



UNITED STATES  
ATOMIC ENERGY COMMISSION  
WASHINGTON, D.C. 20545

APR 3 1972

R. C. DeYoung, Assistant Director for PWR's, DRL  
R. R. Maccary, Assistant Director for Engineering, DRS

INVESTIGATION REPORT  
ALLEGED IRREGULARITIES AT THE BABCOCK & WILCOX COMPANY

Forwarded for information is a report of an investigation of alleged irregularities at the Babcock & Wilcox Company (B&W) relative to the fabrication of steam generators for the Rancho Seco and Davis-Besse facilities. The allegations were made by a former B&W employee. The investigation was carried out by representatives of the Division of Compliance and the Division of Inspection, in response to information supplied by the office of Congressman Jack F. Kemp.

As may be noted, the use of eight plates in an improperly heat treated condition in units for the two facilities was confirmed by the investigation. No other deficiencies were identified. This matter was discussed with you previously, resulting in letters from the Division of Reactor Licensing to the respective licensees. We would be pleased to assist in the evaluation of the licensees' responses; however, we plan no further action with respect to shop inspection of the units in question.

If you have questions on this matter, please advise.

*J. S. Keppeler for*  
R. M. Engelken, Assistant Director  
for Inspection and Enforcement  
Division of Compliance

Enclosure:  
INS Rpt 44-2-288 dtd 3/14/72

cc:w/encl.

~~Low, CO~~  
Kornblith, Jr, CO  
CO: I, III & V

*See docket 50-312 for  
investigation rpt*

800 1310 598  
~~800 1310 600~~