



Nuclear Division P. O. Box 4 Shippingport, PA 15077-0004

August 15, 1984

Director of Nuclear Reactor Regulation
United States Nuclear Regulatory Commission
Mr. Steven A. Varga, Chief
Operating Reactors Branch No. 1
Division of Licensing
Washington, DC 20555

Reference: Beaver Valley Power Station, Unit No. 1

Docket No. 50-334, License No. DPR-66

IE Bulletin 83-07

Attn: Mr. S. D. Ebneter, Chief

Engineering Programs Branch

Gentlemen:

We have reviewed the additional concern that was forwarded by your letter dated June 18, 1984.

Item 4. of the Bulletin states, in part "--although the specific details involving apparently fraudulent materials received from Ray Miller, Inc. may not directly apply for your facility, you are requested to review the general concerns expressed in the Bulletin for applicability at your facility. Your response should describe the results of the review, and if the general concerns apply, you should describe the short-term and long-term corrective actions to be taken and schedules thereof."

We have evaluated the general concern, as we have interpreted it to be the falsification of records for the purpose of supplying fraudulent products. It is not apparent that increased QA auditing of suppliers or manufacturers would improve our ability to detect fraudulent practices because these audits must be coordinated with the vendor(s) and a "proper showing" could be staged. We believe that the only effective means of ensuring that the procurement specifications for components have been properly translated into the manufacturing of the product is through increased quality checks, examinations or tests of a sample (i.e. fitting, pipe section, etc.) from random orders of the suppliers of these components.

We will implement a program for random and periodic examinations or tests on a sample of products, such as piping and fittings from our major suppliers of these items by January 1985. Beaver Valley Power Station, Unit No. 1 Docket No. 50-334, License No. DPR-66 IE Bulletin 83-07 Page 2

We will contact other utilities during this effort to explore the potential for cooperative industry efforts to limit the duplication of effort and maximize the cost effectiveness.

Very truly yours,

Vice President, Nuclear

Mr. W. M. Troskoski, Resident Inspector U. S. Nuclear Regulatory Commission Beaver Valley Power Station Shippingport, PA 15077

U. S. Nuclear Regulatory Commission c/o Document Management Branch Washington, DC 20555

Director, Safety Evaluation & Control Virginia Electric & Power Company P.O. Box 26666 One James River Plaza Richmond, VA 23261

Mr. Peter Tam, Project Manager
U. S. Nuclear Regulatory Commission
Phillips Building
Washington, DC 20555
- Mail Stop 438 -