

October 29, 1996

Mr. Lew W. Myers
Vice President - Nuclear
Centerior Service Company
P.O. Box 97, A200
Perry, OH 44081

Dear Mr. Myers:

Thank you for your 10 CFR 50.54(a) submittal dated August 15, 1996, which proposed changes to your Quality Assurance Program description. Specifically, your submittal proposed to transfer the responsibility for review of procurement documents to line organizations. We have reviewed the changes associated with this submittal. Based on our review of your submittal, we conclude that this revision continues to meet the requirements of 10 CFR Part 50, Appendix B, and is acceptable.

We appreciate your timely submittal of information required by 10 CFR 50.54(a). If there are changes to quality assurance commitments existing in docketed correspondence outside of the Quality Assurance Program description, you are obligated to notify this office. Please contact Mr. Ronald A. Langstaff of my staff at (630) 829-9747 with any questions you may have regarding this matter.

Sincerely,

Original signed by James A. Gavula for

Wayne J. Kropp, Chief
Engineering Branch 1

Docket No. 50-440

Enclosure: Ltr dtd 8/15/96 from Centerior
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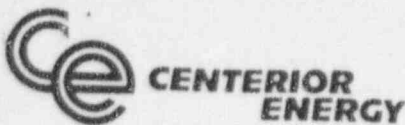
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August 15, 1996
PY-CEI/NRR-2083L

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Perry Nuclear Power Plant - - -
Docket Number 50-440
10CFR50.54(a)(3) Transfer of Responsibility for Review of Procurement Documents

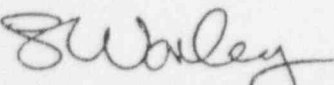
Gentlemen:

The Perry Nuclear Power Plant (PNPP) intends to transfer the Perry Nuclear Assurance Department (PNAD) responsibility for the review and approval of procurement documents to the Centerior Supply Chain Organization. Under this change, the review and approval of procurement documents will be transferred from the Procurement Quality Unit (PQU), Perry Nuclear Assurance Department (PNAD) to the Procurement Engineering Unit (PEU), Perry Supply Section (PSS), Centerior Supply Chain Organization. PSS has an on-site reporting relationship to the Director, Perry Nuclear Services Department. PNAD will no longer have an in-line review and approval responsibility in the procurement process.

Review of this change is being requested pursuant to the provisions of 10CFR50.54(a)(3), as it is considered to reduce the commitments in the Quality Assurance Program description previously accepted by the NRC. The justification for this change and the basis for the conclusion that the proposed change continues to satisfy the criteria of 10CFR50 Appendix B and the Technical Specifications are contained in Attachment 1.

If you have questions or require additional information, please contact Mr. James D. Kloosterman, Manager - Regulatory Affairs at (216) 282-5833.

Very truly yours,


for Donald C. Shelton

RGS:cak

Attachments

cc: NRC Region III Administrator
NRC Resident Inspector
NRC Project Manager

Operating Companies
Cleveland Electric Illuminating
Toledo Edison

9608200040 11pp.

Summary of the Proposed Change

This proposed change reflects that Perry Nuclear Assurance Department (PNAD) will no longer have in-line review and approval responsibilities for safety related and augmented quality classification procurement documents. Responsibility for the review of procurement documents is being transferred from the PNAD to the Centerior Supply Organization, Perry Supply Section (PSS). The PSS will assume full responsibility for the review and approval of procurement documents for materials, equipment, and services at the Perry Nuclear Power Plant (PNPP). The PSS administratively reports to the Director, Centerior Supply Chain Organization. The Director, Perry Nuclear Services Department will act as the functional conduit between the PSS and the Perry Nuclear Quality Assurance program and procedures.

Details of the Proposed Change

Implementation of this change affects several portions of the PNPP Updated Safety Analysis Report (USAR) which describe or apply to the procurement process. The following text changes are proposed for USAR Sections 13.1 and 17.2:

The USAR Sections affected by this change include:

13.1.2.2.3 - Manager, Perry Supply Section - Revise the first sentence to read, "The Manager, Perry Supply Section is responsible for planning for material requirements; maintaining and monitoring inventory levels; developing, reviewing, and approving procurement documents; coordinating the procurement, receipt and issuance of materials; and coordinating storage to meet maintenance requirements. The Manager, Perry Supply Section, reports to the Director PNSD for performance of these functions and maintains a line report to the Director, Supply Chain Organization.

