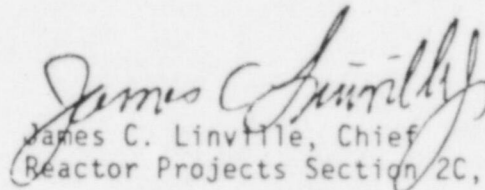


MAY 15 1985

MEMORANDUM FOR: Alan Shropshire, Compliance and Investigations Coordinator
FROM: James C. Linville, Chief, RPS 2C, DRP
SUBJECT: CLOSEOUT OF ALLEGATION 84-A-0156, LEAD AUDITOR
CLARIFICATION

The Senior Resident Inspector (SRI) has documented his review of alleged inadequacies in the certification of Lead QA Auditors in the attached inspection report 50-410/84-15. Closeout of the open item 84-15-02 generated in this report is based on poor documentation of Lead Auditor certification which had previously been identified by the licensee in QA audit 4 and was documented in attached inspection report 50-410/85-04 by the SRI. Since the memos which formed the basis for this allegation were forwarded to the RI anonymously, no response to the allegor is required.


James C. Linville, Chief
Reactor Projects Section 2C, DRP

QC:
✓ Allegation File
R. Gramm

8510220184 851010
PDR FOIA
GARDE85-613 PDR

ALLEGATION

ALLEGATION:

FACILITY:

NINE MILE POINT-2

FILE NO:

DATE:

10/9/84

TIME:

DOC NO:

50-410

CONFIDENTIALITY
REQUESTED:

YES

NO

SUMMARY OF INFORMATION:

The resident received the attached correspondence by mail. The IOC's document concerns with the NMPC certification of lead auditors. Two NMPC audits have identified that lead auditors have been improperly certified as they had not participated in 5 audits prior to certification. An IOC was enclosed in which J. Perry (NMPC / Dir of QA) stated that ^{performance of} surveillance were acceptable in lieu of the required audits. The third IOC states that the interpretation of J. Perry is not consistent with ANSI N45.2.23.

The resident proposes to review the two audit findings, review NMP-2 NMPC lead auditor certification packages, ascertain the validity of Perry's interpretation and evaluate NMPC closure of the audit findings

In question.

OF
PREPARED BY:

Robert L. Lamm

DATE: 10/9/84

ACTION REQUIRED (TO BE COMPLETED BY OAC AFTER INITIAL PANEL MEETING):

REVIEWED BY:

DATE:

INTERNAL CORRESPONDENCE
FORM 11, 2-80 65-01-013

1
NIAGARA
MOHAWK

FROM J. E. Ryan

DISTRICT System

QA84416B
"D"

TO A. S. Kovac - Quality First Program
9MP-2

DATE October 2, 1984

FILE CODE 17.0-A1

SUBJECT Quality First Program Reporting Action

Responding to QAP 16.70 of 9/27/84 now on circulation through the Syracuse Nuclear Auditing office, a significant concern is addressed without regard to confidentiality, (which has proven to be a joke around here).

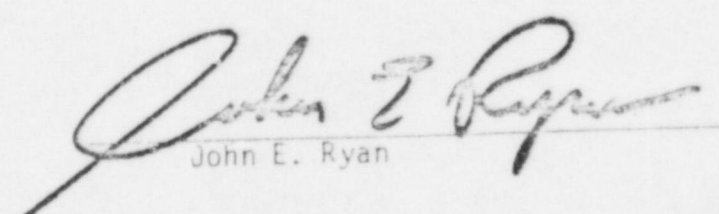
The infamous Audit No. 4 where the auditors were nearly crucified for their Legitimacy and professionalism by the QA Management started this scenario in January 1984. We conducted an audit of the Nine Mile Point Unit No. 2 Quality Assurance staff from January 24-27 and continuing from January 31 - February 3, 1984. One of our twenty-eight findings revealed that from a "sampling" of five Unit No. 2 Lead Auditors, none of the five met the certification requirements of QAP 18.01, Section 5.1.4 identified in the audit scope.

Eight months later this auditor was assigned to conduct a similar audit of Nine Mile Point Unit No. 1 Quality Assurance staff. During this interim QAP 18.01 had been revised and our audit was addressing Revision 3 of this procedure on September 24-27, 1984. Audit No. RG-IN-SY-N1-84003, which had six findings revealed another Lead Auditor sampling of five to verify for credentials. All five of these Unit No. 1 Lead Auditors were deficient in their certifications per AFR #5.

Same QA Department, same finding, second NMPC nuclear plant, eight months later, now revised procedures to MAC standards and all of a second sampling of five Nuclear Lead Auditors fail the verification test.

Significant is the fact that we have an indeterminate number of Lead Auditors assigned to the non-nuclear QA staff who are still being used to conduct external Nuclear Vendor Qualification Surveys... and they may not be qualified themselves to conduct the survey or sign any documentation! This non-nuclear group is not scheduled for an internal audit until June 1985 (RG-IN-SY-85007).

Having this type of ten-for-ten verification history in the negative, places every Lead Auditor in the Quality Assurance Department in question, as well as the recent audits/surveys which they have conducted. Under the provisions of QAP 16.70, Rev. "D" Section 5.3.5, please review the significance of this action which may impose a 10CFR-50.55(e) significant deficiency.


John E. Ryan

JER:lg

xc: W. B. Williams

INTERNAL CORRESPONDENCE

FORM 512-2-R 02-81

2

NY NIAGARA
MOHAWK

FROM J.A. Perry

DISTRICT System

QA841582

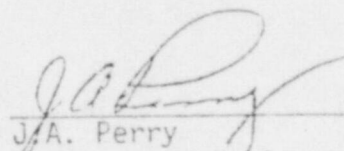
TO QA Departmental Personnel

DATE October 3, 1984

"D"
FILE CODE 3N2.0-M58.26

SUBJECT Lead Auditor Certification

Lead Auditor qualification is based in part on the involvement of the individual in five (5) nuclear audits. Many of our Lead Auditors were so certified based on their participation in certain surveillances at Nine Mile Point Units 1 and 2. I consider this practice as having been acceptable for the original certification and for the annual renewals of certification until July 16, 1984, the effective date of issue of Revision 3 of QAP 18.01.


J.A. Perry
Director of Quality Assurance

JAP/ams

INTERNAL CORRESPONDENCE

FORM 112.2 R-02-80

65-01-013

③

NY 100-111111

FROM J. E. Ryan

DISTRICT System

QA4422B

"D"

J. A. Perry

DATE October 5, 1984

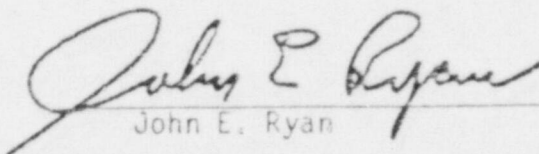
FILE CODE 17.01-A1

SUBJECT Lead Auditor Certification

Your letter of 10/3/84 (QA841582) has caused a great deal of consternation in the auditing areas of the QAD:

1. It is in direct conflict with your letter of May 18, 1984 (QA840842) to Tony Laratta which in part states... "Issuance of letters or memoranda that conflict or interpret procedures in such a way as to Lessen the QA Procedures requirements are not authorized."
2. It is in conflict with ANSI/ASME N45.2.23-1978, Section 1.4.3 which in part states,..."An audit should not be confused with surveillance or inspection for the sole purpose of process control or product acceptance." Niagara Mohawk's both Nuclear facilities are committed to this standard and no exceptions have been made that we are aware.
3. This does not de-fuse the Audit No. 4 or RG-IN-SY-N1-84003 Audit Findings that we had on Lead Auditor Certifications. The concerns that these findings generated were addressed to your Quality First Program people on October 2, 1984 (QA844161B) copy enclosed, if you have not seen it.

Jim I feel that your department wide memo of October 3rd is going to cause us a great deal of trouble and it should be readdressed, but this is your action to take.


John E. Ryan

JER:lg

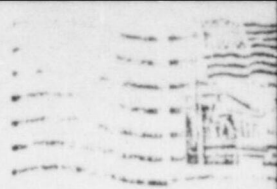
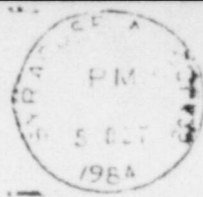
Attachment

xc: W. B. Williams

W. M. Bryant

A. D. Laratta - Audit No. 4 (Lead)

R. R. Consaul - RG-IN-SY-N1.84003 Audit (Lead)



Mr. Robert Gramm, Resident Inspector
Nuclear Regulatory Commission
Nine Mile Point Unit No. 2 Site
Lycoming
New York

MISC. LICENSEE DOCUMENTS

CONFIDENTIAL

DISTRICT System

Re: [illegible]

DATE April 1, 1981

EP 000000-21

SUBJECT Audit and Lead Auditor List

- C. Beckham
- L. Cole
- W. Connolly
- J. Dillon
- W. Friedrich
- A. Kordalewski
- E. Morrison
- E. Norris
- D. Palmer
- E. Spidle
- A. Spidle
- W. Treadwell
- K. Tyler

I have reviewed the Lead Auditor List and have made several changes.

