

August 23, 1985

Mr. J. Whitney, Vice President
General Physics Corporation
10650 Hickory Ridge Road
Columbia, MD 21044

Dear Mr. Whitney:

This will confirm my telephone conversation with you today concerning the General Physics' course "CONTAINMENT SYSTEMS LEAKAGE TESTING." The NRC has obtained a copy of the course outline which was taught at Oyster Creek Nuclear Station in November 1983. The course contains information which is of concern to the NRC and its regulatory mission. Therefore, as I requested on the telephone, I would like to meet on this subject with senior managers of the General Physics Corporation as soon as convenient.

Further, I would appreciate your providing me the list of utilities and nuclear stations at which this same course was taught. Thank you for your cooperation in this matter.

Sincerely,
Original Signed By:
James M. Taylor

James M. Taylor, Director
Office of Inspection and Enforcement

Distribution:

JM Taylor
BK Grimes ✓
J Gagliardo

WJ Dircks H Denton
G Cunningham
Regional Administrators
V. Stello

D:TE
JM Taylor cd
8/2/85

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Zeck info

*We may have
someone from your
shop & someone from
the TTC visit
GP later on to
look over other
course material for
similar problems*

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GENERAL PHYSICS CORPORATION

MEMORANDUM

DATE: September 4, 1985
GP-M-010270

TO: All Employees

FROM: R. W. Deutsch RWD

SUBJECT: Press Report Concerning General Physics "Containment Leakage System Testing" Course

On September 1, 1985, the New York Times and several other newspapers throughout the country carried articles concerning a course on "Containment Leakage System Testing," which General Physics conducted for GPU Nuclear Corporation at Oyster Creek on November 29 and 30, 1983. The articles were the result of a letter from Representative Edward J. Markey, Chairman of the House Subcommittee on Energy, Conservation, and Power, to Dr. Nunzio Palladino, Chairman of the Nuclear Regulatory Commission, that was critical of certain statements in the training materials for this course.

The course consisted of ten lectures and the accompanying text contained in excess of 350 pages. One of the lectures in the course entitled, "Interactions with the NRC," contained three viewgraphs referred to industry experience and used wording which could be interpreted as suggesting ways to circumvent NRC regulations. These viewgraphs were followed by a disclaimer which stated, "Discussion of the above experience should in no way indicate endorsement of any of the observed approaches." Although some of the wording on these three viewgraphs was ambiguous and could be considered to be inappropriate, all of the many other references to the NRC specifically stressed diligently following NRC regulations and procedures. When taken in context, the course emphasized working with the NRC in fulfilling the public health and safety responsibilities associated with containment system leakage testing.

After reviewing the contents of the course and the course evaluations in late 1983, following the session at Oyster Creek, the course material was revised to change or delete the viewgraphs which contained the questionable wording. The revised material was used to conduct the course a second and last time on March 1 and 2, 1984, in Columbia, Maryland, for employees of several other utilities. The course evaluations prepared by the attendees following the second session of the course indicated that, while the course provided many good ideas for leak rate testing and performance, it needed to be more specific. As a result, the course was discontinued and is no longer offered.

(continued on back)

September 4, 1985
GP-M-010270

General Physics has been involved in nuclear power plant training for more than 15 years. We have developed and presented hundreds of courses involving NRC requirements. We have been involved in several NRC research projects whose purpose was to improve nuclear power plant safety and efficiency. Several of our key executives are former AEC or NRC employees. Long before the Three Mile Island accident, General Physics was advocating advanced operator training programs including the use of plant-specific simulators that have now been adopted and implemented by the NRC. In all of the hundreds of nuclear power plant training programs developed and implemented by General Physics over the past 15 years, public health and safety have always been of paramount importance, and we have not had a single case in which our strong support for NRC regulations has in any way been questioned.

This incident indicates that no matter how much care we have taken in the past to ensure that the training materials are in accordance with NRC regulations and procedures, we all must increase our efforts to prevent a similar incident in the future. I want to reinforce what has always been the Company's policy regarding regulatory matters. It has always been the policy of General Physics that protection of public health and safety is the paramount objective for all nuclear power plant training programs associated with plant activities developed and conducted by the Company. It is our goal to assist our clients so that they are in compliance with NRC regulations. Further, in regard to NRC requirements as well as industry codes and standards, we have always implemented procedures which require careful review of course materials to ensure that they are not only technically correct but that they fully support the spirit as well as the letter of the regulations governing the operation of nuclear power plants. I wish to encourage all members of the Company to bring to my attention any situation which may give the appearance of a lack of support for regulatory requirements.

