

PHILADELPHIA ELECTRIC COMPANY

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J. L. EVERETT
CHAIRMAN
AND CHIEF EXECUTIVE OFFICER

March 16, 1983

Mr. Richard C. DeYoung
Director
Office of Inspection and Enforcement
U. S. Nuclear Regulatory Commission
Washington, DC 20555

Dear Mr. DeYoung:

As a result of your letter to me of January 26 on the subject of fraudulent activities of equipment suppliers to nuclear power facilities in the United States, we immediately began an investigation of the material and equipment furnished for both the Peach Bottom Atomic Power Station and the Limerick Generating Station.

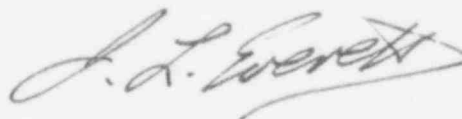
Philadelphia Electric Company fully agrees that events such as those described in your letter and its attachment adversely affect the level of confidence in the quality of nuclear power plants. Failure to take prompt corrective action in these situations serves to further erode public confidence in our industry.

As a result of our investigation to date, we have reviewed our records, and there is no indication of purchase from the manufacturers noted in your letter. We will continue our investigation, and we shall inform you immediately of any significant findings. However, to date everything is in proper order.

We look forward to receipt of the results of the NRC investigations and the anticipated I.E. Bulletin that you noted in your letter. We concur with you that this problem must be completely resolved.

Philadelphia Electric Company is firmly committed to both quality and safety in conducting its nuclear operations. We welcome the opportunity to demonstrate that commitment.

Sincerely,



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