



Quadrex Corporation

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Sherman Hoymark
President

July 19, 1984

Nunzio J. Palladino, Chairman
Nuclear Regulatory Commission
1717 H Street N.W.
Washington, D.C. 20555

SERVED JUL 23 1984

Attention: Samuel J. Chilk, Secretary

Dear Chairman Palladino:

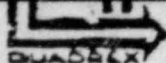
I have received and reviewed your letter of July 13, 1984 with respect to my visit to the Commission next week, including the list of questions which accompanied it. Having previously indicated my willingness to come to Washington on this matter, I am still willing to do so. However, after reviewing the proposed questions, I again question the necessity for such a meeting and the assistance I can personally provide the Commission. The answers to your questions are quite simple.

I have no reason to question the quality of the NSC report. (Question 4). I also do not know of any discrepancy between what was requested and what was done. NSC audited paper work as requested. (Question 5). The conclusions contained in the NSC report must represent the judgement of its employees based on the information made available to them. I know of no reason to question the integrity or qualifications of the people who performed the work. Quadrex requires and encourages its employees to honestly and professionally perform their work. (Questions 1 and 3). Likewise, I assume the NRC findings were based on the judgement of its people diligently and professionally pursuing their responsibilities. (Question 2).

I was present at the exit interview held at the conclusion of the NSC audit. I was there as a management observer to show management's interest in the work and its commitment to professionally serve its clients.

7/20...To Chairman's Office for Appropriate Action...Cpy to: Cmrs
RF, EDO...84-0752

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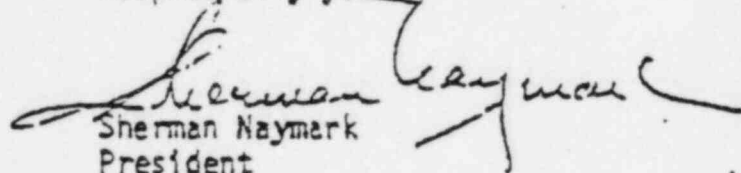


N. J. Palladino, Chairman
NRC
July 19, 1984
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At that time my presence was a normal occurrence for such meetings with major clients. (Question 6). I have had no interaction with PG&E in the last year regarding the NSC audit other than to inform them of your past inquiries. (Question 7). Finally, it is not my job, nor have I been requested, to resolve the "conflicts", if any, between the NSC audit findings and those of the NRC. As previously indicated, such a task is an enormous one, and Quadrex does not have the information available to it to undertake such a task nor has it been retained to do so. (Question 8).

As you know, Quadrex is in the business of providing engineering and technical services to the nuclear power industry. We fully understand the important position and recognize the important role the NRC plays in this business. Accordingly, we wish to cooperate with the NRC and reasonably respond to its requests. We do not, however, understand the substantive benefit of the scheduled meeting next week. In view of the foregoing, we request that you reconsider the necessity of my appearance next week.

Respectfully yours,


Sherman Naymark
President

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