

**DUKE POWER COMPANY**

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January 13, 1984

Mr. Harold R. Denton, Director  
Office of Nuclear Reactor Regulation  
U. S. Nuclear Regulatory Commission  
Washington, D. C. 20555

Attention: Ms. E. G. Adensam, Chief  
Licensing Branch No. 4

Subject: Duke Power Company  
Catawba Nuclear Station  
Docket Nos. 50-413, -414  
McGuire Nuclear Station  
Docket Nos. 50-369, -370  
(Duke Proposal to Undertake Nelson Electric Duties under Part 21)

Dear Mr. Denton:

Duke Power Company letter dated July 20, 1983 addressed a Duke proposal to undertake Nelson Electric duties under Part 21. In an NRC letter dated August 29, 1983, specific questions relevant to this proposal were asked.

Listed below are the itemized questions and the corresponding Duke Power Company responses.

Part 21

1. Would Nelson continue to post documents as required by §21.6?

Response

Yes. Nelson is continuing to post documents as required by Article 21.6 of 10 CFR Part 21 and will continue that procedure.

2. Would Nelson continue to maintain procedures to:  
A. evaluate deviations from purchase documents;

Response

Yes. Chapter 15, Paragraph 15.3 of the Nelson Quality Assurance Manual states,

"A Material Review Board consisting of a qualified member of the Quality Assurance and Engineering Departments and a customer representative has been established to provide disposition for materials, which upon initial review cannot be dispositioned as rework to print, return to vendor, or scrap."

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2.A. Response (Cont'd)

Evaluation of deviations are also stated in Nelson Procedure NPM 750.07 (Attachment 1).

B. notify Duke of deviation; and

Response

For materials manufactured prior to May 31, 1983: Yes. Chapter 15, Paragraph 15.3 of the Nelson Quality Assurance Manual states,

"A Material Review Board consisting of a qualified member of the Quality Assurance and Engineering Departments and a customer representative has been established to provide disposition for materials, which upon initial review, cannot be dispositioned as rework to print, return to vendor, or scrap."

Also, see Nelson Procedure NPM 750.07 (Attachment 1).

For materials manufactured after May 31, 1983: Yes. See Chapter 15, Paragraph 15.3 of the Nelson Quality Assurance Manual (stated above) and Nelson Electric's letter to Duke Power Company dated October 17, 1983 (Attachment 2).

C. assure that Nelson officers and directors are informed of defects or failures to comply as required by §21.21(a)?

Response

This is correct; refer to Nelson Electric's letter to Duke Power Company dated October 17, 1983, and Nelson Procedure NPM 750.07 (Attachments 1 and 2).

Statement from NRC letter dated August 29, 1983

"We understand your proposal to be that Nelson's directors and officers would not report to the Commission defects or failures to comply as required by 21.21(b). Any such reports would be made by Duke personnel."

Response

This is correct. Refer to H. B. Tucker's letter to H. R. Denton dated July 20, 1983, Item No. 3 (Attachment 3).

3. We understand that Duke would not specify in its procurement documents for Nelson components that Part 21 applies as is required by §21.31.

Response

This is correct. Refer to H. B. Tucker's letter to H. R. Denton dated July 20, 1983, Item No. 1 (Attachment 3).

4. Would Nelson prepare records in connection with its fabrication, manufacture, inspection or testing of components supplied to Duke, as required by §21.51(b)?

Response

Yes. Nelson Electric's Quality Assurance Manual states,

"Procedures have been established which provide instructions for accomplishing all activities affecting quality. The 'Quality Plan', form N501A, completed and distributed in accordance with NPM750.03, provides the appropriate personnel with the quality criteria and documentation requirements necessary to fulfill contractual obligations.

Work instructions and supporting data will be generated by Production Control personnel in accordance with Nelson procedure NPM377.08. The work instructions will define the logical steps necessary to manufacture the product and will list any special tools, fixtures, or processes required. Inspection points and special instructions required by the Quality Plan will be referenced. Included in the standard procedure for work instructions is a feedback system that further delineates those points which require extra care to assure compliance to specification.

