

UNITED STATES

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

TELEPHONE (312) 858-2660

OCT 2 4 1973

Consumers Power Company
ATTN: Mr. Stephen H. Howell
Vice President
1945 Parnall Road
Jackson, Michigan 49201

Docket No. 50-329 Docket No. 50-330

Gentlemen:

This refers to the inspection conducted by Messrs. Vandel and Dickerson of this office on September 10-11, 1973, at the Bechtel Power Corporation offices, located in Ann Arbor, Michigan, concerning the Bechtel Power Corporation Quality Assurance Program Activities relative to the Midland Nuclear Facility, and to the discussion of our findings during a meeting held on September 27, 1973, by Messrs. Vetter, Knop, Rohrbacher, and Vandel with you, Messrs. Keeley and Kessler, other members of your staff, and representatives of the Bechtel Power Corporation.

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 selective examination of procedures, representative records, interviews with Bechtel personnel, and observations by the inspector.

During this inspection, it was determined that certain Bechtel activities appear to be in violation of AEC rules and regulations and in nonconformance with the Bechtel Nuclear Quality Assurance Manual, and/or the Bechtel Internal Procedures Manual for Midland Units No. 1 and No. 2. The violations and references to the pertinent requirement are listed under Enforcement Action in the Summary of Findings Section of the enclosed inspection report.

This letter is a notice of violation (ant 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 (30) days of the date of this letter, 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 a further violation; and (3) the date when full compliance will be achieved.

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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 letter and the enclosed inspection report is to be placed in the AEC's Public Document Room. If the enclosed inspection report contains information which you or your contractors believe to be proprietary, it is necessary that you submit a written application to this office, within 20 days of the date of this letter, requesting that such information be withheld from public disclosure. If such an application is submitted, it must identify the basis for which information is claimed to be proprietary and should be prepared so that proprietary information identified is contained in a separate part of the document, since the application, excluding this separate part, will also be placed in the Public Document Room. If we do not receive an application to withhold information, or are not otherwise contacted within the specified time period, the enclosed report will be placed in the Public Document Room with a copy of this letter.

Should you have 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. 050-329/73-08 and No. 050-330/73-08

bcc: RO Chief, FS&EB
RO:HQ (4)
Licensing (4)
DR Central Files
RO Files
Regions I & II
PDR
Local PDR
NSIC
DTIE
OGC, Beth, P-506A