SEP 12 1988

Docket No. 50-346
EA 88-234

Toledo Edison Company
ATTN: Mr. Donald Shelton
Vice President
Nuclear
Edison Plaza
300 Madison Avenue
Toledo, OH 43652

Gentlemen:

This refers to the special safety inspection conducted by Mr. J. McCormick-Barger
of this office from May 4 through September 2, 1988, of an allegation regarding
certain activities at the Davis-Besse Nuclear Power Station authorized by
Facility Operating License No. NPF-3 and to the discussion of our findings
with you and others of your staff at the conclusion of the inspection.

The enclosed copy of our inspection report identifies areas examined during
the inspection. Within these areas, the inspection consisted of a selective
examination of procedures and representative records, observations, and
interviews with personnel.

During this inspection, certain of your activities appeared to be in violation
of NRC requirements.

We are releasing this report at this time for your information. You will be
notified by separate correspondence of our decision regarding enforcement
action. An Enforcement Conference has been scheduled for September 26, 1988 at
10:00 a.m., at the regional office to discuss these matters with you. No
written response is required until you are notified of the proposed
enforcement actions.

In accordance with 10 CFR 2.790 of the Commission's regulations, a copy of
this letter and the enclosed inspection report will be placed in the NRC
Public Document Room.
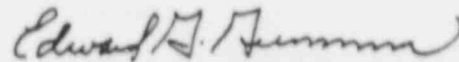
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We will gladly discuss any questions you have concerning this inspection.

Sincerely,

Edward G. Greenman, Director
Division of Reactor Projects

Enclosure: Inspection Report
  No. 50-346/88027(DRP)

cc w/enclosure:
L. Storz, Plant Manager
DCD/DCB (RIDS)
Licensing Fee Management Branch
Resident Inspector, RIII
Harold W. Kohn, Ohio EPA
James W. Harris, State of Ohio
Robert M. Quillin, Ohio
  Department of Health
State of Ohio, Public
  Utilities Commission