# PACIFIC GAS AND ELECTRIC COMPANY

PG&E

77 BEALE STREET, 31ST FLOOR • SAN FRANCISCO, CALIFORNIA 94106 • (415) 781-4211

JOHN C. MORRISSEY
VICE PRESIDENT AND GENERAL COUNSEL

MALCOLM H. FURBUSH
ASSOCIATE GENERAL COUNSEL

CHARLES T. VAN DEUSEN
PHILIP A. CRANE, JR.
HENRY J. LaPLANTE
RICHARD A. CLARKE
JOHN B. GIBSON
ARTHUR L. HILLMAN, JR.
ROBERT OHLBACH
CHARLES W. THISSELL
ASSISTANT GENERAL COUNSEL

GILBERT L. HARRICK
GLENN WEST, JR.
DAN GRAYSON LUBBOCK
JACK F. FALLIN, JR.
BERNARD J. DELLASANTA
SENIOR COUNSEL

EDWARD J. McDANNEY
DANIEL E. GIBSON
JOSEPH I. KELLY
HOWARD V. GOLUB
JAMES C. LOGSDON

JOSHUA BAR-LEV
DIANE BERGHAUSEN
STEVEN P. BURKE
PAMELA CHAPPELLE
BRIAN B. DENTON
WILLIAM H. EDWARDS
JOSEPH S. ENGLERT, JR.
JOHN N. FRYE
PATRICK D. GOLDEN
ROBERT L. HARRIS
KERMIT R. KUBITZ
THEODORE L. LINDBERG, JR.
RICHARD F. LOCKE
ROBERT D. McLENNAN
RICHARD M. MOSS
ROGER J. PETERS
ROBERT R. RICKETT
SHIRLEY A. SANDERSON
JO ANN SHAFFER
DAVID J. WILLIAMSON
BRUCE R. WORTHINGTON

J. PETER BAUMGARTNER
ROBERT L. BORDON
LEIGH B. CASSIDY
HEATHER B. CISSNA
MICHAEL G. DESMARAIS
GARY P. ENCINAS
DONALD ERICKSON
DAVID C. GILBERT
PETER W. HANSCHEN
JUAN M. JAYO
F. RONALD LAUPHEIMER
HEREK E. LIPSON
HARRY W. LONG, JR.
RICHARD L. MEISS
DOUGLAS A. OBLESBY
J. MICHAEL REIDENBACH
IVOR E. SAMSON
SUE ANN LEVIN SCHIFF
JACK W. SHUCK
SHIRLEY A. WOO
ATTORNEYS

December 13, 1978


Mr. R. H. Engelken, Director
Office of Inspection and Enforcement
Region V
U.S. Nuclear Regulatory Commission
1990 N. California Boulevard
Walnut Creek Plaza, Suite 202
Walnut Creek, California 94596

Re: Docket No. 50-275-OL
Docket No. 50-323-OL
Diablo Canyon Units 1 & 2

Dear Mr. Engelken:

The NRC Office of Inspection and Enforcement, Region V, was notified by telephone on November 14, 1978, that a discrepancy, possibly reportable under the provisions of 10 CFR 50.55 (e), was discovered in certain material documentation. It has been confirmed that this discrepancy is reportable.

During a routine material documentation review an onsite contractor identified as suspect some material test reports associated with material provided by a local supplier. Further investigation by the contractor, PGandE and other contractors has confirmed that documentation for some materials from the local supplier is improper. As a result of this finding an extensive investigation was initiated to determine the adequacy of safety related materials purchased by all contractors from this supplier. Material documentation furnished by other suppliers was also investigated.

The results of the investigation to date are as follows:

1) Only the subject supplier's material documentation was found to be discrepant.

2) Purchases of safety related material from this supplier were made by PGandE, two prime contractors and two subcontractors, starting in October 1973.

200

7901050 ~~208~~

3) All material in stock provided by this supplier has been placed on hold and will not be used in safety related installations until its quality is verified.

4) PGandE and all Diablo Canyon Power Plant Contractors removed the subject supplier from their approved supplier lists on November 10, 1978.

5) The materials with discrepant or questionable documentation are small structural shapes such as angle iron and flat bar, tubing and tubing fittings.

6) The structural steel shapes have been used for cable tray and conduit supports, fire proofing supports, instrumentation tubing and component supports, check plate supports, and ventilation duct supports. Design requirements are that this material be ASTM A-36. Tubing and fittings have been used in instrumentation systems. Design requirements vary according to service conditions.

7) The documentation does not properly relate to the materials furnished and there is a lack of documentary evidence to substantiate certificates of compliance.

8) Material purchased for fire proofing and checker plate supports is traceable from the purchase order to its installed location. With the exception of some small angle iron used in fire proofing supports, this material was determined to meet design requirements based on chemical analysis and physical testing of representative samples or by tracing the material back to acceptable documentation from the manufacturer. The fire proofing supports will be tested in place by measuring the hardness and relating it to tensile strength to verify compliance with design requirements.

9) Material used for ventilation duct supports, cable tray supports, conduit supports and instrument tubing and component supports is not traceable from the purchase order to the installed location. For a representative sampling of this material, compliance with design requirements will be verified by measuring the hardness and relating it to tensile strength and by analysis of chemical and physical properties.

10) Tubing and tubing fittings can be traced from the purchase order to the installed location. Acceptability of the instrument tubing systems for the design service is substantiated by hydrostatic proof tests and nondestructive testing of welds. In addition, the manufacturer's labelling of this material as to ASTM designation and type was generally witnessed during receipt and inspection. Material properties testing of a representative sample will be performed to assure this material is acceptable for the intended service.

No unacceptable material has been identified to date. The final investigative results and disposition of the subject material will be provided by February 1, 1979.

Very truly yours,

Philip A. Crane, Jr.

PHILIP A. CRANE, JR.