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S. W. Shields
Senior Vice President -
Nuclear Division

September 16, 1983
S83-28
SVP-0125-83

Mr. James G. Keppler,
Regional Administrator
U. S. Nuclear Regulatory Commission
Region III
799 Roosevelt Road
Glen Ellyn, Illinois 60137

Docket Nos.: STN 50-546
STN 50-547
Construction Permit Nos.:
CPPR - 170
CPPR - 171

Marble Hill Nuclear Generating Station - Units 1 and 2

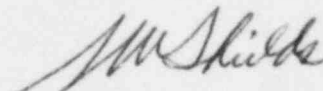
Dear Mr. Keppler:

On May 24, 1983, Mr. L. G. Yeager of Public Service Company of Indiana, Inc. (PSI) notified your office of a potentially reportable item as required by 10 CFR 50.55(e). An audit of Southwest Steel Fabricators, Inc. (SSF) resulted in a number of findings which indicate that SSF has not adequately implemented their quality assurance program. SSF supplies miscellaneous structural steel for use in safety-related areas. It is conceivable that nonconforming conditions could exist and had they gone uncorrected, could have adversely affected the safe operations of the plant.

SSF has satisfactorily responded to all of the audit findings. Necessary quality program changes have been made and implementation started for future work. A sampling program of previously supplied SSF items verified a high confidence level in the quality of the items already on site. These actions have enabled SSF to restart activities for Marble Hill work. The review of SSF supplied items outside of the sampling program is continuing.

This letter is intended to fulfill the requirements of an interim report as required by 10 CFR 50.55(e). A further report will be filed on or before January 13, 1984. If you have any questions regarding this matter, please contact me at your convenience.

Sincerely,


S. W. Shields

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Letter: J. G. Keppler

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cc: Director of Inspection and Enforcement
U. S. Nuclear Regulatory Commission
Washington, D. C. 20555

J. E. Konklin
J. F. Schapker