Below is the list of employees that can perform as lead auditors for any type of audits conducted by the Quality Assurance Department:

- | | |
|----------------|-------------------|
| Palmer, Bill | Lozier, Gerry |
| Bassett, Tom | Dowd, Richard |
| Bohanske, Tom | Fenton, Roy |
| Breigle, Tom | Kordalewski, Andy |
| Bryant, Walt | McDonnell, Mike |
| Buckley, Jack | Palmer, Dave |
| Consaul, Roger | Todd, Roger |
| [illegible] | Van West, Fred |
| Dillon, Jim | Wilde, Paul |

RECEIVED
APR 10 1981
QUALITY ASSURANCE
DEPARTMENT - NMP-2

The status of the following Lead Auditors is in question until more information is received:

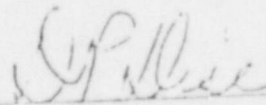
- [illegible]
- [illegible]
- Fassler, Richard
- Kovac, Al
- Morris, Bob

The following employees are lead auditors that are restricted until further notice to the audit areas listed below:

Peceri, Ron	vender, non-nuclear, 12
Winegard, Al	vender
Connolly, Bill	vender, NMP1
Lerkiv, Gary	vender, NMP1
Stuckey, Larry	vender, NMP1
Stuckey, Larry	vender, NMP1
Stuckey, Larry	vender, NMP1

The following employees have been temporarily removed from the Lead Auditor list and can only participate on the Quality Assurance Department audits as auditors:

- Laratta, Tony
- Marling, Ed
- Myer, Rudy
- Swensikowski, John



D. P. Dise

cc: Auditors and Lead Auditors above
J. A. Mitchell

INTERNAL CORRESPONDENCE

FORM 112-2 R 02-80

85-01-013

NIAGARA
MOHAWK

FROM J. A. Perry

DISTRICT System

QA840915

1- C. Beckham
L. Cole
W. Connolly
J. Dillon
W. Friedrich
A. Kordalewski
B. Morrison
R. Norrix
D. Palmer
K. Rafferty
A. Spiddle
W. Treadwell
K. Tyger
W. Williams

DATE June 1, 1984

FILE CODE

"B"

17.0-A1

SUBJECT Lead Auditor List

This memo supersedes memo No. QA840573 issued by D. P. Dise on April 5, 1984.

Based on a recent review of their qualifications, the following persons are certified as lead auditors in the Quality Assurance Department:

Aiello, Frank
Balestra, Bill
Bassett, Tom
Baumler, Charles
Bohanske, Tom
Breigle, Tom
Bryant, Walt
Buckley, Jack
Connolly, Bill
Consaul, Roger
Cummings, John
Dahlin, Roger

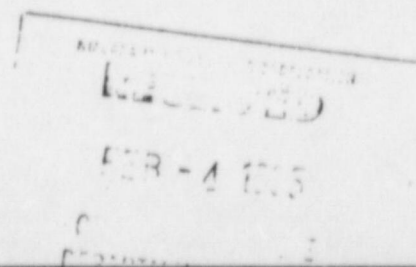
Daniels, John
Diana, Tony
Dillon, Jim
Doyle, Gerry
Dowd, Richard
Fenton, Roy
Kordalewski, Andy
Kovac, Al
Laratta, Tony
Leskiw, Gary
McDonnell, Mike
Murphy, Cecil

Norman, Rudy
Norrix, Bob
Osypiewski, Frank
Palmer, Dave
Peceri, Ron
Sconzert, Perry
Shea, Kevin
Stucky, Larry
Todd, Roger
Van Nest, Fred
Wilde, Paul
Winegard, Al

J. A. Perry
J. A. Perry

JAP:jan

cc: Lead Auditors Above
J. A. Mitchell



NIAGARA
MOHAWK

B. Williams

DISTRICT System

QA844688
"C"

"5."

W. B. Bryant:

DATE October 19, 1984 FILE CODE 3-42.2-458.38

SUBJECT NR-036 Corrective Action

The action agreed upon in our meeting with J. Perry to close NR-036 dealing with possible improper auditor certifications is as follows:

- ° W. Williams will take the lead in a certification file review.
 - ° All records of all currently certified lead auditors will be reviewed based on the requirements in the QA Program at the time of certification.
 - ° If there are problems noted with any certification, the individual will be contacted for verification of the problem and any additional information which might clear up the problem.
 - ° The supervisor, at the time of certification of the person whose records are in question will be contacted for any evaluations which may aid in validation of questionable certifications.
 - ° A list of certified lead auditors who actually acted as lead auditors on audits since 1981 or supplier pre-qualification surveys will be compiled and checked for invalid certification.
 - ° Audits or supplier pre-qualification surveys conducted by lead auditors with invalid certification will be reviewed by a qualified and certified lead auditor from the Corporate Audit group as well as the Supervisor of Corporate Audits. A determination will be made and documented as to whether the audit can still be considered valid or if a reaudit should be rescheduled.
 - ° Prior to refiling any questionable audits or surveys the audit or survey and the disposition shall be reviewed by the Director of Quality Assurance.
 - ° In addition, any audits or supplier, pre-qualification surveys since 1981 by certified lead auditors no longer with the company or department will also be checked as above including contractor personnel from the same period.
- A3 2A84447B
- ° Note: QA84447B has been reissued for use as corrective action for NR-036 with the exception that there will be no new list of lead auditors issued.

If there are any changes to this please let me know. I doubt that we can finish all this action prior to Jim Dillon transferring the files on November 1, 1984. It would be helpful if transfer could be postponed.

RECEIVED

Wesley B. Williams
Wesley B. Williams
Supervisor, Corporate Audits

Wesley B. Williams
Supervisor, Corporate Audits

Corporate Audits

WBW:1q

xc: A. D. Laratta

J. A. Perry

J. L. Dillon

QUALITY ASSURANCE
DEPARTMENT

DEPARTMENT

INTERNAL CORRESPONDENCE

FORM 112.2 R 02-80

55-01-013

**NIAGARA
MOHAWK**

FROM J.A. Perry

DISTRICT System

QA841595

"D"

TO QA Departmental Personnel

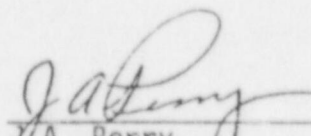
DATE October 5, 1984

FILE CODE 3N2.0-M58.26

SUBJECT Lead Auditor Certification

This memorandum rescinds and cancels my memo of October 3, 1984, (QA841582) same subject. It was not my intention to deviate from existing procedures. It appears that the reference memo could be interpreted as such.

A revision to QAP 18.01 is pending and will address this issue. Until such time as QAP 18.01 Rev. 4 is issued, the provisions contained in existing procedure apply.



J.A. Perry
Director of Quality Assurance

JAP/ams

INTERNAL CORRESPONDENCE

FORM 112-2 R 02-80

65-01-013

NIAGARA
MOHAWK

FROM W. M. Bryant

DISTRICT System

QA84484B

TO W. D. Baker

DATE October 31, 1984

FILE CODE 3-N2.2-M58.48

SUBJECT Response to Item #90-84 10/26/84

The items and issues identified in the subject NRC Identified Item were discussed in a meeting between the NRC Resident Inspectors from NMP-2 and NMP-1, Mr. J. A. Perry and W. M. Bryant on October 25, 1984.

Mssrs. Perry and Bryant indicated to the NRC Residents the corrective actions already planned regarding the maintenance of certification of NMPC's lead auditors. The planned corrective actions were as a result of Nonconformance Report NR-0036 from NMPC QA Audit No. 4. A copy of the corrective action plan for NR-0036 is attached. When these actions have been completed, the various concerns about individual lead auditors certifications discussed in the October 25th meeting will all have been addressed. Also during the meeting a change to QAP 18.01 was also discussed.

The target date for the attached corrective action of NR 0036, the issuance of any change to QAP 18.01 and thus the resolution of this item is December 1, 1984.

