

October 9, 1986

DOCKETED
USNRC

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

86 OCT 10 P3:20

BEFORE THE ADMINISTRATIVE LAW JUDGE

OFFICE OF SECRETARY
DOCKETING & SERVICE
BRANCH

In the Matter of)	
	)	Docket No. 50-320
GPU NUCLEAR CORPORATION	)	(Civil Penalty)
	)	License No. DPR-73
(Three Mile Island Nuclear Station,	)	EA 84-137
Unit No. 2))	

NRC STAFF SUPPLEMENTAL RESPONSE TO
GPU NUCLEAR CORPORATION'S FIRST SET OF INTERROGATORIES
AND NRC STAFF SUPPLEMENTAL RESPONSE TO
GPUN'S FIRST REQUEST FOR PRODUCTION OF DOCUMENTS

I. INTRODUCTION

On September 23, 1986, the NRC staff served "NRC Staff Response to GPU Nuclear Corporation's First Set of Interrogatories" and "NRC Staff Partial Response to GPUN's First Request for Production of Documents". In that response, the Staff noted that it intended to provide certain supplementary information promptly upon its becoming available, and to identify or provide additional responsive documents as appropriate.

The Staff has received further information from other Commission offices, reviewed additional documents received therefrom, and hereby provides this supplemental response. Should further responsive information or documents come to the Staff's attention, additional supplementation will be made.

8610140344 861009
PDR ADCK 05000320
G PDR

II. SUPPLEMENTAL RESPONSES TO INTERROGATORIES

A. GENERAL

On page 7 of its initial response, the Staff noted that various exhibits to the May 18, 1984 Office of Investigations (OI) Report had been previously withheld from public disclosure. The bases therefor are contained in an August 21, 1986 memorandum from Christine W. Cater, FOIA Specialist, OI, to Connie Pappas, Freedom of Information and Privacy Acts Branch, Division of Rules and Records, Office of Administration, concerning FOIA-85-837. This memorandum enumerates those exhibits which are available to the public and those which have been withheld.

However, you may note that the memorandum, appended hereto, states that the two exhibits relied upon by the Staff, exhibits 83 and 97, were released to the requester. These documents have not been released to the public. The Office of Investigations has determined that Exhibit 97, a July 25, 1983 sworn statement of Richard Parks, may be released. A copy of this exhibit is attached. Exhibit 83, the June 27 and June 28, 1983 testimony of L. King given to OI investigators J. Vorse and R. Meeks, may be released. Exhibit 83 has already been provided to counsel for Licensee in connection with the Department of Labor proceeding concerning Mr. King.

At the time of the Staff's initial response, the affidavit and statement of professional qualifications of Thomas C. Poindexter were unavailable. These also are attached to this supplemental response.

B. SPECIFIC RESPONSES

SUPPLEMENTAL ANSWER TO INTERROGATORY NO. 11

(a) - (c) An internal Bechtel North American Corporation memorandum dated March 2, 1983, from J. W. Thiesing to H. D. Bruner, indicates that Rich Gallagher was aware of the incident in which Mr. Parks asked a Bechtel engineering secretary to type several Quiltech resumes in the summer of 1982. Document is attached. (Holler)

SUPPLEMENTAL ANSWER TO INTERROGATORY NO. 37

(d) (Resner) The following documents, pertaining to Mr. Parks' allegations were received by OIA:

(1) Memorandum dated June 28, 1984, for George Messenger, Acting Director, OIA, from Samuel J. Chilk, Secretary of the Commission, Subject: OIA Investigation into Parks' Allegations Regarding TMI-2 (attached).

(2) Undated memorandum (received 3/13/84) for G. H. Messenger, OIA, from Frederick M. Bernthal, Subject: SECY 84-65. This document refers to the recommendations of the Office of the General Counsel (OGC) concerning investigation of the Parks allegations by OIA. Release would disclose the nature of the OGC recommendations and is therefore not required to be disclosed pursuant to 10 C.F.R. § 2.790(a)(5).

(3) Note, dated July 22, 1983, to Pat McKenna, OIA, from Bernard J. Snyder, TMIPO, forwarding July 18, 1983 Memorandum, and enclosure thereto, to B. B. Hayes from H. R. Denton, Subject: Regula-

tory Criteria for Oversight of the TMI-2 Cleanup. Question 3 of the enclosure relates to TMIPO review of draft GPUN procedures (attached).

(e) (Resner) The following responsive documents have been identified:

(1) Interview of Lawrence Peter King (Closed Meeting), dated June 7, 1985, 6 pages. (Resner) This document is being withheld from release pursuant to 10 C.F.R. § 2.790(a)(6) and (a)(7)(iii), as a document relating to a confidential personnel-related investigation of Mr. King, disclosure of which would constitute an unwarranted invasion of personal privacy.

(2) SECY-84-65, dated February 9, 1984 for the Commissioners, from James A. Fitzgerald, Assistant General Counsel, Subject: GAP Request for Investigation into Richard Parks' Allegations ("Limited Distribution"). This document is a deliberative, recommendatory document prepared in the course of the Commission's deliberations on a request by GAP that an independent organization conduct an inquiry into OIA's investigation of Parks' allegations of misconduct by NRC employees in connection with the TMI-2 cleanup. It is withheld pursuant to 10 C.F.R. § 2.790(a)(5).

(3) SECY-84-65A, dated June 5, 1984, for the Commission from J. A. Fitzgerald, Subject: SECY-84-65 -- GAP Request for Investigation into Richard Parks' Allegations. This document is recommendatory in nature, and contains a draft memorandum to G. Messenger from S. J. Chilk, regarding the same subject, and a draft letter to T. Devine of GAP, from N. J. Palladino. These documents are being withheld pursuant to 10 C.F.R. § 2.790(a)(5).

(4) Memorandum dated February 15, 1984, for the Commissioners, from G. H. Messenger, Subject: SECY-84-65, "GAP Request for Investigation into Richard Parks' Allegations." This document is a deliberative/recommendatory document for use in the Commission's deliberations on the subject GAP request, disclosure of which is protected under 10 C.F.R. § 2.790(a)(5).

(5) Memorandum dated March 19, 1984, for Commissioner Bernthal, from G. H. Messenger, Subject: SECY-84-65. This document is in response to the undated memorandum from Commissioner Bernthal identified in (d), above. It constitutes responsive views and recommendation designed to assist the Commission in its deliberations on SECY-84-65, and, as such, are within the intra-agency privilege for agency documents of a recommendatory nature codified at 10 C.F.R. § 2.790(a)(5).

(6) Memorandum dated March 22, 1984, for File 83-45, from Frederick W. Herr, Acting Assistant Director for Audits, OIA, Subject: 84-65. This document discusses the OGC evaluation contained in SECY-84-65 relating to the adequacy of the OIA investigation of the Parks' allegations concerning the NRC. Although not formally communicated, a copy was sent to H. Bowers, of OIA, and the contents contain the deliberations and observations of the named OIA manager concerning the subject matter. As such it is a deliberative document falling within the protection of 10 C.F.R. § 2.790(a)(5).

(7) Memorandum dated December 21, 1983, for G. H. Messenger, thru H. Bowers, from C. McKenna, Jr., Subject: "Parks Allegations Regarding Three Mile Island, Unit 2 (TMI-2)." This document

is an internal memorandum of an evaluative, recommendatory nature, designed to assist the recipient decisionmaker in responding to allegations made concerning OIA's investigation of the Parks allegations. As such, it is protected from disclosure by 10 C.F.R. § 2.790(a)(5) relating to internal agency documents of a deliberative, recommendatory nature.

(8) Memorandum dated March 25, 1983 for J. J. Cummings, B. B. Hayes, from Nunzio J. Palladino, Subject: TMI-2 Allegations. (Attached)

(9) Memorandum dated May 27, 1983, for H. Bowers, from W. J. Ward, OI, Subject: Statement by TMIPO Deputy Director, together with enclosures -- (a) 5-24-83 Memorandum for W. J. Ward from J. Y. Vorse, OI, Subject: Statement by TMIPO Deputy Program Director, and (b) sworn statement of L. Barrett, dated May 18, 1983. (Attached)

(10) Memorandum dated May 24, 1983 for B. B. Hayes, from J. J. Cummings, Director, OIA, Subject: OI Work Plan Regarding Richard Parks Affidavit. (Attached)

SUPPLEMENTAL ANSWER TO INTERROGATORY NO. 47

(Resner) Pat McKenna, OIA, contacted Thomas Devine, GAP, on several occasions to request an interview with Parks. See, "Telephone or Verbal Conversation Record," of telephone calls from Pat McKenna, NRC to T. Devine, GAP, on June 17, 22 and 23, 1983. (Attached)

SUPPLEMENTAL ANSWER TO INTERROGATORY NO. 48

See supplemental answer to Interrogatory No. 47.

SUPPLEMENTAL ANSWER TO INTERROGATORY NO. 49

(Resner) Letter dated 11/27/85, from Sharon R. Connelly, OIA, to Thomas Devine, GAP. (Attached)

SUPPLEMENTAL ANSWER TO INTERROGATORY NO. 52

A search of NRC files revealed the following responsive documents: (1) a letter dated August 4, 1983, from Thomas Devine, Legal Director, Government Accountability Project, to Chairman Nunzio J. Palladino concerning settlement of Parks' DOL complaint; (2) a letter dated July 24, 1984 from Mr. Parks to the members of the Commission, together with a cover letter from Lynne Bernabei, Government Accountability Project, to the Service List on Docket No. 50-289 SP; (3) a letter dated September 19, 1983 from Mr. Devine to Mr. Ben B. Hayes, addressing the OI report on the TMI-2 cleanup; (4) a letter dated November 10, 1983, from T. Devine to the members of the Commission commenting on 9/7/83 OIA report; (5) a letter dated March 23, 1983, to N. J. Palladino, from T. Devine, concerning Parks affidavit; and (6) a letter, undated (received 3/25/83), to N. J. Palladino, from J. Clewett, Public Citizen, concerning Parks affidavit. These documents are attached. (Holler, Meeks, Resner)

SUPPLEMENTAL ANSWER TO INTERROGATORY NO. 59

The following additional response document has been found: a February 22, 1984 letter from Ben B. Hayes, Director, OI, to John Craven, DOL, relating to the confidentiality of information received by OI from DOL (attached). (Meeks)

SUPPLEMENTAL ANSWER TO INTERROGATORY NO. 61

Paragraph 1 of the Staff's initial answer refers to a statement by L. King to OI. Mr. King gave testimony on June 27 and 28, 1983 in response to questions from R. Meeks and B. Beach. As indicated in the prior response, this is Exhibit 83 to the 5/14/84 OI Report. This exhibit also contains testimony of Mrs. Gloria King. Portions of the testimony of both Mr. and Mrs. King pertain to the allegations of discrimination made by Richard Parks. Exhibit 83 has previously been made available to counsel for Licensee. (Meeks)

SUPPLEMENTAL ANSWER TO INTERROGATORY NO. 63

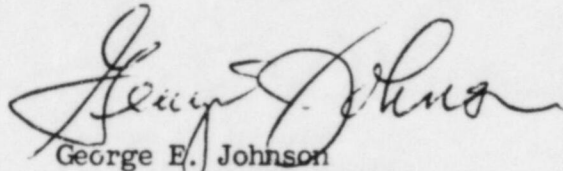
(a)-(c) In a 3/25/83 memorandum for Lake H. Barrett, P. J. Grant reported that some of the Polar Crane activities were not performed in accordance with Procedures AP 1043 and 1047. Although the memorandum does not specifically address Mr. Parks' stated concerns, it does address satisfaction of those procedures, which were a subject of concern raised by Mr. Parks. The memorandum is attached. (Holler)

III. SUPPLEMENTAL NRC STAFF RESPONSE TO GPU NUCLEAR CORPORATION'S FIRST REQUEST FOR PRODUCTION OF DOCUMENTS

As indicated in the Staff's partial response to GPU Nuclear Corporation's First Request for Production of Documents, the Staff has continued its search for responsive documents. In accordance with GPUN's request for identification of documents, the Staff has identified certain additional documents in its supplemental answers to GPUN's first interrogatories. Those documents are being provided herewith, are

otherwise available to GPUN, or are being withheld from disclosure on grounds identified in the Staff's supplemental answers.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "George E. Johnson".

George E. Johnson
Counsel for NRC Staff

Dated at Bethesda, Maryland
this 9th day of October, 1986

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

BEFORE THE ADMINISTRATIVE LAW JUDGE

In the Matter of)	
	)	Docket No. 50-320
GPU NUCLEAR CORPORATION	)	(Civil Penalty)
	)	License No. DPR-73
(Three Mile Island Nuclear Station,	)	EA 84-137
Unit No. 2))	

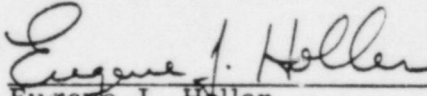
AFFIDAVIT OF EUGENE J. HOLLER

I, Eugene J. Holler, being duly sworn, state as follows:

1. I am employed by the U.S. Nuclear Regulatory Commission as a Senior Enforcement Specialist, Enforcement Staff, Office of Inspection and Enforcement. A copy of my professional qualifications has previously been supplied.

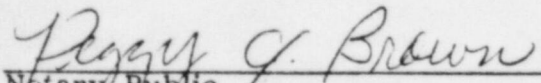
2. I am duly authorized to respond to those interrogatories served September 4, 1986 by GPU Nuclear Corporation to which my name has been appended to the supplemental answers.

I hereby certify that the statements and opinions given are true and correct to the best of my personal knowledge and belief.



Eugene J. Holler

Subscribed and sworn to before me
this 8th day of October, 1986



Notary Public

My commission expires: 7/1/90

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

BEFORE THE ADMINISTRATIVE LAW JUDGE

In the Matter of)	
	)	Docket No. 50-320
GPU NUCLEAR CORPORATION	)	(Civil Penalty)
	)	License No. DPR-73
(Three Mile Island Nuclear Station,	)	EA 84-137
Unit No. 2))	

AFFIDAVIT OF MARK ERIC RESNER

I, Mark Eric Resner, being duly sworn, state as follows:

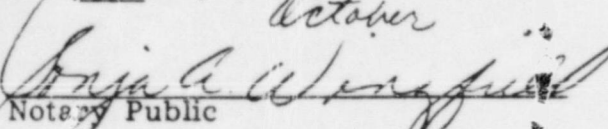
1. I am employed by the U.S. Nuclear Regulatory Commission as a Assistant to the Director in the Office of Inspector and Auditor. A copy of my professional qualifications is attached.

2. I am duly authorized to respond to those interrogatories served September 4, 1986 by GPU Nuclear Corporation to which my name has been appended to the answer.

I hereby certify that the statements and opinions given are true and correct to the best of my personal knowledge and belief.


Mark Eric Resner

Subscribed and sworn to before me
this 10th day of September, 1986


Notary Public

My commission expires: July 1, 1990

MARK ERIC RESNER
PROFESSIONAL QUALIFICATIONS
OFFICE OF INSPECTOR AND AUDITOR

I am an Assistant to the Director in the Office of Inspector and Auditor (OIA), U.S. Nuclear Regulatory Commission. In that capacity, I assist the Director in establishing policies, procedures, and quality control standards governing the overall mission accomplishment, as well as the day-to-day activities of OIA. I am also responsible for conducting, coordinating and leading special projects and assignments involving investigators, auditors, and/or NRC technical personnel detailed to OIA. In addition, my responsibilities are to perform, analyze and make recommendations to the Director on programs, projects, plans and policies that impact the integrity, effectiveness and efficiency of NRC. I have served in this capacity since August 17, 1986.

Prior to my assignment as Assistant to the Director, I served in OIA as a Senior Criminal Investigator during the period December 9, 1984, to August 17, 1986, and as a Criminal Investigator during the period July 16, 1978, to December 9, 1984.

Before joining the OIA staff I worked for approximately one year in NRC's Office of Nuclear Material Safety and Safeguards reviewing foreign physical security plans for countries which received exports of nuclear materials from the United States.

From mid 1973 until April 1977, I served in a law enforcement capacity with both the Metropolitan Police Department for the District of Columbia and Montgomery County, Maryland, Department of Police.

During the course of my employment since 1973 I have testified before various criminal and civil proceedings as well as before NRC hearings involving issues related to Three Mile Island Nuclear Power Plant.

I received a Bachelor of Science degree in Psychology from Frostburg State College in 1973 and Master of Arts degree in Criminal Justice from The George Washington University in 1977.

I am an active member of the Federal Criminal Investigators Association.

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

BEFORE THE ADMINISTRATIVE LAW JUDGE

In the Matter of)	
	)	Docket No. 50-320
GPU NUCLEAR CORPORATION	)	(Civil Penalty)
	)	License No. DPR-73
(Three Mile Island Nuclear Station,	)	EA 84-137
Unit No. 2))	

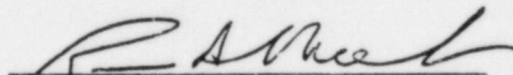
AFFIDAVIT OF RONALD A. MEEKS

I, Ronald A. Meeks, being duly sworn, state as follows:

1. I am employed by the U.S. Nuclear Regulatory Commission as a Senior Investigator, Office of Investigations, Region V. Prior to April 1984, I was employed as an Investigator at OI Headquarters. A copy of my professional qualifications is attached.

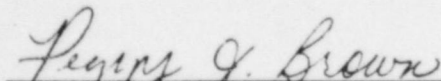
2. I am duly authorized to respond to those interrogatories served September 4, 1986 by GPU Nuclear Corporation to which my name has been appended to the answer.

I hereby certify that the statements and opinions given are true and correct to the best of my personal knowledge and belief.



Ronald A. Meeks

Subscribed and sworn to before me
this 7th day of October, 1986



Notary Public

My commission expires: 7/1/90

RONALD A. MEEKSPROFESSIONAL QUALIFICATIONSOFFICE OF INVESTIGATIONS

I am a Senior Investigator in the Office of Investigations Field Office, Region V, U.S. Nuclear Regulatory Commission. I am responsible for conducting complex and sensitive investigations involving possible violations of the Atomic Energy Act and NRC regulations as defined in 10CFR Part 50. When assigned I also serve as a team leader on national priority investigations. In the capacity of Senior Investigator, I develop fact patterns of past events and circumstances through interviews and document reviews. The information developed in my investigations are presented in my Reports of Investigation to the NRC Commission and staff.

I received a Bachelor of Arts degree in Political Science with majors in Public Administration and International Relations from Brigham Young University in 1968. I have continued my education and career development by doing graduate work in the field of Administration of Criminal Justice at San Jose State University and through participation in various professional training courses.

From 1969 to 1982, I was employed as a Special Agent for the U.S. Drug Enforcement Administration where I was involved in the investigation of national and international drug traffickers. I joined NRC's Office of Investigations Headquarter's staff in December 1982. In April 1984, I was transferred to my current assignment in the Office of Investigations Field Office, Region V.

