

UNITED STATES NUCLEAR REGULATORY COMMISSION

REGION V
1990 N. CALIFORNIA BOULEVARD
SUITE 202, WALNUT CREEK PLAZA
WALNUT CREEK, CALIFORNIA 94596

SEP 3 1980

Docket No. 50-344

Portland General Electric Company 121 S. W. Salmon Street Portland, Oregon 97204

Attention: Mr. Joe Williams

Executive Vice President

Gentlemen:

Subject: NRC Inspection

This letter refers to the routine Safeguards inspection of your activities authorized under NRC License No. NPF-1 conducted by Messrs. W. P. Mortensen and D. W. Schaefer of this office on July 14-17, 1980. It also refers to the discussion of our inspection findings held by the inspectors with Messrs. D. Broehl, J. Street and D. Kielblock and members of their staffs on July 17, 1980. This letter also refers to the telephone conversations between Mr. W. P. Mortensen and Mr. J. Street and members of his staff on July 21 and 22, 1980, and Mr. M. D. Schuster and Mr. D. Magnuson on August 11, 1980.

The inspection included examination of activities related to physical protection against industrial sabotage and against theft of special nuclear material in accordance with applicable requirements of Title 10, Code of Federal Regulations, Part 73, "Physical Protection of Plants and Materials," your Security Plan, and license conditions pertaining to physical protection as described in the enclosed inspection report. Within these areas, the inspection consisted of selective examinations of procedures and records, interviews with facility personnel and observations by the inspectors.

Based on the results of this inspection, it appears that one of your activities was not conducted in full compliance with NRC requirements, as set forth in the Notice of Violation, enclosed herewith as Appendix A. The item of noncompliance is categorized into the level as described in our correspondence to you dated December 31, 1974.



Portland General Electric Co. -2- SEP 8 1980 This notice is sent to you pursuant to the provisions of Section 2.201 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations. The inspectors observed completion of corrective action prior to departure from the Trojan plant on July 17, 1980, therefore no response to this notice is required. In accordance with Section 2.790(d) of the NRC's "Rules of Practice" Part 2, Title 10, Code of Federal Regulations, documentation of findings of your control and accounting procedures for safeguarding special nuclear materials and your facility security procedures are exempt from disclosure; therefore, the enclosure to this letter and the inspection report will not be placed in the Public Document Room and will receive limited distribution. Should you have any questions concerning this letter, we will be glad to discuss them with you. Sincerely, LeRoy R. Norderhaug, Chief Safeguards Branch Enclosures: Appendix A - Notice of Violation Inspection Report - 50-344/80-15 (IE-V-396)