17.2.1.3.2.2 - Delete item (k) from the description of the specific responsibilities of the Director, PNAD.

17.2.1.3.2.2.2 - Revise the first sentence to read, "The Manager, Quality Control Section, is responsible for maintenance and implementation of a program for audit, surveillance and approval of suppliers; and performance of receipt inspection for items and services within the scope of this document."

17.2.2.4 - Revise the second sentence to read "Procurement documents shall require, and PNAD shall assure through audit, when necessary, that supplier and contractor Quality Assurance (QA) programs comply with the applicable commitments of this document and 10CFR 50 Appendix B."

17.2.4.2 - Revise the third sentence to read: "Procurement of materials, equipment, and services shall meet the requirements of the Perry Quality Assurance Plan and procurement documents shall be reviewed and approved by PNSD to assure inclusion of appropriate technical and quality requirements."

17.2.4.2 - Revise item c to read: "Knowledgeable personnel shall review and concur with the adequacy of the technical and quality requirements to determine that they are correctly stated, inspectable and controllable; that there are adequate acceptance criteria; and, that procurement documents have been processed in accordance with established requirements."

17.2.4.3.2 - Revise the section to read "Perry Nuclear Services Department." Revise the description of this section to read: "The Perry Nuclear Services Department shall review and approve procurement documents, which are for the acquisition of material, equipment and services covered under the scope of the QA program, for the inclusion of appropriate technical and quality requirements."

17.2.4.3.4 - Add this section to the USAR to read:

Director, Perry Nuclear Assurance Department

The Director, PNAD, is responsible to ensure the implementation of procurement controls through planned and periodic audits and surveillances.

These changes are shown on marked-up USAR pages provided in Attachment 2. Note, several of the marked-up pages have other USAR changes pending against them which are not relevant to this proposed change. For ease of understanding, the marked-up pages provided only reflect this proposed change.

Basis for the Change

Appendix B, "Quality Assurance Criteria for Nuclear Power Plants and Fuel Reprocessing Plants," to 10CFR Part 50, "Licensing of Production and Utilization Facilities," identifies quality assurance requirements for the design, construction, and operation of safety-related structures, systems, and components of nuclear power plants. Regulatory Guide 1.123 (Rev. 1- 7/77) identifies quality assurance requirements for control of procurement of items and services. Perry Nuclear Power Plant has committed to this Regulatory Guide which endorses ANSI N45.2.13-1976, "Quality Assurance Requirements for Control of Procurement of Items and Services for Nuclear Power Plants."

ANSI N45.2.13-1976, Section 3.3, outlines the requirements for review of procurement documents. Reviews required by this section shall be performed by personnel who have access to pertinent information and who have an adequate understanding of the requirements and intent of the procurement. Under this proposed change, the requirements of ANSI N45.2.13-1976, Section 3.3, for review of procurement documents will be implemented by the Perry Supply Section prior to release of the purchase order. Personnel within the Perry Supply Section will be responsible for this review have direct access to the appropriate information and understand the requirements and intent of procurement documents.

The proposed change offers appropriate management and quality controls to ensure that procurement documents for the Perry Nuclear Power Plant contain the appropriate technical and quality requirements. The Perry Supply Section, Procurement Engineering Unit (PEU), is the designated organization that will perform the review and approval of the procurement documents. PEU is the current organization that has the overall responsibility for the procurement process. Furthermore, PEU has the greatest knowledge and understanding of the requirements and intent of procurement documents. It is expected this change will improve performance and efficiency. PEU will continue to function under Perry Nuclear Power Plant's procedures and instructions

With this change, in-line procurement document reviews currently performed by Perry Nuclear Assurance Department are being eliminated. However, additional oversight is being implemented to assure effective implementation. Even though Perry Nuclear Assurance Department is being removed from the in-line review of procurement documents, Perry Nuclear Assurance Department will continue to be involved in procurement through performance of internal and external audits, surveillances, and receipt inspection to verify effective QA Program implementation.

The proposed change continues to satisfy the criteria of 10CFR50 Appendix B and the intent of the QA Program requirements in USAR Chapter 17.2. The requirements of 10CFR50 Appendix B Criteria 4, "Procurement Document Control", are fully maintained in USAR Section 17.2.4. The proposed change provides an acceptable alternate method of ensuring that appropriate technical and quality assurance requirements are established and designated in procurement documents.