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

BEFORE THE ADMINISTRATIVE LAW JUDGE

In the Matter of)	
	)	Docket No. 50-320
GPU NUCLEAR CORPORATION	)	(Civil Penalty)
	)	License No. DPR-73
(Three Mile Island Nuclear Station,	)	EA 84-137
Unit No. 2))	

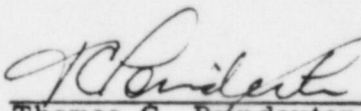
AFFIDAVIT OF THOMAS C. POINDEXTER

I, Thomas C. Poindexter, being duly sworn, state as follows:

1. I am employed by the U.S. Nuclear Regulatory Commission as a Project Manager, Project Directorate-4, Office of Nuclear Reactor Regulation. A copy of my professional qualifications is attached.

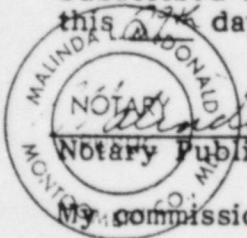
2. I am duly authorized to respond to those interrogatories served September 4, 1986 by GPU Nuclear Corporation to which my name has been appended to the answer.

I hereby certify that the statements and opinions given are true and correct to the best of my personal knowledge and belief.



Thomas C. Poindexter

Subscribed and sworn to before me
this 27th day of September, 1986



Notary Public
My commission expires: 7/1/90

RESUME OF:

THOMAS C. FOINDEXTER
10612 MONTROSE AVE. #1
BETHESDA, MD 20814

(H) 301-530-9011
(W) 301-492-7877

WORK EXPERIENCE

7/86-PRESENT

US NUCLEAR REGULATORY COMMISSION (PROJECT MANAGER-TVA)

DUTIES INCLUDE MANAGING AND COORDINATING THE SAFETY AND ENVIRONMENTAL REVIEW OF LICENSEE REQUESTED AMENDMENTS, DESIGN MODIFICATIONS AND ORGANIZATION CHANGES FOR TENNESSEE VALLEY AUTHORITY (TVA) NUCLEAR PLANTS. I AM ONE OF THE LEAD NRC PERSONNEL INVOLVED WITH RESOLVING EMPLOYEE CONCERNS ISSUES, WHICH MUST BE ADRESSED BEFORE THE RE-START OF CERTAIN TVA PLANTS IS PERMITTED. IN THIS CAPACITY I INTERFACE WITH MULTIPLE LEVELS OF THE NRC INCLUDING UPPER MANAGEMENT. I ALSO INTERFACE WITH ALL LEVELS OF TVA EMPLOYEES, INCLUDING THAT ORGANIZATION'S UPPER MANAGEMENT.

6/85-7/86

US NUCLEAR REGULATORY COMMISSION (ENFORCEMENT SPECIALIST)

AS AN ENFORCEMENT SPECIALIST ON THE STAFF OF THE DIRECTOR OF ENFORCEMENT, DIVISION OF INSPECTION AND ENFORCEMENT, MY DUTIES INCLUDED TECHNICALLY AND ADMINISTRATIVELY ANALYZING LICENSEE EVENTS FOR APPROPRIATE ENFORCEMENT ACTIONS. THIS INCLUDED THE REVIEW OF NRC REGIONAL OFFICE RECOMMENDED CIVIL PENALTIES AND SEVERITY LEVEL CLASSIFICATIONS. IN THIS CAPACITY, I INTERFACED WITH ALL ORGANIZATIONS WITHIN THE NRC, USUALLY AT THE UPPER MANAGEMENT LEVEL. LICENSEE CONTACT WAS ALSO AT UPPER MANAGEMENT LEVELS. THIS POSITION AND LEVEL OF RESPONSIBILITY REQUIRED AN INDEPTH KNOWLEDGE OF REACTOR OPERATIONS, ADMINISTRATIVE REQUIREMENTS OF LICENSEES, AND HOW TO PROPERLY INTERPRET AND APPLY TITLE 10 OF THE CODE OF FEDERAL REGULATIONS TO REAL SITUATIONS.

12/79-6/88

US NUCLEAR REGULATORY COMMISSION (PROJECT MANAGER-THREE MILE ISLAND)

FROM DECEMBER 1979 THROUGH AUGUST 1980, I WAS ASSIGNED TO THE THREE MILE ISLAND TASK FORCE, THREE MILE ISLAND PROGRAM OFFICE, LOCATED AT THE TMI-2 SITE. DUTIES INCLUDED THE REVIEW OF METROPOLITAN EDISON COMPANY PROCEDURES FOR SYSTEM OPERATION, STARTUP AND MODIFICATION. INDEPENDENT CALCULATIONS AND ENGINEERING ANALYSES WERE OFTEN PERFORMED BY ME TO VERIFY LICENSEE PREDICTIONS FOR REACTOR BEHAVIOR, SYSTEM RESPONSES AND COMPONENT INTERACTIONS DURING THE RECOVERY PERIOD. AS A STAFF MEMBER, I PROVIDED INPUT ON EMERGENCIES AS THEY HAPPENED AND WAS A KEY PERSON FOR INTERPRETING REGULATORY POSITIONS FOR THE LICENSEE. I HAVE BEEN INSTRUMENTAL IN ALL OF THE MAJOR EVENTS OCCURRING AT TMI WHILE I WAS INVOLVED ON THE PROJECT. I RETURNED TO THE BETHESDA HEADQUARTERS OFFICES IN AUGUST OF 1980 AND CONTINUED AS A MEMBER OF THE TMI PROGRAM OFFICE IN HEADQUARTERS. MY DUTIES DID NOT CHANGE EXCEPT THAT I WAS NOT CONTINUOUSLY STATIONED AT THE PLANT SITE. IN JUNE OF 1981, MY DUTIES WERE EXPANDED AND I BECAME THE PROJECT MANAGER FOR TMI-2. NEW DUTIES INCLUDED BEING THE PRIMARY NRC PERSON UNDER THE TMI PROGRAM OFFICE DIRECTOR, FOR THE APPROVAL OF ALL LICENSING ACTIONS. I CONTINUED TO BE INVOLVED IN TECHNICAL ISSUES AS THE PROJECT MANAGER IN ADDITION TO ADMINISTRATIVE DUTIES.

8/79-12/79

US NUCLEAR REGULATORY COMMISSION (REACTOR SYSTEMS ENGINEER)

FROM AUGUST 1979 UNTIL DECEMBER 1979, I WORKED AT THE NRC AS A REACTOR SYSTEMS ENGINEER (NUCLEAR) IN THE AUXILIARY SYSTEMS BRANCH, DIVISION OF SYSTEMS SAFETY. DUTIES INCLUDED THE EVALUATION OF AUXILIARY SYSTEM DESIGNS AND ASSOCIATED COMPONENTS AS THEY WERE PROPOSED BY THE LICENSEE IN THEIR SAFETY ANALYSIS REPORTS. PARAMETERS SUCH AS FUNCTIONAL CAPABILITY, INTEGRITY OF SYSTEMS AND SYSTEM OPERATION WERE REVIEWED AS A PART OF MY JOB FUNCTION.

1/78-8/79

OHIO EDISON COMPANY (ASSOCIATE ENGINEER)

I WAS EMPLOYED BY THE OHIO EDISON COMPANY IMMEDIATELY AFTER RECEIVING MY COLLEGE DEGREE. DUTIES INCLUDED THE REVIEW AND EVALUATION, FOR TECHNICAL ADEQUACY, OF THE BALANCE OF PLANT AND NUCLEAR STEAM SUPPLY SYSTEM INTERFACING COMPONENTS FOR THE ERIE NUCLEAR POWER STATION, UNIT 1. INITIAL DESIGN WORK WAS PERFORMED BY THE GILBERT COMMONWEALTH ASSOCIATES. MY TASK WAS TO APPROVE THE DESIGN, AND RELEASE IT FOR PURCHASE, FABRICATION AND CONSTRUCTION. THIS INCLUDED THE EVALUATION OF BID PROPOSALS AND VENDOR SELECTION. I WAS ALSO RESPONSIBLE FOR SCHEDULING ON THE "PROJECT 2" SOFTWARE SYSTEM AND SUPERVISED GILBERT COMMONWEALTH'S STAFF ON COMPANY OBJECTIVES. I EVALUATED AND APPROVED ALL PLANT PUMPS AND VALVES OUTSIDE OF THE BABCOCK AND WILCOX SCOPE OF SUPPLY. I ENDED MY EMPLOYMENT WITH OHIO EDISON BECAUSE OF THE CANCELLATION OF THE PROJECT.

1975/1976

ILLINOIS POWER COMPANY (SUMMER INTERN/JUNIOR ENGINEER)

I WAS EMPLOYED FOR TWO SUMMERS AT THE ILLINOIS POWER COMPANY'S DECATUR, ILLINOIS HEADQUARTERS OFFICE. DUTIES INCLUDED SCHEDULE DEVELOPMENT, COORDINATION OF SYSTEM STARTUPS AND TECHNICAL REVIEWS OF NSSS SYSTEMS. THIS WORK WAS PERFORMED FOR THE CLINTON POWER STATION, UNITS 1 AND 2.



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

August 21, 1986

MEMORANDUM FOR: Connie Pappas
Freedom of Information and Privacy Acts Branch
Division of Rules and Records
Office of Administration

FROM: *Kris Cater*
Christine W. Cater, FOIA Specialist
Office of Investigations

SUBJECT: FOIA-85-837

The Office of Investigations (OI) has re-reviewed the Report of Investigation (ROI) dated May 18, 1984, H-83-002, which was referred to us my memorandum from L. Robinson to R. Fortuna dated March 20, 1986, for disclosure determination.

The sanitized version of this report is in the PDR, AN8406210412, 89 pages. Deletions were made pursuant to Exemptions (6) and (7)(C).

With respect to the exhibits attached to the report:

1. The following exhibits are already on file in the PDR (under TMI-2 Report, Management and Safety Allegation by Edwin H. Stier dated November 16, 1983), as such, they were not attached to this ROI: 5, 9, 13, 15, 18, 52 through 75, 81, 82, 87, 89, 90, 91, and 107.
2. The following exhibits may be released in their entirety: 1, 25, 38, 39, 41, 42, 43, 46, 47, 48, 76, 77, 78, 79, 80, 83, 84, 86, 88, 92, 93, 94, 97, 98, and 101 (copies attached).
3. The following exhibits should be referred to the Department of Labor for disclosure determination: 85, 102, 103, 104, and 105 (copies attached).
4. Portions of the following exhibits have been bracketed in red and should be withheld pursuant to Exemptions (6) and (7)(C): 2, 14, 16, 30, 31 and 40 (copies attached).
5. The following exhibits should be withheld in their entirety pursuant to Exemptions (6) and (7)(C): 3, 4, 6, 7, 8, 10, 11, 12, 17, 19, 20, 21, 22, 23, 24, 26, 27, 28, 29, 32, 33, 34, 35, 36, 37, 44, 45, 49, 50, 51, 95, 96, 99, 100, and 106 (copies attached).

Information withheld pursuant to Exemptions (6) and (7)(C) consists of personal information the disclosure of which would cause a clearly unwarranted invasion of personal privacy.

The original copy of the report sent to you from OPM and a reproduced copy, which contains bracketed material, are being returned to you.

The partial report from the Division of Security has been addressed since it is a part of the full report, and is being returned to you.

Enclosures:

As stated

Place: BETHESDA, MD.
Date: July 25, 1983

I, RICHARD D. PARKS, hereby make the following voluntary statement to Investigators J. Vorse and R. Meeks, who have identified themselves as Investigators with the U.S. Nuclear Regulatory Commission. At the request of Investigators Vorse and Meeks, I am submitting separate statements for distinct aspects of their investigation. This statement concerns harassment and retaliation in the TMI-2 cleanup. I make this statement freely with no threats or promises having been made to me.

March 21, 1983 RP

On page 8 of my affidavit, I state that Tom MORRIS told Richard SEIGLITZ that I should be counseled for my negative attitude and that SEIGLITZ related this to myself. Others in Site Operations (SO) who might have been present when SEIGLITZ related this were Larry KING, Joe CHWASTYK, Bubba MARSHALL, John PERRY, Linda NAGLE, Joyce WENGER, and Madan KARR.

Concerning the above matter, I am not aware of the personnel procedure that should be used for counseling employees on negative attitudes at TMI-2, whether they be Bechtel or GPU-N employees. I did not receive any written memos on the matter from Bechtel or GPU. I do recall that on my last performance evaluation Ed KITLER had given me very good ratings. This performance evaluation was done around the January/February time period of 1983. I cannot be more specific, because Mr. KITLER did not give me a copy of the evaluation.

On page 18, I mention that Larry KING, on 2/11/83, informed the Site Operations staff individually and generally about the contents of a meeting between KING, KANGA, and Ed GISCHEL on the Polar Crane SER. Those SO members, to the best of my recollection, were Messrs. CHWASTYK, MARSHALL, PERRY, SMITH, KARR, Linda NAGLE, and Joyce WENGER. In response to a question by Mr. Meeks concerning BARTON's management style, I would describe BARTON's personality or character as it relates to his daily mode of doing business as that of an intimidator. BARTON shouts, uses foul language, and is a brusque individual who often intimidates an employee through threats if that employee does not follow through with BARTON's wishes or desires. Usually he succeeds in getting his way with the employee. However, BARTON follows up his threats against an employee if he thinks it is necessary. BARTON doesn't like to leave

a paper trail. Often when he disagrees with a memo, he will write his comments on the original memo and return the memo to its author.

On page 20, I mention my conversation with Ed KITLER on February 18 regarding KITLER's statement that he had been asked by Rich GALLAGHER to look into transferring me off site. He asked me if I knew what I was doing and how big these people were. I said that I didn't care and would be protected by the NRC. I was upset and had KITLER repeat the comment in the Site Operations office in front of Larry KING and Joe CHEWASTYK. Messrs. MARSHALL, PERRY, SMITH, and Secretary Joyce WENGER may have overheard parts of the conversation as they arrived for work. When KITLER saw that I was taking his comments very seriously, he tried to downplay the issue in an attempt to cool down the matter. It was also KITLER's responsibility to originally bring up the issues that I had made in my February 17 comments concerning the Polar Crane Load Test and the application of procedures AP 1043 and AP 1047. My February 17 comments had reflected negatively on his failure to raise the same issues.

On page 23 I discuss the BLIZZARD phone calls to Larry KING, Gloria KING, and Benjamin SLONE. Upon further reflection, I believe the calls occurred sometime between February 14 and the time Larry KING was escorted off-site. SLONE since has told me that BLIZZARD called for him a number of times. BLIZZARD also made phone calls to Ronnie MUCHA in Ohio about the same matter. MUCHA, at that time, was SLONE's fiancée. After a conversation on or around February 23 with SLONE about the BLIZZARD phone calls, SLONE had mentioned to me that he talked to RIDER about BLIZZARD's offer. According to SLONE, RIDER stated that Bechtel was interested in having Quiltec consider a consulting contract because of an upcoming reorganization at TMI-2. I advised SLONE not to touch that contract with a ten foot pole.

On pages 27 and 28, I discuss KING's suspension from TMI-2 for his alleged conflict of interest due to his association with Quiltec. Concerning Quiltec, in the July/August 1982 time frame Ed KITLER asked me if I would talk to Larry KING about lining up a job for KITLER with Quiltec at the PALATKA Coal Fire Plant in Florida. I called up SLONE and referred him to KITLER at the latter's request and SLONE handled

the matter with KITLER from that point on. Also, during the July/August 1982 time frame, Larry KING asked me to line up a typist for some resumes for Quiltec. I obtained the services of Rose LITTLE and she typed up various resumes that were generic in nature. I recall that some of the resumes were those of Larry KING, Bill AUSTIN, Kingsly DRAPER, and possibly Ken LYON-ARENDS. Also during the July/August 1982 time frame, I recall that Rich GALLAGHER asked me either when KING was going to leave for Quiltec, or if KING ^{was} ^{RF} ~~were~~ Quiltec. I told GALLAGHER to ask KING.

Richard W. Anderson
At the April 26 congressional hearing, it was stated that Mr. THEISING first learned of Quiltec in November 1982. Around the November/December 1982 time period, I remember Ben SLONE talking to me about Joe CHWASTYK's involvement with Larry KING and CHWASTYK's attempt to obtain a position with Quiltec. I know that CHWASTYK attended a Quiltec meeting with KING, SLONE, and Gloria KING at the KINGS' house during this time period. It was also during this time frame that CHWASTYK went to Beaver Valley with John HOAG, a relative of King's and also a member of Quiltec. At Beaver Valley, CHWASTYK contacted Don SKIDMORE of Duquense Light Company, the licensee at Beaver Valley, about a Quiltec proposal and possible contract at Beaver Valley. CHWASTYK later told me that when Beaver Valley came through none of us would have to worry about the way Bechtel is trying to move the schedule ahead and take over things. The SO staff was generally aware of CHWASTYK's and KING's involvement with Quiltec. It was also during this time frame that KITLER made a comment to me that Larry KING should be careful because it was starting to get around about KING and Quiltec. I told KITLER that KING was not the most discreet individual about maintaining a low profile on the Quiltec matter, because he did not believe he had done anything wrong.

I believe it is significant that Mr. THEISING, the head of Recovery Programs, chose not to confront KING for an explanation or to suggest counseling on proper business practices. Instead, he sat on the information until KING backed the SO staff in challenging Bechtel's shortcuts on the polar crane program, and when KING was solidifying

his legal responsibility within the chain of command. Then all of a sudden the issue became a major scandal, and simultaneously Bechtel attempted to recruit KING into engaging in serious conflicts of interest with Quiltec. Although KING did not respond to the improper temptation, he was fired anyway.

Around February 1983 I recall that Jim THEISING and Bill AUSTIN went on a skiing trip. During the congressional hearing on April 26, it was stated that in February THEISING, while on a business trip, was told a second time about KING's involvement with Quiltec. Possibly this was the business trip that was referenced in the congressional testimony.

Richard D. Fisher
Sometime during the latter part of 1982 or the first part of 1983, Dick JUBBA of Nine Mile Point, an employee of Bechtel, phoned Larry KING and asked him some questions about Quiltec and KING's involvement with Quiltec. I recall, from conversations with Larry and Gloria KING, that there were two phone calls from JUBBA on this matter, the second around the time KING was suspended. I was in KING's house when the second phone call was received.

I feel that the Quiltec matter displayed a double standard and was definitely blown out of proportion. In the nuclear energy industry one is always mindful of the various opportunities available for advancement and promotion at other nuclear sites. Only two GPU employees left for Quiltec, Mike HERLIHY and Ted RECKERT. Both of them were leaving anyway, however. Further, they approached Quiltec for a job. KING did not recruit them. In fact, I am not aware of any instance where KING solicited or tried to "seduce" GPU employees to work for Quiltec, as claimed by GPU at the April 26 congressional hearing. Although a number of GPU employees had resumes with Quiltec, it was always at their own initiative. From my conversations with them, I know that they were looking for jobs at other firms as well. In my 5½ years experience with the commercial nuclear industry, nothing occurred with respect to Quiltec that was inconsistent with normal practices in the industry.

