

In Reply Refer To:
Dockets: 50-445/89-23
50-446/89-23

JAN 26 1990

Mr. W. J. Cahill, Jr.
Executive Vice President
TU Electric
400 North Olive Street, Lock Box 81
Dallas, Texas 75201

Dear Mr. Cahill:

This refers to the inspection conducted by Mr. H. S. Phillips during the period April 5 through May 2, 1989, of activities authorized by NRC Construction Permits CPPR-126 and CPPR-127 for the Comanche Peak Steam Electric Station, Units 1 and 2, and to the discussion of our findings with Mr. H. D. Bruner and other members of your staff at the conclusion of the inspection.

Areas examined during this inspection included TU Electric actions relating to Enforcement Action 88-310; TU Electric Code V procurements for work on the component cooling water heat exchangers, repair work on diesel generator heat exchangers, application and removal of coatings from diesel generator fuel tanks, and vendor services to measure steam generator nozzles; and follow-up on previously identified inspection items. Within these areas, the inspection consisted of selective examination of procedures and representative records, interviews with personnel, and observations by the inspector. The inspection findings are documented in the enclosed inspection report.

In addition to this inspection report, Mr. Phillips also documented additional findings and opinions in an internal NRC memorandum to me dated June 21, 1989. It is our understanding that a copy of Mr. Phillip's memorandum was provided to TU Electric anonymously. Your response to Mr. Phillip's memorandum was submitted to the NRC on December 11, 1989, by letter TXX-89847.

This matter was referred to the NRC Office of Investigations to determine whether there was any wrongdoing associated with the findings in this report. Although the OI report has not yet been issued, they have informed us that, while there were misunderstandings associated with the actions you took in response to EA 88-310, the investigation disclosed no evidence of an intent to deceive the NRC.

CPPD:NRR *AS*
HLivermore:ww
1/26/90

RFW
AD:CPPD:NRR
RWarnick
1/26/90

D:OI:RIV
DDriskill
1/25/90

RFW for
D:CPPD:NRR
CGrimes
1/26/90

9002080160 900126
PDR AD0CK 05000445
G: PDC

Grimes discussed with Driskill. One change to letter made as a result. Grimes says Driskill concurs. RFW

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JAN 26 1990

Nevertheless, there are apparent violations identified in the enclosed inspection report related to the adequacy of your evaluation of the other Code V procurements that must be resolved. An addendum has been attached to the report to update its findings. We intend to discuss these matters in an enforcement conference that will be scheduled in the near future. You should be prepared to present your assessment of the safety significance, root cause and corrective actions for these issues, as appropriate.

You will be informed in writing of the NRC decision on enforcement action when that decision is reached after the conference. In accordance with 10 CFR 2, Appendix C, the enforcement conference will not be open to the public.

In accordance with 10 CFR 2.790 of the Commission's regulations, a copy of this letter and the enclosed report will be placed in the NRC Public Document Room.

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

Sincerely,

RF Warrick for

C. I. Grimes, Director
Comanche Peak Project Division
Office of Nuclear Reactor Regulation

Enclosure:
Inspection Report 50-445/89-23; 50-446/89-23

cc w/enclosure:
See next page.

W. J. Cahill, Jr.

JAN 26 1990

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50-445/89-23; 50-446/89-23

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