The Company had provided a full accounting of the circumstances involving the GPU course to the NRC prior to Chairman Markey's letter and the resulting newspaper articles. Subsequently, we have provided the same full accounting to GPU. We are cooperating fully with both GPU and the NRC to resolve this matter to their satisfaction.

RWD:tl

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NOTICE

October 5, 1984

To: All Company Personnel
From: Chief Quality Engineer *R. G. Gorse*
Subject: Reporting of Defects and Noncompliances
Identified in Nuclear Power Plant Projects

Your attention is called to the following excerpt from Section 15 of the General Physics Corporation Quality Assurance Manual:

"15.4 Reporting of Defects and Noncompliance

General Physics Corporation performs work for electric utilities and is in frequent contact with nuclear generating stations. The owners of nuclear power plants under construction (holders of construction permits) are required, under the requirements of the Code of Federal Regulations, Title 10 CFR 50.55(e), to notify the Nuclear Regulatory Commission (NRC) of each deficiency found in design and construction, which, were it to have remained uncorrected, could have affected adversely the safety of operations of the nuclear power plant at any time throughout the expected lifetime of the plant. In addition, under the requirements of the Code of Federal Regulations, Title 10 CFR 21, any individual director or responsible officer of a firm constructing, owning, operating, or supplying the components of any such facility, who obtains information indicating that substantial safety hazards exist or that the facility contains defects which could create a substantial safety hazard, shall immediately notify the NRC of the condition.

Any Company personnel who discover such deficiencies or defects, as defined in 10 CFR 50.55(e) or 10 CFR 21, shall immediately report the condition to the Project Manager. The Project Manager shall immediately notify the President and Executive Vice President who shall immediately notify the client (owner, or holder of the construction permit or operating license) in writing, and provide all known information pertinent to the condition.

Any modification to the reporting method defined herein shall be described in a Quality Assurance Procedure (QAP) as authorized by the President or the Executive Vice President, and identified in the Project Quality Plan."

The above requirements are mandated by Federal law. If you have any questions about the requirements, you may contact the Chief Quality Engineer at extension 6065.

FOREWORD

General Physics Corporation provides engineering and specialized technical services to industry and government. The Company offers the complete range of services needed by organizations involved in the design, construction, operation and maintenance of power plants. In addition, the Company provides tactics, analysis, and training services for the United States Government Department of Defense, and consulting services for other United States Government agencies.

General Physics Corporation is committed to achieving high quality in all the services and related products it provides. The Company realizes this goal through selective employment of experienced engineers and technical specialists coupled with effective project management. In addition, the Company recognizes the fundamental importance of quality assurance practices in achieving this goal and has established a Quality Assurance Program to provide for these practices. The primary responsibility for the quality of the services and related products provided by the Company rests with the individuals doing the work. Accordingly, all employees are responsible for knowing and implementing the quality assurance practices of the Quality Assurance Program which are applicable to their work.

The President and CEO of General Physics Corporation has the overall responsibility for establishing the policies, and requirements of the Quality Assurance Program. The Vice President and CAO, who reports to the President, has the responsibility for implementing the Program. The Chief Quality Engineer, who reports to the Vice President and CAO, has the responsibility and organizational freedom to audit the implementation of the Program, to identify quality problems, to initiate corrective actions and to verify implementation of the Program, to identify quality problems, to initiate corrective actions to verify implementation of these solutions. The Quality Advisory Committee, which reports to the Vice President and CAO, has the responsibility for advising the Vice President and CAO and the Chief Quality Engineer on quality matters and policy and for conducting reviews and audits of quality-affecting activities.

