



UNITED STATES
ATOMIC ENERGY COMMISSION
DIRECTORATE OF REGULATORY OPERATIONS
REGION III
799 ROOSEVELT ROAD
GLEN ELLYN, ILLINOIS 60137

TELEPHONE
(312) 858-2660

AUG 21 1974

Toledo Edison Company
ATTN: Mr. Lowell E. Roe
Vice President, Power
Edison Plaza
300 Madison Avenue
Toledo, Ohio 43652

Docket No. 50-346

Gentlemen:

This refers to the inspection conducted by Messrs. M. W. Dickerson, G. A. Phillip and D. M. Hunnicutt of this office on July 17 and 18, 1974, of activities at the Davis-Besse Construction site authorized by AEC Construction Permit No. CPPR-80 and to the discussion of our findings with Messrs. Novak, Lenardson and others of your staff at the conclusion of the inspection.

A copy of our report of this inspection is enclosed and identifies the areas examined during the inspection. Within these areas, the inspection consisted of a selective examination of procedures and representative records, interviews with plant personnel, and observations by the inspectors.

During this inspection, it was found that certain of your activities appear to be in violation of AEC requirements. The items and reference to the pertinent requirements are listed under Enforcement Action in the Summary of Findings Section of the enclosed inspection report.

This notice is sent to you pursuant to the provisions of Section 2.201 of the AEC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations. Section 2.201 requires you to submit to this office within thirty days of your receipt of this notice, a written statement or explanation in reply, including: (1) corrective steps which have been taken by you, and the results achieved; (2) corrective steps which will be taken to avoid further violations, and (3) the date when full compliance will be achieved. Such a statement or explanation should be provided for each of the items listed.

Based on the results of this inspection, it is our understanding that the application of primer coating to the containment vessel will not be resumed prior to satisfactory resolution of the apparent violations.

In addition to our concern for corrective action with respect to the specific deficiencies identified during our inspection, we are concerned about your system for auditing facility construction activities, particularly the activities of your contractors and subcontractors. In your reply to this letter, please provide us with your comments on the audit system employed by Toledo Edison Company at the Davis-Besse site to assure that contractor and subcontractor construction activities are being conducted in accordance with applicable requirements and how this system will minimize the occurrence of deficiencies similar to the ones described in the enclosed inspection report.

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In accordance with Section 2.790 of the AEC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this notice, the enclosed inspection report, and your response to this notice will be placed in the AEC's Public Document Room. If this report contains any information that you or your contractors believe to be proprietary, it is necessary that you make a written application to this office, within twenty days of your receipt of this notice, to withhold such information from public disclosure. Any such application must include a full statement of the reasons for which it is claimed that the information is proprietary, and should be prepared so the proprietary information identified in the application is contained in a separate part of the document. Unless we receive an application to withhold information or are otherwise contacted within the specified time period, the written material identified in this paragraph will be placed in the Public Document Room.

Should you have any questions concerning this inspection, we will be glad to discuss them with you.

Sincerely yours,

James G. Keppler
Regional Director

Enclosure:
RO Inspection Rpt No. 050-346/74-05

bcc: RO Chief, FS&EB
RO:HQ (4)
Licensing (4)
DR Central Files
RO Files
PDR
Local PDR
NSIC
DTIE