



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

OCT 22 1985

PDR  
016

Ms. Nina Bell  
Nuclear Information and Resource Service  
1616 P Street, NW, Suite 160  
Washington, DC 20036

IN RESPONSE REFER  
TO FOIA-85-655

Dear Ms. Bell:

This is in further response to your letter dated September 23, 1985, in which you requested, pursuant to the Freedom of Information Act (FOIA), four categories of documents related to quality control at the Callaway nuclear power plant.

Document 1 on the enclosed Appendix B is already available in the NRC Public Document Room (PDR). The remaining documents on Appendix B are being placed in the PDR in folder FOIA-85-655 under your name.

Portions of the documents listed on the enclosed Appendix C are being withheld from public disclosure pursuant to Exemptions (6), 7(C), and 7(D) of the FOIA (5 U.S.C. 552(b)(6), 7(C), and (7)(D)) and 10 CFR 9.5(a)(6), (7)(iii), and (7)(iv) of the Commission's regulations. Disclosure of the information would constitute an unwarranted invasion of personal privacy and disclose the identity of a confidential source.

Pursuant to 10 CFR 9.9 of the Commission's regulations, it has been determined that the information withheld is exempt from production or disclosure, and that its production or disclosure is contrary to the public interest. The persons responsible for this denial are the undersigned and Mr. James G. Keppler, Regional Administrator, NRC Region III.

This denial may be appealed to the Commission's Executive Director for Operations within 30 days from the receipt of this letter. As provided in 10 CFR 9.11, any such appeal must be in writing, addressed to the Executive Director for Operations, U.S. Nuclear Regulatory Commission, Washington, DC 20555, and should clearly state on the envelope and in the letter that it is an "Appeal from an Initial FOIA Decision."

The NRC has not completed its search for and review of documents subject to your request. We will respond as soon as those actions are completed.

Sincerely,

A. M. Felton, Director  
Division of Rules and Records  
Office of Administration

Enclosures: As stated

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PDR FOIA  
BELL85-655 PDR

Re: FOIA-85-655

APPENDIX B

1. 03/04/85 PNO-III-85-20, available in the PDR, ANO 8503110231
2. 03/10/84 Union Electric internal memorandum on effective communication (6 pages)
3. 02/07/85 Handwritten notes from B. Little (1 page)
4. 02/22/85 Union Electric Request for Corrective Action number P8502-035 (5 pages)
5. 02/22/85 Union Electric Request for Corrective Action number P8502-039 (4 pages)
6. 02/22/85 Union Electric Request for Corrective Action number P8502-034 (3 pages)
7. 02/22/85 Union Electric Surveillance Report (10 pages)
8. 03/25/85 Union Electric Surveillance Report (24 pages)
9. 04/23/85 Union Electric Surveillance Report (16 pages)
10. 09/03/85 Allegation Management System Printout (2 pages)
11. Various Newspaper Articles (4 pages)
12. Undated Allegation Data Form (1 page)

APPENDIX C  
WITHHELD IN PART

- 02/05/85 Memorandum for Weill from Pelke on Callaway Allegation. Withheld name and address under Exemption 6 and 7D, release would be an invasion of personal privacy and his name is confidential as an allegor. (1 page)
- 02/13/85 Letter to an allegor from Weil, withheld name and address under Exemptions 6 and 7D, release would be an invasion of personal privacy and his name is confidential as an allegor. The attached inspection report is in the PDR, ANO 8504080524 and ANO 8504080520 (5 pages)
- 07/15/85 Letter to an allegor from Weil, withheld name and address under Exemption 6 and 7D, release would be an invasion of personal privacy and his name is confidential as an allegor. The attached inspection report is in the PDR, ANO 8504080524 and ANO 8504080520 (16 pages)



## Nuclear Information and Resource Service

1616 P Street, N.W., Suite 160, Washington, D.C. 20036 (202) 328-0002

September 23, 1985

James M. Felton, Director  
Division of Rules and Records  
Office of Administration  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555

FREEDOM OF INFORMATION  
ACT REQUEST

FOIA-85-655  
Rec'd 9-26-85

### FREEDOM OF INFORMATION ACT REQUEST

Dear Mr. Felton:

Pursuant to the Freedom of Information Act, 5 U.S.C. 522, as amended, and 10 CFR 9.8 of the Commission's regulations, the Nuclear Information and Resource Service requests the following documents regarding the Callaway nuclear power plant. Please consider "documents" to include reports, studies, test results, correspondence, memoranda, meeting notes, meeting minutes, working papers, graphs, charts, diagrams, notes and summaries of conversations and interviews, computer records, and any other forms of written communication, including internal NRC Staff memoranda. In your response, please identify which documents correspond to which requests below.