In fact, I was first hired by GPU in a manner similar to how Quiltec operates. While I was working for Energy Consultants, Inc., my subsequent employer NUS sent a proposal that included my resume to GPU

without first checking with Energy Consultants. NUS is a job shopper similar to Quiltec. GPU did not condemn my hiring but has condemned KING and Quiltec. Further, TMI employees such as CHWASTYK and KITLER were not fired or even officially disciplined, to my knowledge, for their active efforts to obtain business for Quiltec.

It was during the first part of January that Ed KITLER told me his transfer to Florida had been arranged. KITLER asked if I would take over his position as Startup and Test Manager. I immediately talked to Dave Buchannon, who was head of Design Engineering for GPU, and told him that I would take KITLER's job only if it were transferred to Site Operations. BUCHANNON stated that he didn't know anything about the KITLER transfer and that he would look into it. KITLER did stay on site. However, he was absent from TMI-2 the week after KING's suspension. KITLER returned on or about March 8 or 9. After he returned I asked Dave BUCHANNON how he got KITLER to stay. BUCHANNON stated that he worked out a deal with BARTON to get KITLER's per diem taken care of although it was supposed to have run out. Dwight WALKER headed up the Test Work Group -- one of KITLER's normal duties -- while KITLER was gone.

KANGA, in his testimony before Congress on April 26, stated that he first heard of KING's involvement with Quiltec on February 24 and that he, KANGA, was on sick leave that day. KANGA stated that he received a phone call on the matter while he was at home. He said the phone call was from BARTON, and was made at approximately 6:00 P.M. to the best of my recollection. I also recall, however, that Larry KING told me of a meeting^{he} had with KANGA on-site the same day KANGA supposedly was sick, February 24, at 1:00 P.M. The meeting concerned the containment entry procedure and was cut off for a fire safety meeting. It was during ~~this~~ meeting that KING told KANGA that he was legally supposed to be in charge of the TMI-2 cleanup, but that it was apparent THEISING wanted to run the show. LARSON, who was head of licensing, the same day had earlier informed KING that he was in charge of the recovery operations. At the February 24 containment entry procedure meeting, KANGA also told KING that he was the boss and this fact was to be put in writing. This was in reference to KING being made the alternate to KANGA and thus officially designating someone in upper management who

fire/safety meeting and witnessed
KING, KANGA, THEISING and CHWASTYK
attending between 2:30 and 3:00 p.m.
rp

Richard D. Sachs

met the ANSI standards as plant manager or alternate plant manager. This meeting illustrates how TMI-2 management waited to use Quiltec against KING until immediately after his responsibilities and authority were finally clarified. It may also demonstrate that Mr. KANGA was less than candid with Congress about the Quiltec matter.

On page 31 of my affidavit I refer to a February 28 meeting. At the meeting THEISING made a statement that he could understand why certain people were afraid of a transfer. The comment came about as a result of our discussion on the NRC examining the polar crane issue at that time and Ed KITLER being called in by NRC and interviewed by Joel WEIBE. We also were talking about Larry KING's suspension in the same context. We were told that the NRC was not finding any problems with the polar crane. THEISING's remark about a transfer, which I felt was obviously directed at me, was a result of comments on these topics.

On page 32 I began a series of comments on memos that Joe CHWASTYK and I wrote, basically concerning the application of AP 1043 and AP 1047 to the Polar Crane Load Test. CHWASTYK was in full philosophical agreement with those memos. I feel that CHWASTYK believed he was only going to be Acting Site Operations Director for a short time. In a meeting with the SO staff right after he assumed the acting position, CHWASTYK predicted that the KING incident would be over and KING would be back on the job the next week. In fact, on one occasion during that time I showed CHWASTYK some meeting minutes and said it was obvious that the polar crane was not ready. CHWASTYK said I should get the information to Larry KING. However, after a few weeks I got the impression that CHWASTYK's opinion of what would happen in the KING matter had changed. I also believe that CHWASTYK, as he attended the various recovery meetings, realized that KING was not going to return and that management considered me as an obstacle the same as KING had been. I believe that CHWASTYK knew that my wife was dead as did most of the SO staff, because I had never made a secret of that tragedy. When CHWASTYK made his phone call to Gloria KING and stated that my wife was trying to dig up something on the child custody case, I feel it was CHWASTYK's indirect way of trying to tell me that I was targeted as KING had been.

Reviewed by Paula

I believe that CHWASTYK was replaced with BARTON as Acting Site Operations Director because GPU investigators on the KING matter had spoken with CHWASTYK and discussed his involvement with QUILTEC. After one such meeting, CHWASTYK told me that he had just attended one of his last meetings at TMI-2. There was ^{no immediate} ~~never any formal~~ disciplinary action taken against CHWASTYK for his activities on behalf of Quiltec, however. Instead, there was a more subtle response such as making his Acting SO Director status temporary. I also understand that during this time period CHWASTYK was taken off a TV commercial that GPU was to air.

Richard J. Dahlen
On page 33 I mention that BARTON accused Joyce WENGER of xeroxing and taking to Larry KING a memorandum that had been missing on February 28 but had reappeared the morning of March 1. The memo in question was the so-called "Smoking Gun" Memo" that KING had written to KANGA and BARTON about his concerns on the lack of an Integrated Head Lift Schedule and failure to meet previous commitments. I think the memo number was around 069, but I am not sure of this. I recall that on Monday morning February 28, Joyce WENGER had made the comment to the SO staff in general that the memo was missing from the file and that she was looking for it. She also said that KING wanted his copy of the memo. On Tuesday morning, the memo appeared back in the file.

On page 45 I explained that on March 10 I had a discussion with Carl HRBAC, Ed GISCHEL and another member of Plant Engineering concerning the fact that ARNOLD had asked Larry KING about my involvement with Quiltec. I believe that the other member of Plant Engineering was Jim HENDERSON.

On page 46 I mention a 1:30 meeting that I had with Joe CHWASTYK on March 10, 1983. That meeting was held in CHWASTYK's office and the only other person that heard part of the conversation was CHWASTYK's secretary, Bonnie SHERWOOD. CHWASTYK started this conversation as we were walking into his office. Bonnie was sitting right there and may have overheard the first part of the conversation before CHWASTYK closed the door to his office.

I also recall that on the same day CHWASTYK had previously held a meeting with the Site Operations supervisors. In that meeting CHWASTYK stated that somebody had been communicating to NRC on a daily basis. CHWASTYK reminded us that we should be mindful of the story of the boy who cried wolf.

On page 47 I made mention of Joe CHWASTYK's March 10, 1983 phone call to Gloria KING, when he stated that my wife was trying to dig up some negative information for the child custody case. After I was put on leave of absence, I remember talking to CHWASTYK by phone. I told him that I had interpreted this statement to Gloria KING as a friendly warning to me. At the time, CHWASTYK did not disagree. CHWASTYK had originally called Gloria and asked her about leaks to the press. The press leaks were in reference to an article in the Washington Post, by Susan STRANAHAN, on the GPU-Babcock and Wilcox trial. The article appeared on February 13, less than two weeks before Larry KING was suspended.

On page 49 I discussed my March 15 meeting with Messrs. SANFORD, WHEELER, and HOFFMAN. I did not observe any notes being taken during that meeting. However, Mr. HOFFMAN was sitting behind me and it was possible that he took notes during this meeting. When I arrived for the meeting that morning Mr. SANFORD asked me when I had arrived in Gaithersburg, whether I had left Gaithersburg the night before or that morning, and what time I had left.

On page 50 I made mention of the break-in of my apartment which I discovered around 7:30 A.M. on Wednesday, March 16, the first time I returned to my apartment after the meeting with Mr. SANFORD. I had last left the apartment on Monday evening, March 4, around 9:00 P.M. When I returned I noticed that the deadbolt lock on the front door was open, although I always keep it locked. That must be how the intruders left. They came in through the patio door, which was still 1.5 inches open. The lock had been tampered with; the marks were still visible. I checked and saw that my tax papers had been gone through and restacked neatly in

the wrong order. Some background information about the Government Accountability Project had been lying on the coffee table and also had been reshuffled. I reported this burglary investigation to the Middletown police. To this date, there has been no disposition.

I also would like to point out that on Monday afternoon, March 14, I was cleaning out my desk at work. Bubba MARSHALL, Jim FLOYD, and Joe CHWASTYK, as well as Bonnie, the temporary secretary, were present at the time. Earlier in the day I had asked CHWASTYK if I could use the Site Operations staff to go through work documents on the head lift and show the hours expended by SO. I wanted to research how the conflicting head lift and polar crane schedules affected the efficiency and effectiveness of SO work, which I believe had suffered because of the conflicting schedules. CHWASTYK told me that a task force was going to come up with a total integrated schedule and that the work would not be needed.

On page 52 I made mention of a 1:00 p.m. meeting on March 17 with KANGA and CHWASTYK concerning my removal as the primary Site Operations member on the Test Work Group (TWG) for the polar crane project. I will add that earlier that day I had met with CHWASTYK on the same subject. CHWASTYK since has told my attorney that at the time I agreed with and welcomed the decision, because I had become too personally involved with and emotional about the polar crane. I can state without question that I did not express any such agreement. Indeed, I was already preparing a complaint for the Department of Labor challenging the last time my duties had been removed like that -- on February 23 with the alternate startup and test supervisor position. Further, I complained to Bubba MARSHALL that same day about what had happened with the TWG.

With respect to KANGA asking me twice at the March 17 meeting to agree that my removal was not an act of intimidation, I will add that after I refused the second time to say what he wanted, KANGA had CHWASTYK sign on the spot the memo authorizing my removal.

During Early July (2 July 6, 1983) I attended a town meeting held in Middletown Pa. Bob Areld was in attendance. During this meeting he stated publicly that he was the one who decided to have me removed from site and to not allow me to return.

rp

I have read the foregoing statement consisting of 13 typed pages. I have made and initialed any necessary corrections and have signed my name in ink on the margin of each page. I swear that the foregoing statement is true and correct, to the best of my knowledge and belief. Signed on July 25 1983 at Bethesda MD.

SIGNATURE:

Richard D. Parks
RICHARD D. PARKS

Subscribed and sworn to before me this 25th day of July,
at BETHESDA, MD.

INVESTIGATOR:

R. A. Meeks
Name: RONALD A. MEEKS

WITNESS:

Bill Beach
Name: A. BILL BEACH
Title: SENIOR REACTOR ENGINEER, OIE

Richard D. Parks

CONFIDENTIAL

Bechtel

Power Corporation

Interoffice Memorandum

To H. D. Bruner
Subject Quiltech, Inc.

Date March 2, 1983

From J. W. Thiesing

Of Recovery Programs

Copies B. K. Kanga

At TMI-2 Administration Bldg.

My inquiries related to Quiltech, Inc. resulted from concerns brought to me as a member of the management chain in the integrated GPUN recovery organization by Bill Austin in early February. The chronology of events related to this issue is presented below.

At the time Ben Sloan left GPU, in May or June 1982, comments were made to me by GPU persons, whose identity I cannot recall, to the effect that Sloan was being very secretive about his future plans and that it was rumored that he was in some business relationship with Larry King. I passed this off as idle conversation.

In September or October of 1982, Mike Herlihy, SRG Manager, left GPUN. I was again told, probably by Dave Buchanan, that Herlihy would not divulge his future intentions, but it was rumored that he was to be associated with Ben Sloan. Soon thereafter, Ted Reckert, Plant Engineering, left GPUN. I was told by someone in GPU, probably Buchanan, that he was going out on his own to work in Texas.

Late in 1982, Ken Lionarens, Plant Engineering, resigned. At that time, information again surfaced from Buchanan and/or Bill Austin that he was going to work for some company in which Larry King had an interest.

On February 2, 1983, while on a business trip with Bill Austin, he raised the issue of the recently-departed GPUN personnel and stated that he (Austin) felt reasonably sure that Herlihy, Reckert, Sloan and Lionarens had departed GPU directly to an engineering job-shop of which Larry King was either president or, in some other way, had a substantial business interest. Bill expressed a concern regarding management inaction on this issue since we had lost four good performers to the same alleged source and he believed that more were to follow. I told Bill that I would check into the matter and get back to him. Bill told me at that time that he believed the name of the company in question was Quill Engineering. I believed it likely that any information I would obtain later regarding Quill Engineering would be devoid of a King involvement.

On about February 14, when I returned from vacation, I called Bechtel Project Procurement and asked that they run a vendor information survey on Quill Engineering (what Quill Engineering was, where it was located, who its

Bechtel North American Power Corporation

CONFIDENTIAL

H. D. Bruner

3/2/83

Page 2

officers were, personnel resumes, etc.). I called Project Procurement on about February 16 and was informed that they had had no luck. Quill wasn't in Dunn & Bradstreet or in any of their usual references.

That same day, I asked Dave Buchanan if he had a more accurate corporate name. He said he believed the name was Quill Tech, Inc., and that he had heard someone suggest in the past that the company was located in Virginia. I called Project Procurement on February 17 and suggested they check recent corporate registrations in Virginia.

I called Project Procurement on another matter on February 22 and inquired about the vendor survey. I was informed that they had located Quiltech, Inc. in the Virginia corporate registry, which provided the following information:

Quiltech, Inc.

John Hoade - Treasurer/Business Agent, Lynchburg, VA

Larry P. King, Jr. - President

Ben Sloan - Vice President

A Ms. King (?) - also an officer.

I was told that their telephone inquiries had provided the following:

Quiltech's telephone number is (516) 929-8300, ext. 357 or 249

Quiltech has an office at 704 Lynden Rd., Hershey (533-7342) and also an address at #4 Rosedale, Hershey.

I then asked the Project Procurement representative if he knew who any of these people were and he said he didn't. I informed him who Larry P. King and Ben Sloan were. From this point on, I believe there were no further Bechtel-initiated contacts with Quiltech. I subsequently learned, on February 23, that Procurement had no other contacts except a call on February 22 from a woman who was believed to be Ms. King. She accused Project Procurement of misrepresenting Bechtel's interests, etc.

Because of his previous statements of concern, I called Dave Buchanan to my office on February 22 and asked him to reiterate his previous comments regarding substantive connections between former GPUN employees and Quiltech. Dave quoted Ted Reckert as having told him that Ted was working for Quiltech at Shoreham. He quoted Ken Lionarens as having said he was working for the same company as Reckert. Dave quoted Ted Reckert as having told him that Mike Herlihy was also working for Quiltech. Rich Galligher was called in at Dave's suggestion and he said that Ben Sloan had told him last summer that Larry King was president of Quiltech. Rich also said that he had discovered Rose Rittle (Bechtel engineering secretary) typing Quiltech resumes after hours last summer. She had said that Rick Parks (Bechtel operations engineer in Plant Operations) had asked her to do the typing for him. (I have not yet pursued this issue.)

Bechtel North American Power Corporation

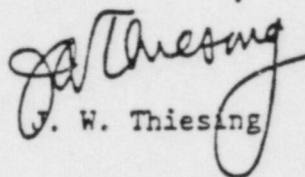
CONFIDENTIAL

H. D. Bruner


3/2/83

Page 3

Late in the day on February 22, I presented the information to John Barton. Due to Bahman Kanga's illness on February 23 and 24, John and I did not contact him until the afternoon of the 24th, at home. With John Barton's knowledge, I called you on February 23 in the evening and summarized the situation.


J. W. Thiesing


JWT:pft



① Hollis : RV!

② George Mulley - pls.
handle.

Am 7/2/84





OFFICE OF THE
SECRETARY

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

June 28, 1984

Hollio
George Mulley GM
same for CAR
7/2/84

MEMORANDUM FOR: George Messenger, Acting Director, OIA

FROM: Samuel J. Chilk
Secretary of the Commission

SUBJECT: OIA INVESTIGATION INTO PARKS' ALLEGATIONS
REGARDING TMI-2

By letter dated November 10, 1983 the Government Accountability Project (GAP), on behalf of Richard Parks, requested the Commission to have an independent organization reopen the investigation of Mr. Parks' allegations regarding NRC conduct at Three Mile Island, Unit 2 (TMI-2). The Commission has determined that Mr. Parks' allegations warrant further inquiry in certain areas, and that OIA should conduct that inquiry.

OIA should contact GAP to reinterview Mr. Parks to determine in what specific ways, as alleged by GAP, the summary of the Parks' interview in the OIA report "does not accurately reflect either the facts of the case or the presentation made to OIA by Mr. Parks and his counsel." Given Mr. Parks' desire to sign his statement, OIA should attempt to obtain a sworn statement on this issue from Mr. Parks.

OIA should also further pursue those aspects of the allegations, as set forth below, regarding (1) providing draft versions of NRC reports to the utility for comment, (2) breaching Mr. Parks' confidentiality, and (3) making representations to the public inconsistent with allegedly "private" memos to the licensee. On the first matter, OIA in reinterviewing Mr. Parks should pursue the statement in his March 21, 1983 affidavit that "[s]everal sources previously had shared with me their understanding that prior to issuing formal NRC letters, Barrett's practice has been to first submit his drafts to Bob Arnold or B. Kanga for editing and comments." OIA should attempt to determine who these sources were, if it has not already done so, and interview them. OIA should also interview Mr. King regarding this matter, if possible. On the second matter, the breach of confidentiality, OIA should interview pertinent GPU/Bechtel personnel. OIA should pursue the third matter by interviewing pertinent

83-45

members of the Concerned Mothers of Middletown and by determining why notes to the licensee, such as the disapproval of the polar crane procedures, were apparently not placed in the PDR. OIA should also attempt to obtain from GAP the handwritten notes between Barrett and GPU which GAP referred to during Parks' interview and which GAP considered improper. OIA, if it obtains the notes, should pursue the allegations in an appropriate manner.

cc: Chairman Palladino
Commissioner Gilinsky
Commissioner Roberts
Commissioner Asselstine
Commissioner Bernthal
OGC
OPE



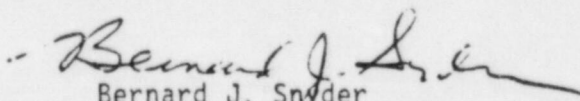
UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

July 22, 1983

NOTE TO: Pat McKenna
OIA

FROM: Bernard J. Snyder
TMIPO

Enclosed for your information is a copy of a recent memo sent by H. Denton to Ben Hayes which you may find useful. In particular I want to bring to your attention the response to question number 3 which discusses the review of draft procedures from GPU.


Bernard J. Snyder
TMIPO

Enclosure: As stated

cc: H. Denton
L. Barrett

83-4-1 83-43
41



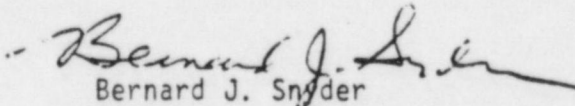
UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

July 22, 1983

NOTE TO: Pat McKenna
OIA

FROM: Bernard J. Snyder
TMIPO

Enclosed for your information is a copy of a recent memo sent by H. Denton to Ben Hayes which you may find useful. In particular I want to bring to your attention the response to question number 3 which discusses the review of draft procedures from GPU.


