

September 27, 1982

Docket No. 50-440

Docket No. 50-441

The Cleveland Electric
Illuminating Company
ATTN: Dalwyn R. Davidson
Vice President - System
Engineering and
Construction
Post Office Box 5000
Cleveland, OH 44101

Gentlemen:

This refers to the investigation conducted by Messrs. C. D. Braund, K. R. Naidu, C. H. Weil and C. C. Williams of this office during the period October 27, 1981 through March 19, 1982, of activities at the Perry Nuclear Power Plant authorized by NRC Licenses No. CPPR-148 and No. CPPR-149 and to the discussion of our findings with Mr. M. R. Edelman at the conclusion of the investigation.

The enclosed copy of our investigation report identifies areas examined during the investigation. Within these areas, the investigation consisted of a selective examination of procedures and representative records, observations, and interviews with personnel.

During this investigation, certain of your activities appeared to be in noncompliance with NRC requirements, as specified in the enclosed Appendix. A written response is required.

We are concerned that even though your continuing assessment of the electrical contractor's performance showed degradation of the quality assurance program, you failed to investigate in a prompt manner the elements contributing to the poor performance and require adequate corrective action to upgrade the program. Because of the several examples of noncompliance which we identified, we seriously considered whether these

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items collectively represented a breakdown in your electrical contractor's quality assurance program, and therefore whether a civil penalty was warranted. As a result of discussions with you and members of your staff during a management meeting on February 10, 1982, and during the enforcement conference held at our office on June 18, 1982, we concluded that a significant breakdown in the electrical contractor's quality assurance program had not occurred and that you were taking corrective action to upgrade the contractor's program. Consequently, no civil penalty is being proposed at this time. However, we wish to emphasize that escalated enforcement action will be considered if it is subsequently determined that the electrical contractor or any other contractor at your site operates with a degraded quality assurance program.

In accordance with 10 CFR 2.790 of the Commission's regulations, a copy of this letter and the enclosures 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 ten (10) days from the date of this letter of your intention to file a request for withholding; and (b) submit within twenty-five (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 (7) 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 which are the bases for the claim 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 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, a copy of this letter, the enclosures, and your response to this letter will be placed in the Public Document Room.

The responses directed by this letter (and the accompanying Notice) are not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, PL 96-511.

The Cleveland Electric
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We will gladly discuss any questions you have concerning this inspection.

Sincerely,

Original signed by
A. Bert Davis

James G. Keppler
Regional Administrator

Enclosures:

1. Appendix, Notice
of Violation
2. Investigation Reports
No. 50-440/81-19 and
No. 50-441/81-19

cc w/encls:

DMB/Document Control Desk (RIDS)
Resident Inspector, RIII
Harold W. Kohn, Power Siting
Commission
Daniel D. Wilt, Attorney
Helen W. Evans, State of Ohio
Robert M. Quillin, Ohio
Department of Health

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| RIII <i>[Signature]</i> Weil/sv 9/21/82 | RIII <i>[Signature]</i> MAYOU | RIII <i>[Signature]</i> WILLIAMS 9/21/82 | RIII <i>[Signature]</i> MORSE 9/23/82 | RIII <i>[Signature]</i> MORSE 9/23/82 | RIII WHS Schultz 9-21-82 | RIII <i>[Signature]</i> Davis 9/23 | RIII <i>[Signature]</i> for Keppler 9/23 |
| | WARWICK REW 9/20/82 | FOSTER <i>[Signature]</i> 9/21/82 | | | | | |