

U.S. NUCLEAR REGULATORY COMMISSION

REGION III

Report No. 50-255/85017(DRS)

Docket No. 50-255

License No. DPR-20

Licensee: Consumers Power Company  
212 West Michigan Avenue  
Jackson, MI 49210

Facility Name: Palisades Nuclear Generating Plant

Inspection At: Covert, MI

Inspection Conducted: July 10-12, July 15-18, July 29  
August 1, August 6-9, and  
September 4, 1985

Inspector: *[Signature]*  
H. A. Walker

*9/5/85*  
Date

Approved By: *[Signature]*  
F. C. Hawkins, Chief  
Quality Assurance Programs Section

*9/5/85*  
Date

Inspection Summary

Inspection on July 10-12, July 15-18, July 29, August 1, August 6-9, and  
September 4, 1985 (Report No. 50-255/85017(DRS))

Areas Inspected: Routine, announced inspection by one regional inspector of licensee action on previous inspection findings; quality assurance program; QA/QC administration; design changes and modifications; test and experiments program; surveillance procedures and records; and surveillance testing and calibration control. The inspection involved a total of 117 inspector-hours onsite including 5 inspector-hours onsite during off-shifts.

Results: Of the seven areas inspected, no violations or deviations were identified in six areas; three violations were identified in the remaining area (failure to retrieve QA records - Paragraph 3.b; failure to properly control design changes and modifications - Paragraph 3.b and failure to adequately control nonconforming materials, parts and components - Paragraph 3.b).

## DETAILS

### 1. Persons Contacted

#### Consumers Power Company (CPCo)

D. L. Beach, Senior Technical Analyst  
\*R. L. Blow, Engineering and Field Operations Administrative Supervisor  
\*J. M. Buechler, Section Head, QA Construction and Testing  
\*J. T. Bush, Engineering and Field Operations Project Testing  
\*T. C. Cooke, Engineering and Field Operations Project Manager  
\*H. M. Esch, Administrative Manager  
\*R. A. Fenech, Technical Engineer  
\*J. F. Firlit, Plant General Manager  
\*D. J. Fitzgibbons, Licensing Engineer  
\*J. Jnechler, QA - Construction and Testing Section Head  
\*D. G. Malone, Senior Engineer  
\*R. P. Margol, QA Administrator  
\*R. E. McCaleb, QA Director, Palisades  
P. L. McCarty, Document Control Supervisor  
\*T. E. McElroy, E & FO Project Engineer  
\*A. D. Muthland, E & FO Engineering  
\*R. D. Orosz, Engineering and Maintenance Manager  
\*T. J. Palmisado, Plant Project Superintendent  
\*J. Pomaranski, Project Superintendent, E & FO  
\*C. R. Ritt, Administrative Superintendent  
J. R. Schepers, Chemistry Superintendent (for Operations Manager)  
\*R. A. Vincent, Plant Safety Engineering Administrator  
S. T. Wawro, Shift Supervisor

#### USNRC

\*E. R. Swanson, Senior Resident Inspector  
\*C. D. Anderson, Resident Inspector

\*Denotes those attending the exit meeting.

### 2. Licensee Action on Previous Inspection Findings

- a. (Closed) Unresolved Item (255/78-30-04): Adequacy of Palisades on-the-job training program. Training records were reviewed for five selected plant personnel to verify that on-the-job training (OJT) was being performed. All five records indicated that OJT had been performed in several areas. Administrative procedure No. 4.05, Revision 1, "Operator Training," was reviewed to verify that on-the-job training requirements were included. No deficiencies were noted, and this area is now considered acceptable.