Bernard J. Snyder
TMIPO

Enclosure: As stated

cc: H. Denton
L. Barrett

83-4-5
411

July 18, 1983RAWeller

MEMORANDUM FOR: Ben E. Hayes, Director
Office of Investigations

FROM: Harold R. Denton, Director
Office of Nuclear Reactor Regulation

SUBJECT: REGULATORY CRITERIA FOR OVERSIGHT OF-THE TMI-2 CLEANUP

This memorandum is in response to your memorandum, dated June 23, 1983, which contained six questions regarding the regulatory framework for NRC oversight of the TMI-2 cleanup. Enclosed are the responses to those questions.

If you have any additional questions related to the regulatory basis for TMI-2 oversight, please contact me or B. Snyder, Program Director, TMIPD.

Original Signed by
H. R. Denton

Harold R. Denton, Director
Office of Nuclear Reactor Regulation

Enclosure: As stated

OFFICE	TMIPD:NRR	PD:TMIPD:NRR	DE:NR	D:NR			
UNAME	RAWeller:b2	BJSnyder	EGCase	HRDenton			
DATE	7/17/83	7/18/83	7/18/83	7/18/83			

RESPONSES TO QUESTIONS FROM
OFFICE OF INVESTIGATIONS

Question 1. Are the license and the Technical Specifications the governing documents for the regulatory requirements for TMI-2 including the recovery program?

Response:

The TMI-2 Operating License (No. DPR-73) and proposed Technical Specifications are the principal governing documents for TMI-2 regulatory requirements; however, there are additional requirements in the form of Commission Orders (e.g., NRR Director's Order to process high level waste water in the Submerged Demineralizer System, dated June 18, 1981, Enclosure 1). Further guidance is provided in Commission Policy Statements (e.g., Commission's Policy Statement on the Staff's PEIS, dated April 27, 1981, Enclosure 2).

The principal action which established the regulatory requirements for TMI-2 was the NRR Director's Order of February 11, 1980 which was provided to you as an enclosure to my memorandum of June 8, 1983. This Order imposed a single new mode of operation, the Recovery Mode*, and proposed Appendix A Technical Specifications to reflect the damaged condition of the facility. Minor changes were also made to the Appendix B Technical Specifications.

The requirements of the proposed Technical Specifications were made immediately effective but have not yet been formally incorporated into the license, awaiting completion of the hearing process. Just one intervenor remains with contentions related to the proposed Technical Specifications and efforts are currently underway to negotiate resolution of the outstanding contentions to eliminate the need for a hearing. Changes to the proposed Technical Specifications have been approved by subsequent amendment of the February 11, 1980 Order by the Director, NRR.

The license requirements for TMI-2 are unique in several respects. First, the operation of the facility is specifically limited to the Recovery Mode and all other modes are precluded. Second, the detailed surveillance requirements for implementing the proposed Technical Specifications were put into the Recovery Operations Plan which is not considered to be a part of the Technical Specifications. The reason for not including the Recovery Operations Plan in the Technical Specifications is the recognition of the need to make expedient changes to the Recovery Operations Plan (i.e., the surveillance requirements) to reflect the changing conditions in the plant without having to formally amend the license. Additionally, the Organization Plan for TMI-2 is not a part of the proposed Technical Specifications, recognizing the need for periodic changes in the Plan to reflect the changing plant conditions as the cleanup progresses. Neither the Recovery Operations Plan nor the Organization Plan contains provisions or limitations of the type specified in 10 CFR Part 50.36 which must be included as Technical Specifications.

*Although the term, "Recovery Mode", was used for a short while after the accident, there is no decision to recover the plant for future operation. "Recovery" is used in the sense of cleanup and recovery from the accident.

All Recovery Operations Plan and Organization Plan changes are approved by the NRC TMIPO. Third, the proposed Technical Specifications require NRC (i.e., TMIPO) approval of all plant procedures which involve any health or safety-related considerations for maintenance of the plant in the safe shutdown condition and the conduct of cleanup activities (see attached Appendix A Technical Specification Section 6.8, Enclosure 3). This NRC approval includes all the procedures related to Recovery Operations Plan implementation and procedures which involve core cooling, radiological releases, systems important to nuclear safety, and radwaste processing and storage. The overall impact of the TMI-2 license requirements is an unusually high degree of regulatory oversight of all licensee activities by a fairly large group of NRC staff, about 25 individuals, with about 15 at the site. This requirement for NRC approval of essentially all detailed procedures is unique in the domestic nuclear power industry.

Question 2. Does the NRC TMIPO have the authority to approve modifications to the TMI-2 Facility for which the licensee has concluded that the margin of safety as defined in the bases for any technical specification is reduced per 50.59 (a)(2)(iii) without the licensee submitting a license amendment per 50.59 (c)(2)?

Response:

The TMIPO does not have the authority to approve modifications to the TMI-2 facility for which the licensee has concluded that the margin of safety as defined in the bases for any technical specification is reduced per 50.59 (a)(2)(iii) without the licensee submitting a license amendment per 50.59 (c)(2). GPUNC was advised by letter (Enclosure 4), dated July 20, 1981, that changes to the facility and the conduct of tests and experiments were subject to the requirements of 10 CFR Part 50.59. Both GPUNC and the TMIPO have applied the requirements of 10 CFR Part 50.59 (Changes, tests and experiments) in the same manner as it would be applied to any licensed commercial nuclear power plant. It should be noted that although the 50.59 criteria is generic, its implementation requires engineering judgment which must consider the specific safety aspects of the licensee's change or test. This is true for all nuclear power plant 50.59 or Significant Hazards decisions, including TMI-2.

Typically, GPUNC submits to the NRC a Technical Evaluation Report (TER) to describe a proposed change, test or experiment in the facility (e.g., insertion of the Axial Power Shaping Rods, TER dated June 15, 1982). The TER contains the safety evaluation of the proposed change and an evaluation to determine whether the proposed change, test or experiment involves a change in the technical specifications or an unreviewed safety question. GPUNC applies the criteria of 10 CFR Part 50.59 (a)(2) to make the determination regarding the unreviewed safety question and there has been no relaxation of the criteria on anyone's part. We then perform an independent technical review, calling for assistance as required from staff in NRR and NMSS or from outside expert consultants as was done in our review of the polar crane requalification.

Question 3. Are you aware that TMIPO is reviewing draft procedures prior to all parties in the licensee's review process reviewing and concurring in the procedure?

Response:

I am aware that the TMIPO is reviewing draft procedures prior to final review and concurrence in the GPUNC review chain and I approve of this practice as a means of safely expediting the cleanup in the public interest.

Following publication in March 1981 of the staff's Final PEIS related to TMI-2 cleanup, the Commission issued a Policy Statement, dated April 27, 1981, on the PEIS. In that Policy Statement, the Commission, recognizing the risks to public and worker health and safety inherent in cleanup delays, cited the desirability of expediting the cleanup. Accordingly, in the interest of expediting a safe cleanup, the TMIPO implemented the practice of reviewing draft procedures from the licensee for the conduct of significant activities. This practice makes sense for several reasons. First, in accordance with the Technical Specifications, the onsite staff of the TMIPO reviews a significant number of procedures, approximately 1000 per year. The most effective and efficient use of staff time and licensee time in these reviews suggests that NRC concerns with individual procedures be provided in the early stages of procedure development. These concerns are usually voiced at the engineer (TMIPO) to engineer (GPUNC) level of procedure development and review, and prior to final review and concurrence in the GPUNC organization. It is clear that this level of interchange does not bind NRC to a position for the purposes of final approval. This practice has the overall effect of expediting the writing of satisfactory procedures and, correspondingly, the conduct of safe cleanup activities in the public interest. The TMIPO, however, also reviews the final version of the procedure approved by the licensee. Subsequent to GPUNC final concurrence, the TMIPO formally reviews and approves the procedure to assure that the activity will be conducted so as to maintain public health and safety and is consistent with the established regulatory requirements.

Question 4. Has the NRC agreed to relax, either formally or informally, the rules which determine an unreviewed safety question for 10 CFR 50.59 with respect to the TMI-2 Recovery Program?

Response:

As stated in the response to Question 2, the NRC has not relaxed or altered the criteria or rules in which a determination of "unreviewed safety question" (10 CFR Part 50.59) is made. The criteria of 10 CFR Part 50.59 (a)(2) is applied at TMI-2 in the same fashion as at other licensed nuclear power plants.

Question 5. Has the NRC agreed to relax 10 CFR Part 50, Appendix B requirements for Design Control, Procedure and Drawing Control; Document Control; Test Control, or Inspection Test and Operation status with respect to the TMI-2 Recovery Program?

Response:

The NRC has not relaxed, or altered in any fashion, any requirements of Appendix B, Quality Assurance Criteria for Nuclear Power Plants and Fuel Reprocessing Plants, in the oversight of the TMI-2 cleanup. GPUNC developed a Recovery Quality Assurance Plan for the recovery (cleanup) period to assure compliance with the Quality Assurance Criteria of 10 CFR Part 50, Appendix B. This plan was established to replace the "Operational Quality Assurance Plan for Three Mile Island Nuclear Station" since the only allowable mode of operation for TMI-2 is the Recovery Mode. The plan covers the various aspects of plant construction, modification and operation for the Recovery Mode and will be implemented throughout the remainder of the cleanup.

Question 6. Has the NRC agreed to relax any of the standards for personnel qualifications other than those specifically indicated in the Facility Technical Specifications?

Response:

The NRC/TMIPO has not agreed either verbally or in writing, to relax any of the standards for personnel qualifications. The TMI-2 Technical Specifications and the TMI-2 Organizational Plan are the regulatory documents that establish personnel requirements. Technical Specification 6.3, Unit Staff Qualifications, defines the requirements for the various staff positions. Actual verification of the TMI-2 personnel qualifications with the requirements of Technical Specification 6.3 was scheduled for early 1983 but has not been performed by the NRC/TMIPO and is pending NRC staff approval of a recent TMI-2 reorganization which established the Safety Review Group (see Enclosure 5, Organization Plan Revision No. 6).



ENCLOSURE 1

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

June 18, 1981

Docket No. 50-320

Mr. Gale Hovey
Vice President and
Director of TMI-2
Metropolitan Edison Company
P.O. Box 480
Middletown, PA 17057

Dear Mr. Hovey:

The Director of the Office of Nuclear Reactor Regulation has issued the enclosed Order for the Three Mile Island Nuclear Station, Unit 2.

This Order is effective immediately and requires that you shall promptly commence and complete processing of the intermediate level contaminated water in the auxiliary building tanks and the highly contaminated water in the reactor building sump and in the reactor coolant system using the Submerged Demineralizer System with effluent polishing by the EPICOR-II system, if necessary.

A copy of the related Safety Evaluation Report (NUREG-0796) is also enclosed.

Sincerely,

A handwritten signature in cursive script, reading "Bernard J. Snyder", is written over the typed name.

Bernard J. Snyder, Program Director
TMI Program Office
Office of Nuclear Reactor Regulation

Enclosures:

1. Order
2. Safety Evaluation Report Related to the
Operation of the Submerged Demineralizer System
at Three Mile Island Nuclear Station, Unit 2
NUREG-0796, June 1981

Mr. Gale Harvey
Metropolitan Edison Company

Mr. J. J. Barton
Manager, Site Operations, TM-2
Metropolitan Edison Company
P. O. Box 480
Hackettstown, PA 17057

Mr. E. D. Fuller
TM-2 Licensing Supervisor
Metropolitan Edison Company
P. O. Box 480
Hackettstown, PA 17057

Mr. E. G. Wallace
PUB Licensing Manager
GPU Service Corporation
100 Interpace Parkway
Fairfield, NJ 07034

Mr. J. B. Liberman, Esquire
Berlitz, Liberman, Liberman
26 Broadway
New York, NY 10004

Mr. G. F. Troubridge, Esquire
Shaw, Pittman, Potts & Trowbridge
1800 N Street, N.W.
Washington, DC 20036

Dr. Walter H. Jordan
881 W. Outer Drive
Oak Ridge, TN 37830

Dr. Linda W. Little
5000 Northlawn Drive
Raleigh, NC 27612

Karin W. Carter, Esquire
505 Executive House
P. O. Box 2757
Harrisburg, PA 17120

Honorable Mark Cohen
512 E-3 Main Capital Building
Harrisburg, PA 17120

Ellyn Weiss, Esquire
Sheldon, Herman, Reisman & Weiss
1725 I Street, N.W., Suite 506
Washington, DC 20006

Mr. Steven C. Sholly
304 S. Market Street
Mechanicsburg, PA 17055

Mr. Thomas Gersusy
Bureau of Radiation Protection
P. O. Box 2063
Harrisburg, PA 17120

Mr. Marvin I. Lewis
6504 Bradford Terrace
Philadelphia, PA 19149

Ms. Jane Lee
R. D. 3, Box 3521
Littles, PA 17318

Walter V. Cohen, Consumer Advocate
Department of Justice
Strawberry Square, 14th Floor
Harrisburg, PA 17127

Robert L. Knapp, Esquire
Assistant Solicitor
Knapp and Andrews
P. O. Box 8
407 N. Front Street
Harrisburg, PA 17108

John L. Henton, Chairperson
Dauphin Co. Board of Commissioners
Dauphin County Courthouse
Front and Market Streets
Harrisburg, PA 17101

Robert O. Phillips
Chesapeake Energy Alliance
809 Moncalier Street
Baltimore, MD 21218

Chauncey Kaufman
Judith H. Jamesford
Environmental Coalition on Nuclear Power
433 Orin Avenue
State College, PA 16801

Ms. Frieda Berryhill, Chairperson
Coalition for Nuclear Power Plant
Postponement
2810 G. Avenue Drive
Birmingham, DE 19803

Holly T. Kocs
Anti Nuclear Group Representing Town
745 N. Philadelphia Street
York, PA 17404

John Lewis, Esquire
Pennsylvania Public Utilities Commission
P. O. Box 3285
Harrisburg, PA 17120

Jordan B. Cunningham, Esquire
Fox, Furr and Cunningham
1320 S. Second Street
Harrisburg, PA 17110

Ms. Kathy McCaughin
Three Mile Island Alert, Inc.
23 South 21st Street
Harrisburg, PA 17104

Ms. Marjorie R. Amos
S. D. 25
Catasville, PA 19320

Ms. Karen Sheldon
Sheldon, Herman, Reisman & Weiss
1725 I Street, N.W., Suite 506
Washington, DC 20006

Earl S. Hoffman
Dauphin County Commissioner
Dauphin County Courthouse
Front and Market Street
Harrisburg, PA 17101

Government Publications Section
State of Library of Pennsylvania
Box 1801 Education Building
Harrisburg, PA 17127

Dr. Edward G. Seartz
Board of Supervisors
Lansdowne Township
870 E. Lyons Church Road
Hackettstown, PA 17057

U. S. Environmental Protection Agency
Region III Office
ATTN: ITS Coordinator
Curtis Building (Sixth Floor)
6th and Walnut Streets
Philadelphia, PA 19106

Dauphin County Office Emergency
Preparedness
Court House, Room 7
Front and Market Streets
Harrisburg, PA 17101

Department of Environmental Resources
ATTN: Director, Office of
Radiological Health
P. O. Box 2063
Harrisburg, PA 17108

Governor's Office of State
Planning and Development
ATTN: Coordinator, Pennsylvania
Clearinghouse
P. O. Box 1323
Harrisburg, PA 17120

Mrs. Rhonda O. Carr
1402 Havana Drive
Harrisburg, PA 17109

Mr. Richard Roberts
The Patriot
612 Market Street
Harrisburg, PA 17108

Mr. Robert S. Barsun
Babcock & Wilcox
Nuclear Power Generation Division
Suite 420, 7735 Old Georgetown Road
Bethesda, MD 20814

Ivan V. Setch, Esquire
Atomic Safety and Licensing Board
U. S. Nuclear Regulatory Commission
Washington, DC 20555

Atomic Safety and Licensing Board Panel
U. S. Nuclear Regulatory Commission
Washington, DC 20555

Atomic Safety and Licensing Appeal Panel
U. S. Nuclear Regulatory Commission
Washington, DC 20555

Debate and Service Section
U. S. Nuclear Regulatory Commission
Washington, DC 20555

William Lockstat
104 Greer Lab.
Pennsylvania State University
University Park, Pennsylvania 16802

Virginia Southern, Chairperson
Citizens for a Safe Environment
264 Wilson Street
Lancaster, PA 17603

SAFETY EVALUATION BY THE OFFICE OF NUCLEAR REACTOR REGULATION

METROPOLITAN EDISON COMPANY

JERSEY CENTRAL POWER AND LIGHT COMPANY

PENNSYLVANIA ELECTRIC COMPANY

DOCKET NO. 50-320

THREE MILE ISLAND NUCLEAR STATION, UNIT NO, 2

Introduction

By letter dated May 6, 1981 (reference 1), the Metropolitan Edison Company (licensee) requested an exemption from the requirements of 10 CFR Part 50.71(e) to periodically update the TMI-2 final safety analysis report (FSAR). The exemption would be for the duration of the TMI-2 cleanup. In lieu of periodically updating the FSAR, the licensee has committed to submit a System Description (SD) and a Technical Evaluation Report (TER) for each major step of the cleanup.

Evaluation

The purpose of the requirements contained in 10 CFR Part 50.71(e) is to provide an updated reference document to be used in recurring safety analyses. As a result of the March 28, 1979, accident at TMI-2, power operation is no longer possible with TMI-2 in its present status but rather cleanup operations not anticipated in the design of the TMI facility nor described and analyzed in the TMI-2 FSAR must now be performed. The facility modifications and accompanying safety analyses for the cleanup operations are unique to the cleanup operations and such facility modifications would probably have to be removed prior to restoring TMI-2 to operation if such a decision is made at some future date. Therefore, the licensee has proposed that rather than modifying and updating the FSAR to describe and analyze the facility modifications associated with these cleanup operations, SDs and TERs be prepared and submitted to the NRC for each major step of the cleanup.

6/18/81

UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

In the Matter of

METROPOLITAN EDISON COMPANY,

ET AL.

(Three Mile Island Nuclear Station,
Unit No. 2)

Docket No. 50-320

ORDER

I.

Metropolitan Edison Company, Jersey Central Power and Light Company and Pennsylvania Electric Company (collectively, the licensee) are the holders of Facility Operating License No. DPR-73, which had authorized operation of the Three Mile Island Nuclear Station, Unit 2 (TMI-2) at power levels up to 2772 megawatts thermal. The facility, which is located in Londonderry Township, Dauphin County, Pennsylvania, is a pressurized water reactor previously used for the commercial generation of electricity.

II.

Following the accident of March 28, 1979, by Order for Modification of License, dated July 20, 1979, the licensee's authority to operate the facility was suspended and its authority was limited to maintenance of the facility in the present shutdown cooling mode (44 F.R. 45271, August 1, 1979). By further Order of the Director, Office of Nuclear Reactor Regulation, dated February 11, 1980, a new set of formal license requirements was imposed to reflect the post-accident condition of the facility and to assure the continued maintenance of the current safe,

stable, long-term cooling condition of the facility (45 F.R. 11282, February 20, 1980).

