

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

MAR 18 1996

Docket No. 50-440/441 (10 CFR 2.206)

Mr. Donald L. Schlemmer Western Reserve Alliance 1616 P Street, N.W. Suite 160 Washington, D.C. 20036

Dear Mr. Schlemmer:

This is in response to your letter to the Commission dated February 4, 1986, on behalf of the Western Reserve Alliance requesting that action be taken with respect to Perry Nuclear Power Plant, Units 1 and 2.

In your letter, you request that the Commission immediately suspend the construction of the Perry plants, require an independent design and construction verification program to assess the integrity and implementation of the Perry quality assurance (QA) programs, and review and require an audit of an application by Centerior Energy Corporation (CEC) seeking the approval of the Securities and Exchange Commission (SEC) to acquire all outstanding shares of the Cleveland Electric Illuminating Company (CEI) and Toledo Edison and of mergers by which this will become effective. You assert as grounds for your request that construction be suspended that the seismic design of the Perry plants is inadequate, and as grounds for your request that an independent design and construction verification program be undertaken that CEI and its contractors have failed to implement an acceptable QA program that meets the requirements of 10 CFR Part 50. Appendix B. You further assert that the application of CEC before the SEC should be audited because it will adversely impact the ability of CEC, CEI and Toledo Edison to meet the requirements of 10 CFR Part 140.

Your request was referred to the Staff for consideration pursuant to 10 CFR 2.206 of the Commission's regulations, and for the reasons stated in the enclosed "Director's Decision under 10 CFR 2.206," I find no adequate basis in your Petition for taking immediate action as you requested. I also enclose a copy of Supplemental Safety Evaluation Report No. 9 on which the decision relies in part.

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Mr. Donald L. Schlemmer - 2 -

Although your Petition has been denied, the Staff intends to pursue the quality assurance allegations in your Petition further in accordance with our normal practices for reviewing allegations on the basis of any more detailed information that may become available. In this regard, the NRC has been in contact with you and Ms. Billie Garde, who on behalf of the Government Accountability Project (GAP) has been advising and assisting WRA with regard to the allegations raised in your Petition. Ms. Garde has agreed to provide written documentation in GAP's possession with regard to these allegations, and to assist the Staff in arranging interviews with persons who may have specific information regarding these allegations. When this information is received, the Staff will pursue these concerns further, and will take appropriate action on the results of its review. You will be notified of the results of the Staff's review.

A copy of this decision will be filed with the Secretary of the Commission for its review in accordance with 10 CFR 2.206(c) of the Commission's regulations. As provided by this regulation, the decision will constitute the final action of the Commission 25 days after the date of issuance of the decision unless the Commission, on its own motion, institutes a review of the decision within that time.

A copy of the notice, which is being filed with the Office of the Federal Register for publication, is also enclosed.

Sincerely,

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Harold R. Denton, Director Office of Nuclear Reactor Regulation

Enclosures: As stated

cc w/enclosures: Cleveland Electric Illuminating Company J. Silberg, Esq., Shaw, Pittman, Potts & Trowbridge B. Garde

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Original Signed by H. R. Denton

Harold R. Denton, Director Office of Nuclear Reactor Regulation

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