Pursuant to this request, please provide all documents prepared or utilized by, in the possession of, or routed through the NRC related to:

1. A February 22, 1985 audit report of Union Electric's quality assurance office which led to the suspension of inspectors;
2. All related requests for corrective action or plans for corrective action related to this issue, and Union Electric reviews of the quality control inspection system;
3. Union Electric Company documents that indicate that on March 10, 1984, Terry Shaw, a QA supervisor, directed his inspectors to take their technical problems initially to Mr. Shaw or to an assistant supervisor; and
4. NRC Staff responses to Union Electric plans to review and correct problems in the quality control inspection system at Callaway.

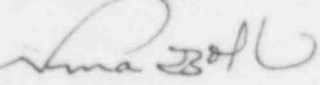
Newspaper articles regarding the problems with quality control inspection at Callaway are attached.

*[Handwritten signature]*  
6 pp.

Please provide a list of offices to which this request was forwarded.

In our opinion, it is appropriate in this case for you to waive search charges, pursuant to 5 U.S.C. 552(a)(4)(A) "because furnishing the information can be considered as primarily benefiting the general public." The Nuclear Information and Resource Service is a non-profit organization serving local organizations concerned about nuclear power and providing information to the general public. Information required by 10 CFR 9.14a was provided by letter dated August 3, 1984.

Sincerely,

A handwritten signature in dark ink, appearing to read "Nina Bell", is written over the typed name.

Nina Bell  
Assistant Director

cc: File

## UE adds 15 inspectors to roles of unqualified

CHRISTOPH SZECHENYI  
of the Tribune's staff

Union Electric Co. has identified 22 inspectors — 15 more than initially reported — who lacked qualifications to ensure the safe operation and maintenance of its Callaway County nuclear power plant, a Nuclear Regulatory Commission official said this week.

The official, Bruce Little, said utility engineers and auditors who began investigating inspectors' backgrounds last month have identified about 250 inspections performed by the 22 inspectors during the past three years.

A special utility task force has found that the 22 inspectors were qualified to do all 230 of the jobs reviewed as of Friday, Little said. The task force has found no evidence of deficiencies in the plant's hardware.

The St. Louis utility is reviewing about 12,000 work orders, said Little, a commission inspector at Callaway.

He said his agency will wait for Union Electric to complete its study before considering action. He said the utility is conducting a thorough investigation and has found no evidence that the inspectors' work compromised the plant's safety.

Billie Garde, a staff member with the Government Accountability Project, a public interest group in Washington, D.C., voiced doubts. "The system had to have broken down in a fairly significant fashion," she said. "The NRC's approach to this is dangerously inadequate."

Little said he cannot assess whether the unqualified personnel influenced the safety of the plant near Fulton until he looks at the work orders and, if necessary, examines the inspectors' field work. He plans to start that part of his investigation on Monday.

The \$3 billion plant, which started

operating in December, generates 1,150 megawatts of electricity for customers in St. Louis and dozens of Mid-Missouri towns such as Ashland and Moberly. The plant is 35 miles east of Columbia.

Mike Cleary, a Union Electric spokesman, said utility officials declined to comment on their investigation of the inspectors' work. "We don't see a need for a blow-by-blow account of what's being done," he said. But he confirmed that 22 inspectors lacked certain credentials.

Little said he expects the utility to wrap up its study by the end of March. At that time, Cleary said, Union Electric will provide the commission with a report of its findings. Little plans to file a report of his own findings and recommendations by the end of April.

In early March, the utility concluded that seven of its present inspectors lacked sufficient training or experience in some areas of work they had been doing at the plant. As a result, Union Electric suspended the men from doing certain jobs.

Union Electric employed 13 of the 22 inspectors, Little said. Seven of the 13 still work as quality control personnel in restricted capacities. Nine others had worked for independent construction contractors, including Daniel International Co., which helped build the plant.

Nuclear plant inspectors check electrical, mechanical and civil engineering work throughout the plant, including systems such as pipes and valves in the reactor building.

Garde said Daniel International helped build Kansas' Wolf Creek nuclear power plant, which has been plagued with structural flaws. The regulatory commission recently gave the plant near Burlington, Kan., an operating license.

Inspection problems have turned up at several U.S. nuclear power

plants, Garde said, including the William H. Zimmer plant in Ohio, a Midland, Mich., plant and the Marble Hill plant in Indiana. All three have been shut down for severe deficiencies. Quality control questions have also been raised at the Comanche Peak plant near Glen Rose, Texas.