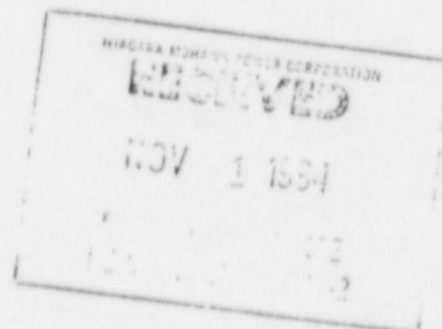
W. M. Bryant

W. M. Bryant
Manager - QA Services

WMB:lg

Attachments

xc: C. G. Beckham
J. L. Dillon
J. A. Perry
W. B. Williams



FROM W. B. Williams

DISTRICT System

QA841996

TO W. M. Bryant

DATE December 21, 1984 FILE CODE 3-N2.2-M58.48
"C"

SUBJECT Review of Lead Auditor Certifications

The certification files for Lead Auditors have been reviewed. This was initiated due to Nonconformance Report NR-0036, Audit Finding Report AFR-RG-IN-SY-N1-84003-05 and NRC Identified Item, NMPC Item 90-84 of 10/26/84.

Several concerns were expressed in the above mentioned reports such as: instances of inadequate documentation of how experience and education points were awarded, certifications were not always updated annually, certification was sometimes prior to completion of five audits, surveillances instead of audits often used as basis for certification. These concerns were all addressed and corrected during the certification review.

Before reviewing the certifications, the following facts were recognized as being pertinent to the review and did in fact influence the determination of validity of each certification.

- ° When many of the lead auditors were first certified, Niagara Mohawk was committed only to ANSI N45.2.12 Draft 3 Rev. 4 2/22/74.

The requirements in this standard for personnel leading an audit were only that an auditor be qualified and the the qualification requirements were to be determined by the auditing organization. There was no ANSI N45.2.23 which specifies the requirements for qualification of lead auditors until April 1978.

- ° NRC Inspection Report 50-220/78-11 dated 8 September 1978 refers to the Inspector having "verified that these Surveillance Reports and the activities they describe were consistent with ANSI N45.2.12 requirements for audits,...". The surveillance reports referred to were listed in the Inspection Report. This was interpreted by Niagara Mohawk QA Management as approval to consider surveillances as audits as long as the content was similar to those reviewed by the NRC Inspector.
- ° NMPC Quality Assurance Procedure QAP 18.10 Rev. 4, Qualification of Auditors and Lead Auditors was issued to include a "grandfather clause" allowing surveillances to be used as audits to qualify lead auditors prior to October 1984 as long as specific criteria were present in the surveillances. This clause was discussed with the Unit 2 Resident NRC Inspector and agreed to be acceptable for past certifications on October 25, 1984.

- ° NMPC Lead Auditors have been certified on several different dates and to different revisions of the Quality Assurance Procedure 18.01. To fairly determine if the certifications were valid or invalid one must look at the requirements stated in the revision of the QAP that was in force at the time of Certification.

Other personnel that had been certified as lead auditors that no longer work for Niagara Mohawk are; M. Henn, G. N. Hodge, J. S. Banges and J. S. Manion. None of these had questionable certifications. A note was placed in each of their personnel files stating their auditor certification had been reviewed and were acceptable.

All actions stated in attached letter QA844688 which outlined the corrective actions to be taken to close Nonconformance Report NR-036 have been accomplished and verified. These actions close out NR-036 and are considered sufficient so that the NRC concern Item 90-84 of 10/26/84 may also be presented to the NRC as ready for their review for closure.

Audit Finding Report AFR-RG-IN-SY-NI-84003-05 may also be closed by the above actions as soon as training of the lead auditors has been verified. This will be done by 12/28/84.

Wesley B. Williams

W. B. Williams
Supervisor - Corporate Audits

WBW:lg

Enclosure

xc: J. A. Perry
W. D. Baker
C. G. Beckham
J. C. Dillon
D. R. Palmer
T. Laratta
R. Consaul
L. Zwissler
Audit File

INSPECTION REPORTS

OPEN ITEM 84-15-02 E' CLOSURE REPORT

DEC 28 1984

Docket No. 50-410

Niagara Mohawk Power Corporation
ATTN: Mr. William G. Hooten
Executive Director--Nuclear Operations
c/o Miss Catherine Seibert
300 Erie Boulevard West
Syracuse, New York 13202

Gentlemen:

Subject: Inspection No. 50-410/84-15

This refers to the routine inspection conducted by Mr. R.A. Gramm of this office on September 10 to November 2, 1984 at Nine Mile Point, Unit 2, Scriba, New York of activities authorized by NRC License No. CPPR-112 and to the discussions of our findings held by Mr. Gramm with Mr. C. Beckham and other members of your staff at the conclusion of the inspection.

Areas examined during this inspection are described in the NRC Region I Inspection Report which is enclosed with this letter. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspector.

Within the scope of this inspection, no violations were observed.

Inspection Report 50-410/84-11 issued two Notices of Violation regarding deficient engineering design change control. We have received your letter dated October 9, 1984 which outlined corrective and preventive actions in response to the noted violations. Your letter stated that the corrective actions in response to the Notices of Violation were implemented to address the failure of the constructor to follow engineering instructions. We find that these corrective actions are not adequate, as they place the burden upon craftsmen to identify inadequate engineering direction. In the case of the three examples of inadequate engineering direction previously identified, it appears that, prior to issuance, the impact of the design changes were not assessed in relationship to existing specifications, and that ambiguous directions were provided to the constructors. An integral part of the design review process must be to assure that complete and consistent design direction is promulgated to the installer. Therefore, we find it necessary to request further documented actions to address the root cause of inadequate engineering review for the violations noted within Inspection Report 50-410/84-11.

Except as noted above, no reply to this letter is required. Your cooperation with us in this matter is appreciated.

8501100237 4pp

DEC 28 1984

The responses directed by this letter are not subject to the clearance procedures of the office of Management and Budget as required by the Paperwork Reduction Act of 1980, PL 96-511.

Sincerely,

Amos Kister

Harry B. Kister, Chief
Projects Branch No. 2
Division of Project and Resident Programs

Enclosure: Region I NRC Inspection Report Number 50-410/84-15

cc w/encl:

Troy B. Conner, Jr., Esquire

John W. Keib, Esquire

D. Quamme, NMP-2 Project Director

C. Beckham, NMPC QA

NMPC QA

Department of Public Service, State of New York

Public Document Room (PDR)

Local Public Document Room (LPDR)

Nuclear Safety Information Center (NSIC)

NRC Resident Inspector

State of New York

bcc w/encl:

Region I Docket Room (with concurrences)

Senior Operations Officer (w/o encls)

Chief, Engineering Programs Branch

Section Chief, DPRP

J. Grant, DPRP

W. Cook, DPRP

L. Doerflein, DPRP

State Liaison Officer (SLO)

4. Allegations

During the inspection period the inspector conducted inspections and interviews in response to allegations presented to the NRC, additionally the inspector monitored licensee actions resulting from the presentation of selected issues to the licensee as noted below:

- a. (RI-84-A-0156) The NRC received an allegation which stated that QA lead auditors had been improperly certified. The allegation also stated that improper interpretations had been made regarding the substitution of surveillance for audits during the certification process. The inspector reviewed the following:
 - ANSI N45.2.23, "Qualification of Quality Assurance Program Audit Personnel for Nuclear Power Plants"
 - ANSI N45.2.10, "Quality Assurance Terms and Definitions"
 - ANSI N45.2.12, "Requirements for Auditing of Quality Assurance Programs for Nuclear Power Plants"
 - Regulatory Guides 1.144 and 1.146
 - FSAR Table 1.8
 - NMPC QAP 18.01 Rev 3, "Qualification of Auditors and Lead Auditors"

The inspector was informed that two NMPC audits had previously identified deficiencies with the lead auditor certification process.

The inspector reviewed NMPC letter QA841582. The letter stated that surveillances conducted at Units 1 and 2 fulfilled the ANSI requirement for involvement in quality assurance audits prior to certification as a lead auditor. The inspector discussed with the NMPC Director of QA, the difference between a formal audit and surveillance as performed at Unit 2. He then was presented with NMPC letter QA841595 which rescinded the guidance promulgated via the earlier letter. Revision 4 of QAP-18.01 has since been issued. The QAP currently states that credit can be taken for surveillance conduct only if the surveillance was conducted in the same fashion as a formal programmatic audit. The current QAP is consistent with the intent of ANSI N45.2.23.

