

## Nebraska Public Power District

GENERAL OFFICE  
P.O. BOX 499, COLUMBUS, NEBRASKA 68601-0499  
TELEPHONE (402) 564-8561

March 10, 1983

Mr. Richard C. DeYoung, Director  
Office of Inspection and Enforcement  
United States Nuclear Regulatory Commission  
Washington, D.C. 20555

Dear Mr. DeYoung:

Pursuant to your letter dated January 26, 1983, concerning IE Information Notice 83-01, Fraudulent Practices of Ray Miller, Inc., the following action was initiated by NPPD to determine if any of the faulty material had reached Cooper Nuclear Station.

1. Verification that Ray Miller, Inc., is not and never was on the CNS Qualified Vendor List.
2. A comparison of Ray Miller's customers (as shown on Attachment I) for 1979 against the CNS Qualified List indicated six (6) companies which were common:

Bendix Corporation  
Combustion Engineering  
CVI Corporation

ITT Grinnell  
Koppers Company, Inc.  
Union Carbide

Each of these companies was contacted and past purchases reviewed. In all cases it was confirmed that the company locations/facilities that CNS ordered from were different than the company locations/facilities that had purchased from Ray Miller, Inc. In most cases it was also determined that the products purchased were not in the category supplied by Ray Miller, Inc.

3. A search of the computer vendor code was also performed and revealed that Ray Miller, Inc., had supplied piping and fittings to Midco Supply Company of Omaha (1970), who in turn furnished this material to NPPD, through a contractor, under Contract E-69-5, Shop Fabricated Tanks.

Specifically, this material was furnished for the waste sludge and backwash condensate transfer tanks. These tanks, by contract, are designed as Class I. Our records show that these tanks were shop-fabricated and hydro-tested prior to shipment to CNS. This would indicate that the material in question was used for an addition to the tanks, such as the

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PDR ADOCK 05000298  
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50-298

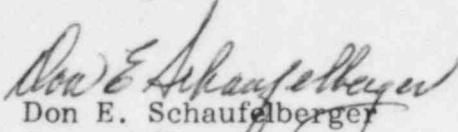
IE11

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sparger system, which would not fit the classification of  
"Essential."

No further actions are being taken at this time. If you have any  
questions or comments, please contact me.

Sincerely,

  
Don E. Schaufelberger  
General Manager

DES/few:rs2/6  
Attachment