

INDIANA & MICHIGAN ELECTRIC COMPANY

P.O. BOX 16631
COLUMBUS, OHIO 43216

October 10, 1986
AEP:NRC:1009A

Donald C. Cook Nuclear Plant Unit Nos. 1 and 2
Docket Nos. 50-315 and 50-316
License Nos. DPR-58 and DPR-74
NRC INSPECTION REPORT NOS. 50-315/86031 (DRS)
AND 50-316/86031 (DRS)


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

Dear Mr. Keppler:

This letter is in response to Mr. J. J. Harrison's letter dated September 12, 1986, which forwarded the report on the routine safety inspection conducted by members of your staff. This inspection was conducted from August 11 through August 22, 1986 on activities at the D. C. Cook Nuclear Plant Units 1 and 2. The Notice of Violation attached to Mr. Harrison's letter identified one violation, which is addressed in the attachment to this letter.

This document has been prepared following Corporate procedures which incorporate a reasonable set of controls to insure its accuracy and completeness prior to signature by the undersigned.

Very truly yours,


M. P. Alexich
Vice President
10/10/86

cm

Attachment

cc: John E. Dolan
W. G. Smith, Jr. - Bridgman
R. C. Callen
G. Bruchmann
G. Charnoff
NRC Resident Inspector - Bridgman

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NRC VIOLATION

"10 CFR 50, Appendix B, Criterion VII, as implemented by the D. C. Cook Operations Quality Assurance Program, requires that measures be established for source evaluation and selection and to provide objective evidence of quality furnished by the supplier.

Contrary to the above, the inspector identified the following:

- A. Bussman Division of Cooper Industries was conditionally approved as a qualified supplier, even though an audit by AEPSC Quality Assurance revealed significant deficiencies in their quality program and its implementation.
- B. A hold was placed on the shipment of 60 fuse blocks from Bussman as the result of an AEPSC quality assurance surveillance conducted at the Bussman facility in Ellisville, Missouri. Quality Assurance records do not show any follow-up action to release the material for shipment. The material had been received and accepted at the D. C. Cook Plant.
- C. In reviewing the QSL, it was noted that suppliers were being conditionally qualified and added to the qualified suppliers list without an audit, survey, past performance history or other information indicating that they could adequately manufacture and provide the required material or service."

Corrective Action Taken and Results Achieved

- A. AEPSC uses a system of conditional acceptance to deal with suppliers who are needed but whose quality programs do not quite satisfy all our criteria for placement on the QSL. This permits the purchasing process to occur. The requirements of Criterion VII of Appendix B are satisfied by additional QA measures (additional inspections, surveillance, etc.) by AEPSC/I&MECo to make up for any deficiencies. We have heretofore applied this principle regardless of the seriousness of the weakness(es) found in the supplier's program; the primary effort is directed at making sure that what we receive meets our requirements.

Bussman Division of Cooper Industries has undergone changes since the Cooper acquisition which require rewrite and redefinition of most of the QA program and procedures. The company has been cooperative with us, and AEPSC desires to continue doing business with them if possible.

In order to purchase sixty fuse blocks as N grade, Bussman was conditionally accepted on the QSL, subject to surveillance. The surveillance was conducted on January 21-22, 1986, at which time shipment was held up, pending resolution of a dielectric strength test problem. Upon receipt of confirmation that original test results were valid, the hold was lifted. The material was received by D. C. Cook Stores and subjected to normal processing for N grade material.

The supplier, Bussman, has been removed from the QSL, and no additional N grade procurements will be made from them until the QA programmatic issues are resolved to the satisfaction of AEPSC QA.

- B. Surveillance action was taken against this order, as indicated above.

Upon identification of the dielectric test issue, the fuseblocks were retained at the supplier. New measuring equipment was obtained by Bussman, and the voltage level for the original dielectric test was confirmed. This information was conveyed to AEPSC, and the hold was lifted. The fuseblocks were then shipped to the D. C. Cook Plant.

Documentation confirming the original test is available in AEPSC QA files. The supplier has been contacted and has stated that although original tests were confirmed, the test was repeated.

All of the above information will be retained in AEPSC QA and D. C. Cook Plant files.

- C. The systematic review described below resulted in the decision to remove these companies from the QSL.

Corrective Action Taken to Prevent Further Violations

We are systematically reviewing suppliers and our reasons for retaining them on the QSL as conditionally acceptable, subject to surveillance or audit. We have eliminated those companies which appear to fit into the inspector's stated findings (i.e., too many significant deficiencies and/or no audit, survey, history or other qualifying data). We emphasize that in no case would AEPSC have been able to use these companies without audit, surveillance or other measures to assure that we received what we ordered.

There remain on the QSL various companies which are conditionally acceptable, subject to audit or surveillance where supporting information is stronger. Our belief is that the conditional acceptable approach is an acceptable way to meet 10 CFR 50 Appendix B Criterion VII with these companies.

The determination of the break point (between acceptable and not acceptable) is made by AEPSC QA. Where programmatic deficiencies are known, we will always require that surveillance or other follow-up measures be taken to meet Criterion VII.

Date When Full Compliance Will Be Achieved

The systematic review of suppliers on the QSL will be completed by December 31, 1986.

12-22-11

