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UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
REGION I  
631 PARK AVENUE  
KING OF PRUSSIA, PENNSYLVANIA 19406

Docket Nos. 50-352  
50-353

OCT 01 1980

Philadelphia Electric Company  
ATTN: Mr. John S. Kemper  
Vice President  
Engineering and Research  
2301 Market Street  
Philadelphia, Pennsylvania 19101

Gentlemen:

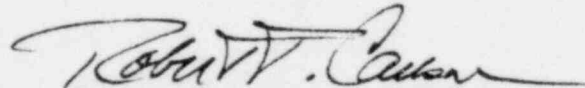
Subject: ASME Bolts, Nuts and Studs from Unapproved Sources  
(Your letter of September 25, 1980)

Thank you for your letter, referenced above, which forwarded an interim report pursuant to 10 CFR 50.55(e) regarding the subject matter.

This matter will be reviewed following receipt of your final report.

Your cooperation with us is appreciated.

Sincerely,

  
Robert T. Carlson, Chief  
Reactor Construction and  
Engineering Support Branch

cc:

V. S. Boyer, Senior Vice President, Nuclear Power

8011050 040

# PHILADELPHIA ELECTRIC COMPANY

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JOHN S. KEMPER  
VICE-PRESIDENT  
ENGINEERING AND RESEARCH

Mr. Boyce Grier, Director  
Office of Inspection and Enforcement, Region I  
United States Nuclear Regulatory Commission  
King of Prussia, PA 19406

Subject: Interim Report for Potential Significant  
Deficiency No. 16 - ASME Bolts, Nuts and Studs  
Obtained from Unapproved Sources  
Limerick Generating Station, Units 1 and 2  
NRC Consturction Permit Nos. CPPR-106, 107

Reference: Telecon of August 26, 1980 H. R. Walters (PECO)  
to R. McGaughy (NRC)

File: QUAL 2-10-2 (SDR #16)

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Dear Mr. Grier:

In compliance with 10CFR50.55(e) we are hereby submitting this interim report on the subject bolting materials. Philadelphia Electric Company discussed this subject with your office by telephone on August 26, 1980 after it was determined that this situation may be reportable to the USNRC.

It was reported to PECO on July 16, 1980 by Bechtel Power Corporation that the Limerick Project has been supplied ASME Section III bolts, nuts and studs by REC Corporation, New Rochelle, New York. These bolting materials were procured by REC from material manufacturers that do not have quality assurance programs that have been approved by Bechtel. Such approval is contingent upon either the material manufacturer holding a current ASME Quality System Certificate (Materials) or upon a satisfactory survey of the manufacturer by Bechtel.

This deficiency involves approximately 25,000 items supplied from 1977 to mid 1980 of which about ten percent have been issued for use at the LGS jobsite. These items, all supplied by REC Corporation, came from the following eight material manufacturers or suppliers:

Allied International - American Eagle Trading Corp.

Shigeyama and Co., Ltd.

Kurt Orban Co., Inc. (Ovako-Imatra Steel Works)

Wycoff Steel Division (AMPCO - Pittsburgh Corp.)

Kinki Marusei Nut Kyogyo Kumia

B&G Manufacturing Co.

Republic Steel (Cleveland Plant)

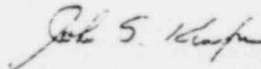
Colt Industries - Crucible Division

Upon identification of the subject deficiency the following actions were taken:

- Eight nonconformance reports (NCR's) were written against material from each of the above eight organizations. These NCR's have not yet been finally dispositioned.
- All subject bolting material supplied by REC Corporation in the LGS site warehouse was identified, hold tagged and segregated from acceptable material to prevent further use pending disposition of the NCR's.
- Correspondence and meetings were initiated with REC Corporation representatives in order to obtain available information and secure REC's cooperation in resolving this situation.
- Bechtel Project Engineering was requested to perform an analysis of the safety implications of this situation and determine if it is reportable to the USNRC.

Bechtel has advised PECO that receipt of all pertinent information, final disposition of NCR's and analysis of the reportability of this situation is not yet complete. It is estimated that these steps will be complete by December 30, 1980 at which time PECO will submit a further detailed written report.

Sincerely,



cc: Director of Inspection and Enforcement  
United States Nuclear Regulatory Commission  
Washington, D.C. 20555