As a result of the accident, about 700,000 gallons of highly contaminated water are standing in the Reactor Building sump and an additional approximately 95,000 gallons of highly contaminated water are contained in the reactor coolant system. In addition to the highly contaminated water, approximately 100,000 gallons of intermediate level water is being held in Auxiliary Building tanks. Although the highly contaminated waste water is presently safely contained in the Reactor Building sump and reactor coolant system, its presence there constitutes a continuing risk of leakage to the environment and prevents or hinders the performance of the major decontamination activities. The Commission has clearly stated its intent that the licensee proceed expeditiously with all decontamination activities consistent with protection of the public health and safety and the environment. (Statement of Policy; Programmatic Environmental Impact Statement of the Cleanup of Three Mile Island Unit 2, 46 F.R. 24764 (May 1, 1981).)

The licensee has constructed the Submerged Demineralizer System ("SDS") for processing (decontamination) of this highly contaminated water. After processing by the SDS, the water may, if necessary, be further processed ("polished") by the EPICOR-II system, which has been previously used to decontaminate water which was located in Auxiliary Building tanks. The intermediate level water which has accumulated since processing of the Auxiliary Building water with the EPICOR-II system will

also be processed with the SDS in order to minimize generation of solid waste and to check out the operation of the SDS. The SDS system has been thoroughly reviewed by the NRC Staff and the conclusions of that review are set forth in the Staff's Safety Evaluation Report (NUREG 0796, June 1981). The EPICOR-II system had been previously reviewed and approved by the Staff for treatment of Auxiliary Building water and has been further reviewed for its polishing application to the SDS effluent.

After processing, the decontaminated water would be stored in onsite tanks and the filters and zeolite ion exchanger vessels used in the SDS decontamination process would be temporarily stored underwater in the TMI-2 spent fuel storage pool. The EPICOR II resin liners, if any, would be temporarily stored in the existing onsite storage modules. The Department of Energy has stated its willingness to utilize and retain for research and development purposes the high specific activity zeolite solid wastes resulting from operation of the SDS. Low specific activity wastes (including filters) resulting from these operations should be suitable for disposal by shallow land burial. The processed water will be stored on site in available tankage until its disposition is proposed by the licensee, reviewed by the Staff and approved by the Commission.

On the basis of its review, the Staff has determined that processing of the Reactor Building sump and reactor coolant system highly contaminated water with the SDS and EPICOR II system would (1) enable the decontamination of the TMI-2 facility to proceed and (2) place the radioactivity in the waste water into an immobilized state from which

release to the environment is much less likely. Processing of the Auxiliary Building tankage intermediate level water with the SDS would minimize generation of solid waste and enable the licensee to check out the operation of the SDS.

The Staff has determined that the public health, safety and interest require that the licensee promptly commence and complete processing of the highly contaminated Reactor Building sump and reactor coolant system water and the intermediate level water in the Auxiliary Building tanks with the SDS and, if necessary, polishing by the EPICOR-II system.

. III.

Accordingly, pursuant to sections 103, 161b and 161i of the Atomic Energy Act of 1954, as amended, and the Commission's Regulations in 10 C.F.R. Parts 2 and 50, IT IS ORDERED EFFECTIVE IMMEDIATELY THAT:

The licensee shall promptly commence and complete processing of the highly contaminated Reactor Building and reactor coolant system water and the intermediate level water in the Auxiliary Building tanks with the SDS and, if necessary, the EPICOR II system.

IV.

The licensee or any person whose interest may be affected by this Order may, within thirty (30) days of the date of publication of this Order in the Federal Register, file a request for a hearing with respect to this Order, pursuant to 10 C.F.R. §2.714. A request for a hearing shall be submitted to the Office of the Secretary, U. S. Nuclear Regulatory Commission, Washington, D. C. 20555, Attention: Docketing and

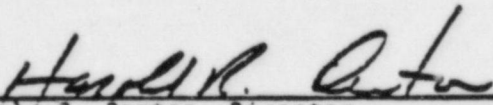
Service Section, by the above date. A copy of the request for a hearing should also be sent to the Executive Legal Director, U. S. Nuclear Regulatory Commission, Washington, D. C. 20555. Any request for a hearing shall not stay the immediate effectiveness of this Order.

If a hearing is requested by the licensee or other person who has an interest affected by this Order, the Commission will issue an order designating the time and place of any such hearing. If a hearing is held, the issue to be considered at such hearing shall be:

Whether on the basis of the matters set forth in section II of this Order, this Order should be sustained.

The NRC Staff's Safety Evaluation Report (NUREG 0796) is available for inspection and copying, for a fee, at the Commissions Public Document Room, 1717 H Street, N. W., Washington, D. C. 20555 and at the State Library of Pennsylvania, Government Publications Section, Education Building, Commonwealth and Walnut Streets, Harrisburg, Pennsylvania 17126. Copies are also available for inspection at the NRC's office at 100 Brown Street, Middletown, Pennsylvania 17057. Copies may be purchased for \$4.50 directly from NRC by sending check or money order, payable to Superintendent of Documents, to Director, Division of Technical Information and Document Control, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555. GPO Deposit Account holders may charge their orders by calling (301) 492-9530. Copies are also available for purchase through the National Technical Information Service, Springfield, Virginia 22161.

FOR THE NUCLEAR REGULATORY COMMISSION



Harold R. Denton, Director
Office of Nuclear Reactor Regulation

Dated at Bethesda, Maryland
this 18th day of June, 1981.



ENCLOSURE 2

UNITED STATES NUCLEAR REGULATORY COMMISSION

Office of Public Affairs
Washington, D.C. 20555

No. 81-69
Tel. 301/492-7715

FOR IMMEDIATE RELEASE
(Tuesday, April 28, 1981)

NRC ISSUES POLICY STATEMENT ON CLEANUP OF THREE MILE ISLAND PLANT

A policy statement which will help to accelerate cleanup activities at the Three Mile Island Unit 2 nuclear power plant in Pennsylvania has been approved by the Nuclear Regulatory Commission, Chairman Joseph M. Hendrie said today.

Issuance of the statement follows completion by the NRC staff of the final programmatic environmental impact statement on all phases of the cleanup at Three Mile Island. This statement was issued in March 1981.

"I believe this policy statement is a major step forward. Now that the environmental impact statement has been published, the Commission believes that Metropolitan Edison should accelerate the pace of the cleanup to complete all decontamination activities expeditiously, consistent with ensuring protection of the public health and safety and the environment," Chairman Hendrie said.

Under the policy statement, the NRC staff may act on each major cleanup activity if the activity and associated environmental impacts fall within the scope of those already assessed in the programmatic environmental impact statement (PEIS). The staff will keep the Commission informed of staff actions on each major activity prior to staff approval of the major activity. If any cleanup activity and associated environmental impacts fall outside the scope of those already assessed in the PEIS, the NRC staff will complete the necessary reviews in accordance with the National Environmental Policy Act and NRC requirements, and submit recommendations to the Commission.

Any future proposal for disposition of processed accident-generated water will be referred to the Commission for approval.

"The first major activity to be addressed is cleanup of the 700,000 gallons of highly contaminated water in the reactor containment building. I have directed the staff to expedite its review of the system proposed for use to clean up this water, and I believe processing should be able to start this summer," Chairman Hendrie said.

Chairman Hendrie emphasized that the Commission expects to receive continuing advice from the TMI-2 Advisory Panel which the Commission established to provide independent advice from local officials, scientists and individuals in the area. This advice will be important to the Commission throughout the cleanup to accomplish expeditious and safe cleanup of the TMI-2 facility. A copy of the Commission policy statement is attached.

#

Attachment

STATEMENT OF POLICY RELATIVE TO THE
NRC PROGRAMMATIC ENVIRONMENTAL IMPACT STATEMENT ON THE
CLEANUP OF THREE MILE ISLAND UNIT 2

AGENCY: U.S. Nuclear Regulatory Commission.

ACTION: Statement of Policy.

SUMMARY: On November 21, 1979, the Nuclear Regulatory Commission directed the staff to prepare a Programmatic Environmental Impact Statement (PEIS) on the decontamination and disposal of radioactive wastes resulting from the March 28, 1979 accident at Three Mile Island, Unit 2. A Statement of Policy and Notice of Intent regarding that decision was published in the Federal Register on November 27, 1979 (page 67738). As stated at that time: "In the Commission's judgment an overall study of the decontamination and disposal process will assist the Commission in carrying out its regulatory responsibilities under the Atomic Energy Act to protect the public health and safety as decontamination progresses. It will also be in keeping with the purposes of the National Environmental Policy Act to engage the public in the Commission's decision-making process, and to focus on the environmental issues and alternatives before commitments to specific clean-up choices are made." As directed, the Commission's staff has now completed a final programmatic environmental impact statement on all phases of the cleanup of TMI Unit 2 to meet the foregoing objectives.

Preparation of this final statement has had the benefit of extensive comments from government agencies and the public. Comments on the draft PEIS from the Advisory Panel for the Decontamination of TMI-2 (a panel which the Commission established to provide independent advice from local officials, scientists and individuals in the area) had not been received prior to completion of the PEIS. However, the Commission has now received the Panel's

comments and finds that the staff's final PEIS is responsive to those comments. The Commission concludes that this statement satisfies our obligations under the National Environmental Policy Act (NEPA).

Now that the environmental impact statement for TMI-2 has been published, the Commission believes that the licensee should accelerate the pace of the cleanup to complete expeditiously all decontamination activities consistent with ensuring protection of public health and safety and the environment.

As the licensee proposes specific decontamination alternatives for each major cleanup activity, the staff will determine whether these proposals and the associated impacts that are predicted to occur fall within the scope of those already assessed in the PEIS. If they do not, additional reviews will be undertaken in accordance with NEPA. Each proposed cleanup activity will be carefully reviewed to assure that all applicable NRC requirements to protect the health and safety of the public are met. If a specific proposal requires an amendment to the facility operating license, public notice will be provided in accordance with Commission regulations. The staff may act on each major cleanup activity if the activity and associated environmental impacts fall within the scope of those already assessed in the PEIS. The staff will keep the Commission informed of staff actions on each major activity prior to staff approval of the major activity.

If any cleanup activity and associated environmental impacts fall outside the scope of those already assessed in the PEIS, the staff shall complete necessary reviews in accordance with NEPA and NRC requirements, and submit recommendations to the Commission.

Any future proposal for disposition of processed accident-generated water shall be referred to the Commission for approval.

On September 26, 1980, this Commission issued a Statement of Policy on the Pennsylvania Public Utility Commission's order to the licensee to cease and desist from using any operating revenues for cleanup and restoration costs at TMI-2 which are not covered by insurance. We reiterate here our previous position that we will not excuse the licensee from compliance with any order, regulation or other requirement imposed by this Commission to protect public health and safety and the environment.

Furthermore, the cleanup should be carried out in accordance with the criteria in Appendix R of the PEIS as well as in conformance with the existing operating license (DPR-73) and with previously imposed orders.^{*/} The Appendix R criteria specify limits on the doses which may result to offsite individuals from radioactive effluents resulting from cleanup and decontamination activities. Those criteria supplement the existing restrictions on the licensee's cleanup activities.

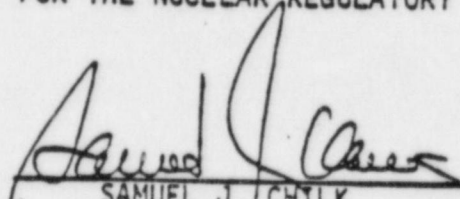
The Commission expects to receive continuing advice from the TMI-2 Advisory Panel on major activities required to accomplish expeditious and safe

^{*/} The licensee's authorization under license DPR-73 has been modified through the order issued February 11, 1980, the modification of order issued August 11, 1980, and the amendment of order issued November 14, 1980.

cleanup of the TMI-2 facility. This advice will be important to the Commission throughout the cleanup process.

Dated at Washington, DC, this 27th day of April 1981.

FOR THE NUCLEAR REGULATORY COMMISSION


SAMUEL J. CHILK
Secretary of the Commission

ADMINISTRATIVE CONTROLS

6.7 SAFETY LIMIT VIOLATION

6.7.1 The following actions shall be taken in the event a Safety Limit is violated:

- a. The Safety Limit violation shall be reported to the Commission, the Vice President TMI-2 and to the GRC Chairman as soon as possible within the first 8 hours following the Safety Limit violation.
- b. A Safety Limit Violation Report shall be prepared. The report shall be reviewed by the Plant Operations Review Committee. This report shall describe (1) applicable circumstances preceding the violation, (2) effects of the violation upon unit components, systems, or structures, and (3) corrective action taken to prevent recurrence.
- c. The Safety Limit Violation Report shall be submitted to the Commission, the GRC Chairman and the Vice President TMI-2 within 14 days of the violation.

6.8 PROCEDURES

6.8.1 Written procedures shall be established, implemented and maintained covering the activities referenced below:

- a. The applicable procedures recommended in Appendix "A" of Regulatory Guide 1.33, Revision 2, February 1978.
- b. Recovery Operations Plan implementation.
- c. Surveillance and test activities of safety related equipment and radioactive waste management equipment.
- d. Security Plan implementation.
- e. Emergency Plan implementation.
- f. Radiation Protection Plan implementation.

ADMINISTRATIVE CONTROLS

6.8 PROCEDURES (Continued)

- g. RECOVERY MODE implementation. (Specifically RECOVERY MODE procedures which involve a reduction in the margin of safety, including those which:)
1. Directly relate to core cooling.
 2. Could cause the magnitude of radiological releases to exceed limits established by the NRC.
 3. Could increase the likelihood of failures in systems important to nuclear safety and radioactive waste processing or storage.
 4. Alter the distribution or processing of significant quantities of stored radioactivity or radioactivity being released through known flow paths.

Pending approval by the NRC of written procedures required by 6.8.1 a. through g above, the licensee shall follow the previously approved procedures.

6.8.2 Each procedure of 6.8.1 above, and changes thereto, shall be reviewed by the Plant Operations Review Committee and approved by the Director Site Operations prior to implementation and reviewed periodically as set forth in administrative procedures. Each procedure of 6.8.1 b. and g. above, and changes thereto, shall be submitted to the NRC prior to implementation; these procedures, and changes thereto, shall be subject to approval by the NRC prior to implementation. The Director Site Operations shall have responsibility for determining which procedures are in the 6.8.1 b. and g. category.

6.8.3.1 Temporary changes to procedures of 6.8.1 a., c., d., e. and f. above may be made provided:

- a. The intent of the original procedure is not altered.
- b. The change is approved by two members of the unit management staff, at least one of whom holds a Senior Reactor Operator's License on the unit affected.
- c. The change is documented, reviewed by the Plant Operations Review Committee and approved by the Director Site Operations within 14 days of implementation.

6.8.3.2 Temporary changes to procedures of 6.8.1 b. and g. may be made provide the provisions of 6.8.3.1 are satisfied and the change is submitted to the NRC for review within 72 hours following approval by the Director Site Operations.

ENCLOSURE 4

JUL 20 1981

Docket No. 50-320

Mr. Gale K. Hovey
Vice President and
Director of TMI-2
Metropolitan Edison Company
P.O. Box 480
Middletown, Pennsylvania 17057

Distribution:

Docket File 50-320
NRC PDR
LPDR
TERA
TMI Site R/F
TMIPO R/F
BJSnyder
LBarrett
HRDenton
EGCase
RHartfield, MPA
GBennington, MPA
AFasano (TMI Site)
RConte (TMI Site)
LChandler, ELD
I&E (3)
BScharf (10)

ACRS (16)
OPA
SECY
OLynch
RWeller
DBrinkman
Service list
(see attached)

Dear Mr. Hovey:

The Nuclear Regulatory Commission has issued an exemption to the requirements of 10 CFR Part 50.71(e) to License No. DPR-73. This exemption deletes the requirements to periodically update the TMI-2 final safety analysis report (FSAR) to reflect facility changes made during the cleanup of TMI-2 and is in response to your request of May 6, 1981 (LL2-81-0114). We have concluded that your proposal to use Technical Evaluation Reports (TERs) for documenting these changes and associated safety evaluations is an acceptable alternative to updating the FSAR, provided the TERs are kept updated. Additionally, we will require that the System Descriptions for the major post-accident recovery systems (e.g., EPICOR-II, Mini Decay Heat Removal, Standby Pressure Control, Long Term B Cooling, Tank Farm, Solid Waste Staging Facility, etc.) are kept updated since there are no TERs for these systems. Therefore, as a condition of this exemption, we will require that at least once per six months, you review the TERs which have been issued and the System Descriptions for the major post-accident recovery systems and make any necessary updating revisions. For those System Descriptions which have not been docketed, we will require their submission on the docket within six months of this letter. Furthermore, any changes to the facility described in the TERs and System Descriptions, changes in the procedures described in the TERs and System Descriptions, and conducting of tests or experiments not described in the TERs and System Descriptions shall be subject to the requirements of 10 CFR Section 50.59.

We have determined that the granting of this exemption involves an action which is insignificant from the standpoint of environmental impact and that there is reasonable assurance that the health and safety of the public will not be endangered by this action. Having made this determination, we have further concluded that pursuant to 10 CFR §51.5 (d) (4) an environmental impact appraisal need not be prepared in connection with the granting of this exemption.

Mr. Gale K. Hovey

-2-

Copies of the related Safety Evaluation and the Notice of Issuance, which has been forwarded to the Office of the Federal Register for publication, are also enclosed.

Sincerely,

151

Bernard J. Snyder, Program Director
TMI Program Office
Office of Nuclear Reactor Regulation

Enclosures:

1. Safety Evaluation
2. Notice of Issuance

cc w/enclosures:
See attached

*See previous concurrences which are attached.

TMIPO:NRR

TMIPO:NRR

OELD

TMIPO:NRR

*DBrinkman/pf

*RWeller

*SHLewis

BJSnyder

6/10/81

6/24/81

7/7/81

7/14/81

Docket No. 50-320

Mr. Gale K. Hovey
Vice President and
Director of TMI-2
Metropolitan Edison Company
P.O. Box 488
Middletown, Pennsylvania 17057

Dear Mr. Hovey:

The Nuclear Regulatory Commission has issued an exemption to the requirements of 10 CFR Part 50.71(e) to License No. DPR-73. This exemption deletes the requirements to periodically update the TMI-2 final safety analysis report (FSAR) to reflect facility changes made during the cleanup of TMI-2 and is in response to your request of May 6, 1981 (LL2-81-0114). We have concluded that your proposal to use Technical Evaluation Reports (TERs) for documenting these changes and associated safety evaluations is an acceptable alternative to updating the FSAR, provided the TERs are kept updated. Therefore, as a condition of this exemption, we will require that at least once per six months, you review and update, if necessary, the TERs which have been issued.

We have determined that the granting of this exemption involves an action which is insignificant from the standpoint of environmental impact and that there is reasonable assurance that the health and safety of the public will not be endangered by this action. Having made this determination, we have further concluded that pursuant to 10 CFR §51.5 (d) (4) an environmental impact appraisal need not be prepared in connection with the granting of this exemption.

