

GOVERNMENT ACCOUNTABILITY PROJECT

Institute for Policy Studies
1901 Que Street, N.W., Washington, D.C. 20009

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Action - DeYoung

(202) 234-9382

December 2, 1983

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Richard C. DeYoung
Director, Office of Inspection
and Enforcement
United States Nuclear Regulatory
Commission
Washington, D.C. 20555

Dear Mr. DeYoung:

This letter is in response to your November 1, 1983 request for further information to assist you in understanding the significance of the issues raised by GAP in our September 14, 1983 Petition to the Commission about the Catawba Nuclear Power Plant. This Petition was filed pursuant to 10 C.F.R. 2.206.

Your letter detailed four specific questions. My responses to those questions are illustrious, not comprehensive. However, I would be happy to meet with members of your staff to clarify other questions that they may have.

I have paraphrased your questions below, followed by my answers.

1. Q. Provide a list of critical reports by consultants.

A. The Catawba Power Plant has been the subject of several outside consultant inspections and investigations in the past three years. The Management Analysis Corporation (MAC) reported issues in the Spring of 1982 which dealt only with the "technical concerns" of a group of welding inspectors who complained to upper-Duke Power Company (DPC) management about a quality assurance implementation breakdown, as well as harassment and intimidation.

Your review of that report should include a full reading of the transcript being developed in the Catawba Operating Licensing hearings before the Atomic Safety and Licensing Board (ASLB) now being conducted in South Carolina.

A review of the record will clarify that the MAC report was limited in scope from the onset and did not include generic issues raised by the welding inspectors. Specifically, your review should compare the technical concerns covered in the MAC report with the non-technical (generic) concerns detailed in the DPC Non-Technical Welding Inspectors' Report.

The hearing record (particularly testimony by Mr. Lewis Zwissler, Vice President of MAC) should provide illuminating information as to the imposed scope of the MAC review. Further, testimony by DPC

1. A. (continued)

official, C. N. Alexander, will provide equivalent insight into the alleged handling of the non-technical concerns. Testimony by the welding inspectors, October 25 to December 1, 1983, also provides a record of the limitations which both DPC and MAC placed on the scope of their respective inquiries.

It is critical that the NRC re-open its review of the serious generic implications of such practices as failure to document corrective actions by Craft personnel, and the verbal avoiding by QC and QA supervisors of identified non-conforming conditions.

Another report is the Construction Project Evaluation for Catawba Nuclear Station which was prepared by both DPC and outside personnel using valuation methodology by the Institute for Nuclear Power Operations (INPO). Others include annual ASME and ANI reports. (These reports have been referred to by Catawba workers who GAP investigators have interviewed; however, GAP does not have a copy of their audits.)

2. Q. Provide further information from the Affidavit of the undersigned to enable the NRC to evaluate these concerns.
- Q. a) Major hardware problems in the areas of hanger installation, AFW electrical system, concrete, and HVAC equipment.
- A. a) Beginning in the late Spring and early Summer of 1983, GAP investigators conducted a preliminary investigation of the Catawba facility. This investigation included a review of all available documentation (both DPC and the NRC's) on the construction and condition of the Catawba facility, as well as contacting QC inspectors in all areas of construction.

The scope of our inquiry dealt only with general concerns on Plant quality and implementation of QA procedures. The allegations contained in the 2.206 Petition are based on the GAP preliminary inquiry and documentation cross-references.

Specific areas of the Plant will be identified in worker Affidavits which GAP either has or will provide to the NRC.

Enclosed are copies of Affidavits and some testimony which have been presented in recent weeks to Inspection and Enforcement personnel in Region II. Further Affidavits will be provided as they are completed. We expect a minimum of approximately 14 additional worker statements in the next few months.

- Q. b) Details of incidents where DPC employees were told not to talk to outsiders by DPC management, and details of incidents of harassment and intimidation.
- A. b) This information has been provided in detail to the Office of Investigation (OI), and is now the subject of at least two separate OI investigations. GAP believes it is in the best interest of Catawba employees for these concerns to be handled by OI investigators.

2. A. b) (continued)

In short, we consider our request for an OI investigation (pp. 41-45 of 2.206 Petition) granted.

Q. c) Specific information on workers contacted within Region II.

A. c) I have no further knowledge of whether or not this information was provided to either Region II or any other office of the NRC by these workers.

3. Q. Specific details concerning abuses of the R-2A form to legitimize construction pushing ahead of QA/QC inspections.

A. The best evidence of the use or abuse of the R-2A form is contained in three sets of documents which we have reviewed. Our summary of these documents would abbreviate the necessary technical review required for adequate evaluation. The NRC has the capability of conducting this technical review, we do not.

In general explanation, however, R-2A's were used throughout the Plant to replace NCI forms. Although R-2A's appear to have a legitimate purpose prior to the Fall of 1981, misuse becomes obvious during that time period. A study of the diaries, statements, pre-trial testimony, and hearing record of the welding QA inspectors details specific areas and incidents in which R-2A's allowed construction work to push forward without official QA/QC approvals.

One good example of an on-going practice is described by Mr. Ed McKenzie (testimony given November 30, 1983, ASLB hearing). Mr. McKenzie, Welding Supervisor, testified that it was his belief and understanding that hardware components (in this case a piece of pipe which was identified as non-conforming by a QC inspector), remained in the control of construction personnel until a (red tag NCI) was physically placed on the pipe. In the example described by Mr. McKenzie, he "raced" to cut out a bad piece of pipe already identified by a QC inspector before that inspector could return from the QA/QC office with a "red tag." Since R-2A's remain under the control of construction, corrective actions were not required to be documented, and an indeterminate number of non-conforming conditions may have been corrected without trending or appropriate reviews.

Numerous other examples of the submission of R-2A's instead of NCI's and failure to trend R-2A's, and the dispositioning of R-2A's are contained in the workers statements previously identified.

Specific construction deficiencies in all of those documents can only be considered illustrative. The NRC simply must perform or require an independent analysis of the generic implications raised by these inadequate procedures and their implementation.

4. Q. Any information about Catawba vendors not meeting regulatory requirements.

A. See information provided in worker Affidavits (enclosed) and INPO report previously identified. Although several DPC workers discussed the HVAC

4. A. (continued)

contractor generally, the most detailed information is included in the Affidavits and testimony previously discussed.

In your letter, you state that your staff will take "all reasonable steps to maintain the confidentiality of the sources of 'the information'." Several of the statements in Enclosure 1 have been provided to the NRC staff under an express agreement of confidentiality. We expect you to honor that agreement as well as your stated commitment in any response to the Petition.

We will continue to notify your office of relevant information when it is provided to NRC Region staff officers.

We would note for your information that a newspaper article which appeared in the November 27 edition of the Charlotte Observer contained a statement by an NRC Region official which we consider inappropriate in light of your pending review. That statement, "We don't feel the allegations have substance," is clearly inaccurate or your review is insincere. We hope that you and your staff will recognize the propriety of assuring the public that the review of the 2.206 Petition and worker information is thorough, competent, and not predetermined.

Thank you for your consideration in this matter.

Very truly yours,

Billie Pirner Garde

Billie Pirner Garde
Citizens Clinic Director

EPG:me

Enclosures: 1) Affidavit Witness A
2) Affidavit Witness B
3) Affidavit Ron McAfee