

NIAGARA MOHAWK POWER CORPORATION

NIAGARA  MOHAWK

300 ERIE BOULEVARD, WEST
SYRACUSE, N. Y. 13202

March 23, 1984

Dr. Thomas E. Murley
Regional Administrator
United States Nuclear Regulatory Commission
Region I
631 Park Avenue
King of Prussia, Pennsylvania 19406

Re: Docket No. 50-220
IE Bulletin 83-07

Dear Dr. Murley,

IE Bulletin 83-07 concerned falsification of material certifications by Ray Miller, Inc.

Niagara Mohawk has reviewed the purchase orders for Nine Mile Point Unit #1 placed with all of the companies listed in Bulletin 83-07 and Supplement 1 and has determined that we have received no materials originating from Ray Miller through any of the intermediaries listed.

We have determined that one purchase order was placed in 1974 with the Ray Miller, Inc., Charleston, West Virginia branch office through Nisco, a contractor then working on a modification to the offgas system at Nine Mile Point Unit #1. The purchase order was for eight non-safety related one-half inch 304 stainless steel, schedule 80, pipe caps. Three of these were installed on unused stem leakoff connections on manual valves in the offgas system. The offgas system is not classified as "important to safety" and these pipe caps are not part of the offgas pressure boundary.

No documentation exists showing use of the remaining 5 pipe caps. They are not in stock, and we have concluded that they were either discarded, used in a system not "important to safety", or removed from the site by Nisco.

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Considering that:

1. The purchase order was placed in 1974, prior to the time of known falsification by Ray Miller (1975-1979); and
2. This purchase order was not listed in Bulletin 83-07 as having been a falsified order; and
3. This equipment was purchased as "non-safety related", and therefore, there is an extremely low probability that the unaccounted for 5 caps were used in a safety related system; and
4. The pipe caps are only 1/2" nominal size,

we conclude the falsification of material certifications by Ray Miller, Inc. has no significant impact on the safe operation of Nine Mile Point Unit #1.

The NRC also requested a review of the general concerns presented in Bulletin 83-07. The existing NMPC program for procurement control of safety related materials such as piping and fittings includes the following attributes:

1. Procurement only from vendors qualified by audit by the NMPC QA Department or its agents. Many of the approved vendors are also ASME certificate holders.
2. QA review of all chemical, physical test reports and certifications against the applicable codes and standards to assure compliance.
3. QA physical receipt inspection.
4. QA audit of installation contractors to assure implementation of this same process of controls for contractor purchased materials.

Controls of this type, along with publication of the conviction of Ray Miller, Inc. employees, help assure this type of falsification will be minimized in the nuclear industry.

Approximately 400 manhours were spent in preparing the response to this bulletin.

Very truly yours,

Thomas E. Lempges

Thomas E. Lempges
Vice President
Nuclear Generation