The inspector reviewed the qualification packages for all current NMPC QA lead auditors. Numerous concerns were identified, namely:

- annual evaluations performed at greater than 12 month intervals
- typographical errors
- points awarded not substantiated by length of service

- lead auditor performed his own annual evaluation
- one of five audits required for certification performed more than three years prior to certification

The licensee was presented with the above concerns and acknowledged the deficient certifications. The licensee has developed a corrective action plan to review the lead auditor certifications for compliance to the ANSI N45.2.23 and any audit led by an auditor with an invalid certification will be evaluated for validity. The concerns regarding the lead auditor certification problems are unresolved pending completion of the NMPC QA review. The inspector notes that this issue was originally identified by the licensee within NMPC QA Audit No. 4 which generated Nonconformance Report (NR) No. 36. The inspector has requested licensee clarification as to the extended period of elapsed time since the issuance of NR36 to the implementation of the corrective action plan. (84-15-02).

No violations were identified.

5. Electrical Raceway and Cable Separation

The inspector reviewed the following documents that describe regulatory requirements and licensee commitments in the area of electrical separation:

- Regulatory Guide 1.75 "Physical Independence of Electric Systems"
- IEEE 384-1975, "Criteria for Separation of Class IE Equipment and Circuits"
- FSAR Sections 1.8 and 8.3

He then reviewed the site procedures and documents that implemented the separation criteria for electrical equipment and provide for QC inspection:

- E&DCR F01619
- SWEC Inspection System Handbook
- Construction Site Instruction (CSI) 9.6, "Documentation and Control of Cable Separation Conditions and Installation of Cable and Raceway Separation Barriers"
- Specification E061A
- SWEC QA Inspection Plans

The inspector ascertained that some minor inconsistencies were apparent between the FSAR description in section 8.3.1.3 and E&DCR F01619. He was presented with LDCN 1358 which rectified all but one of the inspector's

APR 16 1985

Docket No. 50-410

Niagara Mohawk Power Corporation
ATTN: Mr. William G. Hooten
Executive Director-Nuclear Operations
c/o Miss Catherine Seibert
300 Erie Boulevard West
Syracuse, New York 13202

Gentlemen:

Subject: Inspection No. 50-410/85-04

This refers to the routine inspection conducted by Mr. R. A. Gramm of this office on February 4 to March 18, 1985 at Nine Mile Point, Unit 2, Scriba, New York of activities authorized by NRC License No. CPPR-112 and to the discussions of our findings held by Mr. Gramm with Mr. B. Morrison and other members of your staff at the conclusion of the inspection.

Areas examined during this inspection are described in the NRC Region I Inspection Report which is enclosed with this letter. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspector.

Within the scope of this inspection, no violations were observed.

No reply to this letter is required. Your cooperation with us in this matter is appreciated.

Sincerely,

Samuel J. Collins
Samuel J. Collins, Chief
Projects Branch No. 2
Division of Reactor Projects

Enclosure: Region I NRC Inspection Report Number 50-410/85-04

8504190467

cc w/encl:

Connor & Wetterhahn

John W. Keib, Esquire

D. Quamme, NMP-2 Project Director

C. Beckham, NMPC QA Manager

Department of Public Service, State of New York

Public Document Room (PDR)

Local Public Document Room (LPDR)

Nuclear Safety Information Center (NSIC)

NRC Resident Inspector

State of New York

bcc w/encl:

Region I Docket Room (with concurrences)

Senior Operations Officer (w/o encl)

Chief, Engineering Programs Branch

J. Linville, Section Chief DRP

J. Grant, DRP

State Liaison Officer (SLO)

M. Haughey, NRR/LPM

re-installation and generated Inspection Reports (IRs) S5A60392, S5A60555, S5A60556, and S4C 7376. SWEC conducted training course #NMF JB QH 0100 on Procedure QS-14.1-NM for personnel associated with the control of rework activity. No further instances of unauthorized structural steel beam assembly have been detected by NRC inspection. This item is closed.

- k. (Closed) VIOLATION (84-09-06): Nondestructive examination of electrical penetration assemblies. The penetration assemblies had originally been fabricated by Graver Northeast and the weld surface had been fully examined by magnetic particle method by that vendor. The penetration assemblies were turned over to Chicago Bridge and Iron Co. (CB&I) to complete. CB&I performed radiographic examinations of the weld, performed the necessary repair effort and magnetic particle examined only the repair area. SWEC N&D's 8428 and 9031 were generated to document that Chicago Bridge and Iron Co. had not performed a magnetic particle examination of the entire weld surface but only of the repair area. The NDE records from Graver in conjunction with CB&I NDE records were reviewed to assure that all required NDE was performed. This item is closed.
- 1. (Closed) UNRESOLVED ITEM (84-15-02): Certification of NMPC lead auditors. The licensee reviewed the certification files of all current lead auditors and all personnel that had previously acted as lead auditors. The personnel qualifications were evaluated in relationship to the certification requirements that were effective at the time the individual was originally certified. That approach was necessary because a number of certifications took place prior to the issuance of ANSI N45.2.23 in April 1978. Four lead auditors with valid certifications were identified. One individual had not performed in the capacity of lead auditor. The other personnel had led audits at the site and Cherry Hill. The questionable audits were satisfactorily reviewed for compliance with ANSI N45. 2.12 requirements. NMPC has issued a new revision to Quality Assurance Procedure (QAP) 18.10, "Qualification of Auditors and Lead Auditors" to clarify the certification process. Lead auditor records have been amended to correctly state the basis upon which the individuals were certified. The licensee stated that the untimely resolution of the audit findings relative to the issue of auditor certifications, was caused by the management re-alignments that took place within the QA department during 1984. Several individuals had been assigned the responsibility of resolving this concern, but a lack of continuity existed when personnel transfers were affected. The licensee stated that current audit findings are closely monitored to assure timely resolution. On the basis of the review of lead auditor certifications, analysis of the questionable audit reports, procedural enhancement, and justification of the time lapse prior to corrective action implementation, this item is closed.

INSPECTOR REVIEW OF
LEAD AUDITOR REQUIREMENTS
AND NMPC LEAD AUDITOR FILES

✓ FSN Table 1.8

✓ 1.146 NY5.2.23 '78

Covers code activities

✓ NY5.2.23 '78

1.4.3 Audit definition "A documented activity performed in accordance with written procedures or checklists to verify; by examination and evaluation of objective evidence; that applicable elements of the quality assurance program have been developed, documented, and effectively implemented in accordance with specified requirements. An audit should not be confused with surveillance or inspection for the sole purpose of process control or product acceptance."

QAP 18.01 Rev 3 "Qualification of Auditors and Lead Auditors"

~~5.1.1.4 Each auditor have verifiable evidence of training~~

5.2.4 "The prospective lead auditor shall have participated in a minimum of five quality assurance program audits within a period of time not to exceed three years prior to the date of qualification, one audit of which shall be a lead audit and within the same period to certify competence."

✓ N45.2.10 audit an activity to determine through
investigation, the adequacy of, and adherence to, established
procedures, instructions, specifications, codes and standards or
other contractual and licensing requirements and the
effectiveness of implementation,

~ App B cut 18

✓ NMPC QA letter QAB41582

D

3 N2.0-M58.26

accn kill July 10, 1984

NMPC QA letter QAS41658

17.0-F2

"A"

Oct 23 84 cannot
lead auditors

Problems

AIELLO

experience to documented basis to substantiate award 8 points in this area - define length of time, applicable areas

Balistreri

QAP 18.01 5.2.1 d right of management points can only be awarded after working for NMPC for 2 years. certified 11/1/83 had NMPC 8/82. what did previous.
QAP 18.01 require

Examination given ~ 1 year prior to cert as lead. exam to cover training, OJT, post techniques only sequence

Bammler

in past annual evaluation performed at greater than yearly intervals 6/8/81 - 9/2/82

Bohlander

summed 11 points in wrong block

Bryant w.o.m

annual certification by Bryant himself?

Bassett

audit 2/73 certifie 4/76

exceeds 3 year requirement for conduct of
5 audits

Connolly 4 SR's @ unit 1 substituted in audits

documentation of Dublin requalification is 1/21/84
audit communication shall not
attested to per QAP18.01 5.2.2

Murphy

1 pt granted for assoc. w/o degree?

O'Sy perkins

SR-0619-81

SR-0700-81

SR-0701-81

~~not~~ no annual recert still good?

Palmer

no record graduate work to substitute
+ 1 point

Pierce

7.5 points experience split points?

