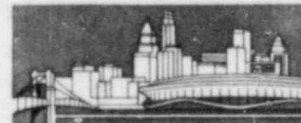


THE CINCINNATI GAS & ELECTRIC COMPANY



CINCINNATI, OHIO 45201

July 13, 1983
LOZ-83-0084

J. WILLIAMS, JR.
SENIOR VICE PRESIDENT
NUCLEAR OPERATIONS

Docket No. 50-358

U.S. Nuclear Regulatory Commission
Region III
799 Roosevelt Road
Glen Ellyn, Illinois 60137

Attention: Mr. J.G. Keppler
Regional Administrator

Gentlemen:

RE: WM. H. ZIMMER NUCLEAR POWER STATION - UNIT 1
ASME SITE RENEWAL AUDIT FINDINGS
W.O. 57300, JOB E-5590, FILE NO. 956C,

Attached for your information is the H. J. Kaiser, Inc. response to the ASME letter dated June 16, 1983, which was transmitted to NRC by my letter (JW-SC-0041), dated July 11, 1983.

If you have any questions, please contact me.

Very truly yours,

THE CINCINNATI GAS & ELECTRIC COMPANY

By *J. Williams, Jr.*
J. WILLIAMS, JR.
SENIOR VICE PRESIDENT

DJS/sfr

cc: A. J. Neylan
Torrey Pines Technology
NRC Office of Inspection & Enforcement
Washington, D.C. 20555
NRC Senior Resident Inspector
ATTN: W.F. Christianson
NRC Zimmer Project Inspector, Region III
ATTN: E. R. Schweibinz

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PRINCIPAL STAFF	
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HENRY J. KAISER COMPANY

THE KAISER PLAZA, SUITE 601
OAKLAND, CALIFORNIA 94612

July 11, 1983

American Society of Mechanical Engineers
United Engineering Center
345 East 47th Street
New York, New York 10017

Attention: Mr. C. J. Gomez
Project Engineering Administrator
ASME Accreditation Department

This letter is in response to your letter dated June 16, 1983 to D. L. Howard, Director, Quality Assurance Programs regarding the ASME audit conducted March 24 and 25, 1983 on ASME Certificates of Authorization "NA" and "NPT" (N-1436 and N-1437) at the Zimmer Nuclear Power Station, Moscow, Ohio.

I am extremely concerned that the items identified during the re-survey in March, 1982 had not been adequately resolved. I feel confident, however, that the corrective actions now implemented or planned for those items and all other ASME Code work at the Zimmer Project will satisfy the audit concerns. The required controls and resources are in place to allow retention of the Certificates of Authorization necessary for our work.

Our response to the specific findings of the audit, including actions to prevent repetition of unacceptable conditions identified by the audit, is herein submitted for review by the ASME Subcommittee on Nuclear Accreditation prior to a hearing scheduled for July 21, 1983 at Chicago, Illinois.

The project organization was significantly strengthened on June 14, 1983 by relocation of the Project Director from the corporate offices to the site. I am committing corporate resources to assist the Director and the project in performance of their ASME Code responsibilities. Specifically, the Director, Quality Assurance Programs is charged with responding to all requests of the Project Director to support him in verification of project conformance to Code requirements. The Director, Quality Assurance Programs will also increase the scope and frequency of audits of ASME program implementation.

We will be represented at the hearing by J. P. Coyle, Vice President; M. Noffsinger, Project Director; D. L. Howard, Director, Quality Assurance Programs; and myself.

Mr. C. J. Gomez
ASME

-2-

July 11, 1983

We recognize and appreciate the efforts by the ASME to ensure compliance to ASME Code requirements. We are committed to conformance to all applicable provisions of the Code and the Zimmer Program. The ASME is invited to re-audit for verification of implementation of the commitments contained herein at a time convenient to the Subcommittee.

