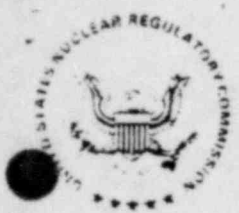


PLC-HQS



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION IV
511 RYAN PLAZA DRIVE, SUITE 1000
ARLINGTON, TEXAS 76011

11 MAY 1981

Docket No. 99900509/81-01

Stone & Webster Engineering Corporation
ATTN: Mr. R. B. Kelly, Vice President
and Manager Quality Assurance
P. O. Box 2325
Boston, Massachusetts 02107

Gentlemen:

This refers to the inspection conducted by Mr. J. R. Costello of this office on March 23-27, 1981, of your facility at Boston, Massachusetts, and to the discussions of our findings with you and members of your staff at the conclusion of the inspection.

Areas examined during this inspection and our findings are discussed in the enclosed report. Within these areas, the inspection consisted of an examination of procedures and representative records, interviews with personnel, and observations by the inspector.

Within the scope of this inspection, we found no instance where you failed to meet the commitments of your Topical Report No. SWSQAP 1-74A or NRC requirements.

However, an obvious nonconformance occurred concerning S&W's vendor surveillance program at Tower Iron Works Inc. during the 1975-1976 time frame. (See inspection report Details I, paragraph C.3., enclosed). Recognizing that S&W has enhanced their vendor surveillance program since that time, please provide within 25 days of the date of this letter (1) your assessment of the cause of this problem, which permitted components of unacceptable quality to be shipped to the site, and (2) how the current S&W's vendor surveillance program would prevent this type problem from recurring.

In accordance with 10 CFR 2.790 of the Commission's regulations, a copy of this letter and the enclosed inspection report will be placed in the NRC's Public Document Room. If this report contains any information that you (or your contractors) believe to be exempt from disclosure under 10 CFR 9.5(a)(4), it is necessary that you (a) notify this office by telephone within 10 days from the date of this letter of your intention to file a request for withholding; and (b) submit within 25 days from the date of this letter a written application to this office to withhold such information. If your receipt of this letter has been delayed such that less than seven days are available for your review, please notify this office promptly so that a new due date may be established. Consistent with section 2.790(b)(1), any such application must be accompanied by an affidavit executed by the owner of the information which identifies the document or part sought to be withheld, and which contains a full statement of the reasons on the basis which it is claimed that the information should be withheld from public disclosure. This section further requires the statement to address with specificity the considerations listed in 10 CFR 2.790(b)(4). The information sought to be withheld shall be incorporated

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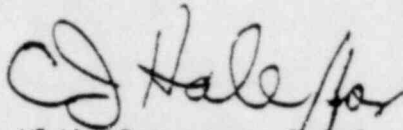
Stone & Webster Engineering Corporation

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as far as possible into a separate part of the affidavit. If we do not hear from you in this regard within the specified periods noted above, the report will be placed in the Public Document Room.

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

Sincerely,

A handwritten signature in cursive script, appearing to read "U. Potapovs".

Uldis Potapovs, Chief
Vendor Inspection Branch

Enclosure:
Inspection Report No. 99900509/81-01