

ILLINOIS POWER COMPANY



U-10054

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CLINTON POWER STATION, P.O. BOX 678, CLINTON, ILLINOIS 61727

May 23, 1983

Docket Number 50-461

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

Subject: Deficiency 81-04
10CFR50.55(e)
Certification of HVAC Materials

Dear Mr. Keppler:

On October 2, 1981, Illinois Power verbally notified Mr. H. M. Wescott, NRC Region III, of a potential reportable deficiency per 10CFR50.55(e) concerning inconsistencies in the certifications for Clinton Project HVAC materials installed by the Zack Company. This initial notification was followed by six (6) Interim Reports: L. J. Koch letter U-0325 to J. G. Keppler dated November 4, 1981; L. J. Koch letter U-0413 to J. G. Keppler dated February 3, 1982; W. C. Gerstner letter U-0474 to J. G. Keppler dated May 3, 1982; W. C. Gerstner letter U-0524 to J. G. Keppler dated August 3, 1982; D. P. Hall letter U-10007 to J. G. Keppler dated November 3, 1982 and D. P. Hall letter U-10026 to J.G. Keppler dated February 3, 1983.

Illinois Power's investigation has determined that this matter represents a reportable deficiency per 10CFR50.55(e). This letter presents an interim report in accordance with 10CFR50.55(e) (3).

STATEMENT OF REPORTABLE DEFICIENCY

Investigation has determined that a breakdown in the Zack Company (HVAC Contractor) Quality Assurance program had occurred in the area of 10CFR50, Appendix B, Criterion VII, Control of Purchased Material, Equipment, and Services. A quality review of HVAC material certifications revealed that the certifications contained errors of omission, inaccuracies and in some instances,

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alterations or modifications. These errors and inconsistencies resulted in the material certifications being suspect and, therefore, the material suspect. These inconsistencies in documentation have, and will require extensive resources to evaluate, correct, and prove adequacy of material. On this basis, this matter is considered to be a reportable deficiency per 10CFR50.55(e).

INVESTIGATION RESULTS/BACKGROUND

During a Zack Company Quality Assurance review of the certifications for the Clinton Power Station HVAC materials, a number of inconsistencies were identified. These inconsistencies were categorized into the following areas:

- 1) Incomplete or missing material test reports,
- 2) Incorrect or erroneous material reports, and
- 3) Improperly modified or altered test reports.

As a result, the Zack Company issued Corrective Action Request (CAR) #014-b on September 25, 1981, which identified the problem, contained a plan of action to determine the extent of the problem, including a review of all material test reports for accuracy and completeness, and a time frame for completion. As a result of this review, Zack Company has generated for Baldwin Associates (Illinois Power Contractor), a final list of nonconforming purchase order / certified material test report documentation packages. Fifty-three (53) nonconformance reports have been submitted to Baldwin Associates for evaluation and disposition. The status of the fifty three (53) nonconformance reports is as follows:

- a. Closed by Zack; reviewed by Illinois Power Company Quality Assurance (IPQA) and Baldwin Associates, and considered closed.....21
- b. Closed by Zack; not yet verified by IPQA.....6.
- c. Submitted to Sargent and Lundy for review with recommendation to use-as-is19
- d. Additional research/testing required by Zack2
- e. Pending Baldwin Associates review and submittal to Sargent & Lundy...5

Corrective Action Request #014-b has not been closed to date pending completion of corrective action measures addressed in this letter.

In addition to the actions being taken to resolve the identified documentation discrepancies, Illinois Power Quality

Assurance has conducted three (3) evaluations/verifications of Zack Company's corrective action on this matter.

CORRECTIVE ACTION

The following measures have been or are being taken to correct this deficiency and to prevent further recurrences:

- 1) Zack Company has revised their Corporate and Clinton Site Quality Assurance Manuals to enhance controls and describe in detail the programs for assuring that the requirements of 10CFR50, Appendix B, and the HVAC Installation Specification K-2910 are met. The revised site manual was reviewed and conditionally approved by Baldwin Associates Quality Assurance on September 30, 1982. Full approval is scheduled to be accomplished by June 1, 1983. The corporate manual was reviewed and conditionally approved by Baldwin Associates Quality Assurance on April 11, 1983. Full approval is scheduled to be accomplished by June 1, 1983.
- 2) The Zack Company's Corporate Training Practices, for Cicero, Illinois employees in quality assurance program requirements have been reviewed by Illinois Power Quality Assurance and were evaluated as being effectively implemented.
- 3) A centralized documentation center has been established within the Zack Company's Cicero, Illinois office. Specific guidelines have been established in Zack Company Quality Assurance Instruction (QAI No. 4) titled, "Control, Content, and Maintenance of QA Purchase Order / Certified Material Test Report Files".
- 4) The Zack Quality Assurance Department reviews all procurement documentation and receiving inspection reports for compliance. Procedures titled, "Procurement" (PQCP-15) and "Receiving Inspection" (PQCP-1), incorporate the requirement for quality assurance review.
- 5) Unauthorized personnel are not allowed access to quality records at the Cicero, Illinois office.
- 6) Zack Company management has established, in written directives, a company policy addressing disciplinary action to be taken as a result of instances of failure to follow procedures by employees.
- 7) The Zack Company has added additional Quality Assurance personnel to support the upgraded procurement program.

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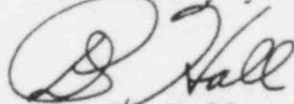
- 8) Illinois Power and Baldwin Associates Quality Assurance Departments have increased surveillances and audits of Zack Company (Cicero, Illinois) activities.
- 9) Procurement documentation has been revalidated by the Zack Company Quality Assurance and Document Control Departments and results have indicated a possible fifty-three (53) questionable procurement document packages. These are identified by a nonconformance report for each package. Resolution of these nonconformance reports will assure that HVAC materials are adequate in meeting the design intent.
- 10) Sargent and Lundy is developing a Technical Evaluation Program of Zack installed HVAC systems. The program includes an evaluation of certifications for Zack furnished materials. This program is scheduled for full implementation by June 1, 1983 and will conclude approximately September 1, 1983.

SAFETY IMPLICATIONS/SIGNIFICANCE

At this time, the impact of this deficiency on the safety of operations of Clinton Power Station is unknown, and cannot be ascertained until the nonconformance reports have been dispositioned, dispositioning action taken, and the reports closed. The corrective actions identified above will identify and assure resolution of all potential documentation and material discrepancies and will prevent further discrepancies. It is anticipated that sixty (60) days will be necessary to evaluate and disposition the nonconformance reports, evaluate for safety impact, and provide a final report on this matter.

This letter is hereby submitted as an interim report in accordance with 10CFR50.55(e)(3). I trust that the information provided is sufficient for you to evaluate both the deficiency and our proposed corrective action.

Sincerely yours,



D. P. Hall
Vice President

cc: H. H. Livermore, NRC Resident Inspector
Director, Office of I&E, Washington, DC 20555
Illinois Department of Nuclear Safety
Manager-Quality Assurance
INPO Records Center