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UNITED STATES OF AMERICA NUCLEAR REGULATORY COMMISSION

Before the Atomic Safety and Licensing Board

In the Matter of

CONSUMERS POWER COMPANY

(Midland Plant, Units 1 and 2

Docket Nos. 50-329-OL

50-330-OL

50-329-OM

50-330-OM

CONSUMERS POWER COMPANY'S
RESPONSE TO THE NRC STAFF PROPOSED SUPPLEMENTAL
FINDINGS OF FACT AND CONCLUSIONS OF LAW

ISHAM, LINCOLN & BEALE One First National Plaza Suite 4200 Chicago, Illinois 60603

DATED: April 26, 1982

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UNITED STATES OF AMERICA NUCLEAR REGULATORY COMMISSION

BEFORE THE ATOMIC SAFETY AND LICENSING BOARD

In the Matter of Consumers Power Company) Docket No. 50-329 OM & OL [Midland Plant, Units 1 and 2])

50-330 OM & OL

CONSUMERS POWER COMPANY'S RESPONSE TO THE NRC STAFF PROPOSED SUPPLEMENTAL FINDINGS OF FACT AND CONCLUSIONS OF LAW

Pursuant to 10 CFR §2.754, Consumers Power Company ("Consumers Power") submits the following response to the Nuclear Regulatory Commission ("NRC") Staff's Proposed Supplemental Findings of Fact and Conclusions of Law.

THE NATIONAL SALP REPORT

Paragraphs 376 to 380. No response.

Paragraph 381. The NRC Staff asserts that the National SALP "evaluation period was from July 1, 1979 to June 30, 1980." Although the Region III SALP report and the National SALP report $\frac{2}{}$ list these dates as the Midland evaluation period, the record demonstrates that the National SALP Staff did not employ any uniform period in evaluating Midland and establishing comparative rankings of plants

^{1/} Consumers Power Exhibit No. 6; NRC Staff Exhibit No. 8.

^{2/} NRC Staff Exhibit No. 7, Appendix B at p. B-2.

across the country. Mr. Wessman testified repeatedly that the National SALP Staff actually examined activities as far back as January 1, 1979 and as recent as December 31, 1980, as a basis for its evaluation of Midland. The appraisal period for other facilities varied from twelve, to fourteen, to eighteen months. Although the evaluations were made "generally" between January 1, 1979 and December 31, 1980, information received as late as May, 1931 was still considered.

Paragraph 382. There is no basis for claiming, as the NRC Staff does, that the corrections Mr. Wessman made in the SALP report during the December hearings were "minor". In evaluating the Midland facility, the National SALP report noted weaknesses in only three areas (quality assurance and safety related components among them) and cited very limited evidence in support of its evaluation in each area. Mr. Wessman's corrections change this evidence significantly in two of the cited areas. The first correction conceded that most of the quality assurance problems that arose before the

Wessman, Tr. 6165, 6378; see also Consumers Power Proposed Supplemental Findings of Fact and Conclusions of Law, at pp. 198-99, paragraph 306.

^{4/} Wessman, Tr. 6163, 6165, 6231-33; see also Consumers Power Proposed Supplemental Findings of Fact and Conclusions of Law, at p. 198, paragraph 306.

^{5/} NRC Staff Exhibit No. 7, at p. 1; Wessman, Tr. 6738.

^{6/ &}lt;u>Id</u>.; Wessman, Tr. 6165.

^{7/} Wessman, Tr 6242.

evaluation period, 8/ and not during the period as originally claimed.9/ The second correction recognized that it was Consumers Power, and not the NRC Staff, that issued the stop-work order when HVAC irregularities were detected.10/ These two changes reveal a far more effective and efficient Midland quality assurance program and greater control over safety related components than was acknowledged in the published version of the National SALP report.