The Quality Assurance Program consists of the Quality Assurance Manual together with related Project Procedures and Quality Assurance Procedures. The Quality Assurance Manual is the top level document which establishes the policies and requirements of the Quality Assurance Program. Because the Company provides services and related products for clients involved in the design, construction, operation, and maintenance of nuclear power plants, the Quality Assurance Manual addresses each of the 18 Criteria of Title 10, Code of Federal Regulations, Part 50 (10 CFR 50), Appendix B, "Quality Assurance Criteria for Nuclear Power Plants and Fuel Reprocessing Plants." The policies and requirements of the Quality Assurance Manual are invoked to the extent determined by the Project Manager and consistent with client requirements. Applicable policies and requirements are mandatory for projects having 10 CFR 50, Appendix B, requirements are used as a guide in developing quality assurance procedures for other Company projects.

President and CEO
General Physics Corporation

SECTION 2. QUALITY ASSURANCE PROGRAM

2.1 Scope

This section describes how the General Physics Corporation Quality Assurance Program is designed to control quality-affecting activities on Company projects.

2.2 General

This Quality Assurance Manual (QA Manual) defines the requirements of the General Physics Corporation Quality Assurance Program. It is presented in 19 sections as follows: 18 sections corresponding to and addressing each of the 18 Criteria of 10 CFR 50, Appendix B, and one section addressing other requirements.

General Physics Corporation provides services and related products and does not normally produce, install, replace, repair, or otherwise handle hardware products. Many of the sections of this Manual are not applicable to Company services projects in most cases, but are provided in the event that an expansion of business activities leads into any of these areas. The sections which not normally required are:

- o Section 8 Identification and Control of Materials, Parts and Components
- o Section 9 Control of Special Processes
- o Section 10 Inspection
- o Section 11 Test Control
- o Section 12 Control of Measuring and Test Equipment
- o Section 13 Handling, Storage and Shipping
- o Section 14 Inspection, Test and Operating Status

Specific instructions and requirements for complying with applicable Criteria and parts thereof of the 18 Criteria of 10 CFR 50, Appendix B, for each project for which applicability is determined as described in Section 2.1 are contained in the implementing procedures which are identified in the Project Quality Plan, as described in Section 2.4. These procedures include Quality Assurance Procedures (QAPs) and Project Procedures (PPs).

1. QAP's define how the administrative requirements of the QA Manual are to be implemented, and address the subjects which are common to all project activities of the Company, including such items as document control, quality assurance records, nonconformances/corrective action, and quality assurance audits.
2. PP's describe how the quality-affecting activities of each specific work task are performed, including such items as the control of

documents and records, independent reviews and approvals, control of procurement activities, control of engineering evaluation and design, and the preparation of drawings, instructions and procedures.

When applicable, the PP's also (1) specify the prerequisites which apply to specific work tasks or related activities, (2) address the requirements for controlled conditions such as environmental and/or special equipment or processes, and (3) establish measures for assuring that the prerequisites and other requirements have been met.

2.3 QA Manual Applicability

The applicability of the QA Manual to each Company project shall be determined and effected as follows:

1. The requirements of Section 19 are applicable to all Company activities as described therein.
2. The requirements of Sections 1 through 18 are applicable to Company projects as determined by a specific applicability review.

When a contract is received, it shall be reviewed by the designated Project Manager to evaluate the project tasks and identify the quality assurance requirements. The Project Manager shall document the results of the applicability review by checking the appropriate block on the Contract Pricing Analysis form, Exhibit 1, prepared for that project. If a quality assurance plan is not required, the "NO" block shall be checked, and the only quality assurance requirements applicable to the project are those defined in Section 19.

If a quality assurance plan is required, the "YES" block shall be checked, and the following additional actions taken:

- a. The Project Manager shall complete a Quality Assurance Manual Applicability form as shown in Exhibit 2, indicating whether each section is (1) "Applicable, in accordance with 10 CFR 50, Appendix B", (2) "Applicable, limited to specific project requirements," or (3) "Not applicable", consistent with the quality assurance requirements specified in the contract.

- (1) "Applicable, in accordance with 10 CFR 50, Appendix B":

10 CFR 50, Appendix B quality assurance requirements have been invoked in the contract by the client, and the project activities shall be performed, reviewed, and documented in full compliance with the designated sections of the QA Manual and the QAP's and PP's identified in the Project Quality Plan (par. 2.4).

