In Reply Refer To: Dockets: 50-445/90-05 50-446/90-05

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. R. M. Latta during the period January 3 through January 30, 1990, 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 you and members of your staff at the conclusion of the inspection.

The areas examined during the inspection included Therm-A-Lag and the allegations and issues associated with its receipt inspection; the controversy over documentation of wall thickness problems using a nonconformance report; your corrective actions; and follow-up on previously identified Therm-A-Lag discrepancies. Within these areas, the inspection consisted of selective examination of procedures and representative records, interviews with personnel, and observations by the inspectors.

During this inspection, it was found that certain of your activities appear to be in violation of NRC requirements. The apparent violations are being reviewed for appropriate enforcement action.

The NRC is concerned that a violation of the employee protection provisions set forth in 10 CFR 50.7 may have occurred and that the actions taken during the course of the events described in the enclosed inspection report may have had a chilling effect on other licensee or contractor personnel. Consequently, we believe it would be useful to meet with you to discuss our findings.

You should be prepared to discuss these findings at an enforcement conference to be scheduled during the week of February 5, 1990. In accordance with 10 CFR 2, Appendix C, the enforcement conference will not be open to the public. Following the enforcement conference you will be notified of the resolution of these findings.

RI:CPPD:NRR RLatta:ww 01/30/90 PM

CPPD:NRR HLivermore 01/70/90

AD: CPPD: NRR RWarnick 01/30/90

CG7 1/30/90

JEO!

W. J. Cahill, Jr. -2-JAN 3 1 1990 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 inspection, we will be pleased to discuss them with you. Sincerely, Original signed by C. I. Grimes C. I. Grimes, Director Comanche Peak Project Division Office of Nuclear Reactor Regulation Enclosure: Inspection Report 50-445/90-05; 50-446/90-05 cc w/enclosures: See next page

50-445/90-05; 50-446/90-05

DISTRIBUTION:

Docket File (50-445/446)

NRC PDR

LPDR

CPPD-LA

CPPD Reading (HQ)

ADSP Reading *Site Reading File

*R. Warnick

*J. Wiebe

*H. Livermore

*MIS System, RIV

*RSTS Operator, RIV

RPB, RIV RIV Docket File

J. Gilliland, RIV

*L. Shea, ARM/LFMB

C. I. Grimes

J. H. Wilson

J. Lyons

M. Malloy

J. Moore, OGC

M. Fields

D. Crutchfield

T. Quay

E Jordan

B. Grimes

B. Hayes

C. Vandenburgh J. Partlow

^{*}w/766



UNITED STATES NUCLEAR REGULATORY COMMISSION WASHINGTON, D. C. 20866

JAN 3 1 1990

In Reply Refer To: Dockets: 50-445/90-05 50-446/90-05

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. R. M. Latta during the period January 3 through January 30, 1990, 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 you and members of your staff at the conclusion of the inspection.

The areas examined during the inspection included Therm-A-Lag and the allegations and issues associated with its receipt inspection; the controversy over documentation of wall thickness problems using a nonconformance report; your corrective actions; and follow-up on previously identified Therm-A-Lag discrepancies. Within these areas, the inspection consisted of selective examination of procedures and representative records, interviews with personnel, and observations by the inspectors.

During this inspection, it was found that certain of your activities appear to be in violation of NRC requirements. The apparent violations are being reviewed for appropriate enforcement action.

The NRC is concerned that a violation of the employee protection provisions set forth in 10 CFR 50.7 may have occurred and that the actions taken during the course of the events described in the enclosed inspection report may have had a chilling effect on other licensee or contractor personnel. Consequently, we believe it would be useful to meet with you to discuss our findings.

You should be prepared to discuss these findings at an enforcement conference to be scheduled during the week of February 5, 1990. In accordance with 10 CFR 2, Appendix C, the enforcement conference will not be open to the public. Following the enforcement conference you will be notified of the resolution of these findings.

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 inspection, we will be pleased to discuss them with you.

Sincerely,

C. I. Grimes, Director

Comanche Peak Project Division
Office of Nuclear Reactor Regulation

Enclosure: Inspection Report 50-445/90-05; 50-446/90-05

cc w/enclosures: See next page cc w/enclosure:
Roger D. Walker
Manager, Nuclear Licensing
TU Electric
Skyway Tower
400 North Olive Street, L.B. 81
Dallas, TX 75201

Juanita Ellis President - CASE 1426 South Polk Street Dallas, TX 75224

Texas Radiation Control
Program Director
Texas Department of Health
1100 West 49th Street
Austin, Texas 78756

GDS Associates, Inc. 1850 Parkway Place, Suite 720 Marietta, GA 30067-8237

Honorable George Crump County Judge Glen Rose, Texas 76043

Ms. Billie Pirner Garde, Esq. Robinson, Robinson, et al. 103 East College Avenue Appleton, WI 54911

Regional Administrator, Region IV U.S. Nuclear Regulatory Commission 611 Ryan Plaza Drive, Suite 1000 Arlington, Texas 76011

William A. Burchette, Esq.
Counsel for Tex-La Electric
Cooperative of Texas
Heron, Burchette, Ruckert & Rothwell
1025 Thomas Jefferson St., NW
Washington, DC 20007

TU Electric c/o Bethesda Licensing 3 Metro Center, Suite 610 Bethesda, Maryland 20814

E. F. Ottney
P. O. Box 1777
Glen Rose, Texas 76043

Jack R. Newman Newman & Holtzinger 1615 L Street, NW Suite 1000 Washington, DC 20036

George R. Bynog Program Mgr./Chief Inspector Texas Dept. of Labor & Standards Boiler Division P.O. Box 12157, Capitol Station Austin, Texas 78711