Cleary said Union Electric engineers are carefully evaluating the jobs performed by the inspectors with questionable credentials. "We're looking at the nature of the work involved," he said. "If it didn't require a high level of expertise, we'll probably assume it was done all right. We'll also check to see if the work had been subjected to additional inspections."

The utility's engineers have not reinspected any areas yet, Cleary said. Some reinspections may be difficult, if not impossible, to perform because plant materials have become radioactive.

A longtime nuclear power opponent, Kay Drey of University City, said yesterday she and the Coalition for the Environment will file a petition asking the commission to shut down the Callaway plant.

The recent qualification problem, she said, "makes it all the more obvious that we have to call on the regulatory commission to shut down the plant until Union Electric can demonstrate that the systems are safe."

### THE WEATHER

Cloudy today, with a 70 percent chance of showers. High around 50, with southwest winds at 10 to 15 miles per hour. Tonight, 60 percent chance of showers, with the low in the mid-30s. Tomorrow, cloudy with a 30 percent chance of showers. High in the mid-40s.



# Yearlong workers' rift revealed in UE safety assurance problems

By CHRISTOPH SZECHENYI  
of the Tribune's staff

Friction between inspectors and their supervisors at the Callaway County nuclear power plant had surfaced nearly a year before Union Electric Co. started investigating its deteriorating quality control system, an internal memo reveals.

Company documents show that on March 10, 1984, quality control supervisor Terry Shaw ordered inspectors under him to take technical problems to him or to an assistant supervisor before approaching other department managers.

"In past weeks, there have been numerous instances demonstrating a lack of effective communication within the quality control department," Shaw wrote in the memo to 30 people, many of whom were inspectors. "Our aim is to solve problems through communication, not create them."

But some inspectors said this week that they repeatedly got no action from Shaw when voicing concerns about supervisors who were unqualified to make technical decisions for ensuring safety. In addition, the utility confirmed today that inspectors took their concerns to Shaw's boss in early December, nearly two months before the utility started an audit of problems.

Several inspectors said they did not trust some supervisors because they lacked expertise in certain quality control areas. "On a day to day basis, you're going to have technical questions," said one informed source who requested anonymity. "Management wants us to go to them for answers, yet how can they discuss these problems when they're not technically qualified?"

One assistant supervisor, Vernon Portell, recently lost certification for two types of inspections at the \$3 billion plant near Fulton. Reacting to the finished audit, dated Feb. 22, plant manager Steve Miltenberger suspended Portell's certification. Portell, however, retains his supervisory role.

"A supervisor does not have to be certified at any level in any discipline," said Robert Powers, assistant manager of the division that oversees the effectiveness of

Shaw's inspectors. "I would expect a supervisor to be competent in inspection philosophy."

Several inspectors said such a management attitude and supervisors' shortage of expertise spurred inspectors' complaints to Powers' office, which did the audit. It outlined inadequate training, education and experience among seven of 13 inspectors — including Portell and a assistant supervisor L.M. Zahara — and sparked suspicion of some of their duties.

Following the audit's suggestion, the company suspended inspectors from some tasks until their qualifications are established. Union Electric is also reviewing some 12,000 work orders to determine whether disqualified men did inspections that could jeopardize the plant's safety.

The St. Louis utility is also reviewing the credentials and work of 50 to 60 more inspectors employed by a firm that helped build the plant, which started generating electricity in December.

The Nuclear Regulatory Commission's inspector Callaway is also planning to review some work orders.

Yesterday, the Fulton Sun quoted plant spokesman Mike Cleary as saying that "we have a good system here for recourse...I'm not sure why the inspectors didn't step up the quality control chain of command."

But today, Cleary admitted that statement was untrue. He said he had been unaware of the inspectors' efforts when he talked to the Fulton newspaper.

He conceded that seven or eight inspectors had taken their concerns in early December to Paul Appleby, assistant plant manager who oversees quality control operations.

Cleary said the inspectors' concerns "were being taken seriously." After the interviews, Cleary said, Appleby put together a plan for corrective action. Cleary said he didn't know what changes Appleby had proposed.

Inspectors said this week that they grew impatient with Appleby's efforts, and so they asked Powers' quality assurance office to investigate. Powers noted that inspectors have the right under company policy to complain to his division.

Auditors concluded managers had broken written company rules in several instances by certifying some inspectors. The inspectors check electrical, mechanical, civil and material work throughout the plant, including systems in the reactor building and other key components.

## THE WEATHER

Fair tonight with a low in the upper 30s. Mostly sunny tomorrow. High around 60.