- (2) "Applicable, limited to specific project requirements":

10 CFR 50, Appendix B has not been invoked by the client, but quality assurance requirements have been either specified in the contract or designated by the cognizant Project Manager. In this

situation, the designated sections of the QA Manual shall be used only as a guide for controlling quality-affecting project activities, except as identified in the Project Quality Plan (par. 2.4). The specific requirements for reviews and documentation shall be contained in the QAP's and PP's identified in the Project Quality Plan. (Any exceptions to specific provisions in the QA Manual sections invoked shall be listed on the Project Quality Plan form by the Project Manager. (See par. 2.4.)

(3) "Not applicable":

The Project Manager shall sign and date the form when each section has been checked, and forward it to the Chief Quality Engineer for review and approval.

b. The CQE shall review the form along with the contract and all reference documents, and take the following action:

- (1) Document the review results by checking the appropriate blocks on the bottom section of the form, and attach all recommendations in writing.
- (2) Sign and date the form, retain a copy, and return the original and attachments to the Project Manager for retention with the project records.
- (3) Obtain concurrence with, or resolution of, recommendations from the Project Manager in writing, and sign the form, indicating "Final Approval". The completed form with all back-up documentation attached, shall be filed with the project records.

c. The CQE shall monitor contract review activities and periodically review Contract Pricing Analysis forms to assure compliance with the requirements specified herein.

2.4 Project Quality Plan

Following the determination of applicability of the QA Manual, as described in Section 2.3, the Project Manager shall prepare a Project Quality Plan by reviewing the project task requirements and identifying the description of each on a Project Quality Plan form, Exhibit 3. The applicable sections of the QA Manual, as listed on the Quality Assurance Manual Applicability form, shall be listed. The applicable implementing procedure or procedures, corresponding to each listed task description or required QA Manual section, shall be identified in the "Applicable Procedure" column. Any exceptions to the applicable sections of the QA Manual shall be listed in the appropriate space provided. The form shall be signed and dated by the Project Manager and signed and dated by the Chief Quality Engineer, following his review and approval. This completed document summarizes the applicability of the QA Manual, project task requirements, and implementing procedures for controlling the quality-affecting project activities, and shall be filed with the Project Official Records, in accordance with Section 17.

2.5 Assessment of QA Manual

It is the responsibility of the CQE to assess the implementation of the QA Manual and to report the status and effectiveness thereof to the Executive Vice President on a regular basis, at least annually. A revision to the QA Manual, which requires review and approval by both the CQE and the Executive Vice President, can be considered documentary evidence of that assessment. Implementation and effectiveness of the QA Manual and compliance to the applicable criteria of 10 CFR 50, Appendix B, and other applicable Codes and specifications shall be assured through project audits performed by the CQE or his designee.

2.6 Revision of the QA Manual

Revisions to the QA Manual shall be approved by the CQE and the Executive Vice President.

2.7 QA Manual Distribution

The CQE is responsible for the issue, recall, revision, and reissue of the QA Manual, which is a controlled document. These issue and control actions shall be documented and performed in accordance with the applicable QAP for "Quality Assurance Document Control". When QA Manuals and revisions to the QA Manual are distributed, a receipt acknowledgement form shall be requested from each holder of controlled copies.

2.8 Personnel Assignments

All personnel assignments to project organizations shall be made by the cognizant Project Director, consistent with client requirements. All project work assignments shall be made by the cognizant Project Manager.

2.9 Personnel Qualifications

The qualification requirements for project personnel shall be established by the cognizant Project Manager consistent with client requirements.

2.10 Project Personnel Indoctrination and Training

It is the responsibility of the cognizant Project Manager to assure that all project personnel performing quality-affecting activities be indoctrinated in the provisions of the QA Manual and all applicable documents and procedures. The indoctrination shall include the following:

- o General Physics Corporation management policy for quality assurance
- o Project Quality Plan
- o Discussion of 10 CFR 50, Appendix B, and other Codes, Standards, and Specifications, when applicable
- o Details and mandatory nature of the QA Manual and implementing procedures (QAP's and PP's)

- o Verification of compliance to QA Manual requirements

The CQE shall be available to personnel to answer quality-related questions and/or provide explanation or clarification when needed.

Completion of the quality assurance indoctrination shall be certified in writing for each individual by the Project Manager.