Copies of the related Safety Evaluation and the Notice of Issuance, which has been forwarded to the Office of the Federal Register for publication, are also enclosed.

Sincerely,

Bernard J. Snyder, Program Director
TMI Program Office
Office of Nuclear Reactor Regulation

Enclosures:

1. Safety Evaluation
2. Notice of Issuance

TMIPD:HRB TMIPD:NRR OELD
DBrinkman:pf RWeller
6/10/81 6/24/81 6/7/81

TMIPD:NRR
BJSnyder
6/ /81

Also subject to change
in SER and Notice
discussed with Rick
Weller.

Distribution:

Docket No. 50-320	I&E (3)
NRC PDR	BScharf (10)
Local PDR	ACRS (16)
TERA	OPA
TMI Site R/F	SECY
TMIPD R/F	OLynch
BJSnyder	RWeller
LBarrett	DBrinkman
HRDenton	Service Lis
EGCase	(see attac
RHartfield, MPA	
GBennington, MPA	
AFasano (TMI Site)	
RConte (TMI Site)	
MDuncan	
LChandler, ELD	

Mr. Gale Hovey
Metropolitan Edison Company

Mr. J. J. Barton
Manager, Site Operations, TH1-2
Metropolitan Edison Company
P. O. Box 480
Middletown, PA 17057

Mr. E. D. Fuller
TH1-2 Licensing Supervisor
Metropolitan Edison Company
P. O. Box 480
Middletown, PA 17057

Mr. E. G. Wallace
Pul Licensing Manager
GPU Service Corporation
100 Interpace Parkway
Parsippany, NJ 07054

Mr. J. B. Liberman, Esquire
Berlack, Israels, Liberman
26 Broadway
New York, NY 10004

Mr. G. F. Trowbridge, Esquire
Shaw, Pittman, Potts & Trowbridge
1800 M Street, N.W.
Washington, DC 20036

Dr. Walter H. Jordan
881 W. Outer Drive
Oak Ridge, TN 37830

Dr. Linda W. Little
5000 Heritage Drive
Arlington, NC 27612

Karin M. Carter, Esquire
505 Executive House
P. O. Box 2357
Harrisburg, PA 17120

Honorable Mark Cohen
512 (-3) Main Capital Building
Harrisburg, PA 17120

Ellyn Weiss, Esquire
Sheldon, Harmon, Reisman & Weiss
1725 I Street, N.W., Suite 506
Washington, DC 20006

Mr. Steven C. Sholly
304 S. Market Street
Mechanicsburg, PA 17055

Mr. Thomas Gernusky
Bureau of Radiation Protection
P. O. Box 2063
Harrisburg, PA 17120

Mr. Marvin I. Lewis
6804 Bradford Terrace
Philadelphia, PA 19149

Ms. Jane Lee
R. D. J. Box 3521
Ettam, PA 17319

Walter M. Cohen, Consumer Advocate
Department of Justice
Strawberry Square, 14th Floor
Harrisburg, PA 17127

Robert L. Knapp, Esquire
Assistant Solicitor
Knapp and Anner
P. O. Box P
407 N. Front Street
Harrisburg, PA 17108

John E. Minnich, Chairperson
Dauphin Co. Board of Commissioners
Dauphin County Courthouse
Front and Market Streets
Harrisburg, PA 17101

Robert O. Pollard
Chesapeake Energy Alliance
609 Montpelier Street
Baltimore, MD 21218

Chauncey Keeford
Judith M. Johnson
Environmental Coalition on Nuclear Power
433 Orlando Avenue
State College, PA 16801

Ms. Frieda Berryhill, Chairperson
Coalition for Nuclear Power Plant
Postponement
2610 Grenon Drive
Wilmington, DE 19808

Holly S. Leck
Anti-Nuclear Group Representing 100
245 W. Philadelphia Street
York, PA 17404

John Levin, Esquire
Pennsylvania Public Utilities Commission
P. O. Box 3265
Harrisburg, PA 17120

Jordon D. Cunningham, Esquire
Fox, Fann and Cunningham
1999 N. Common Street

Ms. Kathy McCaughin
Three Mile Island Alert, Inc.
23 South 21st Street
Harrisburg, PA 17104

Ms. Marjorie M. Aamdt
R. D. JS
Coatesville, PA 19320

Ms. Karen Sheldon
Sheldon, Harmon, Reisman & Weiss
1725 I Street, N.W., Suite 506
Washington, DC 20006

Earl B. Hoffman
Dauphin County Commissioner
Dauphin County Courthouse
Front and Market Streets
Harrisburg, PA 17101

Government Publications Section
State of Library of Pennsylvania
Box 1801 Education Building
Harrisburg, PA 17127

Dr. Edmund O. Swartz
Board of Supervisors
Lonsberry Township
870 #1 Geyer Church Road
Middletown, PA 17057

U. S. Environmental Protection Agency
Region III Office
ATTN: EIS Coordinator
Curtis Building (Sixth Floor)
6th and Walnut Streets
Philadelphia, PA 19106

Dauphin County Office Emergency
Preparedness
Court House, Room 7
Front and Market Streets
Harrisburg, PA 17101

Department of Environmental Resources
ATTN: Director, Office of
Radiological Health
P. O. Box 2063
Harrisburg, PA 17105

Governor's Office of State
Planning and Development
ATTN: Coordinator, Pennsylvania
Clearinghouse
P. O. Box 1323
Harrisburg, PA 17120

Mrs. Rhonda O. Carr
1402 Monroe Drive
Harrisburg, PA 17109

Mr. Richard Roberts
The Patriot
812 Market Street
Harrisburg, PA 17105

Mr. Robert B. Borsus
Babcocks & Wilcox
Nuclear Power Generation Division
Suite 420, 7735 Old Georgetown Road
Bethesda, MD 20014

Ivan W. Smith, Esquire
Atomic Safety and Licensing Board
U. S. Nuclear Regulatory Commission
Washington, DC 20555

Atomic Safety and Licensing Board Panel
U. S. Nuclear Regulatory Commission
Washington, DC 20555

Atomic Safety and Licensing Appeal Panel
U. S. Nuclear Regulatory Commission
Washington, DC 20555

Docketing and Service Section
U. S. Nuclear Regulatory Commission
Washington, DC 20555

William Lochstat
104 Govey Lab.
Pennsylvania State University
University Park, Pennsylvania 16802

Virginia Southard, Chairman
Citizens for a Safe Environment
264 Walton Street
Lansdale, PA 17043

The SDs and TERs will include system descriptions and safety evaluations of the planned cleanup actions and will therefore provide the necessary information to describe and assess the cleanup operations as well as providing a record of the facility modifications necessary to perform the cleanup. Since the SDs and TERs will provide the same type of information that would be added to an updated FSAR and since the SDs and TERs will provide this information for the entire cleanup operation, we have concluded that the SDs and TERs will be an acceptable alternative to the requirements of 10 CFR Section 50.71(e) provided they are kept updated. To ensure that these documents are kept updated, we will require as a condition of granting this exemption that the licensee review them at least once per six months and make any necessary updating revisions. This will require updates more frequently than the annual updates required by Section 50.71 (e)(4) for FSARs. This augmented requirement is necessary because of the rapid pace at which some of the cleanup activities may be conducted. Furthermore, if a subsequent decision is made to restore TMI-2 to operation, the FSAR will then require updating in accordance with the requirements of 10 CFR Part 50.71(e).

Any changes in the facility described in the SDs and TERs, changes in the procedures described in the SDs and TERs, and conduct of tests or experiments not described in the SDs and TERs shall be subject to the requirements of 10 CFR Section 50.59.

Public Interest Considerations

Under 10 CFR Section 50.12(a), the Commission may grant exemptions from the requirements set forth in Part 50 if it determines that the exemptions are "authorized by law and will not endanger life or property or the common defense and security and are otherwise in the public interest". As analyzed above,

the SDs and TERs are a more appropriate vehicle than the FSAR for achieving the updating requirement of Section 50.71(e) during the cleanup period. It is consistent, therefore, with the purpose of Section 50.71(e) to allow this requested exemption. See Statement of Consideration, "Periodic Updating of Final Safety Analysis Reports", 45 F.R. 30614, May 9, 1980.. The exemption is authorized by law since it is consistent with the purpose of Section 50.71(e) and will not endanger life or property or the common defense and security since it does not relax any Commission requirement.

Significant Hazards Considerations

The granting of this exemption does not entail any significant hazards considerations since it merely permits an alternative form for the filing of required documentation with the Commission. The time interval for update of this information will be more frequent than required under the Commission's regulation. The granting of the exemption does not involve any increase in the probability or consequences of accidents previously evaluated nor the creation of the possibility of a different type of accident, nor does it reduce the margin of safety defined in the basis of any license requirements.

Conclusions

Based on the foregoing, we have determined that, pursuant to Section 50.12 of 10 CFR Part 50, a specific exemption for the duration of the cleanup operations as discussed above is authorized by law and can be granted without endangering life or property or the common defense and security and is otherwise in the public interest.

Furthermore, we have determined that the granting of this exemption does not authorize a change in effluent types or total amounts nor an increase in power level and will not result in any significant environmental impact. We have concluded that this exemption would be insignificant from the standpoint of environmental impact and pursuant to Paragraph (d)(4) of Section 51.5 of 10 CFR Part 51 that an environmental impact statement, or negative declaration and environmental impact appraisal, need not be prepared in connection with this action.

References

1. Letter to B. J. Snyder, NRC, from G. K. Hovey, Met Ed/GPU, dated May 6, 1981, (LL2-81-0114).

UNITED STATES NUCLEAR REGULATORY COMMISSIONDOCKET NO. 50-320METROPOLITAN EDISON COMPANY
JERSEY CENTRAL POWER AND LIGHT COMPANY
PENNSYLVANIA ELECTRIC COMPANYGRANTING OF RELIEF FROM REQUIREMENTS FOR UPDATING
FINAL SAFETY ANALYSIS REPORT

The U.S. Nuclear Regulatory Commission (the Commission) has granted an exemption from certain requirements of 10 CFR Part 50.71(e) to Metropolitan Edison Company, Jersey Central Power and Light Company, and Pennsylvania Electric Company. The exemption relates to the requirement for periodically updating the Final Safety Analysis Report (FSAR) for Three Mile Island Nuclear Station, Unit 2, located in Dauphin County, Pennsylvania. The exemption is effective as of its date of issuance.

The exemption deletes the requirement to periodically update the TMI-2 FSAR to reflect facility changes made during the cleanup of TMI-2 and provides for the use of System Descriptions (SDs) and Technical Evaluation Reports (TERs) for documenting these changes and associated safety evaluations. The exemption also requires that any changes to the facility described in the SDs and TERs, changes to the procedures described in the SDs and TERs, and conduct of tests or experiments not described in the SDs and TERs shall be subject to the provisions of 10 CFR Section 50.59.

The request for relief complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations. The Commission has made appropriate findings as required by the Act and the Commission's rules and regulations in 10 CFR Chapter I, which are set forth in the letter granting relief.

-2-

The Commission has determined that the granting of this relief will not result in any significant environmental impact and that pursuant to 10 CFR §51.5(d)(4) an environmental impact statement or negative declaration and environmental impact appraisal need not be prepared in connection with this action.

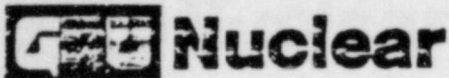
For further details with respect to this action, see (1) the request for relief dated May 6, 1981, (2) the Commission's letter to the licensee dated July 20, 1981, and (3) the Commission's related Safety Evaluation.

These items are available for public inspection at the Commission's Public Document Room, 1717 H Street, N.W., Washington, D.C. 20555 and at the Government Publications Section, State Library of Pennsylvania, Education Building, Commonwealth and Walnut Streets, Harrisburg, Pennsylvania 17126. A copy of items (2) and (3) may be obtained upon request addressed to the U.S. Nuclear Regulatory Commission, Washington, D.C. 20555, Attention: Director, TMI Program Office.

Dated at Bethesda, Maryland this 20th day of July, 1981

FOR THE NUCLEAR REGULATORY COMMISSION

Bernard J. Snyder, Program Director
Three Mile Island Program Office
Office of Nuclear Reactor Regulation



GPU Nuclear Corporation
Post Office Box 480
Route 441 South
Middletown, Pennsylvania 17057
717 944-7621
TELEX 84-2386
Writer's Direct Dial Number:

November 29, 1982
4410-82-L-0014

TMI Program Office
Attn: Dr. B. J. Snyder, Program Director
U. S. Nuclear Regulatory Commission
Washington, D.C. 20555

Dear Sir:

Three Mile Island Nuclear Station, Unit 2 (TMI-2)
Operating License No. DPR-73
Docket No. 50-320
Organization Plan Revision No. 6

Organization Plan Revision No. 5 was submitted to the NRC on August 5, 1982. At that time GPU indicated that a change in the TMI-2 safety review process was being planned. This proposed change is to implement that plan. It also includes the contents of Organization Plan Revision No. 5 recently approved by the NRC.

The proposed Revision No. 6 to the Organization Plan for TMI-2 is attached. The organization charts have been changed to eliminate the Generation Review Committee (GRC) under the Vice President - Technical Functions, and the Plant Operations Review Committee (PORC). The change also implements addition of the TMI-2 Safety Review Group (SRG) under the Licensing and Nuclear Safety Director. This change reflects a change in the review, approval, and audit process at TMI-2, similar in concept to the process being instituted at TMI-1, but differing where GPU believes the TMI-2 unique circumstances warrant. The proposed revision shifts the Review and Audit requirements from Section 6 of Appendix A of the Technical Specifications to the Organization Plan. The Technical Specifications require NRC approval of changes to the Organization Plan prior to implementation.

Figure 1-1 has also been modified to show the location of the Emergency Preparedness Organization reporting to the Nuclear Assurance Division. This is not an organizational change but simply an addition to the chart for completeness.

A Review and Audit section has been inserted into the Organization Plan to define the review, approval, and audit process to be implemented at TMI-2.

0009

8212060085 821129
PDR ADOCK 05000320
PDR

The process provides for interdisciplinary reviews, and independent technical and safety reviews of specified documents. The requirements for independent safety review of specified documents by the SRG is identified in this Organization Plan change. The SRG is a permanent, full-time group of qualified individuals designated to perform this function, replacing the previous PORC and GRC which were committees which convened periodically and sometimes with rotating personnel. GPU believes this altered organization will reduce unnecessary review, will permit expediting the review process, and will focus GPU resources on the areas which do require significant safety review.

A corporate procedure is being developed which defines a review and approval matrix identifying positions responsible for preparation, independent review and approval for various categories of documents. The use of SRG and other GPUNC departments/divisions as described in the Organization Plan and implementing corporate procedure provides an independent review function and eliminates the need for the presently existing PORC and GRC.

The proposed TMI-2 Safety Review Group (SRG) will satisfy the requirements for an independent, full-time, safety engineering staff to be located onsite. The SRG will be a group of technical personnel who are assigned onsite at TMI, and report to the Licensing and Nuclear Safety Director within the TMI-2 Division. The SRG will conduct an ongoing program to evaluate the technical adequacy of procedures and design changes important to safe operation of the plant as defined by the Organization Plan and implementing procedure(s). The SRG will evaluate TMI-2 operations from a safety perspective. Additionally, management audits of unit activities now performed under the cognizance of the GRC will continue to be performed under the cognizance of QA and the results will be forwarded to SRG, which will make recommendations on followup of audit findings as appropriate.

In replacing PORC with SRG, it was realized that SRG must be placed in the GPUNC organization in a way that assures independence from both plant operations and engineering. The appropriate placement was determined to be within the Licensing and Nuclear Safety Department which reports directly to the Office of the Director, TMI-2.

This organization operates independently from both plant operations and engineering and has the charter to advise the Office of the Director on all safety matters. The Manager, SRG also has the authority and responsibility to go directly to the Office of the President to obtain resolution on Nuclear Safety items on which the SRG disagrees with the TMI-2 Office of the Director.

The TMI-2 SRG functions as most licensee off-site review groups except that because almost all of the technical resources are located within TMI-2 Division it is appropriate to locate this safety review group within the TMI-2 Division. This placement of SRG provides additional independence beyond that presently possessed by PORC, which now reports within the Site Operations Department, parallel to both Plant Engineering and Operations.

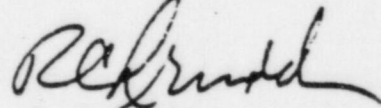
The SRG will consist of a Manager plus at least five qualified engineers as indicated in the Organization Plan. In addition, several technical analysts are included in this group to conduct operational trend analysis previously performed by the Technical Specification Compliance Group. The qualification requirements for these personnel are not as extensive as required for safety review engineers because the tech analysts will not perform sole safety review functions for SRG.

Independent Safety Review will be performed by SRG members with qualifications comparable to previous qualifications for GRC members.

Although not contained in the Organization Plan description, several other corporate review groups exist. NRC is aware of the General Office Review Board (GORB), Safety Advisory Board (SAB), and Technical Assessment and Assistance Group (TAAG). The GORB and the SAB report directly to the Office of the President, GPUNC and the TAAG reports to the Office of the Director, TMI-2 and are responsible for various independent assessments. For flexibility considerations in the unique TMI-2 circumstances, GPU does not wish to include these voluntary groups in the docketed Organization Plan. However, GPU will advise the NRC of any GPUNC intentions to disband these groups in advance of any actual changes.

Expeditious NRC approval of this proposed change is requested with a mutually agreeable implementation date to be established after receiving your approval so that GPU can make the appropriate staff assignments and provide adequate training.

Sincerely,



R. C. Arnold
President

RCA:JEL:sle
Attachment

cc: L. H. Barrett, Deputy Program Director, TMI Program Office

ORGANIZATION PLAN

TMI-2

ORGANIZATION PLAN - TMI-2

1.0 ORGANIZATION

The organization described in this Plan provides the necessary functional relationships to support the recovery of TMI-2. This Plan provides the organizational structure for management of unit operation and recovery in addition to that organization for unit support in the engineering function.

1.1 GPU Nuclear Corporation

The GPU Nuclear Corporation organization chart is shown in Figure 1.1. This organization provides engineering and management support for the operation and recovery of TMI-2.

1.2 TMI-2 Organization

The TMI-2 organization chart is shown in Figure 1.2. This organization performs those necessary activities associated with operations, maintenance, and recovery of TMI-2 in addition to engineering, licensing, and safety review and evaluation.

2.0 DEFINITIONS

- 2.1 TECHNICAL SPECIFICATIONS - The part of the TMI-2 Operating License which governs operating limits and administrative requirements for the power plant. The Technical Specifications reference the TMI-2 Organization Plan which defines organization and administrative requirements. The Organization Plan and changes thereto require NRC-TMIPO approval prior to implementation but are not part of the License or Technical Specification.
- 2.2 UNREVIEWED SAFETY QUESTION - As defined in 10CFR50.59 "A proposed change, test or experiment shall be deemed to involve an unreviewed safety question (1) if the probability of occurrence or the consequences of an accident or malfunction of equipment important to safety (ITS) previously evaluated in the Safety Analysis Report may be increased, or (2) if the possibility for an accident or malfunction of a different type than any evaluated previously in the Safety Analysis Report may be created, or (3) if the margin of safety as defined in the basis for any technical specification is reduced."

