



U.S. Department of Justice

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Washington, D.C. 20530

OCT 18 1983

Mr. Ben E. Hayes
Director, Office of Inspections
U.S. Nuclear Regulatory Commission
Washington, DC 20555

Re: Bahnson Company

Dear Mr. Hayes:

Reference is made to Mr. James J. Cummings letter of August 24, 1983, concerning possible violations of 18 U.S.C. § 1001 by employees of the Bahnson Company of Winston-Salem, North Carolina.

We have concluded our review of the investigative files and have consulted with Mr. James Y. Vorse of your agency concerning the alleged violations. On the basis of this review we have decided to decline criminal prosecution in this case. This decision is based on a number of factors, most significant of which is the significant practical difficulty in proving the requisite criminal intent in the circumstances of this case. The documents involved were often labeled as reconstructions, and both CTI-Nuclear and EBASCO were apparently aware of the inadequate foundation on which they were based. Moreover, since the reconstructions were apparently based on a variety of sources, including old notes by inspectors, old reports, and verbal information from inspectors, it would be difficult to establish the falsity of specific representations.

Your concern in forwarding this matter to us is appreciated.

Sincerely,

LAWRENCE LIPPE, Chief
General Litigation and
Legal Advice Section
Criminal Division

XA Copy Has Been Sent to PDR

By: WILLIAM C. BROWN
Attorney

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October 19, 1983

The Bahnson Company
ATTN: J. Thomas Brown, President
P. O. Box 10458
Winston-Salem, NC 27108

Gentlemen:

The Nuclear Regulatory Commission (NRC) has continuing concerns regarding the adequacy of safety-related heating, ventilating and air conditioning (HVAC) units supplied by your company for installation in nuclear power plants. During an inspection at your Winston-Salem, North Carolina facility on September 7-10, 1982, it was found that the implementation of your QA program failed to meet certain NRC requirements. The specific findings and references to the pertinent requirements were identified in our letter to you of November 18, 1982. The NRC remains concerned that quality problems may be associated with HVAC equipment provided by your company to nuclear facilities.

Consequently, please provide me with a complete list of nuclear facilities for which you have provided equipment and the dates when such equipment was supplied. Also, identify in each instance the nature of the equipment supplied and whether the equipment was shop or field fabricated. To assist NRC in resolving its concerns expeditiously, please provide your response to me by November 30, 1983. If you have any questions, please contact Steven D. Richardson, 301-492-9612, of my office.

Your cooperation in this matter would be appreciated. If, however, for any reason you elect not to provide the requested information, please contact my office immediately so that we may take more formal action in this matter.

Sincerely,

Original signed by:

~~Richard C. DeYoung~~, Director
Office of Inspection and Enforcement

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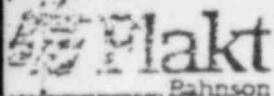
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NRC PDR

*See previous ORC for concurrence

IE:QASIP	IE:QASIP	DEL	IE:D/DIR	IE:OIR
*SRichardson	*JGPartlow	*JLieberman	*JMTaylor	RCDeYoung
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The Bahnson Company

P.O. Box 10450 Winston-Salem, North Carolina 27108 USA Telephone 919/774-1561 Telex 80-6422

S.D. RICHARDSON

11-18-83

United States
Nuclear Regulatory Commission
Washington, DC 20555

Attn: Richard C. DeYoung, Director
Office of Inspection and Enforcement

Subject: Letter from R.C. DeYoung
to J.T. Brown, dated Oct. 19, 1983

Dear Mr. DeYoung:

Your letter of October 19, 1983 requested The Bahnson Company to send you a list of HVAC units we have supplied to nuclear power plants, their type, and the date shipped. John Canup, Bahnson QA Manager, contacted Mr. Steven D. Richardson, of your office, to verify the scope of the records you requested. At that time, Mr. Richardson stated you were interested in a list of Nuclear Safety Related units supplied by The Bahnson Company to nuclear power plants, to close out the 1982 audit referenced in your letter.

Attachment "A" is a list of these power plants, the number and type of units, and the dates these units were shipped. All of these units were built in the Winston-Salem, NC facility of Bahnson, except the twenty-one (21) units supplied to the Comanche Peak Steam Electric Station. These units were manufactured by Bahnson Service Company, a subsidiary of The Bahnson Company, which has a fabrication shop on the Comanche Peak Site.

We trust this information will help in resolving your concerns about HVAC equipment manufactured by The Bahnson Company. If you have any further questions or comments, please advise.

Very truly yours,
The Bahnson Company

J. Thomas Brown
President and General Manager

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Attachment A
PAGE NO. 00001
11/18/83

HVAC EQUIPMENT SUPPLIED BY BAHNSON

POWER PLANT	QTY /TYPE OF UNIT	SHIPPED	BETWEEN
Shoreham Nuclear Power Plant	4 Air Handling Units	Sept. '75 and May '76	
Zimmer Nuclear Power Plant	16 Air Handling Units	May '76 and	1977
Wolf Creek Generation Station	4 Air Handling Units	Oct. '79 and Nov. '79	
Callaway Nuclear Plant	4 Air Handling Units	Oct. '79 and Nov. '79	
WPPSS Units 1 & 4	24 Evaporative Air Coolers	1977 and	1978
LaSalle County Station	12 Coil Cabinets	1977 and	1977
V. C. Summer Nuclear Station	21 Air Handling Units	1977 and	1978
Sharon Harris Nuclear Station	47 Air Handling Units	July '79 and Nov '83	
Catawba Nuclear Station	2 Air Handling Units	Dec. '78 and Dec. '78	
Oconee	1 Air Handling Unit	Aug. '81 and Sept. '81	
TVA Yellow Creek	14 Charcol Adsorbtion Units	Mar. '82 and Mar. '82	
Manasshan	8 Charcol Adsorbtion Units	Feb. '82 and May '82	
WPPSS	12 Charcol Adsorbtion Units	Aug. '81 and Mar. '83	
Palo Verde	6 Charcol Adsorbtion Units	Sept. '81 and Dec. '81	
CPAL	6 Charcol Adsorbtion Units	July '82 and Aug. '82	
Millstone	10 Air Handling Units	Jan. '82 and Dec '82	
Comanche Peak	21 Air Handling Units	1979 and	1981