

## Iowa Electric Light and Power Company

March 22, 1984  
NG-84-1140

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

Subject: Duane Arnold Energy Center  
Docket No: 50-331  
Op. License No: DPR-49  
Response to IE Bulletin 83-07

Dear Mr. Keppler:

Iowa Electric Light and Power Company has conducted an investigation of the concerns listed in Inspection and Enforcement Bulletin 83-07, with Supplements 1 and 2. We have concluded that no Ray Miller materials are used in safety-related applications at the DAEC.

This response concludes our actions relative to the subject bulletin. If you have further questions or comments, please contact this office.

The above information is true and accurate to the best of my knowledge and belief. Additional information relating to the general concerns of this bulletin is provided in Attachment 1.

As requested in the bulletin, the following information is provided to assist your cost evaluation for implementation of IE Bulletin 83-07.

- |  |               |
|--|---------------|
| - Utility staff time to perform review and investigation.    | 110 man-hours |
| - Radiation exposure.  | 0 mr          |
| - Utility staff time to prepare and review written response. | 40 man-hours  |

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PDR ADOCK 05000331  
Q PDR

RWM/BWR/cub\*

Attachment: 1. Investigation Results

cc: B. Reid  
L. Liu  
S. Tuthill  
M. Thadani  
NRC Resident Office  
Commitment Control No. 83-0218

IOWA ELECTRIC LIGHT AND POWER COMPANY

BY

*Richard W. McGaughy*

Richard W. McGaughy  
Manager, Nuclear Division

Subscribed and sworn to Before Me on  
this 22nd day of March 1984.

*Walter M. Furman*

Notary Public in and for the State of Iowa

## SUMMARY

Iowa Electric Light and Power Company has reviewed records from the Purchasing, Quality Assurance, and Warehouse departments. Our review indicates that we have not received safety related materials from Ray Miller, Inc., as either a primary or secondary source. Further, our records do not indicate that we have received any non-safety related materials from Ray Miller, Inc.

Iowa Electric has recently taken several steps to preclude the occurrence of such incidents as recorded in IEB 83-07 and 83-06. Our upgraded programs for vendor evaluation and purchasing, augmented by procedural changes in receiving inspection, ensure a low probability for such incidents at the DAEC.

## REVIEW

The review of records for IEB 83-07 consisted of the following activities:

- The listing of suppliers and receivers from IEB 83-07 and from Supplements 1 and 2 were compared against the approved vendor lists and QA files of vendors for the period from January 1, 1974 through December 31, 1979. This step identified a smaller list of potential suppliers of Ray Miller, Inc., products for the DAEC.
- Purchasing files were examined for the list of suppliers generated by the previous step. Purchase order lists were obtained covering the period from the last quarter of 1973 through the first quarter of 1980 to provide overlap of the period identified in IEB 83-07.
- Archive records of purchase orders were next examined to identify those purchase orders which were for the DAEC, which supplied safety related materials, and which supplied materials of the types identified as being sold by Ray Miller, Inc.
- The Purchasing and Quality Assurance files for the small list of purchase orders with potential problems were then examined for evidence that Ray Miller, Inc., may have supplied some or all of the materials. We verified that all of the questionable types of materials either had the manufacturer's heat number documentation or documentation supplied by a jobber on our approved vendor's list, and/or were not used in a safety related application. We found no evidence that Ray Miller, Inc., has supplied materials to the DAEC.
- In addition, a small number of our suppliers sent letters attesting that they had not received any Ray Miller, Inc., Products.

## PREVENTIVE ACTIONS

Iowa Electric has been involved in a continuing program to improve our Quality Assurance program. Improvements and actions related to the general questions raised by IEB 83-07 and 83-06 include the following.

- The procurement process has been upgraded to better identify documentation requirements, use of vendors approved by the Quality Assurance department, and designation of quality levels for any parts or services for the DAEC.
- We maintain an active vendor evaluation program to ensure that all potential suppliers of safety related equipment are qualified. The program includes vendor QA program manual reviews, facility audits on a scheduled basis, and active participation in the CASE (Coordinating Agency for Supplier Evaluation) organization. In addition, purchase documents are subjected to a multi-tiered technical and quality review prior to issue.
- Procedural revisions are being processed to more formally define receiving inspection functions. The revisions require that a sample of received materials be physically checked against associated documentation. This will verify that an item's manufacturer, heat number, or other identification is accurately reflected in the documentation. It will also minimize the possibility of receipt and use of potentially fraudulent materials at the DAEC.