

yellow

July 23, 1985

Alabama Power Company
ATTN: Mr. R. P. McDonald
Senior Vice President-Nuclear Generation
P. O. Box 2641
Birmingham, AL 35291

Gentlemen:

SUBJECT: REPORT NOS. 50-348/85-21 AND 50-364/85-21

Thank you for your response of June 19, 1985, to our Notice of Violation issued on May 21, 1985, concerning activities conducted under NRC Operating License Nos. NPF-2 and NPF-8. Additional information was also provided for the violation during telephone conversations conducted between Messrs. A. Belisle, F. Cantrell, and R. Walker of my staff and Mr. J. McGowan of your staff. These conversations occurred July 2 and July 10, 1985, respectively.

We have reviewed your response to the violation and have concluded, for the reasons presented in the enclosure to this letter, that the violation occurred as stated in the Notice of Violation. We will examine the implementation of your corrective action during future inspections.

Should you have any questions concerning this letter, we would be happy to meet with you and discuss the matter further.

Sincerely,

ORIGINAL SIGNED BY:
J. NELSON GRACE

J. Nelson Grace
Regional Administrator

Enclosure:
Staff Evaluation of Licensee Response

cc w/encl:
W. O. Whitt, Executive Vice President
J. D. Woodard, Plant Manager
W. G. Hairston, III, Manager, Nuclear
Engineering and Technical Support
J. W. McGowan, Manager-Safety Audit
and Engineering Review
H. O. Thrash, Manager, Nuclear
Operations and Administration
W. G. Ware, Supervisor-Safety Audit
and Engineering Review

bcc w/encl: (See page 2)

1/1 IE01

bcc w/encl:
NRC Resident Inspector
E. Reeves, Project Manager, NRR
Document Control Desk
State of Alabama

RII

GB
GBelisle:dr
7/12/85

RII

CU
CUpright
7/12/85

RII

CJ
CJulian
7/12/85

RII

AG
AGibson
7/15/85

RII

FC
FCantrell
7/16/85

RII

DV
DVerrelli
7/16/85

RII

RW
RWalker
7/16/85

RII

GJ
GJenkins
7/18/85

RII

JO
JOshinski
7/18/85

ENCLOSURE

STAFF EVALUATION OF LICENSEE RESPONSE
DATED JUNE 19, 1985

Our assessment of your reasons for denial of violation 50-348, 364/85-21-01 is as follows:

- a. You make the following statement in your denial:

"This violation has been classified as a Severity Level V violation. However, 10 CFR Part 2, Appendix C defines a Severity Level V violation as having 'minor safety or environmental concerns.' Alabama Power Company contends that this violation has no safety or environmental concerns; therefore, it is not in fact a violation as defined in 10 CFR."

10 CFR 50 Part 2, Appendix C states that a Notice of Violation is a written notice setting forth one or more violations of a legally binding requirement. A legally binding requirement has not been adhered to; consequently, a violation is warranted. This violation does have minor safety significance; therefore, a Severity Level V categorization was appropriate.

- b. You make the following statement in your denial:

"The audit reports are in full compliance with ANSI N45.2.12 since the ANSI phrase 'persons contacted during the pre-audit, audit, and post audit activities' does not necessarily require that all persons contacted be listed individually by name.

"In order to maximize the effective utilization of audit reports while complying with regulatory commitments to the fullest extent, Alabama Power Company contends that 'persons contacted' refers to persons who were a source of assistance during the audit or persons with whom meaningful communication occurred concerning potential audit findings. This is generally supervisory and other such key personnel."

The accepted QA program (FSAR 17.2.18) states that an audit system that complies with the requirements of ANSI N45.2.12-1974 shall be described in approved written plans, policies, and procedures. ANSI N45.2.12-1974 Sections 4.4 and 4.4.3 require that an audit report provides persons contacted during audit activities. SAER-AP-06, Audit Implementation, Revision 9, does not clarify ANSI N45.2.12-1974 Sections 4.4 and 4.4.3. SAER-AP-06, Appendix A, does, however, contain a column heading, Audited Organization Representatives. This heading is common for pre-audit conference, conduct of audit, and post-audit conference. The Alabama Power Company interpretation of ANSI N45.2.12-1974 requirements did not appear to be understood by your auditors when they were questioned by our inspector. Further, these interpretations are not specifically delineated in the accepted QA program or sub-tier implementing procedures.

- c. You included a listing of the following actual excerpts from Alabama Power Company audit reports cited:

<u>Audit Reports</u>	<u>Audit Date</u>
84-10	3/28 - 4/03/84
84-10	4/04 - 4/11/84
84-09	3/05 - 4/03/84
84-09	3/21 - 3/27/84
84-09	3/26 - 3/30/84
84-08	3/06 - 3/16/84
84-07	2/08 - 3/16/84
84-02	1/23/84

Audit 84-09 dated 3/26 - 3/30/84 and audit 84-02 dated 1/23/84 do not reflect the Alabama Power Company position stated in the June 19, 1984, submittal.

In conclusion, it is our position that the violation occurred and that the appropriate severity level was assigned. Implementation of the Alabama Power Company policy regarding naming of individuals in audit reports will correct this violation. Proceduralizing this policy would assure continued compliance.