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ILLINOIS POWER COMPANY



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U-10004

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

October 21, 1982

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

Docket No. 50-461

Dear Mr. Keppler:

Deficiency 82-05
10CFR50.55(e)
Quality Assurance Program Breakdown
Zack Company (HVAC Contractor)

On June 21, 1982, Illinois Power notified Mr. P. Pelke, NRC Region III (ref: IP memorandum Y-13582, 1605-L, dated June 21, 1982) of a potential reportable deficiency per 10CFR50.55(e) concerning inadequate quality documentation and records for the Control Room HVAC System. This notification was supplemented on June 25, 1982, when Illinois Power notified Mr. J.M. Hinds, NRC Region III (ref: IP memorandum Y-13605, 1605-L, dated June 25, 1982) of Illinois Power intent to expand the scope of the 10CFR50.55(e) investigation to include all Zack Company activity under their Quality Assurance Program to determine if a QA program breakdown has occurred. This notification was followed by one (1) Interim Report (IP letter U-0519, W.C. Gerstner to J.G. Keppler, 1605-L, dated July 21, 1982). Illinois Power's investigation has determined that this matter represents a reportable deficiency per 10CFR50.55(e), and this letter presents a final report in accordance with 10CFR50.55(e)(3).

STATEMENT OF REPORTABLE DEFICIENCY

Investigation has determined that a breakdown in the Zack Company Quality Assurance program has occurred in the areas of Criterion II, Quality Assurance Program, Criterion V, Procedures, Instructions and Drawings, Criterion X, Inspection, and in Criterion XVII, Quality Assurance Records. The basis for the concerns associated with Criterion II and Criterion V are that the Zack Company Quality Assurance Manual in conjunction with the field Quality Control procedures do not adequately describe the measures and practices being utilized at Clinton Power Station to assure compliance with Appendix B of 10CFR50 and Sargent & Lundy (architect/engineer) Specification K-2910. The basis for the concerns associated with Criteria X and XVII is that the inspection records of inspected

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hardware do not accurately reflect the as-built configuration of the hardware per latest drawings and drawings changes.

INVESTIGATION RESULTS/BACKGROUND

During a Verification Inspection Program of the Clinton Project Quality Assurance program established by IP Management (ref: IP letter W.C. Gerstner to J.G. Keppler, U-0420 dated 2/23/82) it was found that certain Zack Company quality and inspection records for turnover package VC-1 (Control Room HVAC) were inadequate, i.e., were incomplete, missing, or contained discrepancies. These concerns prompted the establishment of an overall Zack Company Verification Program which was implemented by Baldwin Associates (Illinois Power Contractor). This program investigated both safety related and nonsafety related seismic category I activities performed by the Zack Company. The results of this overall verification program indicated concerns with the adequacy and implementation of the Zack Company Quality Assurance Program for safety related work, particularly in the following areas:

- Criterion II - Quality Assurance Program
- Criterion V - Procedures, Instructions and Drawings
- Criterion X - Inspection
- Criterion XVII - Quality Assurance Records

As a result, Baldwin Associates has issued STOP WORK ACTION #014 for all safety related Zack Co. HVAC work, STOP WORK ACTION #015 for Zack Co. non-safety related seismic Category I integral attachment (welded) of HVAC hangers to the building structure and STOP WORK ACTION #020 for all HVAC work performed in plant structures classified as Category I for lack of adequate control on non-safety work which affects safety related items. These STOP WORK ACTIONS presently remain in effect.

CORRECTIVE ACTION (FINAL)

A number of corrective action measures are being taken to resolve the quality concerns identified by the above quality verification programs, as follows:

- A. An Illinois Power Company Recovery Plan for HVAC has been developed at CPS. This plan has been approved by Illinois Power and Baldwin Associates Management and is presently being reviewed by the NRC (Region III) for adequacy. Corrective action measures in the plan include the following:
 - 1. Zack Company is revising their Quality Assurance Manual to enhance controls and describe in detail the programs for assuring that the requirements of Appendix B of 10CFR50, and Specification K-2910 are met. This revised manual will be reviewed and approved by Baldwin Associates Quality Assurance.

2. Zack Company is developing, reviewing, and revising where necessary, all procedures applicable to CPS, to enhance and describe in detail the programs for assuring that applicable requirements are met. Baldwin Associates Quality Assurance, and Sargent & Lundy (CPS Architect/Engineer), where applicable, will review and approve the revised procedures.

These procedures include, but are not limited to, those controlling:

- a. Inspection of non-safety/seismic work
 - b. Surveillance of storage and housekeeping
 - c. Inspection of bolting installations
 - d. Document distribution and control
 - e. Reinspection of installed and accepted work.
3. Upon approval of revised procedures, Zack Company will give training to personnel as to the new procedural requirements.
 4. Zack Company has developed a construction installation system for the installation of hardware to assure that items are installed to the latest design documents and procedures.
 5. A reinspection of installed hardware is planned. The reinspection plans are detailed in the Illinois Power Recovery Plan for HVAC, presently being reviewed by the NRC (Region III). These plans include safety related and non-safety/seismic work, and call for:
 - a. Reinspection by Zack Company Quality Control of selected areas using the new revised and approved procedures.
 - b. "Overinspection" of Zack Company work by Illinois Power Quality Assurance and United States Testing Company.

All nonconforming conditions will be properly identified, dispositioned, and appropriate corrective action will be taken on each.

6. Illinois Power and Baldwin Associates Quality Assurance departments will increase surveillance and audits of Zack Company activities, including the inspection/reinspection and documentation/records programs.

- B. Sargent & Lundy is developing and issuing new, individual HVAC duct hanger detail drawings to clarify the designer's intent for the classification and configuration of HVAC hangers. These new drawings will be utilized during the reinspection program, and for future new work.
- C. The Zack Company Quality organization has been realigned to report directly to the Baldwin Associates Manager of Quality and Technical Services. Previously, the reporting channel was through Baldwin Associates Subcontracts Department.

Illinois Power is confident that implementation of the IP Recovery Plan for HVAC, including the above corrective actions, will be adequate to correct this deficiency and to prevent further recurrence.

SAFETY IMPLICATIONS/SIGNIFICANCE

At this time, the impact of this deficiency on the safety of operations of CPS is unknown. The Illinois Power Recovery Plan for HVAC, and corrective actions identified above will identify and assure resolution of all identified hardware discrepancies and will prevent further discrepancies, consequently, the safety of operations of CPS will not be impacted. However, a breakdown of the Zack Company Quality Assurance program has occurred which will require extensive resources, in the form of reinspection, to regain confidence in the adequacy of hardware installation. On this basis, this deficiency is considered significant, and is therefore reportable under 10CFR50.55(e).

This letter is hereby submitted as a final report in accordance with 10CFR50.55(e). I trust that it is sufficient for analysis and evaluation of the deficiency and corrective action.

Sincerely,



D.P. Hall
Vice President

J.G. Keppler
NRC

October 21, 1982
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cc: NRC Resident Inspector
Director-Quality Assurance
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Illinois Department of Nuclear Safety