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

January 3, 1988

MEMORANDUM FOR: Victor Stello, Jr.

Executive Director for Operations

FROM: John C. Hoyle, Assitant Secretary

SUBJECT: STAFF REQUIREMENTS - BRIEFING ON CURRENT

STATUS OF POSSIBLE USE OF SUBSTANDARD COMPONENTS IN NUCLEAR POWER PLANTS, 10:00

A.M., TUESDAY, DECEMBER 20, 1988,

COMMISSIONERS' CONFERENCE ROOM, ONE WHITE FLINT NORTH, ROCKVILLE, MARYLAND (OPEN TO

PUBLIC ATTENDANCE)

The Commission was briefed by the staff on possible uses of substandard components in nuclear power plants.

The Commission requested the staff to:

- 1. Review the adequacy of NRC regulations and requirements in defining the difference between "substandard" and "refurbished" components, making it clear that a refurbished component is not necessarily substandard.
- Disseminate information to the public about punishment/sentencing resulting from guilty pleas and verdicts reached for individuals connected with supplying substandard components.
- 3. Pursue the ongoing investigations to uncover the source(s) of fraudulent equipment sold to nuclear power plants.
- 4. Keep the Commission informed on the staff's activities in this matter, including efforts toward developing a generic letter and advance notice of proposed rulemaking in the areas of receipt inspections, dedication programs, and audit improvements.

(EDO) (SECY Suspense: 1/26/89)

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commissioner Rogers requested the staff to pursue in conjunction with the industry initiatives the identification of parts potentially becoming unavailable and/or phased out and thereby help assure the future availability of high quality parts.

cc: Chairman Zech

Commissioner Roberts Commissioner Carr Commissioner Rogers Commissioner Curtiss OGC

GPA

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