

WOLF CREEK

NUCLEAR OPERATING CORPORATION

Neil S. "Buzz" Carns
Chairman, President and
Chief Executive Officer

September 4, 1996

WM 96-0094

U. S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Mail Station P1-137
Washington, D. C. 20555

Reference: Letter dated August 9, 1996, from J. E. Dyer, NRC,
to N. S. Carns, WCNOG
Subject: Docket No. 50-482: Response to Notice of Violation
50-482/9612-04

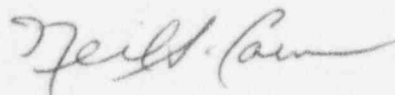
Gentlemen:

This letter transmits Wolf Creek Nuclear Operating Corporation's (WCNOG) response to Notice of Violation 50-482/9612-04. The violation concerned the failure of WCNOG to have procedures which implement the quality program's procurement process as specified in Chapter 17 of the WCNOG Updated Safety Analysis Report (USAR).

WCNOG's response to this violation is in the attachment. If you have any questions regarding this response, please contact me at (316) 364-8831, extension 100, or Mr. Terry S. Morrill at extension 8707.

Very truly yours,

9609120086 960904
PDR ADOCK 05000482
G PDR


Neil S. Carns

NSC/jad

Attachment

cc: L. J. Callan (NRC), w/a
J. E. Dyer (NRC), w/a
W. D. Johnson (NRC), w/a
J. F. Ringwald (NRC), w/a
J. C. Stone (NRC), w/a

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Reply to Notice of Violation 50-482/9612-04

Violation 50-482/9612-04: Failure to procure safety-related material in the manner described in the Updated Safety Analysis Report.

"A. 10 CFR 50.54 (a)(1) requires, in part, that nuclear power plants implement the quality assurance program described in the Safety Analysis Report.

The Wolf Creek quality assurance program is contained in Chapter 17 of the Updated Safety Analysis Report. This quality assurance program requires, in part, provisions for supplier evaluations in paragraphs 17.2.7.2 prior to award, and ongoing monitoring of suppliers in paragraph 17.2.7.7.

Contrary to the above, since at least January 1994, safety-related materials have been procured from certain suppliers without supplier evaluation and monitoring of suppliers. In particular, on April 1, 1996, bearings for the motor-driven auxiliary feedwater pump were procured from another NRC licensed utility without a supplier evaluation and without ongoing monitoring of the supplier, to the extent that the commercial grade dedication process used by the supplier for the bearings was not reviewed or understood.

This is a Severity Level IV violation (Supplement I) (482/9612-04)."

Admission of Violation

Wolf Creek Nuclear Operating Corporation (WCNOC) acknowledges that a violation of 10 CFR 50.54 (a) (1) occurred in that Chapter 17.2 of the Updated Safety Analysis Report (USAR) requires measures for the evaluation and selection of procurement sources be specified in procedures. WCNOC procedures failed to adequately detail the procurement process in relation to procurement of safety-related items from other licensees.

Reason for Violation

The root cause of this event is personnel error. At the time of the event, WCNOC did not procedurally require a review, prior to procurement, of the selling utility's procurement package to assure that the item was appropriate for use in the WCNOC application. Due to personnel error it was not formally included in the appropriate procedure.

Basis for the Root Cause Determination

The procurement of items from licensed utilities is a common industry practice. The guidance of this process is detailed in USAR section 17.2.7.2, "Source Evaluation and Selection," which allows an evaluation of a suppliers capability, prior to award, by 1) source evaluation; 2) review for objective evidence of quality; or 3) a review of supplier history.

This section also states that suppliers of hardware/services which are manufactured prior to award, an off-the-shelf item, or implemented under the Operating Agent's Operating Quality or Surveillance programs may not require preaward source evaluation or audits to assure quality. The information to be considered during a procurement source evaluation includes one or more of the following: 1) experience of users; 2) evaluation of supplier's current quality records; and 3) source evaluation.

Source evaluations are not typically conducted for licensed utilities by WCNOG. WCNOG recognizes that licensed utilities perform internal audits of their programs; perform external audits of their suppliers/manufacturers; and receive oversight by the Nuclear Regulatory Commission including the inspection of their procurement process and commercial grade dedication program. The NRC inspection process is documented in NUREG-0040 and used by WCNOG to verify the experience of the supplier and satisfies the requirements of source evaluation documented above. These requirements are outlined in the WCNOG administrative procedures (AP 24 series) that govern the WCNOG procurement process.

Contrary to the requirements of USAR paragraph 17.2.7.2, regarding evaluation of supplier's current quality records, WCNOG procedures did not address the need to perform a review of licensee documentation to assure that the part being procured satisfied the WCNOG application.

USAR Chapter 17.2.7.7, "Monitoring of Suppliers," indicates that this process is used or should be considered when the item being procured is vital to plant safety; if its quality characteristics are difficult to verify after receipt; or if the item is complex in design, manufacture, inspection, or test. It is WCNOG's position that this section does not apply to the example addressed in the inspection report. The requirements of USAR paragraph 17.2.7.2 are the controlling requirements.

Based on the above discussion, detail in USAR Chapter 17.2 is sufficient to guide the procurement process. However, due to personnel error, WCNOG procedures did not include the needed review of documentation for dedicated parts/items from other utilities to assure their acceptability in the WCNOG application.

Corrective Steps Taken and Results Achieved:

Procedure AP 24A-001, "Procurement of Items and Services," was revised to require a review of the selling licensee's procurement package to assure that the parts are appropriate for use at WCNOG and meets our application.

Date When Full Compliance Will Be Achieved:

Full compliance was achieved on September 3, 1996.