The Quality Assurance Department will be responsible for reviewing and monitoring work instructions to assure that applicable quality requirements have been included.

When deemed satisfactory from an economic and quality standpoint, work instructions may consist of general manufacturing instructions without defining detailed sequential steps. Such instructions will be of a type appropriate to the circumstances and will provide for acceptable levels of workmanship. They are also intended to be used for the supervision, inspection and management of the work. When instructions of this type are used, standard quality systems and procedures will apply."

5. How would Duke comply with the record maintenance requirement of §21.51(a)?

Response

Duke will comply with the record maintenance requirement by the implementation of Duke QA Procedures QA-121, PR-290, and R5 (Attachments 4, 5, and 6).

Part 50, Appendix B

1. We understand that Duke would continue to be responsible for the establishment and execution of the quality assurance program as provided by Section I, Organization. Would the proposal end Duke's delegation to Nelson of the work of establishing and executing a quality assurance program with respect to components supplied by Nelson to Duke?

Response

No. Duke would require Nelson to maintain an ANSI N45.2 Quality Assurance Program in effect and would audit this program as a minimum of once each year. Duke would also continue to perform in-plant surveillance on the purchased equipment and their QA program.

2. Would Nelson still follow a quality assurance program sufficient to permit Duke's compliance with Section II, Quality Assurance Program?

Response

Yes. Refer to Item No. 2 of Nelson Electric's letter to Mill Power Supply Company dated July 7, 1983 (Attachment 7).

3. Would Duke maintain the measures required by Section IV, Procurement Document Control and would the procurement documents require Nelson to provide a quality assurance program?

Response

Yes. Refer to Item No. 3 of Nelson Electric's letter to Mill Power Supply Company dated July 7, 1983 (Attachment 7).

4. Would Duke or Nelson maintain the document control measures required by Section VI, Document Control?

Response

Nelson would perform this function in accordance with their Quality Assurance Manual which states all activities affecting product quality will be controlled by established, written procedures, work instructions and drawings. Additionally, procedures have been established to control the issuance of these documents.

5. Under the proposal, would Duke still have available the documentary evidence that material and equipment conform to the procurement documents as required by Section VII, Control of Purchased Material, Equipment and Services?

Response

Yes. Refer to the Duke Power Company topical report, "Quality Assurance Program, Duke-1", as previously submitted and accepted by the NRC.

6. Would Duke still be able to assure identification of Nelson components through the period of their use as required by Section VIII, Identification and Control of Materials, Parts, and Components?

Response

Yes. Duke's existing Quality Assurance procedures will continue to be in effect.

7. Would Duke or Nelson establish and execute the inspection program required by Section X, Inspection? What level of inspection is proposed (audit, random sample or 100% of production)?

Response

Nelson would provide the first line inspection to comply with the ANSI N45.2 Quality Assurance Program and Duke would continue to perform audit and surveillance functions to verify the ANSI N45.2 Program was being fully implemented.

8. Would Duke still be able to maintain records sufficient to furnish evidence of activities affecting quality as provided by Section XVII, Quality Assurance Records?

Response

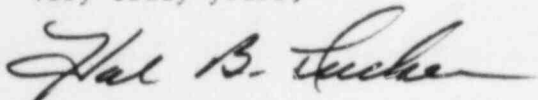
Yes. The records ordinarily generated by Duke's Quality Assurance Program would not be affected by the absence of Part 21 on the procurement documents.

Prior to May 31, 1983 all components needed for motor control centers have been purchased and are covered under Part 21 by Nelson Electric. Purchases after May 31, 1983 will be for new requirements, modification work and replacement parts, which at this time are estimated to be less than five percent of the original purchase. The Duke Power Company proposal to undertake the Nelson Electric duties under Part 21 will apply only to purchases after May 31, 1983.

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We feel that the above responses adequately address the NRC questions and request the NRC move forward with the review and approval of this proposal.

Very truly yours,



Hal B. Tucker

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Attachment

cc: (w/attachment)

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