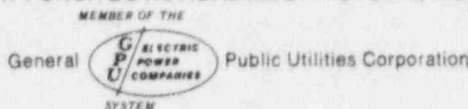


Jersey Central Power & Light Company



MADISON AVENUE AT PUNCH BOWL ROAD • MORRISTOWN, N. J. 07960 • 201-539-6111



June 10, 1975

Mr. James P. O'Reilly, Director
Office of Inspection and Enforcement
Region 1
United States Nuclear Regulatory Commission
631 Park Avenue
King of Prussia, Pennsylvania 19406

Dear Mr. O'Reilly:

This will acknowledge my receipt of your letter dated May 20, 1975, regarding the meeting in my office on May 8, 1975, to discuss matters relating to the Oyster Creek Operational Quality Assurance Program. We agree with your view that this form of communication promotes a mutual understanding of our two organizations.

In light of the subjects discussed during this meeting, I would like to take this opportunity to point out several areas of significant effort and accomplishments that have occurred since our previous meeting on November 5, 1973:

1. The Quality Assurance Plan has been written and, as we understand, accepted by the NRC.
2. Sixty (60) Quality Assurance implementing procedures have been written and approved.
3. Four hundred and thirty-four (434) Oyster Creek plant procedures have been written, of which two hundred and ninety-one (291) have been reviewed and revised to the point of final PORC approval and forty-two (42) procedures have been PORC approved.
4. A formal Quality Assurance program implementation scheme is being generated to measure the degree of implementation and set priorities.
5. Two (2) Quality Assurance Engineers, a Quality Assurance Supervisor, and two (2) Quality Assurance Specialists have been hired.

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6. Two (2) Engineers have been hired into positions under the Manager-Generating Stations, Nuclear at Morristown Plaza and six (6) additional salaried technical positions have been filled at Oyster Creek.
7. Nine (9) engineering positions have been filled in the Generation Engineering organization.
8. All Quality Assurance personnel have received both formal classroom training and practical training in auditing.
9. Several Quality Assurance personnel have been to formal schools on Quality Assurance.
10. Document control and record retention is being implemented.
 - a) NUS Corporation and JCP&L have developed a basic scheme for a central file and document control center.
 - b) The master index is in draft form and has been through initial review.
 - c) Four (4) top level management meetings have occurred on the subject.
 - d) Inspection trips have been made to installed systems.
 - e) The document control supervisor position has been approved and we are actively seeking an individual for that position.
11. Generation Engineering is generating and approving specifications, drawings, procurement documents on which Quality Assurance is reviewing and concurring.
12. Fabrication and installation control specifications and plans have been implemented for controlling modification and non-routine repair.
13. A procurement program has been established and is in the process of being implemented.
14. A formal contractor evaluation program has been established and eighteen (18) contractors have been approved.
15. A mechanism has been established to share approved contractor lists with Metropolitan Edison Company and the GPU Service Corporation.

16. An ongoing vendor surveillance program is implemented. We have conducted surveillances on five (5) companies providing major equipment to JCP&L.
17. The receipt inspection program is implemented. Quality Assurance Systems List equipment arriving on site is now being receipt inspected.
18. The material identification and control program is implemented for equipment now arriving on site. We are backfitting some equipment that was on site prior to the Quality Assurance program.
19. The storeroom has been modified, as best as possible, for the storage of Quality Assurance Systems List items. New storage facilities are on the drawing board for early completion.
20. The problem of spare parts is being addressed internally and through the Edison Electric Institute.
21. Nondestructive examination capability is established and implemented at Oyster Creek.
22. A Welding Engineer has been hired, thirteen (13) welding procedures approved and qualified, and thirty-three (33) company welders are qualified.
23. A contractor has been hired to provide a calibration capability until a more permanent mechanism is established.
24. A preventive maintenance program is being established and implemented at Oyster Creek. It is approximately 50% complete.
25. The nonconformance and corrective action program is implemented.
26. A formal audit program has been established and is being implemented. Approximately twenty-five (25) of the implementing procedures have been audited.
27. Extensive work has been accomplished in the area of housekeeping, including a major painting project which included floors, walls, ceilings, and equipment throughout Oyster Creek.
28. Formal communications exist, by means of a monthly report, between the Manager-Quality Assurance, Vice President-Generation, and the JCP&L President. The object of this report is to keep the highest levels of management informed of the program implementation problems and status.

Mr. James P. O'Reilly

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As evidenced above, Quality Assurance program implementation has been progressing, but it has been noted that additional measures must be taken to fulfill the requirements in a timely manner. In this light, our GPU Service Corporation and the NUS Corporation are being used to augment the JCP&L organization, where appropriate, during implementation of the Quality Assurance program.

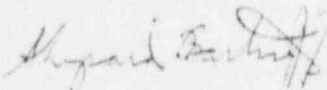
At this time, our approach includes the following:

1. Quality Assurance indoctrination and training of all personnel who participate in the implementation of the program. It is our intention to provide this indoctrination and training through the adaptation of a standard NUS program which has been successfully utilized by other utilities.
2. Addressing the significance of the "Rainbow Series Books" by developing an extensive investigative program to evaluate the extent of our commitment to these books and to establish whether or not our procedures reflect our commitment.
3. Identifying the specific aspects of the Quality Assurance program which must be implemented, establishing priorities for an implementation sequence, and developing a comprehensive logical schedule for the overall program implementation.
4. Assuring that, in the interim, the program is being implemented, as possible, pending progress in the three areas above.

The development of the overall schedule and program implementation scheme has been progressing rapidly with a planned completion date of June 30, 1975. Once completed, the schedule will be utilized throughout the period of program implementation. It is our intention to make this schedule available to your inspectors for their review when they visit the Oyster Creek site.

Again, we appreciated the opportunity to discuss areas of mutual interest. If you have any additional questions, please feel free to contact me.

Very truly yours,



Shepard Bartnoff
President

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