Scomzet

SR APN-15, APN-2, APN-10

Perry this afternoon -

— Lead auditor Certs —

Changes - fallout of audit 4, unit 1
gen

NRC intent of audit fulfilled by conduct of ^{Dec 78-}
surveillance -

surveillance - programmatic, checklist,
documented evidence

review all people currently certified
re-review

premature act. → go back and see
audits ~~made~~ lead evaluate results

audit → lead auditor

negative - problems with NRC getting
audit

* need ^{1 said} more than brief memo to certify

EXCERPT FROM NRC

EXIT MEETING NOTES &

LICENSEE DOCUMENTATION

UNR - FOI 619A promulgated Eng Elec Design
Spec. found at variance with FSAC
Separate criteria. It is necessary to
ensure that no other conflict exist.
COCN 1395 issued

~~Violated~~ ^{VAR} site complies with
Reg Guide
ANS N45.2.23

- 1) JCI lead auditor certified prior to
having performed Nuclear QA audit
- 2) NMPC auditor certified on basis of
involvement with surveillance
- 3) NMPC lead auditor cert - not
evaluated in accordance with AOS1
- 4) Lack of prompt NMPC action to
address Audit 4 NR 36
- 5)

INTERNAL CORRESPONDENCE

FORM 112-2 R 02-80

66-01-013


 NIAGARA
MOHAWK

FROM W. D. Baker

DISTRICT Nine Mile Point #2

TO Distribution

DATE November 7, 1984

Letter #NMP2QA105284
FILE CODE 3N2.2-M58.

SUBJECT FORMAL EXIT MEETING 84-15

Mr. R. A. Gramm, US NRC Resident Inspector, conducted a formal exit meeting on Friday, November 2, 1984, for the subject inspection which covered the period from September 10 through November 2, 1984.

The following personnel were in attendance:

<u>Name</u>	<u>Company</u>	<u>Position</u>
B. R. Morrison	NMPC	Mgr. QE
C. G. Beckham	NMPC	Mgr. QA
G. Griffith	NMPC	Licensing
J. P. Ptak	NMPC	Sr. Mgr. Construction
J. White	NMPC	QA
L. G. Fenton	NMPC	Auditor
M. J. Ray	NMPC	Asst. to Proj. Director
R. S. Hyslop	NMPC	Site Lic. Engineer
S. E. Geier	NMPC	Nuc. Compliance Verif.
W. D. Baker	NMPC	Asst. to Mgr. QA Proj.
C. L. Terry	SWEC	Project QA Manager
E. Magilley	SWEC	Asst. Supt.
J. J. Gallagher	SWEC	SEG-Licensing Eng.
R. J. Cuthbertson	SWEC	ESO Principle Eng.
T. L. Baumgartner	SWEC	Site QA Supervisor
W. C. Taylor	SWEC	Asst. Supt. FQC
R. A. Gramm	NRC	Resident Inspector
R. Wheeler	NRC	Resident Inspector

Mr. Gramm opened the exit meeting with the introduction of the newly assigned resident inspector, Mr. R. M. Wheeler. Mr. Wheeler will assist Mr. Gramm in routine resident inspections.

The following items were noted by Mr. Gramm as being closed during the inspection period:

- . 79-02-01 (UNR) Graver documentation
- . 82-03-05 (OPEN) Risk Release Program
- . 82-05-01 (OPEN) HVAC inspection program
- . 83-02-02 (OPEN) Cable pull tension monitoring
- . 83-05-01 (UNR) Site material ordered without proper QA documentation
- . 83-11-02 (UNR) Cable tray fill requirements

- 89-09-07 (UNR) Lack of spot RT
- 84-13-01 (UNR) Allegation involving JCI instrument and tubing supports
- 78-01 (CDR) Graver QA Breakdown
- 82-00-01 (CDR) Limitorque Limit Switch
- 82-00-02 (CDR) Emergency Diesel Generator
- 82-00-11 (CDR) PGCC Control Room Equipment

The following previously identified NRC concerns were reviewed by Mr. Gramm during the inspection period and have been found to require additional attention:

- 83-01-07 (UNR) Code required evaluation of NDE requirements
- 83-04-01 (UNR) Timeliness of follow-up on NMQA survey
- 84-02-05 (UNR) NMPC Corporate Audit Plan
- 84-11-01 (OPEN) Linear classification of pipe support
- 82-00-09 (CDR) HPCS qualification documentation

Additionally, the following items were identified by Mr. Gramm:

Unresolved

- ✓ The inspector performed a general review of NMPC CAR's 84.0046 through 84.0130 resulting in two problem areas (II 84-84):
 - A.) It has become evident that FSAR commitments, to Regulatory Guides and standards for example, have not been appropriately translated into site procedures and specifications.
 - B.) Mr. Gramm concluded that a review of proposed corrective actions from RCI to NMPC CAR's has shown that the timeliness and adequacy of their responses needs improvement.
- ✓ E&DCR FO1619A proposed an alternate site approach which deviated from commitments made in the FSAR. No LDCN was initiated to cover the FSAR deviation prior to the NRC inquiry. Mr. Gramm has expressed concern with lack of engineering review of E&DCR's for conformance to the applicable licensing document. (II 82-84)
- In reviewing records and hardware for the suppression pool and penetration match assemblies, Mr. Gramm observed that several pieces of hardware were missing (i.e. pressure gauges, swing bolts). (II 87-84 B, Rev. 1)
- The NRC inspector noted two copies of IR N2P283B0005, located in SWEC's filing system (ref. Document Transmittal 04-00161). Both IR's contained the same number, signature, and date, but included different attributes accepted. Mr. Gramm questions if the IR was improperly amended. (II 87-84 C, Rev. 1)
- ✓ Based upon a review and subsequent concerns with NMPC's Lead Auditor Certification, the NRC inspector has concluded that the overall certification program for lead auditors is not well maintained. (II 90-84)

DOCUMENTS TO BE RELEASED - 50.55(e) FOLDER (VIOLATION 84-01-06)
FOIA REQUEST NUMBER 85-613

DATE	ORIGINATOR	RECIPIENT	DESCRIPTION
4/20/84	NRC	NIAGARA MOHAWK	VIOLATION (84-01-06) TAKEN FROM INSP. REPORT 50-410/84-01.
UNDATED	NRC	FILE	EXCERPTS FROM INSP. 84-01 EXIT MEETING NOTES.
7/7/80	NIAGARA MOHAWK	NIAGARA MOHAWK	PREPARATION OF QUALITY REPORTS ON SIGNIFICANT DEFICIENCIES
2/7/84	STONE & WEBSTER		INTEROFFICE MEMO SUBJ: POTENTIAL 10CFR 50.55(e)
2/14/84	NIAGARA MOHAWK	NIAGARA MOHAWK	NINE MILE POINT 2 NRC REPORTABILITY PROCEDURES
2/15/84	" "	" "	NINE MILE POINT 2 REPORTING OF SIGNIFICANT DEFICIENCIES
2/10/84	NRC	NRC	NOTES OF MEETING WITH LICENSEE REGARDING 50.55(e)
UNDATED	NRC	FILE	HANDLING OF AUDIT 4 50.55(e) RECOMMENDATION.

3

10 1984

Niagara Mohawk Power Corporation
ATTN: Mr. Gerald K. Rhode
Senior Vice President
c/o Miss Catherine R. Seibert
300 Erie Boulevard West
Syracuse, New York 13202

Gentlemen:

Subject: Inspection No. 84-01

This refers to the routine inspection conducted by Mr. R. A. Gramm of this office on January 23 to March 2, 1984 at Nine Mile Point, Unit 2, Scriba, New York of activities authorized by NRC License No. CPPR-112 and to the discussions of our findings held by Mr. R. A. Gramm with Messrs. Morrison, Ray and others of your staff at the conclusion of the inspection.

Areas examined during this inspection are described in the NRC Region I Inspection Report which is enclosed with this letter. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspector.

The Construction Appraisal Team Inspection (50-410/83-18) has previously documented the inability of site audit programs to identify construction deficiencies to be a potential enforcement action. During the conduct of this inspection, a further example of inadequate ITT Grinnell audit effectiveness was identified. Your long term corrective actions implemented as a result of the deficiencies identified in Appendix A, Item 3. of CAT inspection report 50-410/83-18 should include resolution of the cause of the deficient conditions identified in detail 6. of this report. No written response to this additional finding is required at this time.

Based on the results of this inspection, it appears that two of your activities were not conducted in full compliance with NRC requirements, as set forth in the Notice of Violation, enclosed herewith as Appendix A. These violations have been categorized by severity level in accordance with the NRC Enforcement Policy (10 CFR 2, Appendix C) published in the Federal Register Notice (47 FR 9987) dated March 9, 1982. You are required to respond to this letter and in preparing your response, you should follow the instructions in Appendix A.

