



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

November 1, 1985

Docket Nos. 50-266
and 50-301

Mr. C. W. Fay, Vice President
Nuclear Power Department
Wisconsin Electric Power Company
231 West Michigan Street, Room 308
Milwaukee, Wisconsin 53201

Gentlemen:

SUBJECT: INSPECTION NOS. 50-266/85013; 50-301/85013

Enclosed is the report of the special team inspection conducted by R. C. Wilson and other NRC representatives on July 22 to 26, 1985, at the corporate offices of Wisconsin Electric Power Company and Point Beach Nuclear Plant Units 1 and 2 of activities authorized by NRC License Nos. DPR-24 and 27. The team's findings were discussed with you and members of your staff at the conclusion of the inspection. The inspection reviewed your implementation of a program as required by 10 CFR 50.49 for establishing and maintaining the qualification of electric equipment within the scope of 10 CFR 50.49. The inspection also included evaluations of the implementation of equipment qualification corrective action commitments made as a result of the December 22, 1982, Safety Evaluation Report (SER) and the September 28, 1982, Franklin Research Center Technical Evaluation Report (TER). Within this area, the inspection consisted of examinations of selected procedures and records, interviews with personnel, and observations by the inspectors.

The inspection determined that you have implemented a program to meet the requirements of 10 CFR 50.49 and your corrective action commitments relative to SER/TER deficiencies. Four deficiencies in your program implementation, summarized in Appendix A, are classified as Potential Enforcement/Unresolved Items and will be referred to the NRC Region III office for further action. The two most serious deficiencies involve your actions subsequent to the discovery in April 1985 of a 10 CFR 50.49 noncompliance involving unqualified auxiliary feedwater flow transmitters. In this matter a reportability review was neither documented nor required by procedure; engineering analysis by EQ-trained personnel was not documented for more than three months after discovery; and use of administrative controls to prevent operator misinformation was apparently not considered. The other two Potential Enforcement/Unresolved Items involve failure to fully document qualification of two types of equipment,

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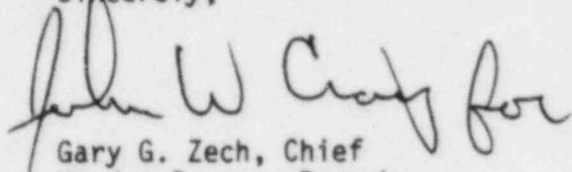
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Rockbestos coaxial cable and Limitorque dc operators. Seven additional deficiencies are classified as Open Items, and a future NRC inspection will review your corrective actions concerning them. Details of the deficiencies are discussed in the enclosed inspection report.

Your corrective actions regarding the identified deficiencies should not be delayed pending either a future NRC inspection or further action by the NRC Region III Office.

We are available to discuss any questions you have concerning this inspection.

Sincerely,

A handwritten signature in dark ink, appearing to read "Gary G. Zech for". The signature is fluid and cursive, with the last name "Zech" being the most prominent part.

Gary G. Zech, Chief
Vendor Program Branch
Division of Quality Assurance, Vendor
and Technical Training Center Programs
Office of Inspection and Enforcement

Enclosure:
Inspection Report Nos. 50-266/85013;
50-301/85013

November 1, 1985

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APPENDIX A

Potential Enforcement/Unresolved Items

As a result of the special equipment qualification inspection on July 22 to 26, 1985, the following items have been referred to NRC Region III as Potential Enforcement/Unresolved Items (paragraph references are to be detailed portions of the inspection report).

1. Contrary to Criterion V of Appendix B to 10 CFR 50, Wisconsin Electric Power Company (WEPC) did not have procedures requiring that a timely review of reportability be performed when equipment covered under 10 CFR 50.49 is determined to be unqualified, or that a timely EQ review of the consequences be performed. Consequently, after discovery in April 1985 that Foxboro N-E10 auxiliary feedwater flow transmitters in Point Beach Units 1 and 2 were not qualified, a reportability review was not documented, and an engineering evaluation by EQ-trained personnel of the safety consequences of continued operation with the unqualified equipment was not documented for more than three months after discovery. (Paragraph 4.A, Item 50-266/85013-0 (DRS); 50-301/85013-0 (DRS).)
2. Contrary to the requirements of paragraphs (g) and (i) of 10 CFR 50.49, WEPC's engineering analysis justifying continued operation with unqualified auxiliary feedwater flow transmitters failed to address administrative controls to prevent operator misinformation in the event of equipment malfunction. (Paragraph 4.A, Item 50-266/85013-0 (DRS); 50-301/85013-0 (DRS).)
3. Contrary to paragraph (f) of 10 CFR 50.49 and section 2.3 of NUREG-0588, WEPC did not perform a complete test sequence on specimens of Rockbestos coaxial cable. (Paragraph 4.D.(1), Item 50-266/85013-03 (DRS); 50-301/85013-03 (DRS).)
4. Contrary to paragraph (e) of 10 CFR 50.49, WEPC did not document that the type test of Limitorque dc operators exposed the interior of the operator to the design basis accident conditions. (Paragraph 4.D.(2), Item 50-266/85013-04 (DRS); 50-301/85013-04 (DRS).)