

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

OCT 2 0 1983

MEMORANDUM FOR:

Chairman Palladino
Commissioner Gilinsky
Commissioner Roberts
Commissioner Asselstine
Commissioner Bernthal

FROM:

William J. Dircks

Executive Director for Operations

SUBJECT:

RESPONSE TO AUGUST 1, 1983 LETTER FROM

CONGRESSMEN UDALL AND MARKEY

As I indicated in my October 3, 1983 memorandum to the Commission forwarding the proposed response, extraordinary efforts were made to achieve concurrences to assure accuracy.* Because of the intense public and Congressional interest in this issue, it is important to assure that the record is clear regarding the state of knowledge of the Commission (as constituted in April/May 1980) regarding the Hartman allegations. We believe the response to Question 1, as edited, does not present a complete and clear portrayal of the facts.

In addition, the last paragraph of the October 17, 1983 cover letter to -REC'D CERESquessmen Udall and Markey states that:

"Commissioner Gilinsky adds that while the NRC staff informed the
21 OCT 83 8: 40 Commission of the existence of the Hartman allegations and of the
referral to the Department of Justice, the NRC staff did not, until
quite recently, share with the Commission its evaluation of the
seriousness and significance of those allegations. No satisfactory
explanation has been given for this reticence."

We realize that this represents Commissioner Gilinsky's personal views. However, this paragraph could be construed to represent that the entire Commission, as constituted in the spring of 1980, was unaware of the seriousness and significance of the Hartman allegations. We believe it important to repeat the facts on that point as the staff sees them.

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^{*} We also note that (1) the edited response to Question 4 incorrectly refers to an investigation by IE, and (2) that the proposed answer to Question 5 was not used.

I pointed out in my memorandum to Commissioner Gilinsky dated July 19, 1983:

"It is reasonable and logical to infer, from the fact that the Commission referred the matter to DOJ for possible criminal prosecution, that senior NRC staff aware of the Hartman allegations believed that 'leak rate results had likely been falsified' and that this was 'a potentially serious matter.'"

We prepared our responses on the basis that the Commission, as constituted at the time of the DOJ referral, had reached a similar conclusion. To corroborate this belief we contacted former members of the Commission. The result of that effort is contained in the enclosed memorandum to files from Victor Stello, Jr., dated June 15, 1983. It would appear that at least a majority of the Commission in existence during the April/May 1980 timeframe was, in fact, aware of the seriousness and significance of those allegations.

We still believe that the Commission during April/May 1980, was aware that the leak rate test results had likely been falsified prior to March 28, 1979, and that this was a potentially serious matter. It is unfortunate that the letter in its edited and final form does not clearly leave that impression.

William J. Dircks

Executive Director for Operations

Enclosure: MF Files fm Stello dtd 6/15/83