

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

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INVESTIGATION REPORT
ALLEGED IRREGULARITIES AT THE BABCOCK & WILCOK CGPPANY

Forwarded for information is a report of an investigation of alleged irregularities at the Babcock & Wilcox Company (BCW) relative to the fabrication of steam generators for the Rancho Seco and Davis-Besse facilities. The allegations were made by a former BCW 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.

R. H. Engelken, Assistant Director for Inspection and Enforcement Division of Compliance

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

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