mr. M. D. Spence, President
Texas Utilities Generating Company
400 N. Olive Street
Lock Box 81
Dallas, Texas 75201

Dear Mr. Spence:

Subject: Formation of Two Panels Consisting of NRC Senior
Staff Management to Address Comanche Peak Hearing Issues

On December 24, 1984, the Executive Director for Operations directed the formation of two panels consisting of NRC senior staff management. One panel will prepare the NRC staff position on the Comanche Peak Hearing Contention No. 5. The second panel will prepare the NRC staff position on whether intimidation occurred and make a determination on the effects of any such intimidation on the overall QA/QC Program at Comanche Peak.

A copy of the two memoranda directing the formation of each panel is provided for your information. The Atomic Safety and Licensing Board and operating license proceeding are being notified by a Board Notification. If the Panels wish information from TUEC, arrangements will be made through Mr. Noonan's office.


Darrell G. Eisenhut, Director
Division of Licensing
Office of Nuclear Reactor Regulation

Enclosures: As stated

cc: Service List

COMANCHE PEAK

Mr. M. D. Spence
President
Texas Utilities Generating Company
400 N. Olive St., L.B. 81
Dallas, Texas 75201

cc: Nicholas S. Reynolds, Esq.
Bishop, Liberman, Cook,
Purcell & Reynolds
1200 Seventeenth Street, N. W.
Washington, D. C. 20036

Robert A. Wooldridge, Esq.
Worsham, Forsythe, Sampels &
Wooldridge
2001 Bryan Tower, Suite 2500
Dallas, Texas 75201

Mr. Homer C. Schmidt
Manager - Nuclear Services
Texas Utilities Generating Company
Skyway Tower
400 North Olive Street
L. B. 81
Dallas, Texas 75201

Mr. H. R. Rock
Gibbs and Hill, Inc.
393 Seventh Avenue
New York, New York 10001

Mr. A. T. Parker
Westinghouse Electric Corporation
P. O. Box 355
Pittsburgh, Pennsylvania 15230

Renea Hicks, Esq.
Assistant Attorney General
Environmental Protection Division
P. O. Box 12548, Capitol Station
Austin, Texas 78711

Mrs. Juanita Ellis, President
Citizens Association for Sound
Energy
1426 South Polk
Dallas, Texas 75224

Ms. Nancy H. Williams
CYGNA
101 California Street
San Francisco, California 94111

Mr. James E. Cummins
Resident Inspector/Comanche Peak
Nuclear Power Station
c/o U. S. Nuclear Regulatory
Commission
P. O. Box 38
Glen Rose, Texas 76043

Mr. Robert D. Martin
U. S. NRC, Region IV
611 Ryan Plaza Drive
Suite 1000
Arlington, Texas 76011

Mr. Lanny Alan Sinkin
114 W. 7th, Suite 220
Austin, Texas 78701

B. R. Clements
Vice President Nuclear
Texas Utilities Generating Company
Skyway Tower
400 North Olive Street
L. B. 81
Dallas, Texas 75201

William A. Burchette, Esq.
1200 New Hampshire Avenue, N. W.
Suite 420
Washington, D. C. 20036

Ms. Billie Pirner Garde
Citizens Clinic Director
Government Accountability Project
1901 Que Street, N. W.
Washington, D. C. 20009

David R. Pigott, Esq.
Orrick, Herrington & Sutcliffe
600 Montgomery Street
San Francisco, California 94111

Anthony Z. Roisman, Esq.
Trial Lawyers for Public Justice
2000 P. Street, N. W.
Suite 611
Washington, D. C. 20036

cc: Mr. Dennis Kelley
Resident Inspector - Comanche Peak
c/o U. S. NRC
P. O. Box-1029
Granbury, Texas 76048

Mr. John W. Beck
Manager - Licensing
Texas Utilities Electric Company
Skyway Tower
400 N. Olive Street
L. B. 81
Dallas, Texas 75201

Mr. Jack Redding
Licensing
Texas Utilities Generating Company
4901 Fairmont Avenue
Bethesda, Maryland 20014