In accordance with 10 CFR 2.790(a), a copy of this letter and the enclosures will be placed in the NRC Public Document Room unless you notify this office, by telephone, within ten days of the date of this letter and submit written application to withhold information contained therein within thirty days of the date of this letter. Such application must be consistent with the requirements of 2.790(b)(1). The telephone notification of your intent to request withholding, or any request for an extension of the 10 day period which you believe necessary, should be made to the Supervisor, Files, Mail and Records, USNRC Region I, at (215) 337-5223.

APPENDIX A

NOTICE OF VIOLATION

Niagara Mohawk Power Corporation
Nine Mile Point, Unit 2

Docket No. 50-410
License No. CPPR-112

As a result of the inspection conducted on January 23 - March 2, 1984, and in accordance with the NRC Enforcement Policy (10 CFR 2, Appendix C) published in the Federal Register on March 9, 1982 (47 FR 9987), the following violations were identified:

1. 10 CFR 50, Appendix B, Criterion X and the Nine Mile Point, Unit 2 PSAR require that inspection be provided to assure the conformance of field installations to design drawings and procedures. ITT Grinnell procedures FQC-4.1-3-9 and FQC-4.2-14-9 require pipe support installations to be inspected to verify welding and mechanical attributes.

Contrary to the above, as of February 27, 1984, the following ITT Grinnell final accepted pipe supports; BZ-19EA-3, BZ-19PN-3, BZ-19KZ-2 and BZ-11ST-1, were re-inspected by the NRC and found to have nonconformances to the design criteria.

This is a Severity Level IV Violation (Supplement II).

2. 10 CFR 50, Appendix B, Criterion V and the Nine Mile Point, Unit 2 PSAR require that activities affecting quality are conducted in accordance with documented procedures. Niagara Mohawk Power Corporation procedure PPNM151 requires that employees report significant deficiencies to the licensing manager. Further, Stone and Webster Engineering Corporation procedure QS-16.2 requires a timely review of significant deficiencies.

Contrary to the above, as of February 10, 1984, NMPC site employees had not notified the licensing manager of a significant deficiency involving ITT Grinnell liquid penetrant examinations and SWEC had not conducted a timely review of a significant deficiency identified in ITT Grinnell letter ITT-LTR-4897. Further, no documentation exists to verify timely review of NMPC QA nonconformance reports as evidenced by NR-349 not having received a licensing review for reportability until one year and nine months after issuance.

This is a Severity Level IV Violation (Supplement II).

Pursuant to the provisions of 10 CFR 2.201, Niagara Mohawk Power Corporation is hereby required to submit to this office within 30 days of the date of the letter transmitting this Notice, a written statement or explanation in reply, including for each violation: (1) the corrective steps which have been taken and the results achieved; (2) the corrective steps which will be taken to avoid further violations; and (3) the date when full compliance will be achieved. Where good cause is shown, consideration will be given to extending the response time.

- 84.4 to RCI - inadequate calibration control of MT equipment
- 84.5 to RCI - welding outside qualified procedure
- 84.6 to SWEC - Class IE cables pulled into uninspected tray

The CAR's were observed to be issued in accordance with the new QA procedures. Two of the CAR's exercised the new 'stop further processing' authority of the QA organization. The inspector notes a positive improvement in the conduct of NMPC QA activities as the licensee assumes more control of and responsibility for construction quality.

8. Construction Deficiency Evaluation

The NRC requires prompt licensee reports of significant construction deficiencies as contained within 10 CFR 50.55(e). Further interpretive guidance on construction deficiency reporting is contained within the Inspection and Enforcement Manual section 9900. The inspector reviewed the licensee and contractor programs to ascertain the implementation of 50.55(e) requirements. He reviewed the following documents:

- NMPC QAP 16.30, "Preparation of Quality Reports on Significant Deficiencies"
- NMPC QAP 16.40, "Control and Use of the Nonconformance Report"
- Project Procedure PPNM 151, "10 CFR 50.55(e) Significant Deficiencies - NMPC Evaluation and Reporting"
- SWEC QA 16.2, "Notifying Clients of Potentially Reportable Deficiencies Under 10 CFR 50.55(e)"

Within the licensee's programs the inspector observed that Nonconformance Reports (NR's) define deficiencies identified by NMPC QA. Presently, the Quality Assurance procedures require no on-site review to determine whether an NR is reportable as a Construction Deficiency Report (CDR). NMPC licensing is responsible for reviewing those NR's to determine reportability. To determine effectiveness of the program, the inspector randomly selected several NR's as noted below to identify the issuance date and when the reportability review was performed:

<u>NR#</u>	<u>Issued On</u>	<u>Licensing Review On</u>
349	5/24/82	Not performed as of 2/9/84
377	1/7/83	Not performed as of 2/9/84
402	9/22/83	10/28/83
403	9/22/83	10/28/83

The above review of the NMPC program indicates a substantial lag in requirements for timely review of NR's for reportability consideration which is inconsistent with the intent of 10 CFR 50.55(e) requirements.

As an example of the contractors program, the inspector obtained a January 15, 1984 letter (ITT-LTR-4897) from ITT Grinnell QA Director to SWEC, which recommended a problem with liquid penetrant testing be reviewed for reportability. SWEC QA

received the letter on January 25, 1984 and proceeded to issue a subsequent letter dated February 7, 1984 to SWEC licensing which requested a 50.55(e) review of the penetrant problem. This is contrary to QA-16.2 which requires the review to be conducted in less than 7 days time. The non-timely review and action to evaluate the item for reportability is indicative of a deficiency within the contractor's reportability system. Additionally, although NMPC site employees had knowledge of the liquid penetrant deficiencies discussed above, a call was not made to the NMPC licensing manager as required by PPNM151 to provide for prompt identification and evaluation of the deficiency.

The above examples of failures of NMPC and SWEC to follow procedures to ensure prompt evaluation and reporting of significant construction deficiencies is a violation of 10 CFR 50, Appendix B, Criterion V. (84-01-06)

The inspector acknowledges that in response to the above concerns NMPC issued a February 15, 1984 letter to employees which emphasizes the responsibility of making prompt construction deficiency reports. It is further planned to establish a site safety review committee to review deficiencies for prompt reportability.

9. Diesel Generator Cranes

The inspector reviewed the following information which pertains to the non-safety cranes located over the emergency diesel generators:

- Regulatory Guide 1.29, "Seismic Design Classification"
- Specification P251H, "Single Girder Cranes"
- SWEC drawing EM-13, "Diesel Generator Building Machine Locations"

The inspector toured the diesel generator building and noted that numerous safety related items are located in close proximity beneath the cranes, namely, the emergency diesel generators, class IE raceway, ASME piping and safety related HVAC items. The licensee's engineering department stated that it was planned to park the non-seismic cranes at the north end of their runways.

Upon review of the location of the cranes relative to the safety related items, the inspector is still concerned that seismic failure of the crane or crane rails could have detrimental results on the operability of other safety related equipment. Further, the inspector has previously identified two non-safety installations (control room partitions and reactor building roof) which when analyzed were found to have failure modes which could degrade future safe operation of the plant.

This concern is unresolved pending receipt of analysis to demonstrate that safe parking location exists for the crane, and analysis to show that on a plant wide basis that non-safety related items have been designed in a way that their potential seismic failure will not impair the operability of safety related systems. (84-01-07)

EXCERPTS FROM
INSPECTION 84-01
EXIT MEETING NOTES

in the NDE area following the identification of major concerns in RT, PT, VT (by CAT) how useful and how adequate was the ITT NDE audit?

Violations

1) Inadequate procedures for timely SOI review. numerous NMPC NRs exist (NR 0377, 402, 403, 349) which were not reviewed for reportability until up to 1 1/2 years after they were generated. Site procedures did not address any form of QA review for reportability. The licensee is burdened with the responsibility to make prompt ROR reports. Note that corrective measures have been started to initiate QA review for reportability of CAAs, letter for Licensing and planned establishment of site committee to evaluate reportable items.

2) Inadequate inspection of pipe supports by ITT. Examined 5 supports and have concerns on four of them. final inspected by ITT

BZ-19EA-3. a weld E on a fig 2" sway strut is undersized hold 11037

BZ-19PN-3 a note to Cupset Thread on a stud was not performed - no jam nuts. ~~the~~

BZ-19KE-2 hold 11301 a weld was observed to have a ~~metallic~~ inclusion, termed slag by ITT

NINE MILE POINT UNIT #2
NRC IDENTIFIED ITEM

Item #: 1-84

Inspection Period: 84-01

Type: Potential Violation

Date: 2/10/84

NRC Inspector: R.A. Gramm

Contact: J. L. Dillon/T. R. Loomis

Item Description:

- A) Failure of Niagara Mohawk to timely identify and report a condition found during construction to the NRC as a significant deficiency in accordance with 10 CFR 50.55(e).

