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Carolina Power & Light Company

SERIAL: LAP-83-478

OCT 21 1983

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

SUBJECT: Information Relating to Detection of Deficiencies in Quality
Resulting from Fraudulent Actions by Suppliers

Dear Mr. DeYoung:

Your letters dated January 26, 1983 and September 12, 1983 expressed concern over the fraudulent activities of certain nuclear equipment suppliers. Carolina Power & Light Company is currently studying solutions to these concerns which are also described in I&E Notices 83-07 and 83-01, and I&E Bulletins 83-06 and 83-07. As part of this study, we are investigating the possible use of additional inspection and testing during receipt inspections to strengthen our QA program capabilities in the detection of fraudulently supplied material. Our revised program will be implemented in an aggressive manner.

I wholeheartedly agree with your statements concerning responsibility for the health and safety of the public sector. I would like to emphasize, however, that an effective resolution to the problem of fraudulently supplied material requires not only responsible action by the utilities, but also a cooperative effort between the utilities, the suppliers/vendors, and the NRC. I hope you concur with this philosophy and encourage you to motivate all three groups to take action to ensure fraudulent activities do not become commonplace in this industry.

Yours very truly,

M. A. McDuffie
Senior Vice President
Nuclear Generation

MAM/ccc (8179GSC)

cc: Mr. Sherwood H. Smith
Mr. E. E. Utley

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