



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION V

1450 MARIA LANE, SUITE 210
WALNUT CREEK, CALIFORNIA 94596

AUG 20 1985

AUG 26 1985

Docket No. 50-312

Sacramento Municipal Utility District
P. O. Box 15830
Sacramento, California 95813

Attention: Mr. Ron Rodriguez
Assistant General Manager, Nuclear

Gentlemen:

Subject: NRC Inspection of Rancho Seco

This refers to the routine inspection conducted by Messrs. J. H. Eckhardt, G. P. Perez, J. L. Crews, A. J. D'Angelo, and H. J. Wong of this office between June 23 and August 9, 1985, of activities authorized by NRC License No. DPR-54, and to the discussion of our findings held by inspectors with Mr. P. Oubre' and other members of your staff at the conclusion of the inspection.

Areas examined during this inspection are described in the enclosed inspection report. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspector.

Based on the results of our inspection, we believe that you failed to implement adequate engineering and design controls, construction controls, quality control inspections, and quality assurance oversight during modifications to the reactor coolant high point vent system. These inadequacies resulted in a leak in the one inch diameter B hot leg vent piping with the plant in a hot shutdown condition. An enforcement conference has been scheduled for September 6, 1985, in the NRC Region V office. At this conference you should be prepared to discuss your evaluation of the cause of the apparent violation discussed in the inspection report; corrective actions taken or planned; and your plans for improving oversight of these functions.

Enforcement actions relative to the issues discussed in the enclosed report will be the subject of separate correspondence.

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In accordance with 10 CFR 2.790(a), a copy of this letter and the enclosure will be placed in the NRC Public Document Room.

Should you have any questions concerning this inspection, we will be glad to discuss them with you.

Sincerely,

Original signed by
D. F. Kirsch

D. F. Kirsch, Acting Director
Division of Reactor Safety
and Projects

Enclosures:

Inspection Report
No. 50-312/85-19

cc w/enclosures:

L. G. Schwieger, SMUD
P. Oubre', SMUD
State of CA

bcc: RSB/Document Control Desk (RIDS)
Mr. J. Martin
Resident Inspector
G. Cook

RV

JEckhardt:dh
8/ /85

GPerez
8/ /85

JCrews
8/ /85

AD'Angelo
8/ /85

HWong
8/ /85

LMiller
8/29/85

DKirsch
8/22/85

K by Telecon
Johnson
8/22/85