Paragraph 383. The NRC Staff claims that "the national perspective [provided by the National SALP report] is highly valuable." Significantly, except for citing Mr. Wessman's own evaluation of his work, the NRC Staff does not explain why it is so "highly" valuable. Indeed, in his testimony, Mr. Wessman conceded that the value of the National SALP report was "limited". 11/ The only value identified was its nationwide overview of trends and problem areas in the nuclear industry as a whole, 12/ gained by ranking plants across the country against one another. 13/ This Licensing

^{8/ &}lt;u>Id.</u>, Tr. 6162-63.

^{9/} NRC Staff Exhibit No. 7, Appendix B at pp. B-2 and B-3.

^{10/} Wessman, Tr. 6163; NRC Staff Exhibit No. 7, Appendix B at p. B-3.

^{11/} Wessman, Tr. 6376.

^{12/} Id., Tr. 6406, 6377, 6224.

^{13/} Id., Tr. 6406, 6377, 6374; NRC Staff Exhibit No. 7, Foreword at p. i.

Board acknowledged, however, that such rankings are irrelevant to the present proceedings, and excluded them from consideration. $\frac{14}{}$ The "national perspective" purportedly provided by the National SALP report has, therefore, no value and no relevance to these hearings.

Paragraph 384. Paragraph 384 of the NRC Staff
Proposed Supplemental Findings of Fact and Conclusions of
Law quotes Mr. Wessman as defending the factual bases of the
National report as the "best" information available at the
time. 15/ However, Mr. Wessman's testimony shows that the
summary information which provided the factual bases for the
national appraisal was not complete, reliable or accurate.
As detailed in his testimony and in Consumers Power Proposed
Supplemental Findings of Fact and Conclusions of Law, Mr.
Wessman was inadequately or inaccurately informed about all
of the following subjects when he drafted the Midland section
of the National SALP report: the number of noncompliances
for unqualified quality control inspectors at Midland; 16/
the date of Consumers Power's payment of the civil penalty
levied against it; 17/ Region III's evaluation of Midland as

^{14/} See Tr. 6158-59, 5429-30.

^{15/} Wessman, Tr. 6346.

^{16/} Consumers Power Proposed Supplemental Findings of Fact and Conclusions of Law, at p. 201, paragraph 308; NRC Staff Exhibit Nos. 11a and 11b; see NRC Staff Exhibit No. 7, Appendix B at p. B-3.

^{1//} Consumers Power Proposed Supplemental Findings of Fact and Conclusions of Law, at pp. 201-02, p. ragraph 308; Consumers Power Exhibit Nos. 17 and 18; Wessman, Tr. 6296-98.

"adequate"; $\frac{18}{}$ the number of noncompliances per NRC inspector hour at Midland; $\frac{19}{}$ the number of noncompliances at Midland relative to other facilities in Region III; $\frac{20}{}$ the number of noncompliances per unit at Midland; $\frac{21}{}$ the change in the NRC Staff's evaluation of certain alleged noncompliances at Midland; $\frac{22}{}$ the nature of and motivation for the modification of the quality assurance organization at Midland; $\frac{23}{}$ Jim Knight's evaluation of the acceptability of certain of the Midland soils remedies; $\frac{24}{}$ and examples of Consumers Power's responsiveness to NRC Staff concerns. $\frac{25}{}$ Even if the National SALP staff did rely on the "best information available", that information clearly was not accurate, reliable or complete.

Paragraph 385. The methodology employed in assembling the National SALP report was neither systematic nor

^{18/} Consumers Power Proposed Supplemental Findings of Fact and Conclusions of Law, at p. 202, paragraph 308; Wessman, Tr. 6366-68, 6455-57; Consumers Power Exhibit No. 6.

^{19/} Consumers Power Proposed Supplemental Findings of Fact and Conclusions of Law, at pp. 199-201, paragraph 307; Wessman, Tr. 6360-62.

^{20/} Consumers Power Proposed Supplemental Findings of Fact and Conclusions of Law, at p. 200, paragraph 307; Keppler, Tr. 2024; Wessman, Tr. 6316, 6319-20, 6238-40.

^{21/} Wessman, Tr. 6296.

^{22/} Wessman, Tr. 6307; Consumers Power Exhibit No. 14.