Respectfully,

HENRY J. KAISER COMPANY



D. G. Iselin
Chairman of the Board

Attach.

bcc: J. P. Coyle
G. W. Holman
D. L. Howard
C. R. Fitzgerald
F. X. Kast
M. Noffsinger
R. D. Sahlberg
J. C. Leighton

ATTACHMENT A

Detailed Response to Finding in ASME Audit

All findings are addressed in chronological order as written in the above referenced correspondence (i.e., Finding #1A and 1B, Team Disposition, followed by the Henry J. Kaiser response).

HJKCO RESPONSE TO ITEM 1a:

Kaiser agrees with the audit team that Subarticle NA-3766.4 is not included in the year of code edition mandated by the HJKCO contract date for the Wm. H. Zimmer Nuclear Station which is ASME Boiler and Pressure Vessel Code Section III 71 through 73 Summer Addenda.

CAR-180 was issued to identify the incorrect reference to ASME Subarticle NA-3766.4 and provide for appropriate corrective action. The corrective action taken deleted both the incorrect reference and the "Procurement Specification Sheet" which included the ASME Code requirements in accordance with Article NB-2000.

To correct this inadvertent deletion of the "Procurement Specification Sheet" which called out the ASME Code requirements, CAR-453 has subsequently been issued to identify this error and provide for corrective action to reinstate ASME Code requirements. The corrective action reinstated ASME requirements by incorporating a "Procurement Standard" in the purchase order. This Procurement Standard replaces the procurement specification sheet previously used and identifies specific ASME Code requirements.

To ensure that all ASME material purchased met code requirements during the time interval between implementation of CAR-180 and the corrective action implemented by CAR-453, HJKCO reviewed all issued purchase orders for this period. This review indicated that 26 purchase orders did not include specific ASME Code quality assurance requirements. HJKCO is in the process of obtaining the status of materials furnished under these purchase orders.

CORRECTIVE ACTION TO PREVENT RECURRENCE

To prevent recurrence of inadequate ASME requirements in purchase orders for ASME items and materials, project Procedure FPE-1 has been revised to require inclusion of the Procurement Standard in purchase orders. Procedure GIP-11 has been revised to clearly define use of the Procurement Standard in the receipt inspection area.

Implementation of these procedures and follow-up audits will assure that all items and materials purchased for ASME systems will meet the requirements of the project specifications and ASME Code.

HJKCO RESPONSE TO ITEM 1b:

We have reviewed several recent surveys conducted by outside consultants and on-site HJK personnel of ASME vendors on the earlier version of the AVL (prior to Sept. 1982). We agree with the ASME audit team finding that some of these surveys were too narrow in scope and did not include applicable elements of NA-4000 as required by ASME.

We are establishing a program for the site QA Manager to review follow-on surveys pertaining to the earlier versions of the AVL for ASME vendors; and will resurvey all vendors where the previous surveys did not include the applicable requirements of NA-4000.

CORRECTIVE ACTION TO PREVENT RECURRENCE:

Procedure ASP-3 for surveys/audits of vendors on the ASME AVL is being revised to incorporate the requirements of ASME Code Section NA-4000 as applicable in addition to the requirements of Section NX-2600. This procedure will also include a provision for annual audits.

HJKCO RESPONSE TO ITEM 2a:

We concur with both statements to Item 2 (a)(1) and (2) and with the paragraphs that follow which explain the actions we are taking. With regard to 2 (a)(1); of some 400 welders on-site in mid-82, we found approximately 100 whose qualification documentation was to some degree doubtful. We required each of these 100 to take re-qualification tests, and all passed the tests. With respect to some of the earlier welders, we are continuing to resolve documentation deficiencies as noted in the Team's write-up, and will properly disposition all deficiencies.

CORRECTIVE ACTION TO PREVENT RECURRENCE:

All appropriate corrective action has been taken with regard to qualifications of ongoing welders. These corrective actions included revision of procedures for qualification of welders and training of personnel with regard to documentation requirements.