The training requirements for project personnel shall be evaluated by the Project Manager and provided on an as-needed basis. It is the policy, where possible, to assign personnel who are fully qualified and do not require additional training, to perform specific work tasks.

2.11 Project Organization Responsibility

The Project Manager is responsible for the quality of all work performed by the Project Staff under his jurisdiction. Individuals who are assigned verifying and checking tasks are independent of those individuals responsible for performing the work. In addition, design verification, audits and surveillance are performed by individuals or groups other than those who performed the original design work.

2.12 Quality Assurance Auditor Qualification and Training

It is the responsibility of the Chief Quality Engineer to assure that quality assurance auditors are properly qualified in accordance with the applicable QAP. It is also the responsibility of the CQE to provide specific training to assigned auditors, relating to the applicable quality-affecting project activities. Records of auditor qualification and training shall be maintained by General Physics Corporation.

2.13 Certification

It is the responsibility of the Chief Quality Engineer to prepare and sign certificates of conformance and/or compliance when they are required.

2.14 Resolution of Disagreement

Differences of opinion on quality requirements, between the Chief Quality Engineer and Division Directors, Division Vice Presidents or Senior Vice Presidents, will normally be resolved by the Executive Vice President, when necessary. If he is unavailable, differences will be resolved by the President.

2.15 Contractors' Quality Assurance Program

To assure that contractors providing items or services under the scope of this QA Manual have acceptable quality assurance programs, specific requirements for these programs are contained in procurement documents. These programs are subject to review prior to contract award and during contract life. Sections 4 and 7 of this Manual further define this activity.

2.16 Inspections and Test Requirements

Appropriate requirements are imposed on contractors in the procurement documents to assure that inspections and tests are performed with appropriate equipment and under suitable environmental conditions. Inspection and test procedures for these activities are reviewed prior to use and the work activities monitored for conformance to the procedures.

2.17 Management Review of QA Program

A management review of the General Physics Corporation QA Program shall be conducted periodically, once every two years as a minimum, to assure its continued effectiveness. The review shall be directed by, and the results reported to the President.

SECTION 19. GENERAL REQUIREMENTS

19.1 Scope

This section describes the requirements of the Quality Assurance Program applicable to all Company projects and all Company activities. These requirements are in addition to any requirements specified in the Project Quality Plan if such a Plan is required in accordance with Section 1.3.

19.2 Reporting of Defects and Noncompliances

General Physics Corporation performs work for electric utility companies and United States Government agencies, and is in frequent contact with nuclear generating stations or involved with furnishing various services for nuclear generating stations. The owners of nuclear power plants under construction (holders of construction permits) are required, under the requirements of the Code of Federal Regulations, Title 10 CFR 50.55(e), to notify the Nuclear Regulatory Commission (NRC) of each deficiency found in design and construction, which, were it to have remained uncorrected, could have affected adversely the safety of operations of the nuclear power plant at any time throughout the expected lifetime of the plant. In addition, under the requirements of the Code of Federal Regulations, Title 10 CFR 221, any individual director or responsible officer of a firm constructing, owning, operating, or supplying the components of any such facility, who obtains information indicating that substantial safety hazards exist or that the facility contains defects which would create a substantial safety hazard, shall immediately notify the NRC of the condition.

This regulation applies specifically to nuclear power plant "basic component" materials and activities, including design, inspection, testing, and consulting services important to safety that are associated with the component hardware, whether the services are performed by the component supplier or others.

The following terms are defined in 10 CFR 21:

- (1) Defect - means any of the following:
- o a deviation in a basic component (including consulting services) which could create a substantial safety hazard, or the installation of such a component (Note: the dissemination of faulty information also considered a "defect").
 - o a deviation in a system or portion of a facility which could create a substantial safety hazard
 - o a condition or circumstance involving a basic component that could contribute to the exceeding of a safety limit, as defined in the facility's technical specifications

- o a deficiency in design and construction, which, were it to remain uncorrected, could adversely affect the safety of plant operations at any time throughout the expected lifetime of the facility
 - (2) Noncompliance - a failure to comply with the Atomic Energy Act of 1954, as amended, or any applicable rule, regulation, order of license of the Nuclear Regulatory Commission (the "Commission")
 - (3) Basic component - nuclear plant structure, system, component or part thereof necessary to assure;
 - o the integrity of the reactor coolant pressure boundary
 - o the capability to shut down the reactor and maintain it in a safe shut down condition
 - o the capability to prevent or mitigate the consequences of accidents which would result in potential unacceptable offsite radiation exposures
- "Basic component" includes design, inspection, testing, or consulting services important to safety that are associated with the component hardware.
- (4) Substantial safety hazard - a loss of safety function to the extent that there is a major reduction in the degree of protection provided to public health and safety for the facility or associated activities.

