



Consumers  
Power  
Company

James W Cook  
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August 2, 1983

Mr J G Keppler, Regional Administrator  
US Nuclear Regulatory Commission  
Region III  
799 Roosevelt Road  
Glen Ellyn, IL 60137

MIDLAND ENERGY CENTER  
INSPECTION REPORT NO 50-329/83-07(OSC) AND 50-330/83-07(OSC)  
File: 0.4.2      UFI: 70\*01      Serial: CSC-6806  
0485.16      42\*05\*22\*04

REFERENCE: (1) R F Warnick letter to J W Cook, dated July 1, 1983  
Inspection Report No 50-329/83-07(OSC) and 50-330/83-07  
(OSC)

This letter, including Attachment 1, provides our response to Reference 1, which transmitted the subject Inspection Report and which requested our written response to the item of noncompliance therein. Based on a telecon with RFWarnick of Region III on July 29, CPCo was given an extension on the response due date.

*James W. Cook*

JWC/BHP/dmh

Attachment

cc: RFWarnick, NRC Region III  
JJHarrison, NRC Region III  
RNGardner, NRC Region III  
RBLandsman, NRC Region III  
RJCook, NRC Senior Resident Inspector, Midland Site  
RLBurgess, NRC Resident Inspector, Midland Site

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CONSUMERS POWER COMPANY  
Midland Units 1 and 2  
Docket No 50-329/50-330

Letter Serial CSC-6806 Dated August 2, 1983

At the request of the Commission and pursuant to the Atomic Energy Act of 1954, and the Energy Reorganization Act of 1974, as amended and the Commission's Rules and Regulations thereunder, Consumers Power Company submits the response to R F Warnick letter to J W Cook dated July 1, 1983.

CONSUMERS POWER COMPANY

By

J W Cook  
J W Cook, Vice President  
Projects, Engineering and Construction

Sworn and subscribed before me this 2nd day of August, 1983.

Beverly A. Avery  
Beverly A. Avery Notary Public

Jackson County  
Michigan

My Commission Expires

January 16, 1985

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Attachment 1  
Serial: CSC-6806

CONSUMERS POWER COMPANY'S RESPONSE TO  
US NUCLEAR REGULATORY COMMISSION, REGION III  
INSPECTION REPORT NO 50-329/83-07(OSC) & 50-330/83-07(OSC)

Appendix (Notice of Violation) to Inspection Report No. 50-329/83-07(OSC) and 50-330/83-07 (OSC) provides two items of noncompliance to 10 CFR 50, Appendix B. The NRC statements and our responses are given below:

NRC STATEMENT

"10 CFR 50, Appendix B, Criterion XVI states, in part, "Measures shall be established to assure that conditions adverse to quality such as...deficiencies, deviations...are promptly identified and corrected. In the case of significant conditions adverse to quality, the measures shall assure that the cause of the condition is determined and corrective action taken to preclude repetition..."

Consumers Power Company Quality Assurance Program Policy (QAPP) No. 16, "Corrective Action," Paragraph 3.1, states, in part, "Corrective action is initiated to correct conditions adverse to the quality of items and activities... Conditions which require additional action to prevent recurrence are a matter of judgment, but the following conditions are always evaluated: ...Unsatisfactory conditions identified by the NRC."

B&WCC Receiving Inspection Procedure 9-QPP-108 states, in part, "Items receipt inspected and found acceptable shall be identified with a "Release for Construction" tag as described in B&W Construction Company Quality Control Procedure 9-QPP-115. The number of the "Release for Construction" tag shall be recorded on the Receiving Inspection Report."

Contrary to the above, pipe hangers and hanger components which were determined to be acceptable for construction, were found in the "Kelly Building" without release for construction tags attached. B&WCC records indicate that hangers and hanger components had been stored in this area for periods of up to one year. The licensee had been notified of an analogous situation involving the receiving inspection, tagging and storage of valves without adherence to established procedures (Ref. Report No. 50-329/83-01 (OSC); 50-330/83-01 (OSC). The licensee responded to the Notice of Violation in a letter dated March 29, 1983, stating that corrective action had been taken to correct the situation cited.

This is a Severity Level IV Violation (Supplement II)."

CONSUMERS POWER COMPANY RESPONSE

In accordance with this Notice of Violation, an explanation of corrective action is as follows:

1) Corrective Action Taken and The Results Achieved

Since the NRC inspection, the "Kelly Building" has been upgraded by B&W Construction (BWCC) to a storage facility within the guidelines of BWCC. This upgrade has consisted of replacing the gravel floor with a concrete floor and making the building weather tight. The building is considered a storage area and all applicable procedures, including tagging, have been invoked.

2) Corrective Action Taken to Avoid Further Noncompliance

A review has been made of all areas within the BWCC organization which are either storage areas or have the potential for being defined as a storage area. Appropriate actions have been taken to insure that said areas are in compliance with the BWCC program.

3) The Date When Full Compliance will be Achieved

Full compliance has been achieved as of 7/15/83.

NRC STATEMENT

"10 CFR 50, Appendix B, Criterion XV states, in part, "Measures shall be established to control materials, parts, or components which do not conform to requirements in order to prevent their inadvertent use or installation. The measures shall include, as appropriate, procedures for...segregation...and notification to affected organizations. Nonconforming items shall be reviewed and accepted, rejected or reworked in accordance with documented procedures."

Consumers Power Company OAPP No. 15, Nonconforming Items, Paragraph 1.0,- states, in part, "Procedural controls are established for identifying, documenting, segregating, reviewing, reporting and disposing of nonconforming Q-listed materials, parts, components or services..."

B&WCC Quality Control Procedure 9-QPP-111, Paragraph 4.2, states, in part, "The Field Quality Control Supervisor shall be responsible for placing a "Reject" tag on the nonconforming item and segregating the nonconforming item when practical by placement in a controlled area."

Contrary to the above, hangers and hanger components for Q-listed Hangers P2A-SH1-2-H4, P24-SB302-H21 and 2CCA-33-1-H2 were found in the "material awaiting installation" bins with reject tags numbered 1144, 1110, and 1015, respectively attached. Sufficient area was available within the storage area to provide segregation of this material.

This is a Severity Level V Violation (Supplement II)."

CONSUMERS POWER COMPANY RESPONSE1) Corrective Action Taken and the Results Achieved

The rejected hanger components have been removed from bins marked "Material Awaiting Installation." The cognizant people have been instructed on following procedural requirements.

2) Corrective Action Taken To To Avoid Further Compliance

Corrective action has been taken by instructing the responsible persons about following established procedures. Additionally, areas have been established within the "Kelly Building" to allow segregation of hanger components.

3) The Date When Full Compliance Will Be Achieved

Full compliance has been achieved as of 7/15/83.