^{23/} Wessman, Tr. 6336, 6384.

^{24/ &}lt;u>Id</u>., Tr. 6341-43.

^{25/ &}lt;u>Id</u>., Tr. 6350.

entirely scrutable. 26/ The information relied upon in compiling the report was not first-hand, accurate or complete. 27/ Much of the information in the Midland performance summary of the National SALP report was misreported. 28/

AUDIT F-77-32

Paragraph 386. As explained in Consumers Power Proposed Supplemental Findings of Fact and Conclusions of Law, the audit documented in Audit Report F-77-32 was a record review of soils and moisture compaction test records. 29/ The quality assurance department reviewed test records to determine whether proper documentation of test results existed to show that the soils in question did comply with the compaction and moisture content specifications. 30/ The audit did not involve actual field tests of compliance with specifications because no soils placement was taking place in Q areas at the time. 31/

Paragraph 387. The Audit Report did not "document numerous 'failing' tests, which indicated that certain soils had been improperly placed." The Audit Report documented

^{26/} Id., Tr. 6218-19.

^{27/} See supra, at paragraph 384.

See supra, at paragraph 382, and Consumers Power Supplemental Proposed Findings of Fact and Conclusions of Law, at pp. 201-202, paragraph 308 and pp. 203-204, paragraph 309.

^{30/} Horn, Tr. 7962, 7992, 7998.

^{31/} Horn, Tr. 7992; Board Exhibit No. 3, at p. 1.

neither that certain soils had been improperly placed nor that numerous "failing" tests were never cleared by "passing" tests. As Mr. Horn explained, what the audit revealed was that the status of certain failing tests was "indeterminate"; $\frac{32}{}$ that is, documentation as to whether the soils had been reworked or retested was not readily available to the auditors. $\frac{33}{}$ Eventually, passing tests were documented for all but seventeen of the tests of soils in Q areas. $\frac{34}{}$ Whenever a failing test had not been cleared by a passing test, the Audit Report required field tests to be conducted on the soils in question, and required the soils to be reworked or replaced if found inadequate. $\frac{35}{}$

The NRC Staff also misapprehends the procedure used to "clear a failing test with a passing test". Mr. Horn testified that, to the best of his knowledge at the time of Audit Report F-77-32, clearing a failing test always involved reworking of the soil before retesting. $\frac{36}{}$

Paragraphs 388 to 391. No response.

Paragraph 392. The NRC Staff notes that Mr.

Gallagher had reservations about the use of a subsequent passing test to clear a failing test. The NRC Staff fails

^{32/} Horn, Tr. 7965.

^{33/} Id., see Consumers Power Proposed Supplemental Findings of Fact and Conclusions of Law, at p. 214, paragraph 321.

^{34/} Marguglio, Tr. 6580; Board Exhibit No. 3, at pp. 7-12.

^{35/} Board Exhibit No. 3, at p. 10; Horn, Tr. 7965, 8018, 8026-27.

^{36/} Horn, Tr. 8019.

to note, however, that Mr. Gallagher's reservations were based on a misunderstanding of the clearing process. Mr. Gallagher explained that he did not like the process of simply running a second test "without some remedial action" to assure that the material had been adequately compacted. 37/ In fact, there is no evidence that the process used by Bechtel to clear a failing test involved simply re-running a test until acceptable results were achieved. 38/ Mr. Horn testified that, to his knowledge, Consumers Power always took remedial action to assure that the material had been adequately compacted before it ran a second test: the soils in question were reworked before the second test was taken. 39/

Paragraphs 393 to 395. No response.

Paragraph 396. The NRC Staff fails to point out the reason why the nonconformance reports described in NRC Inspection Report No. 78-20 did not indicate a widespread soils problem. As Mr. Horn explained, thirteen events over a three year period were not sufficient to establish a widespread failure in the total soils placement. 40/ Mr. Bird confirmed that this was not a large number of nonconformances for the amount of work performed during that period. 41/

^{37/} Gallagher, Tr. 6803.

^{38/} See Marguglio, Tr. 6513-15.

