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UNITED STATE OF AMERICA
NUCLEAR REGULATORY COMMISSION

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BEFORE THE DIRECTOR, OFFICE OF INSPECTION AND ENFORCEMENT

IN THE MATTER OF)
UNION ELECTRIC COMPANY) Docket No. 50-483
(CALLAWAY PLANT, UNIT 1)) (10 C.F.R. §2.206)

RESPONSE OF PETITIONERS IN OPPOSITION
TO UNION ELECTRIC'S REQUEST THAT A SHOW
CAUSE ORDER NOT BE ISSUED:

I. Introduction

The Missouri Coalition for the Environment and Kay Drey ("Petitioners") on March 25, 1985 submitted to the NRC's Directors of Nuclear Reactor Regulation and Office of Inspection and Enforcement a Show Cause Petition ("Petition") requesting suspension or revocation of the operating license for Union Electric's ("UE") Callaway Nuclear Power Plant, Unit One ("Callaway Plant"). Petitioners stated that UE had violated N.R.C. regulations and industry standards by allowing at least 22 illegally certified quality control ("QC") inspectors to conduct tests and inspections throughout the Callaway Plant. The Petition further stated that UE had violated N.R.C. regulations by inadequately monitoring safety

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inspections and by failing to provide inspectors with direct access to proper levels of management to insure the safety of the Callaway Plant. On May 10, 1985, Mr. James M. Taylor, Director, Office of Inspection and Enforcement, N.R.C., requested UE's response to the Petition. On June 6, 1985, UE submitted its Licensee's Response to the Show Cause Petition ("Licensee's Response") requesting denial of the Petition.

II. Discussion

Petitioners respectfully raise the following points in response to UE's request to deny issuance of a show cause order:

1. UE has admitted that it improperly certified at least 22 QC inspectors possessing 29 areas of expertise, in violation of N.R.C. regulations and industry standards. Schnell Affidavit (attached to Licensee's Response) Paragraph 18. These inspectors were certified to inspect mechanical, civil, electrical and material matters. See Petition, Page 3.
2. UE has admitted that its quality assurance ("QA") department failed to discover one illegal certification despite a QA audit in 1981 and a "surveillance" in 1982. Schnell Affidavit Paragraph 19. UE has admitted that one-third of the improper certifications were granted by UE prior to May 1983, and that the remaining two-thirds were granted thereafter. Id. UE has further admitted that it failed to discover such violations of N.R.C. regulations until January of 1985. Schnell Affidavit Paragraph 13. UE does not attempt to explain how its QA

department failed to recognize these violations from 1½ to 5 years. UE's own statements reveal its inability to adequately audit and control safety assurance at the plant, as required by 10 C.F.R. §50 Appendix B (XVIII).

3. UE has acknowledged that it failed to review an undisclosed number of the 1,445 work orders identified as potential safety problems, on the basis of UE's internal decision that such work orders possessed insignificant safety potential, etc. UE does not provide the basis for such conclusions. Schnell Affidavit Paragraph 22.
4. UE has acknowledged that only 8 out of 1,445 work orders undertaken by improperly certified inspectors have been field tested to insure continued safety at the plant. Schnell Affidavit, Paragraph 22.
5. UE has failed in its review process to analyze the impact that illegally certified QC supervisors have had in reviewing and supervising work of subordinate inspectors. UE's internal review only analyzed work orders undertaken by inspectors themselves, but ignored work orders reviewed by unqualified supervisory personnel. See Schnell Affidavit Paragraphs 12-22; Petition Page 5 (V). Improperly certified supervisory personnel have considerable influence on the work of subordinates, including qualifying lower level personnel; reporting inspection examination and testing results; evaluating the validity and acceptability of inspection examination and testing results; and planning inspections, evaluations, and tests. See ANSI/ASME N45.2.6-1978 Page D7. Unqualified supervisory personnel may have

improperly evaluated, planned or approved inaccurate inspections of subordinates. No analysis of work reviewed by such supervisors was undertaken by UE.

6. UE's issuance of a directive instructing personnel on the manner in which disputes on safety inspections were to be handled internally (see Licensee's Response Exhibit B) strongly supports Petitioners' contention that QC inspectors have not in the past had direct access to levels of management sufficient to insure prompt reaction to safety violations, and that UE has historically violated 10 C.F.R. §50, Appendix B (I). See Petition, Page 4, VI (5). The directive was issued by UE only after notice of the Petition was presented to UE on May 10, 1985, and apparently the directive is an attempt on the part of management to remove the constraints placed by QC supervisory personnel on their subordinates in regard to reporting safety violations to higher levels of management. Independent analysis by the N.R.C. will be required to determine whether the directive is mere "window dressing" or whether it begins to resolve the accessibility problem. In any event, the N.R.C. should now be alerted that an accessibility problem existed in the Callaway Plant in the past and an independent investigation is required to determine whether the lack of such accessibility has had a serious impact upon quality assurance and safety at the Callaway Plant.
7. UE has attempted to excuse its violation of N.R.C. and industry certification requirements by alleging that the ANSI/ASME requirements allow certification upon sufficient "related experience" of the QC

inspectors. See Schnell Affidavit Paragraph 6-7. However, the "related experience" test is only a recommendation for qualifying QC personnel, and is supplemental to the specific requirements of ANSI/ASME N45.2.6-1978 (§3.2-3.4), which requires inspectors to possess explicit and sophisticated testing capabilities. In addition, the N.R.C. has supplemented the industry standards stated in the previous paragraph by requiring that all QC inspectors Levels I-III have completed a high school education or equivalent. See N.R.C. Regulatory Guide 1.58 (C.5) (Revised 1980). UE does not state whether its QC personnel were reviewed to insure that they met these more stringent requirements for qualification, or whether the broader "related experience" test, a recommended standard, was the sole standard for certification. Licensee's Response also fails to discuss why in UE's certification of two-thirds of the improperly certified QC personnel, UE utilized a 1978 certification standard, when more stringent requirements were issued by the applicable professional organizations for certification of personnel in both 1979 and 1983. See ANSI/ASME NQA-1-1983; ANSI/ASME NQA-1-1979. UE in its certification process was using standards that were not up to date and in keeping with the most modern standards of the industry.


8. UE has admitted that it has violated N.R.C. certification standards for QC inspectors, admitted that its audit system has failed to recognize such violations from 1½-5 years, admitted that it undertook negligible field testing of work orders, admitted to ignoring an undisclosed number of questionable work orders, and has failed to analyse the influence that unqualified supervisory personnel has had upon

subordinate personnel's work orders. In addition, the Petition and Licensee's Response reveal severe deficiencies in the ability of field inspectors to have direct access to upper level management when safety issues have arisen which have not been properly addressed by the QC supervisory personnel. In light of all these deficiencies, it is very difficult to accept UE's self-serving "independent" review of the problem, nor its assurances that there has been no compromise of plant safety. Clearly, UE is not well suited to reinvestigate its own series of deficiencies and violations of law, or to conclude that public safety has not been compromised at the Callaway Plant.

Therefore, Petitioners respectfully request that the N.R.C. conduct its own true independent investigation of these matters, and that UE's operating license be suspended or revoked during the period of investigation, in order to provide suitable protection to the public safety.

Respectfully submitted,

BY


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A copy of this response has been sent by U.S. Mail on the date indicated on this document to:

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