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

DEC 24 1984

MEMORANDUM FOR: Those on Attached List

FROM: William J. Dircks
 Executive Director for Operations

SUBJECT: FORMATION OF PANEL TO PREPARE NRC STAFF POSITION
 ON COMANCHE PEAK HEARING CONTENTION NO. 5

The staff's formal positions on the Comanche Peak facility are nearing completion. The ASLB Hearings, which have been in progress for three years and are expected to resume in February 1985, have resolved all contentions except Contention No. 5. This contention concerns the Applicants' adherence to QA/QC requirements and is provided as Enclosure 1. The issue of construction QA/QC at Comanche Peak is multi-faceted and is addressed, in part, by many records, documents and in testimony from various sources including the Staff, Applicants, Intervenors, and Allegers. The background of this contention and associated records span several years. Various NRC offices have been involved, including Region IV, OI, NRR, OELD and IE.

To properly evaluate this contention and to prepare a comprehensive staff position, I am directing the formation of a panel composed of senior managers drawn from your offices. This panel is to be composed of the following individuals:

Edward Jordan, IE (Chairperson)
 Richard Vollmer, NRR
 Alan Herdt, R-II
 Robert Warnick, R-III
 Roger Fortuna, OI

Because of their previous association with Comanche Peak regulatory activities, I am appointing the following advisors to the panel:

Joe Scinto, OELD
 Vince Noonan, NRR
 Thomas Ippolito, AEOD
 James Gagliardo, IE
 Brooks Griffin, OI
 Derwin Hunter, R-IV
 Bruce Kaplan, EG&G

The advisors may occasionally be asked to assist the panel when issues involving their specific area of expertise are being considered, and I request your support in making them available on an "as-needed basis."

8501090352 XA

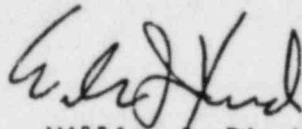
Those on Attached List

-2-

The product of the Panel's effort will be a report similar to a SSER, that states clear staff conclusions regarding this Contention. Enclosure 2 provides the outline of a Charter for this Panel. As the first order of business, the Panel will develop a working Charter which shall be submitted for my approval.

The scheduled completion of the Panel's action is January 31, 1985. I expect the Panel to establish its own schedule, consistent with the resumption of the hearing process. Enclosure 3 provides a proposed milestone summary.

The Panel will work under the direction of Vincent S. Noonan, Director of Comanche Peak Project, and should provide periodic status briefings to the Director of Licensing.



William J. Dircks
Executive Director
for Operations

Enclosures: As stated

cc: B. Hayes, OI
Panel Members
Panel Advisors

Addressees List:

Harold R. Denton, Director
Office of Nuclear Reactor Regulation

Richard C. DeYoung, Director
Office of Inspection and Enforcement

Guy H. Cunningham, III
Executive Legal Director

Jack Heltemes, Director
Office of the Analysis and
Evaluation of Operational Data

James P. O'Reilly, Regional Administrator
Region II

James Keppler, Regional Administrator
Region III

Robert Martin, Regional Administrator
Region IV

ENCLOSURE 1

COMANCHE PEAK CONTENTION 5*

Contention 5. The Applicants' failure to adhere to the quality assurance/quality control provisions required by the construction permits for Comanche Peak, Units 1 and 2, and the requirements of Appendix B of 10 CFR Part 50, and the construction practices employed, specifically in regard to concrete work, mortar blocks, steel, fracture toughness testing, expansion joints, placement of the reactor vessel for Unit 2, welding, inspection and testing, materials used, craft labor qualifications and working conditions (as they may affect QA/QC, and training and organization of QA/QC personnel, have raised substantial questions as to the adequacy of the construction of the facility. As a result, the Commission cannot make the findings required by 10 CFR 50.57(a) necessary for issuance of an operating license for Comanche Peak.
(CFUR 4A-ACORN 14-CASE 19 JOINT Contention)

*Reproduced from Board Order Subsequent to the Pre-hearing Conference of April 30, 1980 (dated June 16, 1980)