^{39/} Horn, Tr. 7965, 8018-19, 8026-27.

^{40/} Id., Tr. 8014.

^{41/} Bird, Tr. 5149.

Paragraph 397. The NRC Staff asserts that "no member of the MPQAD suggested that a trend of quality assurance deficiencies was forming." No time frame is provided for this claim, but the supporting citation suggests the years prior to 1978. $\frac{42}{}$ The NRC Staff assertion cannot be supported for these years. First, as Consumers Power conceded in its response to 10 CFR §50.54(f) Question 23, the trending program during that period did not provide timely responses to repetitive nonconforming conditions. 43/ Second. as explained in Consumers Power Proposed Supplemental Findings of Fact and Conclusions of Law, the problems documented in the only available audit (Audit Report F-77-32) and nonconformance reports (NRC Inspection Report No. 78-20) did not in themselves or in combination unequivocally signify a widespread soils problem. The audit dealt with documentation problems; 44/ the nonconformances were spread over a three year period. 45/

Paragraph 398. The Midland quality assurance department was informed of the grade beam failure when it occurred. Mr. Keeley, Midland Project Manager, 46/ learned

^{42/} See Tr. 6508-11; Gallagher, NRC Staff prepared testimony on Stamiris Contention No. 1, Attachment No. 15, following Tr. 1560.

^{43/} Marguglio, prepared testimony, Attachment No. 10, at p. 23-33, following Tr. 1501.

^{44/} Consumers Power Proposed Supplemental Findings of Fact and Conclusions of Law, at p. 213, paragraph 320.

^{45/} Horn, Tr. 8014.

^{46/} Keeley, prepared testimony at p. 1, following Tr. 1163.

of the grade beam settlement in September, 1977. 47/ The Midland Project organization then informed Mr. Horn, who was quality assurance engineering supervisor at the time. 48/ Mr. Bird, quality engineering section head, 49/ was also informed. 50/ There is no support for the NRC Staff's allegation that Mr. Keeley made a deliberate decision not to tell Mr. Marguglio of the grade beam failure. As shown above, members of the quality assurance staff were kept fully informed of the grade beam failure and the investigation into its causes. 51/ There appeared to be no need to inform the quality assurance management, because the investigation concluded that the problem was localized within a non-Q area. 52/

Paragraphs 399-402. No response.

Paragraph 403. The NRC Staff mischaracterizes the bases for Mr. Horn's conclusion that the problem at the administration building was localized. Mr. Horn's testimony shows that, although he knew that the technical specifications for the administration building were similar to those in other Q-listed areas of the plant, other factors at the

^{47/} Keeley, Tr. 1195.

^{48/} Horn, Tr. 7959.

^{49/} Bird, professional resume, following Tr. 3059.

^{50/} Horn, Tr. 7959.

^{51/} Id., Tr. 7959-60.

^{52/} Id., Tr. 7961.

time diminished the importance of this similarity for him. 53/
For example, he was aware of the results of soils borings,
which indicated that the administration building incident
was isolated. 54/ He also knew that non-Q areas, where the
settlement problem had occurred, were not subject to inspection by quality control and overview by quality assurance,
while Q-listed areas, where no settlement problems had yet
occurred in 1977, 55/ were subject to such overview. 56/

Paragraph 404. Mr. Horn described the steps that Consumers Power has taken to coordinate the activities of the Q and non-Q areas in remedial soils work. Meetings between the Q and non-Q personnel are held every Friday. These meetings are attended by subcontractors, quality assurance, quality control, scheduling and remedial soils personnel. 57/

Paragraph 405. Procedures have been instituted to improve the interface between safety and non-safety procedures. MPQAD will review all safety and non-safety related procedures pertaining to the soils remedies. MPQAD will also review all safety and non-safety related specifications and quality

^{53/ &}lt;u>Id.</u>, Tr. 8009.

^{54/} Id., Tr. 7960-61.

^{55/} Id., Tr. 7961.

^{56/} Id., Tr. 7991, 8010.

