

PHILADELPHIA ELECTRIC COMPANY

2301 MARKET STREET

P.O. BOX 8699

PHILADELPHIA, PA. 19101

(215) 841-4000

February 10, 1984

Docket Nos. 50-277
50-278

Inspection Nos. 50-277/83-30
50-278/83-18

Mr. Thomas T. Martin, Director
Division of Engineering and Technical Programs
US Nuclear Regulatory Commission
Region I
631 Park Avenue
King of Prussia, PA 19406

Dear Mr. Martin:

Your letter of January 13, 1984 forwarded Combined Inspection Report 50-277/83-30 and 50-278/83-18. The report requested that we respond to Unresolved Item 277/83-30-01 and 278/83-18-01. This letter will restate the Unresolved Item and provide our response.

UNRESOLVED ITEM

1.0 The Inspector concluded that auditing by the Electric Production QA of contracted services is inconsistent. The Inspector reviewed the QA coverage of General Electric - A&SE (weld overlay work) and Vikem Industries, Inc. (radiological waste processing) and found the QA Division identified unacceptable contractor work during audits and corrected the problems via management meetings and stop work orders. However, the QA coverage of NPS Energy Services during their control rod drive mechanism changeout work was poor. The only QA coverage of NPS Energy Services was that their compliance with ALARA procedures was reviewed as part of an ALARA audit at the site. The Inspector concluded that a more thorough review of NPS Energy Services should have been performed based on the following:

- .. This was the first work performed by NPS Energy Services for the licensee.
- .. The removal, refurbishment, and replacement of the control rod drive mechanisms is very significant work with respect to reactor safety.

- .. During the only QA review of NPS Energy Services, i.e., the ALARA audit, NPS Energy Services was found not to be in compliance with the ALARA procedures and work was stopped.
- .. Quality control review of NPS Energy Services work was performed by Inspectors contracted from NPS Energy Services.
- .. There were numerous delays and interruptions of the work, including the inadvertent overfilling of the reactor cavity with water.

Further, during a cursory review of purchase order paperwork, the Inspector noted that although Purchase Order PB 332061 required "All personnel must be minimum of Level II as defined in ANSI 45.2.6", one of the three Inspectors was qualified to Level I only.

RESTATEMENT OF INSPECTOR'S CONCERNS

The following are PECO responses that address the Inspector's specific concerns.

Concern:

- .. This was the first work performed by NPS Energy Services for the licensee.

Response:

While it is true that the Unit 3 CRD Maintenance was the first work performed by NPS Energy Services for Philadelphia Electric Company, NPS Energy Services had experience in CRD maintenance services at other utilities. In addition, the NPS Energy Services Job Supervisor was a former General Electric Company employee with considerable experience in control rod drive design and maintenance. NPS Energy Services performed CRD Maintenance during the Unit 3 Fifth Refueling Outage under the direction of PECO Maintenance Supervision using PECO approved implementing procedures which have proven acceptable when implemented by PECO and vendors in past outages. Based on our evaluation of NPS Energy Services control rod drive experience, their leadership and the fact that our proven procedures would be utilized with our Maintenance Supervision, our QA Division Supervision decided that a formal audit was not as beneficial as the allocation of QA forces to audit other safety-related outage activities.

Concern:

- .. The removal, refurbishment, and replacement of the control rod drive mechanisms is very significant work with respect to reactor safety.

Response:

PECO agrees that the removal, refurbishment and replacement of the control rod drive mechanisms is very significant work with respect to reactor safety. As such, PECO has defined CRD Maintenance as a safety-related activity which is required to be audited at least once per two (2) year audit cycle. In fact, the QA Division has performed audits or surveillances of the CRD Maintenance Activity at least once per year during the past three (3) years (1980, 1981, and 1982) with no unacceptable findings identified during the last two (2) years.

Concern:

- .. During the only QA review of NPS Energy Services, i.e., the ALARA audit, NPS Energy Services was found not to be in compliance with the ALARA procedures and work was stopped.

