



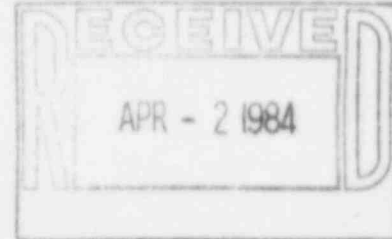
ARKANSAS POWER & LIGHT COMPANY

POST OFFICE BOX 551 LITTLE ROCK, ARKANSAS 72203 (501) 371-4000

March 26, 1984

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Mr. John T. Collins
Regional Administrator
U. S. Nuclear Regulatory Commission
Region IV
611 Ryan Plaza Drive, Suite 1000
Arlington, TX 76011



SUBJECT: Arkansas Nuclear One - Units 1 & 2
Docket Nos. 50-313 and 50-368
License Nos. DPR-51 and NPF-6
Response to IE Bulletin No. 83-07,
Apparently Fraudulent Products Sold
by Ray Miller, Inc.

Gentlemen:

Mr. DeYoung's letter dated July 22, 1983, (ØCNAØ78317) transmitted IE Bulletin No. 83-07 regarding apparently fraudulent products sold by Ray Miller, Inc. Subsequent letters dated October 26, 1983, (ØCNA1Ø8317) and December 9, 1983, (ØCNA1283Ø9) transmitted Supplements 1 and 2, respectively.

In response to the actions requested by this Bulletin, AP&L has conducted a thorough examination of the Corporate purchasing and procurement documents associated with material/products purchased for Arkansas Nuclear One (ANO). The results of this examination indicate that there are no records of direct procurement of material from Ray Miller, Inc. by AP&L for ANO. Examination of ANO inventory records confirmed that there is no indication of the existence of Ray Miller-supplied products. As an added measure of assurance, it was determined that there have been no AP&L - Ray Miller, Inc. contracts.

AP&L requested that the three major ANO contractors, Combustion Engineering Babcock & Wilcox, and Bechtel Power, provide information on the purchase of Ray Miller, Inc. material. The results of our contractors' investigations indicate that no direct procurement activities have been conducted in support of ANO. Information collected to date concerning indirect procurement activities has been evaluated and determined to be inconclusive. As a result, AP&L is developing a plan to question indirect suppliers using information supplied by IE Bulletin 83-07, Supplements 1 and 2. The results

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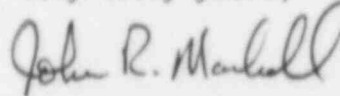
of this final phase of the investigation will provide maximum confidence that no Ray Miller material or products were used at ANO.

AP&L has recently incorporated the following short and long term actions to improve the Quality Program. These actions will help preclude the use of similar materials at ANO.

1. Revisions to the AP&L Qualified Vendors' List format which include restrictions and conditions placed on vendors based on information derived from NRC Vendor Inspection Reports, IE Bulletins, Industry Bulletins, and other sources relating to specific vendors.
2. Increased vendor/product related audits including source surveillances, audits, receipt inspections, and independent test laboratory verifications. AP&L has committed to increase surveillance activities for 1984 by at least 25% and vendor site surveys by at least 50% over 1983 levels.

In summary, there is no evidence to indicate that products purchased from Ray Miller, Inc. have been, or are in use or storage at Arkansas Nuclear One. Additional actions have been taken and planned by AP&L to strengthen the Qualified Vendors' List requirements/format and to increase vendor/source audits and surveillances.

Very truly yours,



John R. Marshall
Manager, Licensing

JRM:JLC:sc