

UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D.C. 20555

August 1, 1988

MEMORANDUM FOR: Victor Stello, Jr.  
Executive Director for Operations

FROM: Samuel J. Chilk, Secretary

SUBJECT: STAFF REQUIREMENTS - BRIEFING ON  
CURRENT STATUS OF INFORMATION REGARDING  
THE POSSIBLE USE OF SUBSTANDARD COMPONENTS  
IN NUCLEAR POWER PLANTS, 2:00 P.M., THURSDAY,  
JULY 21, 1988, COMMISSIONERS' CONFERENCE  
ROOM, ONE WHITE FLINT NORTH, ROCKVILLE,  
MARYLAND (OPEN TO PUBLIC ATTENDANCE)

The Commission was briefed by the staff on possible uses of substandard components in nuclear power plants.

Chairman Zech requested the staff to:

1. Assess the adequacy of the receipt inspection programs.
2. Distribute as soon as finalized the bulletins on mechanical equipment (e.g., fittings and lugs) and electrical equipment.
3. Augment, as necessary, the vendor and audit branches to appropriately respond to the ongoing reviews and investigations.
4. Remind the utilities that they have the ultimate responsibility for safe operation of their facilities. The utilities should be actively involved in assuring that their equipment meets the standards required by their license.
5. Investigate and promulgate means to separate new from refurbished circuit breakers.
6. Keep the Commission updated on the various means uncovered for the selling of substandard and fraudulent components to licensees.

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7. Pursue the ongoing investigations to uncover the source(s) of fraudulent equipment sold to nuclear power plants which could adversely affect public health and safety.

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8. Assure that other government agencies are fully updated and involved in the staff's activities.
9. Keep the Commission informed on the staff's activities in this matter.

Commissioner Rogers emphasized the importance for the licensees to undertake the significant effort needed to assure that they are purchasing and using qualified equipment. The staff should not attempt to undertake the entire scope of policing the counterfeiting industry.

cc: Chairman Zech  
Commissioner Roberts  
Commissioner Carr  
Commissioner Rogers  
OGC  
GPA  
PDR - Advance  
DCS - P1-124