- b. (Open) Violation (255/84-09-01A): Failure to include acceptance criteria in surveillance procedures. The inspector reviewed 24 completed CFCo surveillance procedures and all of them contained acceptance criteria. The inspector also reviewed Wyle Laboratories test procedure No. 6108-545 which is used by Wyle to test Palisades pipe snubbers. This procedure had been noted as deficient in the original violation and still did not contain acceptance criteria at the time of this inspection. The inspector was informed that immediate steps would be taken to have Wyle incorporate acceptance criteria into this procedure. Pending completion of that work, this item will remain open.
- c. (Closed) Violation (255/84-09-01B): Failure to provide required reviews on surveillance records. This item involved the failure of the responsible supervisor to sign the acceptance criteria and operability checklist certifying that limiting safety settings had not been violated for surveillance procedures No. MO-3 (Reactor Protection Matrix Logic Test) conducted in June, July and August of 1983. Records for this surveillance test were reviewed for December 1984 and January/February 1985, and the inspector noted that this block had now been marked "NA" for this surveillance procedure. In the other surveillance records reviewed, no other failures to sign the acceptance criteria and operability checklist were noted.
- d. (Closed) Unresolved Item (255/84-09-03): Loss of a portion of a design change package. The design change package involved was FC-494-3, "Installation of the Radioactive Gaseous Effluent Monitoring System." The work had been completed and the records transmitted to document control. Portions of the records for this package could not be located. This unresolved issue has been closed and upgraded to a violation (See Section 3.b of this report).

### 3. Quality Assurance Program Review

This inspection was conducted to verify compliance with regulatory requirements and operational QA program commitments. The inspection was performed by reviewing applicable procedures and records, conducting personnel interviews and observing work activities in the areas of QA/QC administration, design changes and modifications, tests and experiments, surveillance procedures and records, and surveillance testing and calibration control. Inspection results are documented in the following sections of the report.

#### a. QA/QC Administration

The documentation, tracking and follow-up systems for both event and deviation reports were reviewed. Twenty-four closed event and deviation reports were reviewed to verify that proper action was taken in the follow-up and closing of the reports.

During this review the inspector noted that Event Report No. E-PAL-82-143 had been re-opened by the licensee to verify that a portion of the indicated action had been completed. This event report had resulted in licensee event report (LER) No. 82-49. Because the NRC typically reviews action taken by licensees to resolve LERs, and because the NRC was not aware that the event report had been re-opened the inspector was concerned that subsequent action by the licensee might affect the basis for the original NRC conclusions. As a result, the licensee agreed to notify the NRC resident inspector any time that an event report is re-opened. The inspector has no further concerns in this area.

The inspector also reviewed the CPCo quality trend program. This program consists of a computerized system which provides for inputting event and deviation reports with a breakdown by cause code. A trend report is prepared and issued every six months. Because this report summarizes general increases or decreases based on data which is from two to eight months old, it does not provide for timely evaluation of trends and corrective action. Discussions with CPCo personnel indicated that changes would be made in the system to provide retrieval of cause code trends in a timely manner. This matter is unresolved pending the completion of a system to ensure prompt notification and corrective action when negative trends are detected (255/85017-01(DRS)).

b. Design Changes and Modifications

The inspector reviewed administrative procedure Nos. 9.01, Revision 2 ("Report for Plant Modification"), 9.02, Revision 3 ("Plant Modifications - Major") and 9.03, Revision 2 ("Plant Modifications - Minor"). In performing the review of modifications, the inspector was unable to locate a procedure which addressed safety evaluations for design changes and procedure changes involved in modifications. Safety evaluations are presently being performed utilizing the safety evaluation form and the attached "instructions for use." The inspector was informed that a safety evaluation procedure is currently being developed. This item is unresolved pending completion and implementation of this procedure (255/85017-02(DRS)).

Additionally, ten completed facility change packages (FCPs) were selected from the facility change index for review. Three of the ten FCPs selected had been cancelled. The inspector was informed that all closed FCPs were indicated as completed on the facility change index without regard to the method of closure. CPCo personnel stated that changes currently being made to the facility change index would be expanded to include the cancelled status.

A review of records for four completed major modification packages was also conducted. Difficulties in retrieving records for the modifications from document control (records storage) were evident. The completed facility change packages were not sent to records for filming as a package, and attempts to retrieve the separate records was time consuming and only partially successful. Approximately six days were spent attempting to retrieve required records for the four packages. Although some of the records were located during the inspection, others were not. Specifically, a number of records for facility change package Nos. FC-494-3 and FC-608 could not be located. Examples are as follows:

- (1) FC-494-3
  - (a) Control work package No. 138618-31, Revision 0
  - (b) Safety evaluation for control work package No. 138618-31, Revision 0
  - (c) Plant Review Committee (PRC) review record for control work package No. 138618-31, Revision 0
- (2) Work package for FC-608

These failures to ensure that records are identifiable and retrievable is in violation of 10 CFR 50, Appendix B, Criterion XVII (255/85017-03(DRS)).

