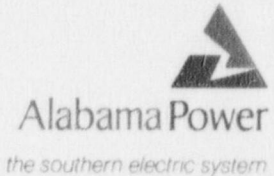


Alabama Power Company
40 Inverness Center Parkway
Post Office Box 1295
Birmingham, Alabama 35201
Telephone 205 868-5581

W. G. Hairston, III
Senior Vice President
Nuclear Operations



March 31, 1989

Docket Nos. 50-348
50-364

U. S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, D. C. 20555

Gentlemen:

Joseph M. Farley Nuclear Plant - Units 1 and 2
Nonconforming Molded-Case Circuit Breakers (NRC Bulletin 88-10)

NRC Bulletin 88-10 was issued on November 22, 1988 to all holders of operating licenses or construction permits for nuclear power reactors. The purpose of this bulletin was to request that addressees take actions to provide reasonable assurance that molded-case circuit breakers (MCCBs) purchased for use in safety-related applications without verifiable traceability to the circuit breaker manufacturer will perform their safety function. To accomplish this stated objective, NRC Bulletin 88-10 outlined eight different actions for the addressees to perform based upon the total number of MCCBs being maintained as stored spares for future use in safety-related (Class 1E) applications and the number of MCCBs determined not to have verifiable traceability to the circuit breaker manufacturer.

In response to the bulletin, Alabama Power Company identified 112 MCCBs being maintained as stored spares for future use in safety-related (Class 1E) applications. These MCCBs were purchased from five different suppliers (parties other than the circuit breaker manufacturer) under a 10CFR50, Appendix B program through seven purchase orders. Based on the definition of verifiable traceability provided in Attachment 2 to the bulletin, Alabama Power Company verified certificates of conformance to the requirements of the purchase orders had been received from the five suppliers and that audits of these suppliers had been performed to ensure the validity of their certificate of conformance process. A review of the audit reports and the supporting Quality Assurance data demonstrated that these suppliers have exercised sufficient QA controls over their subsuppliers, including controls on traceability of materials, and that the certificates of conformance from these suppliers represents a valid statement of and compliance with specified QA program requirements. Alabama Power Company believes such a review of audits is sufficient to address the validity of a certificate of conformance because this methodology is consistent with the manner in which vendors are reviewed and approved as acceptable suppliers.

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Recent NRC clarifications relating to NRC Bulletin 88-10 have changed the manner in which Alabama Power Company previously planned to respond to the bulletin. Although the approach described above is considered sufficient and acceptable to respond to the bulletin, Alabama Power Company now understands that the NRC desires an audit of each purchase order for MCCBs supplied by an intermediary supplier. In concert with this understanding and in accordance with Action 8 of NRC Bulletin 88-10, Alabama Power Company plans to complete the verification of traceability to the circuit breaker manufacturer requested by Action 1b of NRC Bulletin 88-10 by June 1, 1989. This extension should allow sufficient time to schedule and conduct the audits of the five suppliers and provide complete conformance with the NRC request. In accordance with this schedule, a report will be submitted by June 15, 1989 that documents the results of the audits and the number of MCCBs that have been verified to be traceable to the circuit breaker manufacturer. It should be noted that Alabama Power Company does not anticipate that the conduct of these audits will require additional actions in response to NRC Bulletin 88-10 Requested Actions 2 through 5.

If you have any questions, please advise.

Respectfully submitted,

ALABAMA POWER COMPANY

W. G. Hairston, III

W. G. Hairston, III

WGH,III/LCT:m.V321

cc: Mr. S. D. Ebnetter
Mr. E. A. Reeves
Mr. G. F. Maxwell

SWORN TO AND SUBSCRIBED BEFORE ME

THIS 31st DAY OF March, 1989

Sherry Ann Mitchell
Notary Public

My Commission Expires: _____

MY COMMISSION EXPIRES DEC. 15, 1992