^{57/} Id., Tr. 8017.

^{58/} Id., Tr. 8023; Marguglio, Tr. 7964.

control requirements in the remedial soils area before their issuance. $\frac{59}{}$ In addition, there are integrated inspection hold points for safety activities. $\frac{60}{}$ Changes in the placement and specifications of soils (not the designation of structures) have been made, based on Consumers Power's commitments in its §50.54(f) responses. $\frac{61}{}$

Paragraph 406. Consumers Power has previously shown why the grade beam settlement was not an unequivocal indicator of site-wide quality assurance problems. $\frac{62}{}$ Consumers Power has also shown that the information on the administration building was not withheld from the NRC, and that Consumers Power's actions with regard to the administration building do not reflect poorly on its management attitude. $\frac{63}{}$

No evidence presented in this reopened portion of these hearings leads us to alter our original conclusion concerning Consumers Power's management attitude in carrying out its responsibilities under the Midland construction permits. Further, the additional evidence concerning Audit F-77-32 does not demonstrate that Consumers Power management

^{59/} Id.

^{60/} Horn, Tr. 8022.

^{61/} Id., Tr. 8023.

^{62/} Consumers Power Proposed Findings of Fact and Conclusions of Law, at pp. 182-86, paragraphs 288-94.

^{63/} Id., at pp. 91-98, paragraphs 124-135.

acted unreasonably in evaluating the administration building grade beam failure. $\frac{64}{}$

MPQAD REORGANIZATION

Paragraph 407. No response.

Paragraph 408. Only the title of Site Quality Assurance Superintendent was eliminated in the initial MPQAD modification. $\frac{65}{}$ The administrative responsibilities of the position were retained by Mr. Turnbull. $\frac{66}{}$ The duties relating to the immediate supervision of line quality assurance sections at the site were assumed by Mr. Marguglio. $\frac{67}{}$

Paragraph 409. No response.

Paragraph 410. In this paragraph, the NRC Staff suggests that Consumers Power's communication of the initial MPQAD modification to the NRC Staff was less than prompt. However, as Mr. Keppler testified, Consumers Power was not required to report any of the MPQAD changes to the NRC Staff. In fact, he said most utilities never voluntarily notify the NRC Staff of organizational changes; the NRC

<u>See</u> Consumers Power Proposed Supplemental Findings of Fact and Conclusions of Law, at pp. 92-98, paragraphs 124-35.

^{65/} See Consumers Power Proposed Supplemental Findings of Fact and Conclusions of Law, at pp. 206-209, paragraphs 313-315.

^{66/} Marguglio, Tr. 6982, 6949-51.

^{67/} Cook, Tr. 6448; Marguglio, Tr. 6982.

^{68/} Keppler, Tr. 7045.

Staff usually only learns of these changes through the inspection process. 69/ But Consumers Power did not adopt the passive stance taken by most utility companies. Instead, it contacted the NRC resident inspector at Midland, Mr. Ron Cook, and informed him fully of all of the proposed organizational changes, including the fact that the position of Site Quality Assurance Superintendent was being reconstituted. 70/ Ron Cook reports to Mr. Keppler on all important matters regarding Midland. 71/ The organizational changes, however, were never reported to Mr. Keppler by Ron Cook or his superior. 72/ Mr. Keppler learned of the MPQAD changes directly from a vice-president of Consumers Power, Mr. James Cook. 73/ Mr. Cook informed him that MPQAD was being modified, that Mr. Marguglio would be spending more time at the site, and that Consumers Power believed the change to be an improvement. $\frac{74}{}$

Although Mr. Gallagher thought that Consumers Power should have offered formal documentation of the change, $\frac{75}{}$

^{69/} Id., Tr. 7043.

^{70/ &}lt;u>Id</u>., Tr. 7086-87.

^{71/} Id.

^{72/} Id., Tr. 7088.

^{73/} Id., Tr. 7048; Cook, Tr. 6439. (The hearing on the initial MPQAD modification was in December of 1981, not 1980: see Tr. 6418-6677).