The difficulties in retrieving records on completed major modification packages had not been previously noted by CPCo QA auditors. The inspector determined through discussions with quality assurance personnel that CPCo audits had not been performed on major modification packages after the records were transmitted to document control. This was due to the division of QA audit responsibilities between two QA organizations. A recent reorganization of quality assurance has resulted in one QA auditing organization, and an audit of major modifications by this organization is scheduled for October 1985. The inspector has no further concerns in this area.

During the review of facility change package Nos. FC-494-3 and FC-607, the inspector noted that the documentation had not been completed to provide evidence that the specified work had been accomplished. Examples are as follows:

- (1) FC-494-3
  - (a) Process control sheet No. 7545-29, Revision 0, was missing signoffs for 19 of 29 steps.
  - (b) The Project Punch List and the Contractors Exception List contained items not closed as required by procedure No. MT-11. Specifically, 10 of 38 items were not indicated as complete.
- (2) The completed work package for FC-607 was missing three verification signatures for Steps 5.2.2 and 5.2.3.



These failures to provide control over design changes and modifications are in violation of 10 CFR 50, Appendix B, Criterion II (255/85017-04(DRS)).

In reviewing facility change package FC-0558, the inspector noted that two deficiency reports, written on circuit breaker failures, were improperly dispositioned. Specifically, the disposition of DR No. 5511-007, written on 40 amp breaker No. 52-2523, stated, "Breaker shall be replaced with a new breaker and installed by contractor." The documented disposition did not reflect the actual disposition to resolve the issue in that a lower amperage breaker was substituted as the replacement breaker.

Additionally, the disposition of DR No. 5511-12 written on breaker 52-2620, stated, "A replacement breaker has been ordered by Ann Arbor procurement." This disposition was not appropriate, in that there were no provisions made for replacement of the breaker.

The inspector did review the test records for the replacement breakers No. 52-2523 (DR No. 5511-007) and 52-2620 (DR No. 5511-12) and found them to be acceptable.

These failures to properly disposition nonconforming material is in violation of 10 CFR 50, Appendix B, Criterion XV (255/85017-05(DRS)).

c. Test and Experiments Program

During the review of the test and experiments program, the inspector noted that Palisades does not have a separate procedure for routing and handling of requests for tests and experiments not described in either the Safety Analysis Report or the Technical Specifications. The safety evaluation form currently in use requires a safety evaluation, but it does not describe the action to be taken if a non-described test and experiment is involved. The safety evaluation procedure currently being developed as noted in Section 3.b of this report should include this information. (See Unresolved Item 255/85017-02(DRS)).

d. Surveillance Procedures and Records

The inspector reviewed the listing of required surveillance tests and calibrations entitled, "Technical Specification Surveillance Program." Ten completed surveillance tests and calibrations were selected to verify their completeness, proper signatures, required approvals, and timeliness. There were no violations or deviations identified.

e. Surveillance Testing and Calibration Control

The inspector reviewed the methods used for tracking and scheduling of surveillance testing and calibration as required by the Technical Specification. Presently, surveillance testing and calibration are tracked and scheduled manually. A computerized system is being developed and is expected to be completed by September 30, 1985. As a part of this system, a computerized listing of surveillance tests and calibrations entitled, "Technical Specification Surveillance Program," has been developed. From this listing, tests and calibrations were selected by the inspector and records were reviewed to verify that they were completed as scheduled.

The inspector also observed the conduct of two surveillance tests. Test MO-20 of the charging pumps was observed on July 15, 1985, and test MO-7A-2 of emergency diesel generator No. 2 was observed on July 16, 1985. The tests were properly conducted and results properly recorded.

There were no other violations or deviations identified.

4. Unresolved Items

Unresolved items are matter about which more information is required in order to ascertain whether they are acceptable items, violations, or deviations. Unresolved items disclosed during the inspection are discussed in Paragraphs 3.a and 3.b.

5. Exit Interview

The inspector met with licensee representatives (denoted in Paragraph 1) on August 1 and 9 and by telephone on September 4, 1985, to discuss the scope and findings of the inspection. The inspector also discussed the likely informational content of the inspection report with regard to documents or processes reviewed by the inspector during the inspection. The licensee acknowledged the statements made by the inspector with respect to items discussed in the report and did not identify any documents or processes as proprietary.