



**PUBLIC
SERVICE
INDIANA**

S. W. Shields
Senior Vice President
Nuclear Division

June 22, 1983
S83-28
SVP-0102-83

Mr. James G. Keppler,
Regional Administrator
U.S. Nuclear Regulatory Commission
Region III
799 Roosevelt Road
Glen Ellyn, IL 60137

Docket Nos.: STN 50-546
STN 50-547
Construction Permit Nos.:
CPPR - 170
CPPR - 171

Marble Hill Nuclear Generating Station - Units 1 and 2

Dear Mr. Keppler:

On May 24, 1983, Mr. L. G. Yeager of Public Service Company of Indiana, Inc. (PSI) notified your office of a potentially reportable item as required by 10 CFR 50.55(e). An audit of Southwest Steel Fabricators, Inc. (SSF) resulted in a number of findings which indicate that SSF has not adequately implemented their quality assurance program. SSF supplies miscellaneous structural steel for use in safety-related areas. It is conceivable that nonconforming conditions could exist and had they gone uncorrected, could have adversely affected the safe operations of the plant.

A review of items supplied by SSF is ongoing. The results of the review thus far have revealed items of SSF procedural noncompliance but a high code/specification compliance level.

This letter is intended to fulfill the requirements of an interim report as required by 10 CFR 50.55(e). A further report will be filed on or before September 16, 1983. If you have any questions regarding this matter, please contact me at your convenience.

Sincerely,



S. W. Shields

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PDR ADOCK 05000546
S PDR

SWS/LGY/j1

cc: Director of Inspection and Enforcement
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

J. E. Konklin
J. F. Schapker

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JUN 27 1983