All unresolved deficiencies regarding earlier welder qualification documents have been identified on corrective action reports (CAR) or non-conformance reports (NR) where they will be dispositioned in accordance with established project procedures.

HJKCO RESPONSE TO ITEM 2b:

The valves in question 1E22F010, 11 and 23 were furnished by the GE Company as part of the Nuclear Steam Supply System under Sargent & Lundy, (the architect engineer) Specification H-2210. These valves are covered in Section 2-04 - Recirculation Piping and Valves which states in part, "... Recirculation system pipe and fittings should be designed in accordance with the applicable mandatory provisions of ASME Boiler and Pressure Vessel Code, Section III, Nuclear Power Piping ANSI B31.7, draft issued for trial use and comment February 1968 and June 1968 errata and the tentative ASME Code for pumps and valves for nuclear service proposed draft issued for trial use and comments November 1968, and all applicable Addenda, case interpretations, local laws, rules and regulations mandatory July 21, 1969."

These valves were purchased by GE on P.O. #205-AD962 dated 6/24/71 under GE design specifications 21A1737 and 21A1939 which contain a Design Specification Certification, stamped by a registered professional engineer which states in part that he certifies that "... This Valve Data Specification complies with the requirements for a Design Specification of Paragraph 141 of the ASME Code for Pumps and Valves Nuclear Power dated November, 1968..."

The above GE P.O. date precedes the implementation of the 1971 ASME Section III Code. The requirement for manufacture and supply of these valves was to the November 1968 ASME Pump and Valve Code as stated in the specifications and the valve certifications.

The S&L line list only identifies piping requirements whereas the S&L valve list provides the specific requirements for each valve. The valve list is in conflict with the specification and needs to be revised. CG&E has informed S&L via memo (SCF-809) to revise the S&L valve list as appropriate to reflect the proper code. Presently, GE has provided S&L with a memo stating that the valves are incorrectly identified in the S&L valve list. This action specifically addresses and should resolve the "Team concern . . . that (the) line list identifies (the) valves as ASME Class 2."

These valves are in accordance with the S&L specifications and the code imposed by that specification.

The location of those valves has been identified by a walkdown of the systems and all three valves are properly installed and documented.

Some confusion existed at the exit interview in the discussion of these valves, and the above information was not presented to the audit team. NR-E-8824 was erroneously identified as applying to these valves. (NR-E-8824 does cover the installation of several Class 3 valves in a Class 2 system. As a matter of information, the disposition of NR-E-8824 has been to "Cut Out and Replace Those Particular Valves").

HJKCO RESPONSE TO ITEM 3:

During the document review process, HJKCO does identify vendor NDE reports which do not include the level designation of the NDE examiner. When this occurs, the vendor is contacted and requested to provide corrected documentation. If corrected documentation is not received, a non-conformance report is initiated to ensure proper tracking and resolution in accordance with project procedures.

We believe the reference to NR-5859 in the finding above is intended to be DDC-M-5859. This DDC approved by S&L permits the use of a statement of acceptability on a CMTR in lieu of an actual NDE report. This statement must also include the examination results, name and SNT-TC-1A rating of the person as required by the ASME Code.

We believe the reference to an additional list of 25 persons is not related to vendor NDE reports, but to the on-site NDE organization (Peabody Magnaflux). During our review of Peabody Magnaflux documentation, we identified some NDE examiners whose qualifications needed clarification. We are currently reviewing these qualifications to determine their acceptability.

CORRECTIVE ACTION TO PREVENT RECURRENCE:

Procedure GIP-11 which covers receipt inspection has been revised to further strengthen receipt inspection requirements and incorporate the "Procurement Standard" which lists NDE requirements including NDE examiner level. This will identify any deficiencies in NDE requirements and permit resolution prior to acceptance of items or material on-site.

We are also currently revising our procedure for review of the on-site NDE subcontractors' reports to assure that the NDE examiner levels are properly indicated.