Any Company personnel who discover a deficiency, defect, or condition of noncompliance, as defined above and which may represent a substantial safety hazard, shall immediately notify the Project Manager or his designee verbally and relate all known, pertinent information. Following the verbal communication, the individual shall document the information, in writing, in a memorandum to the Project Manager within 24 hours. The Project Manager or his designee shall take immediate action to review the design bases or other requirements which constitute the basis for the alleged defect or noncompliance, examine the information presented, and confirm that a reportable condition exists.

If the reportable condition is the responsibility of the Owner (such as a defect or noncompliance detected in an operating facility or in existing materials representing an operating facility), reporting shall be handled as follows:

- (1) When the reportable condition is identified and confirmed, the Project Manager or his designee shall immediately notify the Owner verbally of the existing conditions and relate all known, pertinent information. The Project Manager shall also notify the Project Director verbally, and discuss all information that was obtained and related to the Owner.

- (2) Following the verbal communication, the Project Manager or his designee shall prepare a written report describing the existing conditions and transmit the report to the Owner within five (5) days, along with a request that a copy of the resulting submittal to the Commission be forwarded to General Physics Corporation. Copies of the written report to the Owner shall be routed to the Project Director, the CQE, the Vice President and CAO, and the President and CEO.
- (3) In this case, it is the responsibility of the Owner of the facility to notify the Commission of any reportable defects and noncompliances. If, however, it is determined that the Owner failed to notify the Commission following the detection and reporting of such conditions by General Physics Corporation, then it is the responsibility of General Physics Corporation to notify the Commission and present all facts and information pertinent to the conditions.

If the reportable condition is the responsibility of General Physics Corporation (such as a defect or noncompliance detected in training materials or other consulting services which represent a substantial safety hazard), the following actions shall be taken:

- (1) When the reportable condition is identified and confirmed, the Project Manager or his designee shall immediately notify the President and CEO or the Vice President and CAO verbally of the existing conditions and relate all known, pertinent information. The President and CEO or Vice President and CAO shall then either notify the Owner verbally of the reportable condition, or direct the Project Manager or his designee to immediately notify the Owner.
- (2) The Project Manager or his designee shall also inform the Project Director of the identification, confirmation, and Owner-notification status of the reportable conditions.
- (3) Following the verbal communication, the Project Manager or his designee shall prepare a written report describing the existing conditions for the President and CEO and the Vice President and CAO. The written report shall be prepared within 2 days after the information is obtained.
- (4) Initial notification by the President and CEO or the Vice President and CAO shall be made to the Director, Office of Inspection and Enforcement, or to the Administrator of the Regional Office within 2 days following receipt of the information. If the initial notification is by means other than written communication, a written report will be submitted within 5 days after the information is obtained. All reports to the Commission shall conform to the requirements of 10 CFR 21.21, "Notification."

Copies of all relevant memoranda, reports or other documents shall be retained by the Project Manager or his designee for inclusion in the project quality assurance records file.

Copies of all relevant memoranda and reports of defects or noncompliances shall be routed by the Project Manager or his designee to the CQE for review and inclusion in the quality assurance records file.

19.3 Nuclear Power Plant Training Program Review

General Physics Corporation performs work for electric utility companies and other clients which involves development and implementation of training programs for nuclear power plant personnel. The construction and operation of these power plants is regulated by the Nuclear Regulatory Commission (NRC) in accordance with the Code of Federal Regulations. It is the policy of the Company in its work related to nuclear power plants to support and promote the regulatory responsibilities of the NRC and the client. Accordingly, all nuclear power plant training program materials prepared by the Company which are not reviewed by the client prior to presentation shall be reviewed by a member of the Training Material Review Committee, as a minimum, for consistency with this policy. Any inconsistencies shall be corrected immediately, and all review activities shall be reported to the President and CEO and the Vice President and CAO.