The NRC Inspector noted that NM failed to report a potential deficiency involving welds accepted by ITT Grinnell QC (on the SVV System) and that subsequently were determined to have inadequate surface preparations for liquid penetrant examination. In some cases the welds also had rejectable indications.

- B) Failure of Niagara Mohawk to assure that deficiencies found in design and construction are handled properly and reviewed for reportability under 10CFR 50.55(e) in a timely fashion.

The NRC inspector noted that NM licensing has failed to review a backlog of NMQA Nonconformance Reports for reportability under 10CFR 50.55(e). The inspector questioned whether in fact, it is a reportable deficiency in itself that NM has a backlog of Nonconformance Reports to review for reportability under 10CFR 50.55(e).

Root Cause:

Corrective Action Plan (Including Implementation Schedule):

Preventive Action Plan (Including Implementation Schedule):

Responsible Party: A. F. Zallnick/NMPC

Response Required by: 2/17/84

Distribution: D. P. Dise

A. P. Kordalewski

J. L. Dillon

L. G. Fenton

C. G. Beckham

W. Morrison

W. D. Baker

A. F. Zallnick

C. D. Terry

C. H. Millian

NRC Resident Inspector✓

A. H. Rovetti

M. G. Pace

T. T. Arrington

J. J. Gallagher

J. D. May-ITT

M. L. Dunlop-RCI

M. Brenner-JCI

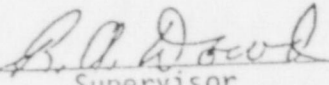
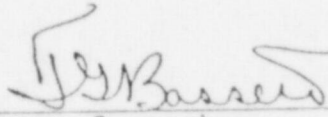

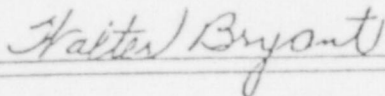
(0306E)

LICENSEE DOCUMENTS

REVIEWED

QUALITY ASSURANCE PROCEDURE NUMBER 16.30

SUPERSEDES QAP 16.30, Rev. 3, Feb. 1978

TITLE	
PREPARATION OF QUALITY REPORTS ON SIGNIFICANT DEFICIENCIES	
APPLICABILITY	
QUALITY ASSURANCE DEPARTMENT	
CONCURRENCE	
 Supervisor Quality Assurance	 Supervisor System Quality Control
 Supervisor Quality Control Operations	
APPROVAL	DATE
Manager of Quality Assurance 	July 7, 1980

1.0 GENERAL

This procedure is to be used in reporting trends adverse to quality, breakdowns in quality programs, other significant deficiencies, and initiation of a recommendation for a stop work action to the Manager of Quality Assurance.

2.0 SCOPE

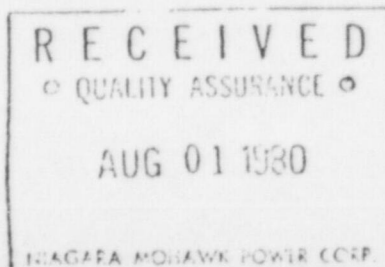
This QAP commences with the recognition of a deficiency which, if it were to remain uncorrected, would have an adverse affect on safety or reliability or a deficiency which is of sufficient magnitude to require the attention of the Manager of Quality Assurance. Also included in this QAP is the initiation of stop work action by the Quality Assurance Department.

3.0 PURPOSE

The intent of this QAP is to provide a uniform method of reporting significant problems in a timely manner, to the Manager of Quality Assurance.

4.0 RESPONSIBILITIES

The observing member of the Quality Assurance Department shall be responsible for the preparation of the Quality Assurance Significant Deficiency Report (See Attachment 7.0-a). The appropriate Quality Assurance Department supervisor shall review the report and on concurrence shall sign and forward the report to the Manager of Quality Assurance with a copy to the Quality Assurance file.



The Manager of Quality Assurance shall review the report and decide on a course of action. For nuclear facilities this action may include reporting the condition to the Nuclear Regulatory Commission (NRC) per the requirements of Regulations 10CFR50.55e, or 10CFR21.

5.0 PROCEDURE

5.1 Format (Attachment 7.0-a)

The format of the Significant Deficiency Report shall be as follows:

- a) File Number: The appropriate first two positions are to be added per the NMPC Engineering File Index.
- b) Stop Work Recommended: If the nature of the consequences of the condition warrants prompt resolution prior to proceeding with the work; a stop work order shall be recommended.
- c) Facility: The name of the facility involved shall be indicated. If more than one facility is involved then all facilities shall be indicated.
- d) Publication Date: This is the date of the publication of the report.
- e) Organization: This shall identify the organization on which the report is based.
- f) Address/City: As appropriate
- g) Representative: The individual named shall be the contact in the organization.
- h) Subject: This shall identify the report as to its general content.
- i) Description of Condition: An objective description of the conditions which prevail shall be stated. This description shall include references to applicable sections of 10CFR50, Appendix B, or other authoritative criteria as applicable. The anticipated effect of the condition on safety or reliability shall be stated.
- j) Recommendation: Corrective action which is apparent shall be stated.
- k) Signatures: The originator shall sign and date the report and on concurrence, the supervisor shall sign and date the report.
- l) Disposition: The action taken on the report shall be noted by the Manager of Quality Assurance.
- m) Manager's Signature: The Manager shall sign and file the completed report.

5.2 Distribution

The Manager of Quality Assurance shall receive the original report plus one copy of all background material. Other copies may be distributed at his discretion. With regard to nuclear safety related functions, if he concurs with the significance of the SDR, he shall transmit a copy to the Manager Generation Engineering for evaluation with regard to the requirements of 10CFR50.55e or 10CFR21. Upon completion of the disposition, the appropriate Quality Assurance Supervisor shall be notified, either by a copy of the completed report or by written memo.

5.3 Stop Work Initiation

For quality related problems involving nuclear station design, construction or operation, there may be a need for the Quality Assurance Department to initiate a stop work action. In addition to its other functions, the Significant Deficiency Report form is to be utilized to document the request by a member of the Quality Assurance Department, to the Manager of Quality Assurance, to initiate the stop work action.

For an operating nuclear station, the Manager of Quality Assurance has the authority to initiate a stop work order through the General Superintendent of Nuclear Generation for any portion of the nuclear station operations which appears to be seriously jeopardizing quality. During the design and construction of a new nuclear station or for a modification/addition to an existing nuclear station, the Manager of Quality Assurance has the authority to initiate a stop work order through the appropriate project management office for any portion of the project which appears to be seriously jeopardizing quality.

Stop work orders will usually be orally initiated. After any oral initiation, as quickly as possible, confirmation by written memorandum shall be supplied to that person authorized to issue the stop work order. Full documentation of all circumstances surrounding any decision to initiate stop work action shall be retained in the Quality Assurance Department files.


Upon satisfactory resolution of the problem which resulted in the stop work action, work may be restarted. Once again, this start work order may be orally initiated and must be confirmed by written memorandum. In addition, there must be adequate information in the Quality Assurance files to fully explain the final disposition of the problem which led to the stop work action.

6.0 REFERENCES

- a) Federal Regulations 10CFR50.55e
- b) Federal Regulation 10CFR21

7.0 ATTACHMENTS

- a) Quality Assurance Significant Deficiency Report Form

File Number		MSB.94
<div style="display: flex; justify-content: space-between;"><div>NIAGARA MOHAWK  POWER CORPORATION</div><div>STOP WORK ORDER RECOMMENDED <input type="checkbox"/> YES <input type="checkbox"/> NO</div></div> <div style="text-align: center;">QUALITY ASSURANCE DEPARTMENT SIGNIFICANT DEFICIENCY REPORT</div>		FACILITY:
		PUBLICATION DATE:
ORGANIZATION:		ZIP:
ADDRESS:		
CITY:		
REPRESENTATIVE:		
SUBJECT:		
DESCRIPTION OF CONDITION:		
RECOMMENDATION:		
_____ Originator of Report		_____ Date
_____ Supervisor		_____ Date
DISPOSITION:		
_____ Manager of Quality Assurance		_____ Date

INTEROFFICE MEMORANDUM

A 040.28

SUBJECT POTENTIAL 10CFR50.55(e)

TO RHyslbp

J.O. OR
W.O. NO.