ACTION ITEMS

- 1) Define criteria for judging the adequacy of the Applicants' adherence to the QA/QC requirements described in Contention 5.
- 2) Conduct a records review. The Panel members should examine and analyze the following records.
 - a. CAT Report
 - b. CYGNA Reports
 - c. Hearing Records/Summary Depositions
 - d. OI Reports
 - e. Enforcement Actions
 - f. SALP Reports
 - g. Reg. IV Inspection Reports
 - h. TRT Reports
 - i. Special Review Team Report

To make the workload manageable, summaries of records or briefings to the panel by key individuals associated and familiar with the records may be requested.

- 3) Routinely interface with the Comanche Peak Intimidation Panel and consider input provided by that Panel.
- 4) For each type of records (a.-i.) the team members will prepare a summary of findings highlighting problem areas and root causes, as related to Contention #5.
- 5) The panel, as a body, will consider the finding summaries, briefings provided by key NRC personnel, and other relevant information to develop the staff position on Contention #5 in the format of an SSER.
- 6) The panel will be required as necessary to provide both written and oral testimony before the ASLB.

ENCLOSURE 2

COMANCHE PEAK CONTENTION 5 PANEL CHARTER

OBJECTIVES

- 1) To make the staff determination regarding the Applicants' adherence to the QA/QC requirements described in Contention 5.
- 2) Provide a report to management reflecting the panel's determination.
- 3) Provide panel testimony before the Comanche Peak ASLB.

PURPOSE

The purpose of this Panel is to integrate the views and experience of senior NRC managers to yield a staff determination regarding Contention 5.

MEMBERSHIP

Richard Vollmer, NRR
Edward Jordan, IE (Chairperson)
Robert Warnick, R-III
Alan Herdt, R-II
Roger Fortuna, OI

Advisors

Joe Scinto, OELD
Vince Noonan, NRR
Thomas Ippolito, AEOD
James Gagliardo, IE
Brooks Griffin, OI
Dorwin Hunter, R-IV
Bruce Kaplan, EG&G

ENCLOSURE 3

CONTENTION 5 PANEL SCHEDULE

December

January

Initial Panel Meeting

Obtain relevant documents

Document Reviews

Consolidate Individual
views, Develop Panel
consensus

(Developed by Panel, consistent
with resumption of hearings at
the end of January 1985)

Prepare Panel Report

Report Staff Position
to Management

Prepare Testimony
for ASLB



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

DEC 24 1984

MEMORANDUM FOR: Those on Attached List

FROM: William J. Dircks
Executive Director for Operations

SUBJECT: FORMATION OF PANEL TO PREPARE NRC STAFF
POSITION ON INTIMIDATION AT COMANCHE PEAK

As the work of the Comanche Peak Technical Review Team (TRT) is nearing completion, the staff must evaluate all issues involving intimidation and harassment at Comanche Peak. The ASLB hearings, which have been in progress for three years and are expected to resume in February 1985, have resolved all contentions except Contention No. 5. This contention concerns the Applicant's adherence to QA/QC requirements. As part of developing the staff position on this Contention, the staff must evaluate whether intimidation or harassment against employees or contractors occurred in the past or is now occurring, and make a determination concerning the effects of any such intimidation on the overall QA/QC Program at Comanche Peak.

To properly evaluate the intimidation issue and to prepare a comprehensive staff position, I am directing the formation of a panel, composed of senior managers drawn from your offices. This panel is to be composed of the following individuals:

James Gagliardo, IE (Chairperson)
Jane Axelrad, IE
James Lieberman, OELD
Dorwin Hunter, Region IV

Because of their previous association with Comanche Peak regulatory activities, I am appointing the following individuals as advisors to the panel:

Brooks Griffin, OI
Thomas Ippolito, AEOD
Joseph Scinto, OELD
Vincent Noonan, NRR
Bruce Kaplan, EG&G

The advisors may be asked to assist the panel when issues involving their specific area of expertise are being considered, and I request your support in making them available on an "as-needed" basis.