DEVELOPING, REVIEWING, AND APPROVING PROCUREMENT DOCUMENTS;

Perry Supply
Manager, ~~Materials Management~~ Section

The Manager, Perry Supply ~~Materials Management~~ Section is responsible for planning for material requirements; maintaining and monitoring inventory levels; coordinating the procurement, receipt and issuance of materials; and coordinating storage to meet maintenance requirements. The Manager, ~~Materials Management~~ Section, reports to the Director PNSD, Perry Supply for performance of these functions and maintains a line report to the Director, Supply Chain Organization.

13.1.2.2.4

Perry Nuclear Assurance Department (PNAD)

The Perry Nuclear Assurance Department has the functional authority, independence, and responsibility to verify the effective implementation of the administrative controls and the Quality Assurance Program during the Operational Phase of Perry. The Director, PNAD reports directly to the Vice President, Nuclear - Perry. This reporting relationship has been established to provide PNAD with sufficient independence from the influence of cost and schedule to be able to effectively assure conformance to Operational Quality Assurance Program requirements. The Director, PNAD, has the overall authority and responsibility for the Quality Assurance Program for Perry. The Director, PNAD also has the overall responsibility for providing general and procedural administrative services, document control, and records management. Refer to Section 17.2.1.3.2.2 for additional information regarding the Perry Nuclear Assurance Department.

- j. Provide for QA review and concurrence of safety-related plant modification and maintenance work authorizations. This includes the review of associated design documents to ensure proper review and approval, and inclusion of necessary quality assurance requirements.

~~k. Provide for QA review and approval of procurement documents generated for the acquisition of materials and services that fall within the scope of this document.~~

- l. Provide for and maintain Quality Assurance records generated by PNAD until such time as they are turned over for permanent storage.
- m. Periodically evaluate and report on the status and adequacy of the Quality Assurance Program to appropriate management.
- n. Perform receiving inspection activities at the plant site.
- o. Provide for adequate levels of inspection and surveillance of plant activities.
- p. Provide the resources necessary to ensure that the Independent Safety Engineering Group can perform the activities described in Appendix 1A, Item I.B.1.2 and Section 13.4.3.
- q. Provide general and procedural administrative services, document control, and records management.

Qualification requirements for the Director, PNAD, at the time are:

- a. Management experience through progressive assignment of increasing responsibility.
- b. Formal degree in a science or engineering discipline or professional registration or equivalent.

plant experience in the overall implementation of the Quality Assurance Program. A minimum of 1 year of this 6 years experience shall be related technical or academic training. A maximum of 4 years experience may be fulfilled by related technical or academic training.

- d. Training in QA policies, standards, regulations, and practices.

The Director, PNAD, is assisted in carrying out his responsibilities by a staff organized into sections to provide adequate coverage of procurement, manufacturing, inservice inspection, refueling, maintenance, repair, modification, and operation of Perry (Figure 17.2-2). The staff includes required expertise to perform audit, quality engineering, surveillance, and inspection functions. In addition, quality assurance agents may be engaged to augment the PNAD staff. PNAD shall maintain direct control over any quality assurance agent.

17.2.1.3.2.2.1 Manager, Quality Assurance Section

The Manager, Quality Assurance Section, is responsible for implementing a system of planned periodic internal audits and surveillances. Section activities include input to and review of procedures and corrective action programs; reviewing changes to the Operations QA Plan; surveillance of plant operations; and providing administrative support for PNAD.

17.2.1.3.2.2.2 Manager, Quality Control Section

The Manager, Quality Control Section, is responsible for ~~review and approval of procurement documents; maintains a program for approval, audit, and surveillance of suppliers; and~~

AND APPROVAL

MAINTENANCE AND IMPLEMENTATION OF

PERFORMANCE OF

~~performs~~↓ receipt inspection for items and services within the scope of this document. The Manager, Quality Control Section is also responsible for coordinating site quality functions associated with construction, reviewing work orders, non-destructive examination (NDE) support, inspecting maintenance or modification activities for Perry, reviewing work procedures and completed documentation and providing PNAD coordination and support for outages during operations.