^{74/} Keppler, Tr. 7048.

^{75/} Gallagher, Tr. 6747-48.

Mr. Keppler testified that the opinions Mr. Gallagher expressed were his own, and not those of Region III. $\frac{76}{}$

Paragraphs 411-416. No response.

Paragraph 417. Mr. Bird has been given the primary responsibility for the development and implementation of the quality assurance program as it relates to the remedial soils work, 77/ in addition to the duties listed in this paragraph by the NRC Staff.

Paragraph 418. No response.

Paragraph 419. Although Mr. Keppler professed confusion regarding the chain of authority within the MPQAD, 78/ his understanding showed no fundamental conflict with Consumers Power's explanation. Both agreed that Mr. Marguglio is head of the department, that Mr. Bird is his deputy, and that the Site Quality Assurance Superintendent reports to Mr. Marguglio. 79/ This understanding is confirmed by the MPQAD organizational chart. 80/ Mr. Keppler was apparently confused by a provision in the formal organizational explanation of MPQAD which states that the Site Quality Assurance Superintendent reports to the Manager of the MPQAD. 81/ Mr.

^{76/} Keppler, Tr. 7089.

^{77/} Cook, Tr. 6448.

^{78/} Keppler, Tr. 7038-39.

^{79/} Marguglio, Tr. 7022; Keppler, Tr. 7038-39.

^{80/} Consumers Power Exhibit No. 21, Enclosure 4.

^{81/} Consumers Power Exhibit No. 21, Enclosure 3, at p. 2, §5.1.3; Keppler, Tr. 7038.

Marguglio testified that the explanation was written that way in order to give Mr. Bird authority to direct the Site Quality Assurance Superintendent in Mr. Marguglio's absence. 82/He added that on a day-to-day basis, the superintendent would usually report to Mr. Marguglio. 83/

Paragraphs 420-426. No response.

QUALIFICATIONS OF BECHTEL QC (ELECTRICAL) PERSONNEL

Paragraphs 427-429. No response.

Paragraph 430. Contrary to the assertion of the NRC Staff, Mr. Gardner never claimed that Bechtel was "hindering...his efforts" to determine the qualifications of the electrical quality control inspectors. Bechtel simply believed that the ANSI Code did not require documentation of on-the-job training. 84/ Mr. Gardner specifically refused to draw any negative inferences about Bechtel's attitude or activities from its position on the necessity of documenting on-the-job training. 85/

Moreover, Mr. Gardner did not question "whether or not such [on-the-job] training existed", as the NRC Staff claims he did. His concern centered on the fact that "the

^{82/} Marguglio, Tr. 7022-23.

^{83/ &}lt;u>Id.</u>, Tr. 7024.

^{84/} Id., Tr. 8061-62, 8065; Consumers Power Exhibit No. 23, at p. 5.

^{85/} Gardner, Tr. 8062-67.

licensee was not documenting on-the-job training". 86 Mr. Gardner never expressed doubts about the existence of such training.

Paragraphs 431-443. No response.

Paragraph 444. An issue during the quality assurance portion of the hearings has been the qualification of Midland quality control inspectors under applicable ANSI standards and regulatory requirements. 87/ The record was reopened on this issue to allow evidence on the "unresolved" matter identified in NRC Inspection Report No. 81-12: whether the quality control certification process in the electrical area meets the requirements and intent of ANSI standard N45.2.6 and NRC Regulatory Guide 1.58.88/ The NRC Staff is now satisfied that applicable requirements have been met.89/ Accordingly, absent an event which would disturb this finding, the issue for which the record was reopened can be resolved without further hearings.

Despite the suggestion by the NRC Staff, there is no need for further NRC Staff testimony on overinspection of the electrical work in connection with the quality assurance

^{86/ &}lt;u>Id.</u>, Tr. 8042; <u>see also Tr. 8061-62</u>.

^{87/} See Consumers Power Proposed Findings of Fact and Conclusions of Law, at pp. 172-174, paragraphs 275-277.

^{88/} See NRC Staff Exhibit No. 1, at pp. 25-28.

