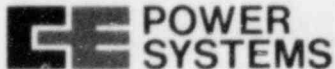


C-E Power Systems
Combustion Engineering, Inc.
1000 Prospect Hill Road
Windsor, Connecticut 06095

Tel: 203/688-1911
Telex: 9-9297



September 3, 1982
Docket No. 99900102/82-01
CENPM No. 82-026

Mr. Uldis Potapovs
Chief, Vendor Program Branch
United States Nuclear Regulatory Commission Region IV
611 Ryan Plaza Drive, Suite 1000
Arlington, Texas 76011

Dear Mr. Potapovs:

This is in reply to your letter of August 11, 1982 regarding NRC inspection of our Nuclear Power Systems Manufacturing Quality Assurance activities in Hematite, Missouri.

The requested corrective actions, preventive measures, and related completion dates regarding the items listed in the Notice of Nonconformance enclosure of your memo are given in the attachment hereto.

We have reviewed your letter and the attached report and do not find any information of a proprietary nature.

Very truly yours,

COMBUSTION ENGINEERING, INC.
POWER SYSTEMS GROUP

A handwritten signature in cursive script, reading 'H. V. Lichtenberger'.

H. V. Lichtenberger
Vice President-Manufacturing

HVL/sam
Attachment

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RESPONSE REGARDING NOTICE OF NONCONFORMANCE

1. Nonconformances

1.1 Corrective Action

- A. The required resinter testing was being done at C-E's Windsor facility. The work orders will be changed to reflect actual practice.
- B. The metallographic examination performed on pellets meets the requirements of the applicable pellet specification. The written procedure will be updated to reflect actual practice.

1.2 Preventive Measures

- A. Cognizant personnel will be reminded to formalize work order changes.
- B. All inspection personnel will be instructed to bring such instances to the attention of supervisory personnel.

1.3 Preventive Measure Completion Dates

- A. All measures and corrective actions have been implemented.
- B. The written procedure will be updated by September 15, 1982. All other measures and corrective actions have been implemented.