Columbia Tribune: 3/8/85

This preliminary notification constitutes EARLY notice of events of POSSIBLE safety or public interest significance. The information is as initially received without verification or evaluation, and is basically all that is known by the staff on this date. *DF*

Facility: Union Electric Company  
Callaway Nuclear Plant  
Steedman, MO 65077

Docket No: 50-483

Licensee Emergency Classification:  
\_\_\_\_ Notification of an Unusual Event  
\_\_\_\_ Alert  
\_\_\_\_ Site Area Emergency  
\_\_\_\_ General Emergency  
xy Not Applicable

Subject: DECERTIFICATION OF QC INSPECTORS

The licensee informed the Resident Inspector on February 26, 1985, that seven Union Electric Quality Control Inspectors were decertified after a review identified procedural and education/experience deficiencies in UE's inspector certification program. The decertification only affects the Operational QC program and does not impact on Construction.

The licensee began the review after employees alleged that a key procedure in the certification process was not being followed, i.e., that a Level III inspector had not signed the certification documents of recently certified Level III inspectors. The allegation was substantiated and further review by the licensee uncovered three additional deficiencies: insufficient records to support QC inspector certification; QC inspectors did not have the required work experience in accordance with ANSI 45.2.6, the national standard used by Union Electric for inspector qualifications; and general deficiencies in the UE Certification/Qualification program itself.

As part of its correction action program, the licensee is planning an evaluation of the impact on the plant by these now non-certified inspectors. This evaluation will include a reinspection of at least a sample of their work on safety-related systems.

The resident inspectors are following the licensee's course of action.

The State of Missouri will be notified.

The news media is aware of the inspector decertification.

This information is current as of 11:30 a.m., March 4, 1985.

CONTACT: P. Pelke E. Greenman  
FTS 388-5560 FTS 388-5518

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# UE targets unqualified p

Concern surfaces about quality, safety assurances at Callaway.

(C) 1985 Columbia Daily Tribune

Union Electric Co. has allowed unqualified inspectors for more than three years to help ensure the safety of its Callaway County nuclear power plant. The utility recently suspended seven inspectors from numerous duties after an internal investigation revealed shortcomings in their training, education or experience.

The discovery has raised company officials' doubts about the plant's safe operation, leading them to begin revamping the quality control inspection system.

Concerns won't be resolved until the utility completes a massive review of inspectors' work dating back to 1981, company officials said yesterday. The review is expected to take at least three more weeks.

"We're interested in seeing if there are any safety problems," said company spokesman Mike Cleary, "and in correcting them if they exist."

The St. Louis utility is reviewing work by 50 to 60 more inspectors employed by a contractor who helped build the plant near Fulton. Union Electric wants to ensure that inspectors had adequate skills and certification.

A recent company audit, prompted by internal complaints, uncovered deficiencies with seven of 13 utility inspectors. As a result, the utility began studying about 12,000 work orders this week to determine whether unqualified men conducted faulty inspections, hundreds of which were done in key safety-related systems. "We need to review those records to find out what they actually did," said James Gearhart, the Union Electric employee who supervised the audit.

The Nuclear Regulatory Commission has not moved to alter plant operations in the wake of the findings. Bruce Little, commission inspector at Callaway, said he will review some utility work orders. So far, the utility has reported no evidence that the unqualified inspectors compromised safety, Little said.

The agency's regional office in Chicago, responsible for overseeing Callaway's operation, has alerted its top division chiefs and the five commissioners in Washington, D.C. Little said the utility might have violated NRC rules.

Bob Pollard, a staff member of the Union of Concerned Scientists in Washington and a former commission worker, said regulators should shut down the plant until the utility completes its reviews.

Lambasting the federal agency's inaction, Pollard said: "That's exactly what the difficulty is over at the NRC. Instead of proof that a plant is safe, they operate on the absence of proof that it is dangerous."

The \$3 billion Callaway plant — completed at more than five times

its original price estimate — supplies 1,150 megawatts for about 1 million Union Electric customers in St. Louis and dozens of Mid-Missouri communities, such as Ashland and Moberly. After eight years of construction, the plant, which is 35 miles from Columbia, started operating in December.

Any citizen may petition the NRC to halt the plant's operation until the safety review is finished. Unscheduled shutdowns, the company has estimated, would cost the utility about \$750,000 a day.

Doubts about inspections strike at the heart of the plant's quality assurance program, Pollard said. "The paper process is the only way they have to assure public safety."

Robert Powers, the plant's assistant quality assurance manager, said interviews with disqualified inspectors revealed that when they encountered work outside their areas of expertise, they passed the job along to qualified men.

"We don't have any concern about the plant's construction," he added, noting that the inspectors did all their work during what is considered the plant's operational phase, since midyear 1981.