Gardner, NRC Staff prepared testimony on the Qualifications of Bechtel-QC Personnel, at p. 4, following Tr. 8037; Gardner, Tr. 8088, 8095-97; NRC Staff Proposed Supplemental Findings of Fact and Conclusions of Law, at p. 150, paragraphs 440-441.

issues raised by the December 6, 1979 Order. Mr. Gardner testified that the item in NRC Inspection Report No. 81-12 remains open because of matters which pertain to substantive considerations in the electrical area having little to do with the subject of the present hearing. Unless the over-inspections issue is again somehow related to the ANSI requirements, no further testimony from the NRC Staff regarding overinspections is necessary.

Paragraph 445. Mr. Gardner reserved judgment as to an acceptable level for error factors in cable misrouting. $\frac{90}{}$

Paragraph 446. Contrary to the NRC Staff's claim, Mr. Gardner did not testify that Mr. Urbany had the "highest percentage of errors of the nine inspectors." Mr. Gardner did not know which of the nine inspectors had the highest error factor. 91/

Paragraph 447. See discussion in response to paragraph 444 above.

^{90/} Id., Tr. 8089.

^{91/} Id., Tr. 8090.

Appendix A

INDEX OF EXHIBITS

A. Licensing Board

Exhibit No. 3: Audit Report F-77-32, regarding October 3-7, 1981 audit of soils placement records.

B. Consumers Power

- Exhibit No. 6: Letter from Keppler to Cook, dated 12/18/80, transmitting NRC Inspection Report Nos. 80-35 and 80-36 regarding regional SALP evaluation.
- Exhibit No. 14: Letter from Cook to Keppler, dated 2/9/81, responding to 1/12/81 letter transmitting NRC Inspection Report Nos. 80-32 and 80-33.
- Exhibit No. 17: Letter from Keppler to Cook, dated 10/13/81, regarding Consumers Power payment of \$38,000 civil penalty.
- Exhibit No. 18: Letter from D. Thompson to Howell, dated 2/3/81, regarding Consumers Power payment of \$38,000 civil penalty.
- Exhibit No. 21: Letter from Cook to Keppler and Denton, dated 1/26/82, regarding MPQAD modification, attaching four enclosures.
- Exhibit No. 23: Audit Report dated 7/24/81, regarding audit of Bechtel QC inspector training and certification.

C. NRC Staff

- Exhibit No. 1: Letter from Keppler to Cook, dated 7/13/81, transmitting NRC Inspection Report No. 81-12 regarding NRC Staff's May, 1981 assessment of MPQAD.
- Exhibit No. 7: NRC SALP Staff Final Report on Licensee Assessments (NUREG-0834), dated August, 1981.

- Exhibit No. 8: Letter from Keppler to Moseley, dated 1/2/81, transmitting Action Plan resulting from meeting of 11/24/80 and NRC Inspection Report Nos. 80-35 and 80-36.
- Exhibits Nos. 11a and 11b: NRC Office of Inspection and Enforcement computer printouts listing Midland noncompliances for the period 1979-80, dated 4/23/81.

UNITED STATES OF AMERICA NUCLEAR REGULATORY COMMISSION

Before the Atomic Safety and Licensing Board

In the Matter of)		
j e	Docket Nos.	50-329-OM
CONSUMERS POWER COMPANY)		50-330-OM
)		50-329-OL
(Midland Plant, Units 1)		50-330-OL
and 2)		

CERTIFICATE OF SERVICE

I, Robert G. Fitzgibbons, Jr., one of the attorneys for Consumers Power Company, hereby certify that a copy of "Consumers Power Company's Response to the NRC Staff Proposed Supplemental Findings of Fact and Law for Partial Decision on Quality Assurance and Management Attitude Issues" was served upon all persons shown in the attached service list by deposit in the United States mail, first class, this 26th day of April, 1982.

Robert G. Fitzgibbons, Jr.

SUBSCRIBED AND SWORN before me this 26 day of April, 1982.

Jula Paros Notary Public

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