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February 10, 1986

Mr. Joseph T. Collins
Special Assistant to the Director
Office of Inspection and Enforcement
U.S. NUCLEAR REGULATORY COMMISSION
Washington, D.C. 20555

Re: LAMBERT, MAC GILL & THOMAS
Georgia Power Plant, Hatch Baxley, GA
Our File Number: 28619-85-02

Dear Mr. Collins:

This letter will confirm that the undersigned has received your letter of January 23, 1986. We accept the statements set forth therein as your understanding of, and the reasons behind, your discussions with Southern Company Services ("SCS") relative to the use of Lambert, MacGill & Thomas, ("LMT") as a subcontractor on the above-referenced project. Although we have serious question as to the advisability of anyone holding your position with the Inspection and Enforcement Division of the Nuclear Regulatory Commission expressing an opinion relative to competing automated ultrasonic testing systems, we are not so much interested in casting blame for the unfortunate occurrence, but desire to: (i) rectify this situation, if possible, and (ii) be able to assure our client that the situation will not repeat itself. As we previously advised you, as a direct result of your discussions with representatives of SCS, LMT lost its contract to perform the testing at the Hatch Project site. Despite your claimed neutral intentions, it is clear that the SCS's employees deduced that the NRC had serious doubt regarding the capability of LMT's system. Obviously, this was serious enough to induce SCS to terminate its contract with LMT. To redress this misunderstanding, we request, on behalf of our client, that a letter from your office be issued to SCS Services to clarify the misunderstanding and to clearly advise SCS

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that the LMT system is, in the eyes of the NRC, fully qualified to carry out the crack inspection responsibilities required at the Hatch project site.

In view of the fact that our client has completed all tests required of it by the Nuclear Regulatory Commission, we believe that the above-requested letter is in order. If for any reason you do not believe that LMT's system is fully qualified under the standards established by the NRC and as a result of such belief are unable to render the above-referenced letter, then we would request that you advise the undersigned as to exactly what our client must do, in your opinion, to become so qualified.

As our client's ability to obtain new work is directly related to its reputation and perceived ability to carry out its responsibilities, it is imperative that this misunderstanding be rectified at the earliest possible date. Accordingly, we would appreciate your earliest response. A copy of any letter addressed to Southern Company Services should be copied to the undersigned, as well as to Mr. Ted Lambert at Lambert, MacGill & Thomas, 515 Aldo Avenue, Santa Clara, CA.

Sincerely,

MILLER, MORTON, CAILLAT & NEVIS

By

DLN:cl

cc: Ted Lambert