

UNITED STATES NUCLEAR REGULATORY CC AMISSION REGION III 799 ROOSEVELT ROAD GLEN ELLYN, ILLINOIS 60137

SEP 1 2 1979 '

Docket No. 50-266 Docket No. 50-301

Wisconsin Electric Power Company ATIN: Mr. Sol Burstein Executive Vice President Power Plants 231 West Michigan Milwaukee, WI 53201

Gentlemen:

This refers to the inspection conducted by Messrs. J. R. Creed and T. J. Madeda of this office on August 20- 4, 1979, of activities at the Point Beach Nuclear Plant, Units 1 and 2, authorized by NRC Operating Licenses No. DPR-24 and No. DPR-27 and to the discussion of our findings with Messrs. G. Reed, R. Krukowski, J. Mielke and other members of your staff at the conclusion of the inspection.

The enclosed copy of our inspection report identifies areas examined during the inspection. Within these areas, the inspection consisted of a selective examination of procedures and representative records, observations, and interviews with personnel.

During the inspection, certain of your activities appeared to be in noncompliance with NRC requirements, as described in the enclosed Appendix A. The inspection showed that action had been taken to correct the identified Items 1, 3 and 4 and to prevent recurrence. Consequently, no reply to those items is required and we have no further questions regarding Items 1, 3 and 4 at this time. However, we request that you respond to Item 2. It should be noted that although adequate compensatory measures were taken regarding that item further corrective action is required.

This notice is sent to you pursuant to the provisions of Section 2.201 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations. Section 2.201 requires you to submit to this office within twenty days of your receipt of this notice a written statement or explanation in reply, including for Item 2: (1) corrective action taken and the results achieved; (2) corrective action to be taken to avoid further noncompliance; and (3) the date when full compliance will be achieved.

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Areas examined during the inspection concern a subject matter which is exempt from disclosure according to Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations. Consequently, our report of this inspection and your response will not be placed in the Public Document Room.

We will gladly discuss any questions you have concerning this inspection.

Sincerely,

J. A. Hind, Chief Safeguards Branch

Enclosures:

- 1. Appendix A, Notice of Violation
- 2. IE Inspection Reports No. 50-266/79-12 and No. 50-301/79-14 (Part 2.790(d) Information)

cc w/encls: Mr. G. A. Reed, Manager Central Files Reproduction Unit NRC 20b

cc w/o encls: PDR Local PDR