17.2.1.3.2.2.3 Manager, Independent Safety Engineering Group

The Manager, Independent Safety Engineering Group (ISEG) is responsible for performing the activities contained in the ISEG Charter as described in Appendix 1A Item I.B.1.2 and Sections 13.4.3. This Manager ensures that the ISEG examines plant operating characteristics, NRC issuance, industry information and other sources of design and operating experience that may indicate ways of improving plant safety. The ISEG performs periodic, independent reviews of plant activities and aids in establishing programmatic requirements. Members of the ISEG report to the Manager, ISEG, who reports to the Director, PNAD.

17.2.1.3.2.2.4 Manager, Quality Services Section

The Manager, Quality Services Section is responsible for implementing the Perry procedure/instruction program, performing document and drawing control activities, providing permanent storage for and retrieval of construction and operations records, and for furnishing administrative services in support of plant activities. The Manager, Quality Services Section reports to the Director, PNAD.

require, and PNAD shall assure through ~~their review and through~~ audit, when necessary, that supplier and contractor ^{Quality Assurance} (QA) programs comply with the applicable commitments of this document and 10 CFR 50 Appendix B.

17.2.3 DESIGN CONTROL

17.2.3.1 Policy

The Operational Quality Assurance Program during the operations phase establishes measures to control design activities which affect structures, systems and components covered under the scope of this QA Program. These design control measures assure that applicable regulatory requirements and design bases are correctly translated into design documents, such as specifications, drawings and procurement documents, and that written procedures are implemented by each responsible design organization.

17.2.3.2 Requirements

The design control measures require that:

- a. The design bases, safety analyses, design regulations, codes and standards for safety-related equipment and Technical Specifications be adhered to in design work, except where the changes will be the subject of an operating license amendment application.
- b. The materials, parts and processes (including commercial grade items) selected by design are reviewed to assure that they are suitable for the intended application, including as applicable, evaluations of physics, seismic, stress, thermal, hydraulic, radiation, accident analysis, compatibility of materials, accessibility for inservice inspection, maintenance and repair, and quality standards.

MATERIALS, EQUIPMENT AND

Procurement of ~~services and consultants~~ shall meet the requirements of the Perry Quality Assurance Plan and shall be reviewed and approved by ~~PNAD~~ to assure inclusion of quality requirements.

↑
APPROPRIATE TECHNICAL AND

PROCUREMENT
DOCUMENTS

The measures established for the control of procurement documents shall include the following requirements:

- a. The sequence of actions for the preparation, review, approval, and control of procurement documents shall be delineated in detailed procedures.
- b. Procedures shall be established to accomplish the selection of proposed vendors and contractors, the evaluation of proposals and the selection of a vendor or contractor for award of the work; whether equipment, material or services. Contracts or purchase orders for material, equipment or services covered by the scope of the QA Program shall be awarded only to approved vendors or contractors.
- c. ~~Qualified~~ ^{KNOWLEDGEABLE} personnel shall review and concur with the adequacy of ^{THE TECHNICAL AND} quality requirements to determine that they are correctly stated, inspectable and controllable; that there are adequate acceptance criteria; and, that procurement documents have been processed in accordance with established requirements.
- d. Review of procurement documents shall be documented to provide objective evidence of their approval prior to their release.

- g. Establish resolution methods between the vendor and the appropriate design engineer and Quality Assurance to maintain design control on those nonconformances intended to be dispositioned as "Use-As-Is" or "Repair."

17.2.4.3 Responsibilities and Authorities

17.2.4.3.1 General Manager, PNPPD and Perry Directors

The General Manager, PNPPD and Perry Directors shall be responsible for ensuring the establishment and implementation of procedures and instructions for preparation, review, approval, issue, and revision of procurement documents in accordance with the requirements of this section.

17.2.4.3.2 ^{SERVICES}
Perry Nuclear ~~Assurance~~ Department

^{SERVICES}
The Perry Nuclear ~~Assurance~~ Department shall review and approve ~~all~~ procurement documents, which are for the acquisition of material, equipment and services covered under the scope of the QA program, for the inclusion of quality requirements.

[↑]
^{APPROPRIATE TECHNICAL AND}
17.2.4.3.3 Director, Procurement Department, CSC

The Director, Procurement Department, CSC shall ensure the procurement of items and services as directed by approved procurement documents.

17.2.4.3.4 DIRECTOR, PERRY NUCLEAR ASSURANCE DEPARTMENT

THE DIRECTOR, PNAD, IS RESPONSIBLE TO ENSURE THE IMPLEMENTATION OF PROCUREMENT CONTROLS THROUGH PLANNED AND PERIODIC AUDITS AND SURVEILLANCES.