



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

OCT 6 1983

Docket Nos. 50-413/414

MEMORANDUM FOR: Virgil L. Brownlee, Chief
Reactor Project Section 2B
Region II

FROM: Walter P. Haass, Deputy Chief
Quality Assurance Branch
Division of Quality Assurance,
Safeguards, and Inspection Programs, IE

SUBJECT: DUKE POWER COMPANY ORGANIZATION FOR QA

As a result of your phone conversation with Jack Spraul of my staff last week, you "FAXed" to us pages 12 through 16 of a Government Accountability Project (GAP) letter to NRC Commissioners concerning Catawba Nuclear Station. You indicated the GAP letter was dated September 14, 1983 and that NRC Region II was preparing a response letter per 10 CFR 2.206 for signature by the Director, IE. You asked that we provide input for that letter which is responsive to GAP's allegation (page 16 of the GAP letter) that "The DPC policy inherently defeated the key premise of Criterion I - organizational independence and authority for QA personnel to do their jobs."

We have reviewed docketed information concerning DPC's organization as it relates to QA for Catawba and developed the enclosed chronology. The chronology shows that the NRC staff has found the DPC organization for QA acceptable (i.e., meeting the requirements of Appendix B to 10 CFR 50) from about two years before the construction permit was issued for Catawba to the present. The initial acceptability (July 1973) was predicated on the DPC commitment to fill the position of Corporate QA Manager by July 1974. This commitment was met in February 1974. The Catawba construction permit was issued in August of 1975.

We suggest that the above information be included in the response to the GAP letter to refute the allegation concerning DPC's organization for QA at Catawba. If you require additional assistance in this regard, continue to contact Jack Spraul on FTS 492-4530.

Walter P. Haass
Walter P. Haass, Deputy Chief
Quality Assurance Branch
Division of Quality Assurance,
Safeguards, and Inspection Programs
Office of Inspection and Enforcement

Enclosure: Chronology of
Documented Events

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Catawba (Duke Power Company)
QA Organization Development

Chronology of Documented Events

February 1973	NRC inspection resulting in report which states: "Construction Department QA manager is not independent of construction costs and schedules."
May 29, 1973	NRC meeting with Duke Power Company (DPC) to discuss Catawba QA program which shows QA personnel reporting administratively to a line organization and functionally to the QA organization. It was noted, also, that the Senior VP of Engineering and Construction was the acting Corporate QA Manager.
July 1973	NRC completed evaluation of the DPC QA program for Catawba. Received oral commitment by Duke to fill the position of Corporate QA Manager no later than July 1974. With this commitment, the NRC found the DPC QA program acceptable.
October 12, 1973	Safety Evaluation Report issued by NRC. Section 17 discusses DPC's QA program and its organization to meet the program objectives. It recognizes the combination of Senior VP of Engineering and Construction and the Corporate QA Manager into one position. It discusses the distinction between the administrative and functional reporting relationships of DPC's QA Managers. Pertinent conclusions are that: <ol style="list-style-type: none">(1) "The DPC organizational structure ... complies with the requirements of Criterion 1 of Appendix B to 10 CFR Part 50 and is acceptable."(2) "A QA staff has been provided with adequate authority and guidance for the implementation of the DPC QA program."
February 1, 1974	The roles of Senior VP of Engineering and Construction and Corporate QA Manager separated with the Corporate QA Manager reporting to the Senior VP of Engineering and Construction.
April 2, 1974	DPC reported restructuring of its QA organization planned for May 1974 with the QA organization reporting directly to the Corporate QA Manager, thus eliminating any questions concerning the administrative and functional relationships.

October 1, 1974

DPC topical report on QA reflects QA organization as noted April 2, 1974 with the QA organization reporting to the Corporate QA Manager and the Corporate QA Manager reporting to the Senior VP of Engineering and Construction.

April 17, 1975

NRC affirms acceptability of DPC topical report on QA - Amendment 2 dated February 14, 1975 - which continues to show QA organization reporting to the Corporate QA Manager who continues to report to the Senior VP of Engineering and Construction.

August 1975

Construction Permit issued for Catawba.

December 2, 1975 -
February 3, 1983

NRC continues to affirm acceptability of DPC organization which continues to show QA organization reporting to the Corporate QA Manager who continues to report to the Senior VP of Engineering and Construction.