



OFFICE OF THE
SECRETARY

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

Simon
Teresa

10/3/84

MEMORANDUM FOR: B. Paul Cotter, Jr., Chief
Administrative Judge, ASLBP
Raymond F. Fraley, Executive Director,
ACRS
Darrell G. Eisenhut, Director,
Division of Licensing

FROM: *for* Samuel J. Chilk, *for* Secretary

SUBJECT: STENOGRAPHIC REPORTING CONTRACT

As you may be aware, the NRC's current contractor for the supply of transcription services for in-town meetings and hearings has been cited for unsatisfactory service. On July 20, 1984, Free State Reporting, Inc. (FSRI) was asked to provide a written explanation of its performance and an indication of the positive corrective actions it proposed to assure successful performance of the contract in the future. FSRI replied by letter of July 31, 1984 and a meeting was subsequently held on August 6, 1984 between the contractor, the contract users and the Division of Contracts. In spite of these efforts to achieve improvement, FSRI's performance continued to be substandard. On September 14, 1984, FSRI was sent a "cure notice" containing a description of substandard performance and notification that the Government may terminate the contract. FSRI's reply was received on September 24, 1984 and sent to your offices for review and comment. Copies of the September 14 and 24 letters are attached.

The NRC contracting officer has now sought our views on whether FSRI's proposed corrective measures are acceptable or whether the users of the contract recommend that the contract should be terminated at this time. We therefore request that your offices make again an independent review of FSRI's performance on your portion of the contract and its proposed corrective measures and provide us with your

FOIA-84-853

C/7

views as to continuation/termination of the contract. Please include in your reply some indication of the reasons for the action you recommend. For our part, SECY's present view is that the corrective measures proposed by FSRI, which are largely a continuation of past initiatives without substantive improvement in quality control, do not give enough reassurance that performance will be maintained at a consistently higher level.

In view of the need to settle the issue quickly, please give us your written comments by c.o.b., Thursday, October 4.

Attachments:

As Stated

cc: A. Rosenthal, ASLAP
C. Fitti, ASLBP
A. Newsom, ACRS
S. Burwell, NRR
H. Shierling, NRR
E. Halman, DC