FEB 28 1983

Mr. O. R. Lee, Vice President Electric Production Public Service Company of Colorado P.O. Box 840 Denver, Colorado 80201

Dear Mr. Lee:

We have reviewed your February 10, 1983, response (P-83058) to our January 24, 1983, letter on the destructive post-irradiation examination (PII) of a Segment 2 fuel element. Your commitment to perform destructive PIE of: (1) one fuel rod from a cracked Segment 2 fuel element, and (2) one fuel rod from fuel test element (FTE-2) is in accordance with our recommendation and is acceptable. However, the contingency on DOE funding the basic destructive examination is unacceptable as submitted.

Since the cracked Segment 2 element is currently undergoing PIE, we see no need of a contingency on DOE funding for this element. In addition, your December 12, 1981, letter (P-81322) indicates that DOE is scheduled to perform destructive PIE on FTE-2 following its removal after Cycle 3. If DOE does not provide the necessary funding, NRC requires notification. Any modifications to the PIE program must be reviewed and approved by the NRC -- this point was emphasized in our January 3, 1979, letter.

In discussions with members of your staff, we were informed that: (1) the examination of a cracked fuel element from Segment 2 is proceeding and the one fuel rod will be examined as planned, and (2) should DOE funding not be made available for the basic examination of FTE-2, thereby making the committed-to PIE more difficult, NRC will be notified so that an alternate approach can be pursued. Based on this information, we find your commitment to be acceptable as a substitution for a Segment 2 destructive PIE.

If you have any questions on this subject, please contact your Project Manager.

Sincerely,

G. L. Madsen, Chief

Reactor Project Branch 1

cc: See Attached List bcc distrib. by RIV: Resident Inspector P. Wagner RIV Reading File

Section Chief RIV File

Br. Reading File COLORADO STATE DEPT. HEALTH

RPBlah | PWagner/dsm | 2/13/83 RPB1 GMadsen 2/25/83

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