It is also the policy of the Company to obtain course evaluations from all trainees who participate in nuclear power plant training programs conducted by the Company. All such course evaluations shall be reviewed by the Project Manager and independently reviewed by the cognizant supervision of the Project Manager. Any deficiencies or defects identified by these course evaluations shall be corrected immediately by the Project Manager. Any reportable deficiencies or defects which are identified shall be reported immediately to the President and CEO and to the Vice President CAO in accordance with Section 19.2.

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GENERAL PHYSICS CORPORATION

10650 HICKORY RIDGE ROAD
COLUMBIA, MARYLAND 21044
301-964-6000-301-982-1240

ROBERT W. DEUTSCH

President and
Chairman of the Board

September 4, 1985
GP-L-010747

Dear ,

On November 29-30, 1983, you attended a course on "Containment Leakage System Testing" given by General Physics Corporation at the Oyster Creek Station. An article in several papers and the television news on September 1, 1985, states that all participants in the course were coached by General Physics to possibly deceive the NRC in regard to the leakage test programs. The basis for these charges are three pages in the lecture, "Interactions with the NRC". In reviewing the course comments from you and other course participants, there was no indication that any of the course participants considered this information as mechanism to circumvent NRC regulations. This course was taught one additional time, and General Physics changed the content of the three slides that could be misinterpreted.

Based on the notoriety that has been given to the lecture, "Interaction with the NRC", it is suggested that all of this material be totally deleted from the course manual in your possession.

This deletion does not detract from the objective of the course which was to instruct individuals in Nuclear Regulatory Requirements, in particular Appendix J to the Code of Federal Regulations, Part 50, as well as industry codes and standards. This course was designed to be generic in nature and present information on how to perform, calculate, and determine the acceptability of the integrated leak rate test and the leak rate test on specific valves. Based on the course comments, we believe we accomplished this objective.

Sincerely yours,

GENERAL PHYSICS CORPORATION

Robert W. Deutsch
President

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The Company shall insure that the quality of the items and services it provides conforms to established requirements. The Company recognizes the fundamental importance of quality assurance policies, plans, procedures and activities in contributing to the overall quality of these items and services. Accordingly, the Company will operate in accordance with a Quality Assurance Program as defined in the Quality Assurance Manual, which establishes the policies and practices for the assurance of quality on Company projects.

The Vice President and CAO shall be responsible to the President for all matters related to the quality of Company products and services with authority as established in the Quality Assurance Manual. He or she shall be responsible for the issuance and control of the Manual. He or she shall designate the members of the Quality Advisory Committee, which shall review and audit the implementation of quality assurance policies and practices in accordance with the Quality Assurance Manual.

All Corporate management personnel shall be fully knowledgeable of the policies and practices described in the Quality Assurance Manual. All Company project personnel are responsible for knowing and implementing the quality assurance requirements established for their respective projects.



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

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August 26, 1985

MEMORANDUM FOR: File

FROM: James M. Taylor, Director
Office of Inspection and Enforcement

SUBJECT: GENERAL PHYSICS CORPORATION

With reference to the attached letter to General Physics Corporation, I was called at my home on Saturday, August 24, 1985 by Mr. Whitney, Vice President. Mr. Whitney told me the following:

1. The course, "Containment Systems Leakage Testing," as described in the outline of Lecture #3 had been taught only once. That had been for the Oyster Creek Station of GPU on November 29 and 30, 1983.
2. Based on a student's comments which were critical of a portion on interaction with the NRC, the course had been revised. The revised course was taught only one more time in Columbia, Md. Personnel from BG&E, HL&P, CP&L, Duquesne, Vepco, Texas Utilities, and Consumers had attended.
3. He (Mr. Whitney) will send me a copy of the revised course with further details.

James M. Taylor
James M. Taylor, Director
Office of Inspection and Enforcement

cc: W. Dircks
V. Stello
H. Denton
G. Cunningham
B. Grimes
J. Partlow
E. Jordan
J. Blaha
Regional Administrators

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