In addition, because of the uniqueness of TMI-2, - A proposed change, test or experiment shall be deemed to involve an unreviewed safety question if (1) the probability of occurrence may be increased or the consequences of an accident or malfunction of equipment Important To Safety (ITS) previously evaluated in the Technical evaluation Report (TER) or System Description (SD) or

Safety Evaluations previously submitted to NRC may be increased for activities not yet completed, or (2) the possibility of an accident or malfunction of a different type than any previously evaluated in the TER or SD or Safety Evaluations previously submitted to NRC may be created.

- 2.3 SAFETY EVALUATION - An evaluation which includes a determination of:
 - 2.3.1 Whether an unreviewed safety question is involved.
 - 2.3.2 Whether a Technical Specification Change or Recovery Operations Plan Change is needed.
 - 2.3.3 Whether a significant environmental impact would result.
 - 2.3.4 Whether a significant nuclear safety impact would result.
 - 2.3.5 Whether the margin of safety as defined in other Licensing Basis Documents is reduced.
- 2.4 TECHNICAL REVIEW - Reviewing a document for technical and safety adequacy. It includes a review and concurrence on:
 - 2.4.1 The necessity for a Cross-Disciplinary Technical Review.
 - 2.4.2 The safety evaluation.
- 2.5 CROSS-DISCIPLINARY REVIEW - A supplemental technical review by other organizations or disciplines upon which the document could have some effect. Such a review would be required when the scope of the review exceeds the assigned accountability and/or competence of the reviewer; or if it is a multi discipline review; or if it may have licensing implications. For example, a piping system change document might have to be reviewed by an electrical technical reviewer to determine the effect of a leak in the piping system on electrical components near the piping system.
- 2.6 RESPONSIBLE TECHNICAL REVIEWER - An individual or group other than the preparer of a document who performs a Technical Review. The Responsible Technical Review also concurs with the safety evaluation and Review Significance determination done by the Preparer. He must be knowledgeable and experienced in the area of the review, must be different from the preparer, but may be from the same organization as the preparer.
- 2.7 INDEPENDENT SAFETY REVIEW - This is an independent verification of the previous safety review of the Preparer. It includes a review of the document for safety adequacy/environmental impact, a review of the determination as to Review Significance and a review of any associated written safety evaluations. It further includes the review of the documentation of such reviews, and concurrence with a previous review. The Independent Safety Review will be performed

- by a person who must be knowledgeable and experienced in the area of the review and must not have direct responsibility for the performance of the activities under review but may be from the same functional organization as the Preparer. For items without Review Significance, the Independent Safety Review may also be performed by the Responsible Technical Reviewer. For items with Review Significance, the SRG performs the Independent Safety Review.
- 2.8 CONCURRENCE - Written agreement that the provisions in a document for which review has been requested are acceptable for implementation within, or from the standpoint of, the signer's area of responsibility.
- 2.9 SIGNIFICANT ENVIRONMENTAL IMPACT - Any release to the environment which would exceed criteria in Appendix I of 10CFR50, approach the effluent control limits in the Environmental Technical Specifications, approach the 10CFR100 limits, or exceeds levels assumed in accident analysis which show conformance with 10CFR100.
- 2.10 IMPORTANT TO SAFETY (ITS) - A special classification or category of those structures, systems, components and activities that provide reasonable assurance that the facility can be operated without undue risk to the health and safety of the public. It encompasses the broad class of plant features covered (not necessarily explicitly) in the General Design Criteria, (10CFR50 Appendix A) that contributes in important ways to the safe operation and protection of the public in all phases and aspects of facility operation (i.e., normal operation and transient control as well as accident mitigation). It includes Safety-Related as a subset.
- 2.11 SAFETY RELATED - The actions, structures, systems, and components that prevent or mitigate the consequences of postulated accidents that could cause undue risk to the health and safety of the public.
- 2.12 REVIEW SIGNIFICANCE - Items that are Important To Safety, or proposed changes to Technical Specifications, License, Special Orders or Agreements, Recovery Operations Plan, Organization Plan, or involve an Unreviewed Safety Question or a Significant Environmental Impact. Also, those system operating procedures and associated emergency, abnormal, alarm response procedures which require NRC approval. In addition, those activities which exceed PEIS values. Items which are determined to have Review Significance require line SRG review.
- 2.13 ORGANIZATION PLAN - As used in this document, the organization plan is the plan referenced by the TMI-2 Technical Specifications Appendix A Section 6.2 and submitted to the NRC for their approval prior to implementation. See 2.1 above.

2.14 REVIEW - As used in this plan, review except Technical Review and Independent Safety Review has two meanings:

2.14.1 Review for Concurrence - To be used when a document places requirements on the reviewing organization with which they should concur.

2.14.2 Review for Comment - Persons may be requested to review and comment (including alternative recommendations) to the Originator without concurrence.

2.15 PREPARER - The person who is responsible for the development of items such as Policies, Plans or Procedures. In the GPU Nuclear Corporate Policies, Plans and Procedure System, this person is referred to as the Originator.

2.16 PROGRAMMATIC ENVIRONMENTAL IMPACT STATEMENT (PEIS) - NRC document prepared to describe the environmental impact of the TMI-2 recovery program. Includes numerical impact values used to determine acceptability of the program.

2.17 RECOVERY MODE - A condition in which the reactor is subcritical with an average reactor coolant temperature of less than 280°F.

2.18 IMPLEMENTING APPROVAL - The signature of a Manager (or person with a higher title) which indicates that the product has been properly prepared and reviewed and is thereby released for implementation.

2.19 LICENSING BASIS DOCUMENT (LBD) - Any document which is recognized by a regulatory agency as part of the licensing basis of the plant. These documents include the FSAR, Technical Evaluation Reports (TERs), System Descriptions (SDs), Emergency Plan, Offsite Dose Calculation Manual, Security Plan, Fire Protection Plan, Quality Assurance Plan, PEIS, NPDES permit and any other similar documents which have been officially submitted to a regulatory agency.

3.0 ADMINISTRATION

3.1 Plan Approval and Audit

3.1.1 The docketed TMI-2 Organization Plan and changes thereto shall be approved by the Office of the President, GPU Nuclear Corporation.

3.1.2 Changes to the docketed Organization Plan shall be submitted to the NRC for approval prior to implementation.

3.1.3 The QA Department shall conduct annual audits to verify conformance of the organization with the Organization Plan. SRG shall review the results of such audits and make recommendations as appropriate.

3.2 Technical Specification Title Cross-Reference

This section has been deleted. The TMI-2 Recovery Technical Specifications have been revised to properly reflect GPUNC individual titles.

4.0 REVIEW AND AUDIT

4.1 Technical Review and Control

The Vice President and/or Director of each division within GPU Nuclear Corporation as indicated in Figure 1.1, shall be responsible for ensuring the preparation, review, and approval of documents required by the activities within their functional area of responsibility for TMI-2. Implementing approvals shall be performed at the cognizant section manager/director level or above. Independent safety review and audit shall be conducted in accordance with this Organization Plan.

For items such as those described in paragraphs 4.2.5.a, b and c, the RTR performs the initial screening to determine the requirement for line SRG review. For other items, such as those described in paragraphs 4.2.5.d, e and i., responsible line management in the affected departments has this responsibility.

- 4.1.1 Each procedure required by Technical Specification 6.8 and other procedures including those for test and experiments and changes thereto shall be prepared by a designated individual(s)/group knowledgeable in the area affected by the procedure. Each such procedure, and changes thereto, shall be given a technical review by an individual(s)/group other than the preparer, but who may be from the same organization as the individual who prepared the procedure or change.
- 4.1.2 Proposed changes to the Technical Specifications shall be reviewed by a knowledgeable individual(s)/group other than the individual(s) group who prepared the change, and the SRG.
- 4.1.3 Proposed modifications to unit structures, systems and components shall be designed by an individual/organization knowledgeable in the areas affected by the proposed modification. Each such modification shall be technically reviewed by an individual/group other than the individual/group which designed the modification but may be from the same group as the individual who designed the modification.
- 4.1.4 Proposed tests and experiments shall be reviewed by a knowledgeable individual(s)/group other than the preparer but who may be from the same division as the individual who prepared the tests and experiments.

- 4.1.5 The Security Plan and implementing procedures shall be reviewed by a knowledgeable individual(s)/group other than the individual(s)/group which prepared them.
- 4.1.6 The Emergency Plan and implementing procedures shall be reviewed by a knowledgeable individual(s)/group other than the individual(s)/group which prepared them.
- 4.1.7 The Recovery Operations Plan and implementing procedures and charges thereto shall be reviewed by a knowledgeable individual/group other than the individual/group which prepared them.
- 4.1.8 Individuals responsible for reviews performed in accordance with 4.1.1 through 4.1.7 shall include a determination of whether or not additional cross-disciplinary review is necessary. If deemed necessary, such review shall be performed by the appropriate personnel.
- 4.1.9 Written records of activities performed under specifications 4.1.1 through 4.1.8 shall be maintained.
- 4.1.10 Responsible Technical Reviewers shall meet or exceed the qualifications of ANSI/ANS-3.1 - 1978 Section 4.4 for Reactor Engineering, Instrumentation and Control, Chemistry and Radiochemistry, Radiation Protection and Quality Assurance Reviewers or have seven (7) years of appropriate experience in the area of their specialty. All other RTR's shall meet Section 4.6 i.e. shall either, (1) have a Bachelor's Degree in Engineering or the physical sciences and three years of professional-level experience in the area being reviewed or, (2) have seven years of appropriate experience in the field of their specialty. An individual performing reviews may possess competence in more than one specialty area. Credit toward experience will be given for advanced degrees on a one-for-one basis up to a maximum of two years.

4.2 Independent Safety Review Function

- 4.2.1 The Vice President and/or Director of each division within GPU Nuclear Corporation as indicated in Figure 1.1 shall be responsible for ensuring the Independent Safety Review of the subjects described in 4.2.5 within his assigned area of safety review responsibility.
- 4.2.2 Independent safety review shall be completed by an individual/group not having direct responsibility for the performance of the activities under review, but who may be from the same functionally cognizant organization as

the individual/group performing the original work. For those documents determined to be Review Significant, the Independent Safety Review shall be performed by or under the cognizance of SRG.

4.2.3 GPU Nuclear Corporation shall collectively have or have access to the experience and competence required to independently review subjects in the following areas:

- a. Nuclear unit operations
- b. Nuclear engineering
- c. Chemistry and radiochemistry
- d. Metallurgy
- e. Instrumentation and control
- f. Radiological safety
- g. Mechanical engineering
- h. Electrical engineering
- i. Administrative controls and quality assurance practices
- j. Emergency plans and related organization, procedures and equipment
- k. Other appropriate fields such as radioactive waste operation associated with the unique characteristics of TMI-2.

4.2.4 Consultants may be utilized to provide expert advice.

4.2.5 The following subjects shall be independently reviewed:

- a. Written safety evaluations of changes in the facility as described in the Safety Analysis Report, Technical Evaluation Reports, or docketed System Descriptions, of changes in procedures as described in the Safety Analysis Report, Technical Evaluation Reports, or docketed System Descriptions, and of tests or experiments not described in the Safety Analysis Report, Technical Evaluation Reports, or docketed System Descriptions, which are completed without prior NRC approval under the provisions of 10CFR 50.59(a)(1). This review by SRG is to verify that such changes, tests or experiments did not involve a change in the Technical Specifications or an Unreviewed Safety Question.
- b. Proposed changes in procedures, proposed changes in the facility, or proposed tests or experiments, any of which involves a change in the Technical Specifications or an unreviewed safety question shall be reviewed by SRG prior to implementation. Changes to Review Significant procedures which revision is not deemed to be Review Significant shall not be required to be reviewed by SRG prior to implementation.

- c. Proposed changes to Technical Specifications or license amendments shall be reviewed by SRG prior to submittal to the NRC for approval.
- d. Violations, deviations, and reportable events which require 24 hour reporting to the NRC in writing. Such reviews are performed after the fact. Review of events covered under this subsection shall include results of any investigations made and the recommendations resulting from such investigations to prevent or reduce the probability of recurrence of the event. SRG shall review all 24 hour reportable events and make recommendations as appropriate.
- e. Investigation of all violations of the Technical Specifications including the preparation and forwarding of reports covering evaluation and recommendations to prevent recurrence, shall be coordinated and reviewed by TMI-2 SRG.
- f. Special reviews, investigations or analyses and reports thereon as requested by the Office of the Director TMI-2 or the Licensing and Nuclear Safety Director shall be performed by TMI-2 SRG.
- g. Written summaries of audit reports in the areas specified in section 4.3.
- h. Recognized indications of an unanticipated deficiency in some aspect of design or operation of structures, systems, or components, that could affect nuclear safety or radioactive waste safety. If of Review Significance, SRG shall review.
- i. Any other matters involving safe operation of the nuclear power plant which the SRG deems appropriate for consideration, or which is referred to the SRG.

4.2.6 Reports of reviews encompassed in Section 4.2.5 shall be maintained.

4.3 Audits

4.3.1

Audits of unit activities shall be performed in accordance with the TMI-2 Recovery QA Plan. These audits shall encompass:

- a. The conformance of unit operations to provisions contained within the Technical Specifications and applicable license conditions at least once per 12 months.
- b. The performance, training and qualifications of the entire unit staff at least once per 12 months.
- c. The verification of the nonconformances and corrective actions program as related to actions taken to correct deficiencies occurring in unit equipment, structures, systems or methods of operation that affect nuclear safety at least once per 6 months.
- d. The performance of activities required by the Recovery Quality Assurance Plan to meet the criteria of Appendix "B", 10 CFR 50, at least once per 24 months.
- e. The Emergency Plan and implementing procedures at least once per 12 months.
- f. The Security Plan and implementing procedures at least once per 12 months.
- g. The Radiation Protection Plan and implementing procedures at least once per 12 months.
- h. The Fire Protection Program and implementing procedures at least once per 24 months.
- i. An independent fire protection and loss prevention program inspection and technical audit shall be performed annually utilizing either qualified offsite licensee personnel or an outside fire protection firm.
- j. An inspection and technical audit of the fire protection and loss prevention program, by an outside qualified fire consultant at intervals no greater than 3 years.
- k. Any other area of unit operation considered appropriate by the SRG or the Office of the President-GPUNC.

- 4.3.2 Audit reports encompassed by sections 4.3.1 shall be forwarded for action to the management positions responsible for the areas audited and SRG within 60 days after completion of the audit. SRG will review specified audits performed by QA and make recommendations as appropriate.

4.4 Safety Review Group (SRG)

Going to Tech. Spec.

- 4.4.1 The SRG shall be a full-time group of engineers, independent of the Site Operations or Engineering staff, and located onsite within the TMI-2 division. (See Figure 1.2).
- 4.4.2 The TMI-2 SRG shall consist of the Manager, SRG and a minimum staff of 5 engineers.
- 4.4.3 The SRG shall report to the Licensing & Nuclear Safety Department Director within the TMI-2 Division.
- 4.4.4 The review functions of the SRG shall include:
- 1) the independent safety review activities stated in Section 4.2.5.
 - 2) assessment of unit operations and performance and unit safety programs from a safety perspective..
 - 3) any other matter involving safe operations at the nuclear power plant that the Manager, SRG or Licensing and Nuclear Safety Director deem appropriate for consideration.
- 4.4.5 For those reviews requiring expertise outside that possessed by SRG, SRG is authorized to require reviews by other company groups as deemed appropriate by the Manager, SRG and Licensing and Nuclear Safety Director. SRG may also utilize consultant expertise as it deems appropriate.
- 4.4.6 The SRG shall have access to the unit and unit records as necessary to perform its evaluations and assessments. Based on its reviews, the SRG shall provide recommendations to the management positions responsible for the areas reviewed. The SRG shall have authority to require independent reviews by other organizations as necessary to complete its functional responsibilities.
- 4.4.7 The SRG engineers shall have either; (1) a Bachelor's Degree in Engineering or the Physical Sciences and five (5) years of professional level experience in the nuclear power field including technical supporting functions, or,

(2) 9 years of appropriate experience. Credit toward experience will be given for advance degrees on a one-to-one basis up to a maximum of two years.

- 4.4.8

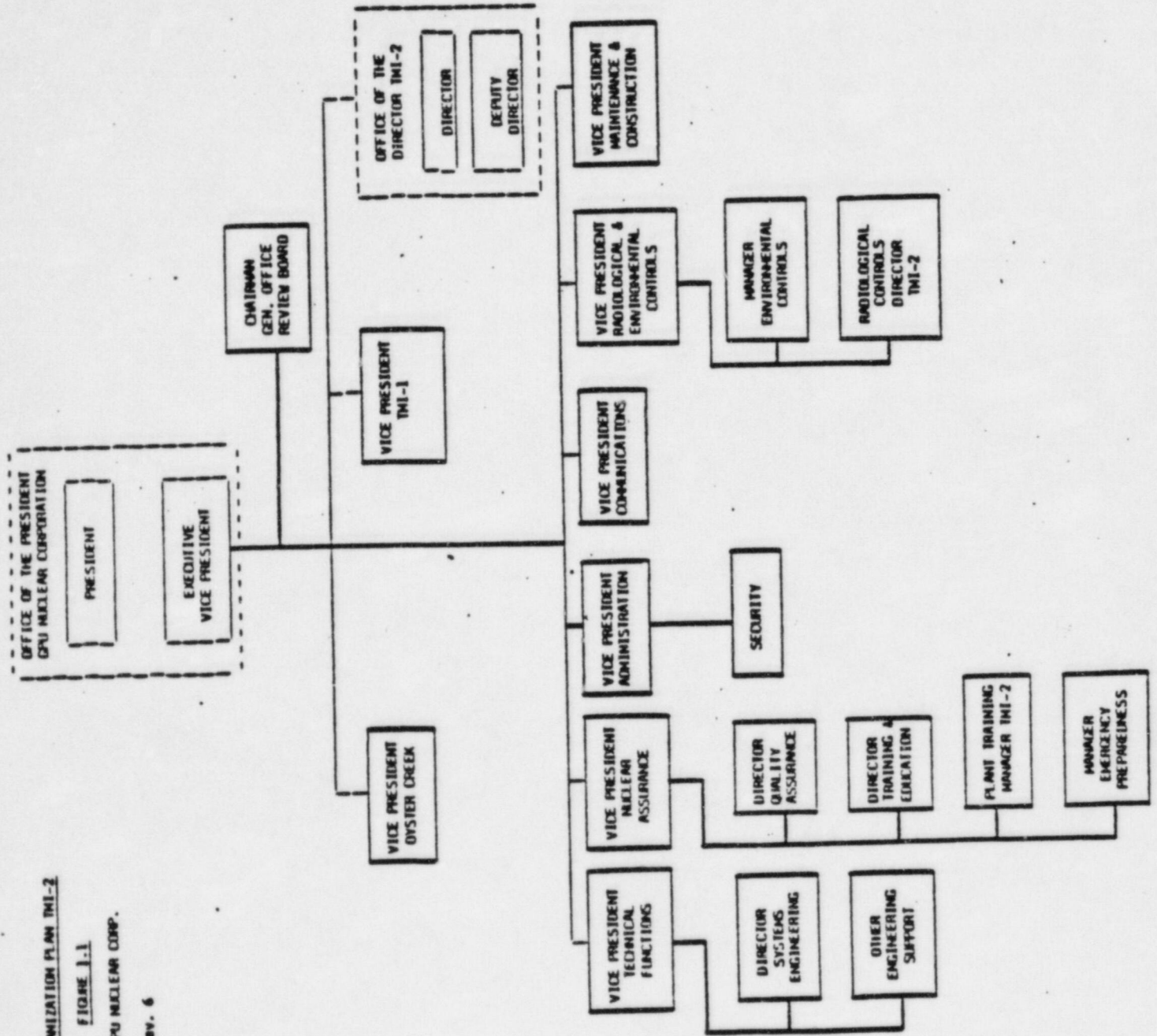
Although day to day results of evaluations by the SRG are communicated directly to the responsible department by the SRG, special reports are prepared only for items deemed appropriate by SRG as concurred with by the Licensing and Nuclear Safety Director. These reports of evaluations and assessments by SRG shall be prepared, approved, and then transmitted to the office of the Director, TMI-2 and the management position responsible for the area reviewed through the Licensing and Nuclear Safety Director. These reports shall be maintained for the life of the operating license.

