



LONG ISLAND LIGHTING COMPANY

SHOREHAM NUCLEAR POWER STATION

P.O. BOX 618, NORTH COUNTRY ROAD • WADING RIVER, N.Y. 11792

JOHN D. LEONARD, JR.

VICE PRESIDENT - NUCLEAR OPERATIONS

August 14, 1984

SNRC-1069

Dr. Thomas E. Murley
Regional Administrator
U.S. Nuclear Regulatory Commission
Region 1
631 Park Avenue
King of Prussia, PA 19406

I.E. Bulletins 83-06 Nonconforming Materials Supplied
by Tubeline Corporation and 83-07 Apparently
Fraudulent Products Sold by Ray Miller, Inc.
Shoreham Nuclear Power Station - Unit 1
Docket No. 50-322

Reference: 1. Letter SNRC-987 dated 12/8/83
 2. Letter SNRC - 1017 dated 3/22/84
 3. Letter NRC (S. D. Ebnetter) to LILCO (J. D.
 Leonard) dated 6/18/84.

Dear Dr. Murley:

The reference (1) and (2) letters documented LILCO's responses to Bulletins 83-06 and 83-07, respectively. These letters effectively described the actions that LILCO had taken in investigating whether material furnished by either Tubeline Corporation (Bulletin 83-06) or Ray Miller, Incorporated (Bulletin 83-07) had been used at Shoreham and the associated results of these investigations. These actions and results were reviewed as part of a Region I inspection (Inspection No. 84-27) which was conducted during the week of July 9, 1984.

In the reference (3) letter it was acknowledged that the specific details regarding materials received from Ray Miller may not apply to Shoreham. It was also requested that LILCO review the general concerns of Bulletin 83-07, pertaining to the use of fraudulent material for applicability at Shoreham. Our generic assessment of this matter, which is also pertinent to Bulletin 83-06, is as follows:

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Corporate Q.A. (Quality Assurance) has a 3 phase program which is designed to provide systematic and continual control of all materials received and all operations performed at the plant site. These three phases are (1) Vendor Evaluation, (2) Procurement Document Review and, (3) Receipt Inspection.

- (1) Vendor Evaluation - This phase evaluates each vendor's or supplier's ability to meet the technical and quality assurance requirements within the scope of purchased material and/or services specification. The program includes monitoring of performance by review of QA Programs and vendor certification/qualifications through audit/survey by LILCO, contractors and/or other independent organizations such as C.A.S.E (Coordinating Agency for Vendor Supplier Evaluation).

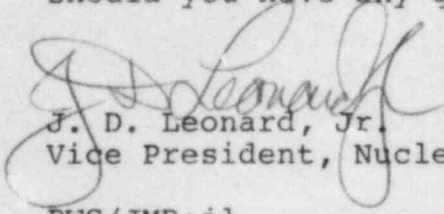
Q.A. Manual Section 7, "Control of Purchased Materials, Equipment, and Services" describes the Q.A. Program requirements for the control of purchased material, equipment and services including spare or replacement parts, whether procured directly by LILCO or through supplier's agents or consultants.

- (2) Procurement Document Review - Insures that procurement documents are reviewed for quality requirements such as appropriate codes, industry standards, regulatory requirements, material and component identification, etc., pertinent to the material, equipment and/or services being procured. The review allows for the evaluation of the procurement document package with respect to available supplier history data, including Independent Safety Engineering Group (ISEG) information output on industry operating experience to determine the proposed suppliers quality capabilities, and assure that the specific item or material is not included in the Deficient Item List. The Deficient Item List is generated based on past LILCO experience as well as input from other sources, such as the NRC.
- (3) Receipt Inspection - Insures that the material or equipment specified is received and conforms to the procurement documents and that documentary evidence is available prior to use. In addition to physical inspection for physical damage, identification and markings and cleanliness this inspection ensures that certifications meet applicable dimensional, chemical or physical properties, test criteria and/or other material standards invoked by the purchase document. Items which do not conform to specified requirements are identified with a "REJECT" tag and placed in a segregated area, if practical, to prevent inadvertent use or installation. A Nonconformance Report may also be issued and processed. Items which have been inspected and have been determined to be acceptable are released for storage, installation or use and indicated as such on the Receipt Inspection Report (RIR).

LILCO believes that the program described above reasonably precludes the use of fraudulent material at Shoreham.

It is our belief that the information provided above is sufficient for closure of the subject Bulletins 83-06 and 83-07.

Should you have any questions, please contact this office.



J. D. Leonard, Jr.
Vice President, Nuclear Operations

RWG/JMB:jl

cc: P. Eselgroth
C. Petrone