

AUG 1 1975

Toledo Edison Company
ATTN: Mr. J. P. Williamson, President
300 Madison Avenue
Toledo, Ohio 43652

Docket No. 50-346
License No. CPPR-80

Gentlemen:

This letter refers to the inspection conducted by our Region III (Chicago) Office on May 19-22, 1975, at your Davis-Besse Unit 1 facility of activities authorized by NRC License No. CPPR-80. It also refers to the discussions held with you and Mr. L. E. Roe, Vice President of Toledo Edison Company by Messrs. J. G. Keppler and D. M. Hunnicutt on June 12, 1975.

On May 27, 28, and 29, 1975, senior representatives of the Region III Office discussed with Mr. Roe by telephone the quality assurance/quality control problems identified by our inspection in connection with safety related electrical work at Davis-Besse. At that time, Toledo Edison Company agreed to establish and implement a program to assure the adequacy of all site installed safety related wiring, cables and raceways. On May 30, 1975, Mr. J. G. Keppler, Director of Region III, issued an Immediate Action Letter in which the specific commitments made by Toledo Edison were delineated.

The inspection on May 19-22 consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspectors. A copy of the inspection report was mailed to Toledo Edison Company by Region III on July 2, 1975.

Based on the results of the inspection, it appears that certain of your activities were not conducted in full compliance with NRC requirements. These matters, which were discussed with you and Mr. Roe at the June 12, 1975 meeting are identified in the enclosed Notice of Violation. As you were informed during the meeting, the findings from the inspection raise questions regarding the quality of construction. The problems found, if not detected and corrected, could adversely affect the health and safety of the public.

Attachment 2

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Appendix B of 10 CFR Part 50 sets forth the quality assurance criteria and requires, among other things, that an applicant shall regularly review the status and adequacy of the quality assurance program. Of particular concern is that the items of noncompliance set forth in Appendix A, when viewed collectively, indicate a breakdown in management and procedural controls with respect to maintenance of an effective quality assurance program. Consequently, in your reply to this letter, you should describe those actions taken or planned to improve the effectiveness of your management control system to assure that quality assurance activities affecting safety are properly implemented and maintained.

As you are aware from the "Criteria for Determining Enforcement Action," which was provided to you by letter dated December 31, 1974, the enforcement actions available to the Commission in the exercise of its regulatory responsibilities include administrative actions in the form of written notices of violation, civil monetary penalties, and orders pertaining to the modification, suspension, or revocation of a license. After careful evaluation of the items of noncompliance identified in the enclosure to this letter and of the commitments for corrective action made by Toledo Edison Company, we have concluded that a Notice of Violation appears to be adequate at this time to achieve corrective action.

We plan to conduct additional followup inspections to determine the adequacy of corrective actions taken by Toledo Edison. Our findings and your reply to this letter will determine whether other enforcement action, such as civil penalties or orders, are appropriate.

Sincerely,

Original Signed by
B. G. Davis

John G. Davis, Deputy Director
for Field Operations
Office of Inspection and Enforcement

Enclosure:
Notice of Violation

cc: L. E. Roe, Vice-President