ORGANIZATION PLAN TMI-2

FIGURE 1-1

GPU NUCLEAR CORP.

Rev. 6

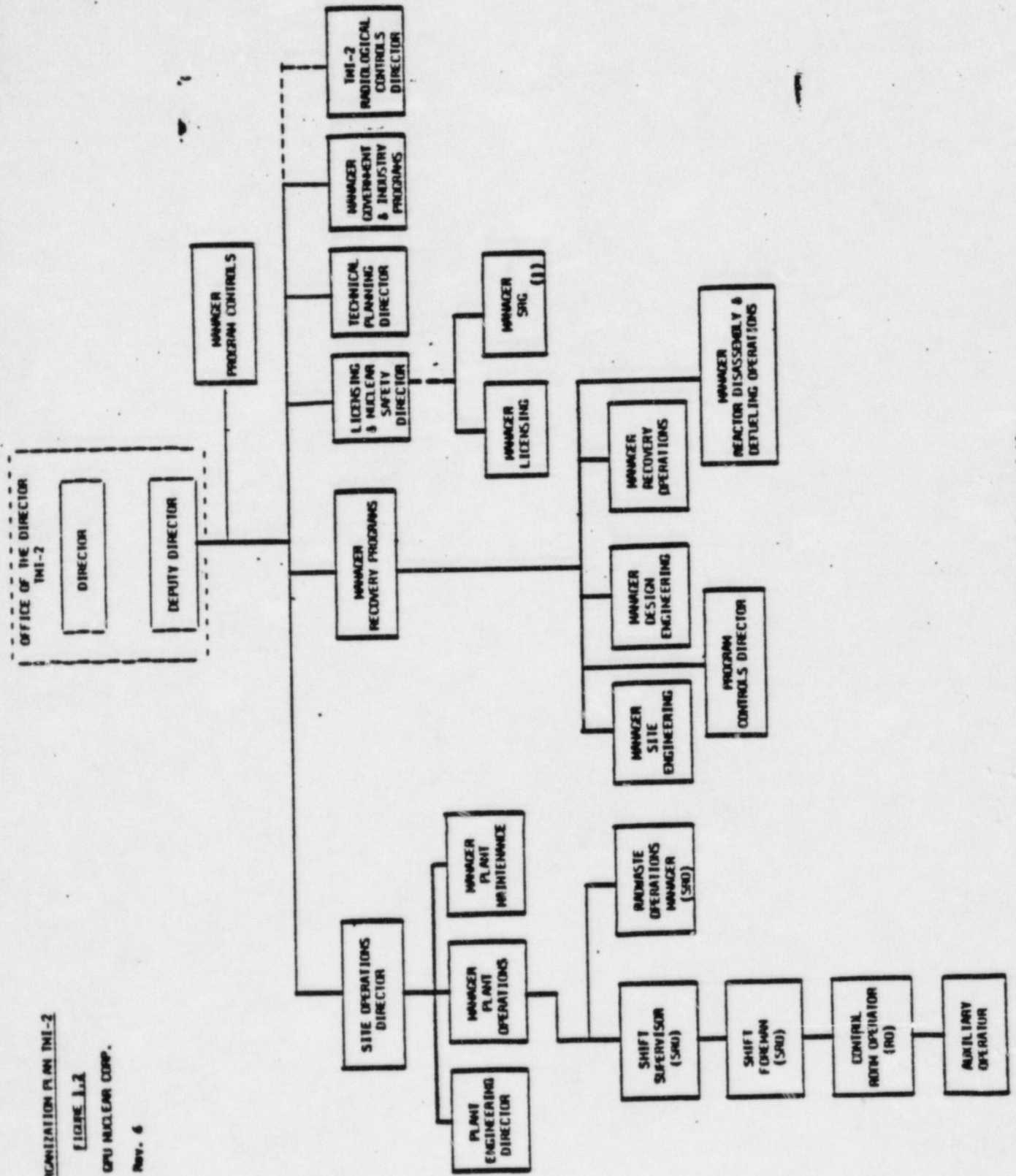


ORGANIZATION PLAN TMI-2

FIGURE 1.1.2

GPU NUCLEAR CORP.

Rev. 6



(1) Advisory to office of the Director TMI-2 with access to office of the President for resolution of disagreements.



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

March 25, 1983

Hollis

J

*2 weeks
feedback
1 week up.*

MEMORANDUM FOR:

→ James J. Cummings, Director
Office of Inspector and Auditor

Ben B. Hayes, Director
Office of Investigations

FROM:

Nunzio J. Palladino *NJP*

SUBJECT:

TMI-2 ALLEGATIONS

The allegations provided by the Government Accountability Project regarding improper actions at TMI-2 are to be investigated by OI and OIA, with assistance from the EDO on their technical aspects.

J

In addition to addressing the allegations touching upon the conduct of the licensee and its contractors, I would like OI to assume the responsibility for coordinating:

- (1) with the EDO, the identification and application of technical staff resources that may be required to address the allegations;
- (2) with OIA, the scope and schedule of OIA's examination of allegations touching upon the conduct of NRC employees.

I would like OI to provide a coordinated plan for addressing the allegations, including the scope and type of inquiries or investigations envisioned, the resources to be applied, a schedule of near term steps, and a preliminary estimate of the overall time frame these activities might entail. This plan should be provided to the Commission by March 31.

cc: Commissioner Gilinsky
Commissioner Ahearne
Commissioner Roberts
Commissioner Asselstine
SECY
OGC
OPE
OCA
OPA
ASLBP
ASLAP
EDO

03-4-83



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

May 27, 1983

Hollis Bowers
18

MEMORANDUM FOR: Hollis Bowers, Assistant Director for Investigations
Office of Inspector and Auditor

FROM: William J. Ward, Director *Wm Ward*
Division of Field Operations
Office of Investigations

SUBJECT: STATEMENT BY TMIPO DEPUTY DIRECTOR

Enclosed is a copy of a May 24, 1983 memorandum to me from OI Investigator James Vorse describing the circumstances surrounding, and forwarding, a written statement by Mr. Lake Barrett, Deputy Program Director, TMIPO. I am transmitting it to you as it discusses an aspect of the TMI-2 allegations not within the jurisdiction of OI.

Enclosures:
as stated

cc: B.B. Hayes, OI
Lake Barrett, TMIPO
J. Vorse, OI

Conning
McHenna
Puglia
APB



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

May 24, 1983

MEMORANDUM FOR: William J. Ward, Director,
Division of Field Offices
Office of Investigations

FROM: James Y. Vorse, Investigator
Office of Investigations

SUBJECT: STATEMENT BY TMIPO DEPUTY PROGRAM DIRECTOR

On April 13 and 14, 1983, Lake Barrett, Deputy Program Director, TMIPO, was interviewed by Investigators Vorse and Meeks regarding the Parks et al, affidavits. During the interviews some questions were asked relating to NRC review of GPU rough drafts before the procedures had gone all the way through the GPU/Bechtel review chain. The intent of the question was not to determine whether or not there was collusion between the NRC and the licensee but rather the extent the licensee could use the rough drafts to influence decisions by responsible licensee personnel. At the conclusion of the interview, Mr. Barrett stated that we (OI) had not addressed any of the NRC collusion allegations. I explained that it was an OIA issue and that we (OI) were not going to investigate that area.

On May 19, 1983 while reviewing Mr. Barrett's final statement, it was noted that he had added additional information which had not been discussed during the April 13 and 14 interview and which clearly was an alleged collusion issue brought up by Mr. King during the congressional hearings. Mr. Barrett was advised that it was an OIA issue and that we did not want it included in the statement.

On May 20, 1983, Barrett provided Vorse with a supplemental statement dated May 19 which is attached to this memorandum. I explained, once again, that this was within OIA's jurisdiction and that they would investigate. Barrett stated he wanted it on the record since his first statement could be made public if asked for, and he wanted to make his response to the alleged collusion also known to the public.

I did not have Mr. Barrett sign the statement and told him to retain it until OIA conducts their interviews.

Attachment:
As stated

Place: Middletown, Pennsylvania

Date: May 18, 1983

I, Lake BARRETT, hereby make the following voluntary statement to Investigators J. Vorse and R. Meeks, who have identified themselves to me as Investigators with the U.S. Nuclear Regulatory Commission. I make this statement freely with no threats or promises of reward having been made to me.

In reference to my original statement, dated April 13 & 14, 1983, I would like to add additional comments concerning the allegation that the TMIPO submits drafts to Messrs. ARNOLD or KANGA for editing and comments.

For the record I would like to comment on a statement that Mr. KING made before the UDALL Committee, which relates to this subject. Mr. KING stated that:

"My most serious concerns involved NRC-licensee collusion. It was well-known that the NRC worked out the contents of NRC public letters in advance with site management. For instance, I was in Mr. Kanga's office when Mr. Barrett called to inform him that he was going to send us a letter about a particular violation concerning waste removal. Mr. Kanga had told Mr. Barrett that I was there and turned on the box for conference calls. Mr. Kanga told Mr. Barrett how site management would publicly respond to the letter, if it were sent as Mr. Barrett described. The NRC did not send the letter."

The conversation that Mr. KING refers to did take place in late 1982 or early 1983, but was actually quite different than he implies. There was no "violation concerning waste removal" at all. What I was doing was "jawboning" GPU into expediting the resolution of a fiscal contractual problem that could delay the shipment of the highly radioactive EPICOR II prefilters from TMI to a DOE facility. Once the technical safety issues were resolved on the packaging and shipping of the EPICOR II prefilters the only thing preventing their removal (and subsequent public risk reduction) from TMI was GPU arranging for special licensed shipping casks. GPU was engaged in complex financial

negotiations with the only two commercial suppliers of these casks. The negotiations were difficult for GPU and it was not clear to my staff that top GPU management was involved. I wanted to be sure that GPU was moving forward with a "good faith" effort to promptly resolve any delays. I called KANGA and told him that I was pressuring him into promptly resolving the negotiations problem and expedite shipping. I recall I did state that I would send a letter with specific shipping dates if his people could not promptly resolve the negotiations with the cask suppliers. Mr. KANGA responded (with Mr. KING listening) that an NRC letter would adversely impact his negotiations with the only two cask suppliers. He said a public letter like that in the hands of the two suppliers would put GPU "over the barrel" and would force GPU to pay whatever the suppliers wanted. This would increase costs and adversely impact the cleanup because GPU only had a limited amount of money such that cask rental increases would reduce cleanup efforts in some other area.

I told Mr. KANGA that I now understood the negotiation situation better and realize that interference from me could weaken GPU from a commercial standpoint. I told him if he did not firm up the schedule in about one week I would send a letter. He agreed and he did promptly resolve the negotiations and GPU did expedite the shipments. In fact, GPU is now ahead of schedule on removing this material from TMI.

I believe I acted in the public's best interest in this matter and wouldn't hesitate to do likewise on any future similar circumstance. I think that Mr. KING's citing of this event shows his inability to consider the broader implication of at least this issue. ✓

I have read the foregoing statement consisting of 3 typed pages. I have made and initialed any necessary corrections and have signed my name in ink in the margin of each page. I swear that the foregoing statement is true and correct to the best of my knowledge. Signed on May 19, 1983 at 9:07.
(date) (time)

SIGNATURE:

Late H Barrett

Subscribed and sworn before me this _____ day of _____, 19 _____,

at _____.

INVESTIGATOR: _____

(Name)

WITNESS: _____

(Name & Title)



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

May 24, 1983

MEMORANDUM FOR: Ben B. Hayes, Director
Office of Investigations

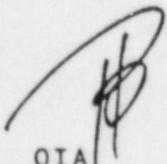
FROM: James J. Cummings, Director
Office of Inspector and Auditor

SUBJECT: OI WORK PLAN REGARDING ISSUES RAISED BY THE
RICHARD PARKS AFFIDAVIT

Referring to your memorandum of March 31, 1983, to the Commission on captioned subject, please let us have copies of your investigative results as soon as convenient to your phases of investigation. We will need the results to determine the extent of the allegations of NRC collusion and misconduct prior to any personal interviews.

Distribution:
83-45 ✓
OIA Reading ✓

CONTACT: Hollis Bowers, OIA
492-7170


OIA
Bowers:jw
5/9/83

OIA
Cummings

DATE

6/10/83

TELEPHONE OR VERBAL CONVERSATION RECORD

TIME

☐ A.M.
☐ P.M.

☐ INCOMING CALL

☒ OUTGOING CALL

☐ VISIT

PERSON CALLING

Pat McKenna

OFFICE/ADDRESS

PHONE NUMBER

EXTENSION

PERSON CALLED

T. Devine

OFFICE/ADDRESS

PHONE NUMBER

EXTENSION

234-9882

CONVERSATION

SUBJECT

SUMMARY

Request interview with Mr. Parks; Devine will recontact after conferral w/client (Parks).

6/17/83 Devine calls. Meeting scheduled for 6/22/83 at 10:00 am in OIA.

6/22/83 - Devine calls McKenna to advise must cancel 10:00 am meeting. Client (Parks) has not arrived at GAP office. Request rescheduling for tomorrow.

6/22/83 McKenna called Devine after conferral w/H.Bowers to confirm meeting for 6/23/83 at 10:00 am in OIA. Confirmed by Devine 2:01 pm

6/23/83 Devine called McKenna from vicinity of H Street to advise he will "try to get on 10:00 am shuttle to Bethesda." (arrival scheduled 10:40 am). Devine requested I pick him up at Bethesda shuttle bus arrival; I advised that was not possible and suggested he might consider walking to East West Towers from MNBB or Phillips Building. Conversation lasted approximately 1 minute.

REFERRED TO:

ACTION REQUESTED

☐ ADVISE ME OF ACTION TAKEN.

INITIALS

DATE

ACTION TAKEN

INITIALS

DATE

November 27, 1985

Thomas Devine, Esq.
Government Accountability Project
19901 Que Street, N.W.
Washington, D.C. 20009

Dear Mr. Devine:

On June 24, 1985, Mr. Richard D. Parks, accompanied by you as counsel, was interviewed at the Office of Inspector and Auditor (OIA) concerning allegations of inaccuracies in the reporting of his comments during an OIA interview, dated June 23, 1983. Mr. Parks related that within 30 days he would provide additional information and allegations concerning the Three Mile Island Nuclear Power Station.

We contacted you as late as October 1985 in an effort to obtain the additional information from Mr. Parks. It is our understanding that Mr. Parks has decided to not furnish this information. Therefore, we will continue our review of the allegations made by the Government Accountability Project to the U.S. Nuclear Regulatory Commission on our 1983 investigation.

If Mr. Parks decides at a later date to provide specific information to our office, we would be pleased to review it.

Sincerely,

Sharon R. Connelly

Sharon R. Connelly, Director
Office of Inspector and Auditor

Distribution:
Reading
File

Ltr/Devine/Tony

*Transcripts in
Separate
file.*

83-45

OFFICE	OIA: <i>ca</i>	OIA:	OIA:	OIA:			
URNNAME	AWard:jw	KLogan	GMessenger	SConnelly			
DATE	11/27/85	<i>11/27</i>					

Per
copy to
LB
TP

cc: Snyder
Thompson
BJS
RW

No. 83 2173 Logging Date 8/4/83
15
NRC SECRETARIAT

TO: ☐ Commissioner _____ Date _____
☒ Exec. Dir./Oper. ☐ Gen. Counsel
☐ Cong. Liaison ☐ Solicitor
☐ Public Affairs ☐ Secretary
☐ _____ ☐ Inspector & Auditor
☐ _____ ☐ Policy Evaluation

Incoming: Thomas Devine
From: GAP

To: Palladino Date 8/4/83
Subject: announcement of Mr. Parks assignment to
Bechtel Corp and withdrawal of complaint before the U.S
Dept of Labor alleging harassment by Bechtel

- ☐ Prepare reply for signature of: _____
- ☐ Chairman _____
 - ☐ Commissioner _____
 - ☐ EDO, GC, CL, SOL, PA, SECY, IA, PE
 - ☐ Signature block omitted
 - ☐ _____
 - ☐ Return original of incoming with response

- ☐ For direct reply*
- ☒ For appropriate action
- ☐ For information

Rec'd Off. EDO
Date: 8-16-83
Time: 11:00

Remarks: Chm, Cmrs, OGC

For the Commission: bac

*Send three (3) copies of reply to Secy Correspondence and Records Branch

GOVERNMENT ACCOUNTABILITY PROJECT

Institute for Policy Studies

1901 Que Street, N.W., Washington, D.C. 20009

Up: *Callahan*
Foley
Stella
E-LD
(202) 234-9382
He [unclear]
Kent [unclear]
Fin [unclear]
RV

August 4, 1983

Chairman Nunzio J. Palladino
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Dear Chairman Palladino:

This is to notify you that Bechtel North American Power Corporation and Richard Parks today announced a mutually amicable agreement to return Mr. Parks to full time work for the company.

Mr. Parks has accepted an assignment as a senior start-up engineer at the Cool Water plant, a pioneering coal gasification project in Southern California.

Mr. Parks is withdrawing his complaint now pending before the U.S. Department of Labor alleging harassment by Bechtel, and will notify the Nuclear Regulatory Commission and the House Interior and Insular Affairs Committee.

Very truly yours,

Thomas Devine

Thomas Devine
Legal Director

Counsel for Mr. Parks