One worker, who requested anonymity for fear of superiors' reprisals, said he found certification papers on his desk a few months ago allowing him to do inspections for which he lacked complete training. He and other workers said managers wanted to improve efficiency by using multicertified inspectors.

"I was afraid...I might get asked to do something I had no experience in," the worker said this week, "and at that point, I would have had to say, 'Get somebody else in here who knows what they're doing.'"

Other workers said they never recall seeing or hearing of an inspector who proceeded with an inspection for which he wasn't qualified. In such instances, the workers said, the inspector always turned to someone qualified. But the employees noted that the inspectors in question — and their work — have caused alarm about the quality control program. A final ruling about safety can come only when reviews are finished, the workers agreed.

Two utility divisions are the key players: the quality control branch, which inspects maintenance work and repairs to make sure they meet strict safety regulations; and Powers' quality assurance wing, which reports only to corporate headquarters and functions to ensure that members of the quality control staff perform correctly.

In late January, the quality assurance office received complaints from inspectors who questioned the credentials and abilities of other quality control inspectors and two division supervisors. Powers said his auditors began investigating the next day. Among the findings outlined in a Feb. 22 audit report and



four requests for corrective action:

- One of three quality control assistant supervisors, Vernon Portell, lacked necessary experience in civil and electrical inspections, fields he oversaw.

- The man responsible for approving certification of inspectors, quality control supervisor Terry Shaw, on three occasions since Oct. 22 violated company rules for certifying inspectors.

One person that Shaw recommended be certified for two technical duties was Portell. Last week,

Callaway plant manager tenberger suspended Portell from certification. He retains his position, Cleary said, but has been barred from further electrical inspections.

- Most of the 13 men hired for inspections in more than the four technical categories failing 28 certifications are — but half of those cases were found questionable, the men did not meet accepted within the industry, Union Electric h

# Qualified plant inspectors

The Callaway County nuclear power plant, with the Missouri River in the distance.

David Rees photo



sts for corrective action: three quality control supervisors, Vernon Portell, necessary experience in civil inspections, fields he

an responsible for approval of inspectors, quality supervisor Terry Shaw, on usions since Oct. 22 violat- ny rules for certifying in-

reason that Shaw recom- certified for two techni- was Portell. Last week,

Callaway plant manager Steve Miltenberger suspended Portell's dual certification. He retains his supervisory position. Cleary said, but he has been barred from further civil or electrical inspections.

• Most of the 13 men had authority for inspections in more than one of the four technical categories — totaling 28 certifications among them — but half of those certifications were found questionable. In some cases, the men did not meet criteria accepted within the industry. In others, Union Electric had ignored

its own rules by exempting some men from the criteria without documenting why.

After finishing their report, auditors whittled the list of unqualified inspectors to seven by verifying technical prowess with documents or in interviews with the other inspectors.

• On five procedural points, quality control managers dodged Union Electric's own written policies for proper certification of the inspectors charged with ensuring Callaway's safe operation.

Regulatory commission inspector Little said sidestepping company policy violates federal rules. When granted licenses to build and operate Callaway, Union Electric pledged to uphold NRC regulations as well as company policies, Little noted.

On Tuesday, Cleary said, "We do not believe we have committed any violations." But Union Electric, Little stressed, knows the rules.

Until the utility and Little complete their reviews of the certification problem, Little said, the problems are considered "potential violations" that could lead to disciplinary action or fines by the commission.

In addition to suggesting that the certifications be pulled from the seven inspectors until their qualifications are established, the audit proposed several other steps for improving the certification process.

In response, Powers said, a group of inspectors, managers and quality assurance workers will recommend specific changes to match or exceed the prevailing industry standards for certification.

Powers said the review of maintenance work orders would show whether some plant systems need reinspection. Until the review is finished, Cleary added, Union Electric has contracted to hire two more inspectors to meet the workload. Cleary said the men average two inspections a day.

In explaining the origin of the certification problem, Powers said some inspectors had been hired by Union Electric from contractor Daniel International Co. Then, company managers gave them new certifications based on overly broad interpretations of industry standards, Powers said. The standards say officials may take related experience into consideration in certifying inspectors.

Said one inspector: "They abused the term 'related experience.' The bottom line is we have a lousy management situation."

Two plant workers close to the problem said managers had hoped to save money by using inspectors for multiple duties instead of hiring more employees.

Powers denied cost savings as a motive. "We felt there were some program weaknesses and perhaps some judgments that shouldn't have been made. I consider any violation of the program as a significant concern."

*This story was compiled and written by Tribune reporters Christoph Szechenyi and Dolores Whiskeyman and editor Paul Roberts.*