NOV 4 1985

Docket No. 50-440 Docket No. 50-441

Cleveland, OH 44101

The Cleveland Electric Illuminating Company ATTN: Mr. Murray R. Edelman Vice President Nuclea Group Post Office Box 5000

Gentlemen:

Region III has recently received anonymous allegations concerning activities associated with Metalweld Inc., a safety related coating contractor at the Perry Nuclear Power plant. These allegations were previously discussed with you during an October 25, 1985, telephone call between you and Messrs. R. C. Knop and C. H. Weil of our staff. Enclosure 1 is a description of the allegations received.

Due to the question of coating adequacy raised by the allegations provided in enclosure 1, Region III expects that Cleveland Electric Illuminating Company (CEI) will analyze the concerns; perform necessary audits, surveillances, or appropriate investigations in order to determine the validity and significance of the alleged conditions; and take appropriate actions as necessary in order to address both the specific concerns and root causes, if applicable.

We further request that the results of your review and disposition of these matters be submitted to Region III after completion. Documentation supporting your results should be maintained onsite for any further inspections by Region III. You should also be aware that the technical aspects of these allegations must be adequately resolved prior to fuel load.

The enclosures to this letter are being withheld from public disclosure in accordance with Title 10, Code of Federal Regulations, Part 2.790(a)(b) and (7).

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The Cleveland Electric Illuminating -2-Company

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Your cooperation with us is appreciated. Should you have any questions with regard to this matter, please do not hesitate to call me or Mr. R. C. Knop (312-790-5547).

Sincerely,

"Original Signed by C.E. Morallus"

Charles E. Norelius, Director Division of Reactor Projects

Enclosures: 1. Description of Allegations 2. List of Individuals

cc w/o Enclosures: J. J. Waldron, Manager, Perry Plant Technical Department M. D. Lyster, Manager, Perry Plant Operations Department L. O. Beck, General Supervising Engineer, Nuclear Licensing and Fuel Management Section DCS/RSB (RIDS) Licensing Fee Management Branch Resident Inspector, RIII

Harold W. Kohn, Ohio EPA Terry J. Lodge, Esq. James W. Harris, State of Ohio Robert H. Quillin, Ohio Department of Health

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