Response:

During the period when the CRD Maintenance was being performed, several audits were conducted by the QA Division in areas which interfaced with the CRD Maintenance project, for example: Fire Protection, Housekeeping, Health Physics and ALARA. As the Inspector has indicated in his concern, NPS Energy Services was found not to be in compliance with the PBAPS ALARA Procedure. Work was stopped and NPS Energy Services employees were reinstructed in the ALARA Procedures.

Concern:

- .. Quality control review of NPS Energy Services work was performed by Inspectors contracted from NPS Energy Services.

Response

As indicated in the Inspector's concern, Quality Control Services for CRD Maintenance were contracted to NPS Energy Services. NPS Energy Services Quality Control Activities are described in the NPS Quality Assurance Manual. The NPS Quality Assurance Manual was reviewed and approved by PECO in 1982, and NPS was subsequently placed on PECO's Evaluated Suppliers List as an acceptable supplier for safety-related services. Additionally, NPS Energy Services QC personnel received CRD exchange and rebuild training at Peach Bottom prior to implementation of this work.

Concern:

- .. There were numerous delays and interruptions of the work, including the inadvertent overfilling of the reactor cavity with water.

Response:

Although the Inspector has expressed a concern that there were delays and interruptions of the CRD work, we request that the Inspector reconsider this concern since NPS Energy Services had no responsibility in overfilling the reactor cavity. The overfilling of the reactor cavity resulted from a false instrument signal generated while calibration was in progress. In fact, NPS Energy Services employees were helpful in assisting plant personnel in responding to this event.

Concern:

- .. Further, during a cursory review of purchase order paperwork, the Inspector noted that although Purchase Order 332061 required "All personnel must be minimum of Level II as defined in ANSI 45.2.6", one of the three Inspectors was qualified to Level I only.

Response:

We agree that NPS Energy Services did not completely comply with all the purchase order requirements, in that, a Level I Inspector was supplied when the purchase order required that all QC personnel be at least Level II Inspectors as defined in ANSI N45.2.6. The QA Division will issue a Noncompliance Report (NCR) to NPS Energy Services for failure to adhere to Purchase Order Requirements which will require a written response by NPS Energy Services.

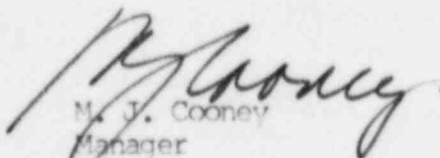
A critique of the performance of NPS Energy Services was held at Peach Bottom at the conclusion of the control rod drive maintenance activity, with NPS Management and Supervision, Plant Staff and Maintenance Supervision. This critique concluded that NPS Energy Services had performed the control rod drive maintenance project in an efficient, professional manner. The NPS final report thoroughly documented this activity and NPS Energy Services remains on the Philadelphia Electric Company Evaluated Suppliers List for this activity.

PECo is committed to audit in accordance with ANSI N18.7 - 1972, Paragraph 4.4, which states, "... Audits of selected aspects of plant operation shall be performed with a frequency commensurate with their safety significance and in such a manner as to assure that an audit of safety-related activities is completed within a period of two years . . ." The PECO QA Division will continue to schedule and perform audits of selected aspects of plant operation and maintenance in such a manner as to assure that an audit of significant safety-related activities is completed within an audit cycle of two (2) years. Further, significant safety-related activities performed at Peach Bottom by "first time" contractors will now be considered as a criterion for selection for a QA Division Audit or Surveillance.

Quality Assurance Division Procedure QADP-6, Quality Assurance Division Audit Program - Operations, Rev. 7, will be revised by May 1, 1984 to add the "first time" contractor criterion to that list of criteria to be considered when selecting those activities which rule the formally audited.

If there are any further questions, please do not hesitate to contact us.

Very truly yours,


M. J. Cooney
Manager
Nuclear Production

cc: S. L. Daltroff
A. R. Blough, Site Inspector