CONTRACTORS ENGINEERS DEVELOPERS

## MORRISON-KNUDSEN COMPANY, INC.

CONSTRUCTION DIVISION MORRISON-KNUCSEN PLAZ: PO 60X 7808/80/SE (DAHO U.S.A. 83729 PHONE (208) 386-5000/TELEX. 36A439

April 19, 1988

Serial #10CFR21-88-5

Mr. James Taylor USNRC 1717 H Street Washington, D.C. 20555

Subject: Withdrawal of Reportable 10CFR21 Finding, Saturable

Core Transformer Installed in Emergency Diesel

Generator Set

Dear Sir:

On September 29, 1987 (copy of correspondence attached) your office was notified of a potential problem with a Saturable Core Transformer installed at the Sequoyah Nuclear Plant.

Our Power Systems Division in Rocky Mount, North Carolina has recently notified us that this failure was not a reportable defect and we therefore wish to withdraw the finding.

Very truly yours,

R. D. Kulchak

Director Quality Assurance

RDK/gs Attachs.

cc: H. Falter

V. Mitchell

File

8805110107 880419 PDR ADOCK 05000327 S DCD

## MORRISON-KNUDSEN COMPANY, INC.

APR 13 1988

INTER-OFFICE CORRESPONDENCE

QUALITY ASSURANCE

DATE

April 7, 1988

Ron Kulchak

FROM Harry W. Falter

C-2726

LOCATION Boise (Quality)

LOCATION ROCKY Mount, NC

SUBJECT: MK Notice to NRC 9/29/87 Saturable Core Transformer Basler P/N BE12273-001 TVA - Sequovah

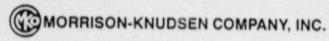
MK/PSD Reference No. 10CFR21-0038

- I have spoken with Mr. Tim Arnet (615/362-0182) of TVA, Knoxville, Tennessee, who reported that they did not consider the failure as a reportable defect.
- Mr. Kamal R. Naidu of the NRC requested that we close this file. Based upon the above conclusion by TVA, I recommend that we withdraw this "possible" reportable defect notice.

HWF/voa

cc: Milt Sharpe (PSD)

See



C'INSTRUCTION DIVISION MORRISON KNUOSEN PLAZA PO. BOX 7808/BOISE. IDAHO U.S.A. 83729 PHONE. (208) 386-5000/TELEX. 368439

September 29, 1987

Mr. James Taylor USNRC 1717 H Street Washington, D.C. 20555

Subject: Reportable 10CFR21 Finding, Saturable Core Transformer

Installed in Emergency Diesel Generator Set

Dear Sir:

We have been advised by our manufacturer, Power Systems Divisions, of a potential problem with the above subject transformer installed at the Sequoyah Nuclear Plant which is in nuclear service (correspondence attached). Our Power Systems Division in Rocky Mount, North Carolina has been notified by the utility (TVA) of this problem and they are proceeding to report it as a 10CFR21 defect.

As you will note from the attached correspondence, the problem developed in service and a tear down inspection was performed by the utility. The results were noted as not adequate insulation between windings.

We will forward additional information as it becomes available.

Very truly yours,

Director Quality Assurance

RDK/gs Attach.

cc: H. Falter

V. Mitchell

File

87/0070798°

FILE IOCER 21 - ROCK, mount

UNIT 2 FILENAME: RC0325 INBOUND MESSAGE # 165 RCV LN 1 RECEIVED

SEP 25 1987

MORRISON-KNUDSEN CO. INC.

EMKAYAN BEE E

EASYLINK 45307100001 258EP87 15:35/15:36 EST FROM: 9107502765 PSD MK RYMO UQ

MORRISON-KNUDSEN CO INC

TO: 368439

ATTN: RON KULCHAK

SEPT. 25, 1987

REFERENCE SEQUOYAH - TVA

- 1. THE EMERGENCY DIESEL GENERATOR FURNISHED TO THE SEQUOYAH NUCLEAR PLANT (TVA) USED A SATURABLE CORE TRANSFORMER MANUFACTURED BY BASLER ELECTRIC IN HIGHLAND, ILLINOIS. ONE SATURABLE CORE TRANSFORMER FAILED IN SERVICE. THE PART NUMBER IS BE12173-001. IT HAS BEEN REPLACED WITH A BASLER PART NUMBER BE22673-001.
- TVA DISECTED THE FAILED TRANSFORMED AND CONCLUDED THAT THERE WAS NOT ADEQUATE INSULATION BETWEEN THE WINDINGS. THIS IS PROBABLY A WORKMANSHIP PROBLEM. I HAVE NOT SEEN ANY OF THE EVIDENCE.
- 3. TVA CALLED TO REPORT THEIR CONCLUSION THAT THIS WAS A REPURTABLE DEFECT AND WILL REPORT IT UNDER 10CFR21.
- 4. WE SHOULD NOTIFY THE NRC THAT TVA WILL REPORT THIS DEFECT, BECAUSE THE NRC AUDITOR CRITICIZED ME FOR NOT DOING SO PREVIOUSLY.

REGARDS,

MK/PSD HARRY FALTER

MMMM

EMKAYAN BSE E

DURATION 214 secs LISTED 14:42 MDT 09/25/87