

UNITED STATES

NUCLEAR REGULATORY COMMISSION

REGION III
799 ROOSEVELT ROAD
GLEN ELLYN, ILLINOIS 60137

OCT 1 7 1983

MEMORANDUM FOR: D. G. Eisenhut, Director, Division of Licensing, NRR

FROM: R. F. Warnick, Director, Office of Special Cases

SUBJECT: RECOMMENDATION FOR NOTIFICATION OF LICENSING BOARD

In accordance with present NRC procedures regarding Board Notifications, the following information is being provided as constituting new information relevant and material to the Midland OM/OL proceedings. This information deals with Babcock and Wilcox's (B&W) October 5, 1983, decision to stop all of its Class I (safety-related) pipe hanger and snubber activities. The stopwork applies to both small bore and large bore piping and has resulted in the lay-off of 132 craft and support personnel. The pertinent facts that relate to the stop work are as follows:

A sampling of B&W pipe support hangers by the Bechtel Corporation, the Midland constructor, identified various discrepancies in the manufacture and installation of the hangers. Bechtel notified B&W, and it in turn took a sample of about 40 hangers for reinspection. B&W found a number of deficiencies, including welding and bolting problems during the inspection.

Both Bechtel and the licensee said that the stop-work order will not be lifted until they have approved a B&W employee training program, and that the appropriate personnel have been retrained. They also will not lift the stop-work until corrective action is proposed by B&W to resolve any deficiencies in the hanger supports.

If you have any questions or desire further information regarding this matter, please call me.

RF Warnick

R. F. Warnick, Director Office of Special Cases