The product of the Panel's effort will be a report similar to a SSER, that states clear staff conclusions regarding the occurrence of intimidation and harassment at Comanche Peak. The Charter for this Panel is provided as Enclosure 1. The Charter provides the scope and objectives of the Panel but allows sufficient flexibility to enable the Panel to expand its scope, if necessary.

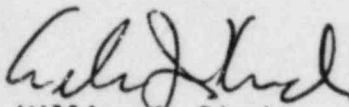
8501100381 XA

Those on Attached List

-2-

The scheduled completion of the Panel's action is January 31, 1985. I expect the Panel to meet at least once per week and more frequently, if necessary. Enclosure 2 provides a proposed milestone schedule.

The Panel will work under the direction of Vincent S. Noonan, Director of Comanche Peak Project, and should provide periodic status briefings to the Director of Licensing.



William J. Dircks
Executive Director for Operations

Enclosures: As stated

cc: B. Hayes, OI
Panel Members
Panel Advisors

Addressees List:

Harold R. Denton, Director
Office of Nuclear Reactor Regulation

Richard C. DeYoung, Director
Office of Inspection and Enforcement

Guy H. Cunningham, III,
Executive Legal Director

— Jack Heltemes, Director
Office of the Analysis and
Evaluation of Operational Data

James Keppler, Regional Administrator
Region III

Robert Martin, Regional Administrator
Region IV

ENCLOSURE 1

Comanche Peak Intimidation Panel Charter

OBJECTIVES:

The objectives of the panel are:

- 1) To determine whether intimidation or harassment against employees or contractors occurred in the past or is now occurring at Comanche Peak;
- 2) To determine the extent of the above conditions if they exist(ed) and to identify the circumstances surrounding the events including the personnel involved, the duration, the reasons for its occurrence and the applicant's management corrective actions or recommendations for corrective actions.
- 3) To evaluate any other indicators of poor management practices or attitude toward the identification and correction of quality problems.

PURPOSE:

The panel will provide as products:

- 1) A position on the intimidation question to NRC upper management;
- 2) Input to the Comanche Peak Contention 5 Panel. The Contention 5 Panel will determine the effects of any intimidation on the overall QA/QC Program at Comanche Peak.

MEMBERSHIP:

James Gagliardo, IE (Chairperson)
Jane Axelrad, IE
James Lieberman, OELD
Dorwin Hunter, Region IV
Bruce Kaplan, EG&G (Advisor)
Brooks Griffin, OI (Advisor)
Thomas Ippolito, AEOD (Advisor)
Joseph Scinto, OELD (Advisor)
Vincent Noonan, NRR (Advisor)

ACTION ITEMS

- 2 -

1. Define criteria for determining whether intimidation or harassment occurred.
2. Conduct as appropriate a review of relevant data bases:
 - a. EG&G report on intimidation (9/84)
 - b. Transcript of EG&G Intimidation Study Team briefing of NRC, applicant's, and intervenor's lawyers
 - c. Enforcement packages related to intimidation.
 - d. Depositions related to intimidation and harassment. (A summary will be sought or prepared as required)
 - e. Proposed Findings on intimidation (staff, applicants and intervenors).
 - f. Transcripts of current ASLB hearings related to intimidation.
 - g. Office of Investigations reports on intimidation and status of outstanding allegations. (B. Griffin should provide briefing on the above)
 - h. Information on Department of Labor Hearings related to the subjects of concern.
3. Interface with CP Contention 5 Panel routinely.
4. Based on the above data and any other relevant data reviewed by the panel, develop a position which meets the stated objectives.
5. Prepare an SSER on intimidation, and provide testimony as required at ASLB hearings.

ENCLOSURE 2

Intimidation Panel Schedule

December

January

Initial Panel Meeting

Obtain relevant documents

Document Reviews

Consolidate Individual
views, Develop Panel
consensus

(Developed by Panel, consistent
with resumption of hearings at
the end of January 1985)

Prepare Panel Input to
QA/QC Panel

Prepare Panel Report
on Staff's Position