



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

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AUG 13 1979

The Honorable Philip B. Heymann
Assistant Attorney General
Criminal Division
Department of Justice
Washington, D.C. 20530

Dear Mr. Heymann:

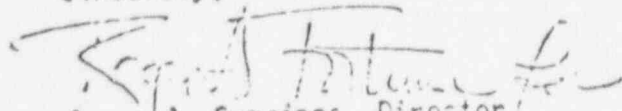
Enclosed for your information please find an investigation report (and related documents) drafted by the U.S. Nuclear Regulatory Commission's Office of Inspection and Enforcement (IE). The investigation involves allegations of improper repair of safety-related concrete structures and concealment of nonconforming safety-related concrete areas at Public Service of Indiana's Marble Hill, Units 1 and 2 nuclear facilities, presently under construction near Madison, Indiana.

As you may know, IE is charged by the Commission with conducting health and safety-related inspections and investigations of NRC licensees. Upon uncovering situations which may be potentially criminal in nature, these reports are forwarded to the Office of Inspector and Auditor (OIA) for review or further investigation as appropriate. Upon completion of such review or investigation, OIA refers such matters to the Department for appropriate action.

The enclosed health and safety-related investigation suggests certain supervisory personnel of Gust K. Leisberg Construction Company, the prime concrete contractor for the Marble Hill facility, were aware of improper repairs of safety-related concrete (honeycomb areas) and in some instances may have ordered such improper repairs to conceal nonconforming concrete areas. Consequently, the report suggests a possible violation of 18 U.S.C. 1001 (concealment or covering up of a material fact in a matter within the jurisdiction of an agency of the U.S.).

Based upon the foregoing, we respectfully request ~~that you direct the Federal Bureau of Investigation to conduct an appropriate inquiry into this matter. The Federal nexus issue will clearly need development as it was not addressed in the attached report.~~

Sincerely,


James J. Cummings, Director
Office of Inspector and Auditor

Enclosures:
As stated

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ENCLOSURE