2812/84020/KWM:db
12177.50

DATE February 7, 1984

FROM MGPace

CC KWMaki
PQO File 8.1.9

~~3:11:42~~

Attached is the Report of a Problem regarding the ITT Grinnell Liquid Penetrant Examination concern to be evaluated under 10CFR50.55(e).



M. G. Pace
Project Quality Assurance Manager

Attachment

REPORT OF A PROBLEM

TO	C. Zappile	cc: R. H. Pinney	PAGE <u>1</u> OF <u>1</u>	
DIVISION/PROJECT REPORTING PROBLEM	SWEC QA		JOB NO. 12177.50	
CLIENT	Niagara Mohawk	STATION	Nine Mile Point	
		UNIT	Unit 2	
DESCRIPTIVE TITLE FOR PROBLEM				
Liquid Penetrant Examination performed by ITT Grinnell				
REFERENCES:			CA CAT	
SYSTEM	SVV	DRAWING/SPEC.		P301C
EQUIPMENT		OTHER		N/A

HOW PROBLEM WAS DISCOVERED AND DATE IDENTIFIED, PROBLEM SUMMARY, ACTION TAKEN TO DATE

This Report is submitted to initiate a review under 10CFR50.55(e).

During the CAT Audit, it was revealed that five (5) SVV welds had inadequate surface preparation which would preclude the acceptable performance of the required Liquid Penetrant Examination.

ITT Grinnell is performing an evaluation on all welds in the SVV System, and to date, has determined numerous other welds with inadequate surface preparation. Therefore, the previous liquid penetrant results are questionable. Additionally, the re-examination of seven (7) welds has revealed rejectable linear indications ranging from 1/16" to 3/16" in length. These welds had previously been inspected and accepted using the liquid penetrant technique.

(ATTACH ADDITIONAL SHEETS IF NECESSARY)

ON MOST INVOLVED WITH PROBLEM (DISCIPLINE)	Power
PROBLEMS AND/OR MAY BE INVOLVED	N/A
K. W. Maki <i>[Signature]</i>	
2/7/84	NMP2
(DATE)	(LOCATION)
QA	7048
(DIV/DEPT)	(EXT)
DATE	DATE



ITT Grinnell
Industrial Piping, Inc. **FILE**
P. O. Box 38
LYCOMING, NEW YORK 13093 **2.2.4**
(315) 349-7528/7529

ITT-LTR-4897

January 25, 1984

Stone & Webster Engineering Corporation
P.O. Box 63
Lycoming, NY 13093

ATTN: M.G. Pace
Project Quality Assurance Manager

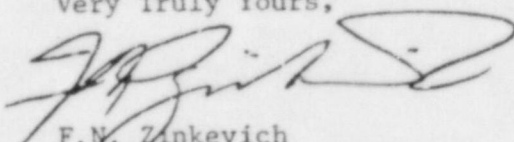
Subject: Potential 10CFR50.55(e) Reportable Finding
Contract No. NMP2-PC-P301C
Nine Mile Point Nuclear Unit 2
Niagara Mohawk Power Corporation

Dear Mr. Pace:

Please be advised that during the re-inspection program for the CAT item 23-83, seven welds have been identified by ITT Grinnell as having Code rejectable linear indication, ranging from 1/16" to 3/16" in length. We feel this warrants your review with respect to 10CFR 50.55(e) reporting. Certification for the LP examiners involved have been revoked and these welds are being documented on ITT Grinnell Deviation Reports.

ITT Grinnell will provide you with a list of these welds as well as any other information you may require for your review. We are continuing our re-inspection of SVV system welds for the CAT item 23-83 concerns and will update you on additional rejections.

Very Truly Yours,


F.N. Zinkevich
Quality Assurance Director

FNZ:pp

cc: R.E. Miller
R.B. Berlien
J. Stevens
J. White
D. Giguere
J. May

NOTED
JAN 25 1984
M.G. PACE

NOTED
FEB 07 1984
K.W. MAKI

INTERNAL CORRESPONDENCE

N Y NIAGARA
M OHAWK

FROM A. F. Zallnick, Jr.

DISTRICT Syracuse

TO W. Morrison

DATE February 14, 1984 FILE CODE

RECEIVED
NINE MILE POINTSUBJECT Nine Mile Point Unit 2
NRC Reportability Procedures

FEB 15 1984

NIAGARA MOHAWK POWER CORP.

On Friday, February 10, I attended a meeting with the NRC Resident Inspector, R. Gramm, and several other Niagara Mohawk representatives. Mr. Gramm wished to discuss some problems he saw with the control and evaluation of potential problems for reportability to the NRC. He particularly indicated that we needed to improve our control over the timeliness of reportability. The specific example was the problem with the dye-penetrant testing of welds by Grinnell. This problem was identified at the CAT audit in December, and on January 25, Grinnell informed SWEC that they felt this was potentially reportable under 10CFR50.55(e). As of February 10, this had still not been reported to the NRC.

After the meeting with Gramm, I discussed this problem with Messrs. Dillon, Millian, B. Morrison and Beckham. As a result of these discussions and, considering the problem itself, I recommend that we establish a safety review committee at the construction site to review construction deficiencies and evaluate them for reportability. I suggest this committee be chaired by a representative from Engineering and contain representatives from Quality Assurance, Construction and Compliance & Verification. This group would evaluate those situations of which Niagara Mohawk is aware, where there is a potential reportability under 10CFR50.55(e). Potential reports identified by this committee would be directed to Licensing for subsequent communication with the NRC.

I believe this approach will resolve Mr. Gramm's major concern which is to ensure that we have a mechanism to provide for timeliness of evaluation and to ensure reporting of significant events to the NRC. This approach would allow evaluations and decisions to be made at the point where the information is available and the qualifications for making the evaluation are also present.

A. F. Zallnick, Jr.
A. F. Zallnick, Jr.

AFZ:ja

xc: C. V. Mangan

C. Beckham

J. Thomas

J. P. Ptak

J. J. P. P.

N. L. P. P.

T. R. Lewis

IRK
C. V. Mangan
J. P. Ptak
J. J. P. P.
N. L. P. P.
T. R. Lewis

INTERNAL CORRESPONDENCE

FORM 112, R 02 80

17.0-A4.52 ✓

NY NIAGARA
LI MOHAWK

FROM A. F. Zallnick, Jr.
TO All Project Personnel

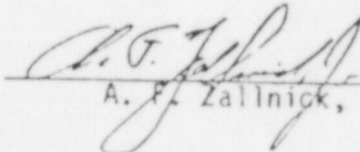
DISTRICT Syracuse
DATE February 15, 1984 FILE CODE
SUBJECT Nine Mile Point Unit 2
Reporting of Significant Deficiencies

The NRC has recently called to our attention the responsibility of the utility to report to the NRC significant design, construction or quality assurance deficiencies that would eventually affect the safe operation of the Nine Mile Point Unit 2 Nuclear Station. The reporting of significant deficiencies to the NRC is a requirement of the utility as stated in Title 10 of the Code of Federal Regulations, Part 50.55(e) and is controlled by Niagara Mohawk via PPNM 151.

NMPC considers this to be an extremely important responsibility. Failure to report significant deficiencies may result in enforcement action by the NRC.

This memo is to remind you (no matter what your responsibilities may be) that if you are aware of a possible significant deficiency in the design, construction, or quality assurance of the Nine Mile Point Unit 2 Nuclear Station it is your responsibility to alert your supervisor or directly contact the Nine Mile Point Unit 2 Nuclear Licensing Manager (A. F. Zallnick, Jr., Ext. 6457).

If you are unsure or unaware of the procedure for evaluation and reporting of significant deficiencies, please review PPNM 151 in Volume 5 of the Project Manual. If you have any questions concerning the NRC regulation, the NMPC procedure, or any situation of which you are aware, you should contact the Unit 2 Licensing Department.


A. F. Zallnick, Jr.

AFZ/TL:ja
xc: All Nuclear Q.A. Personnel

INSPECTOR NOTES OF

MEETING WITH NMPC ON

50.55e ISSUE

2/19/84

FAX TO: SAM COLLINS

FROM: BOB GRAMM

SUBJECT: MEETING WITH LICENSEE REGARDING 50.55(e)

Attendees: Zallnick, Loomis, Morrison, Dillon, ~~Feto~~ Fenton, Baker

- A. The resident inspector and the NMPC licensing manager (Zallnick) discussed NMPC implementation of CDR reporting. At the present, NMPC will report within 24 hours those items transmitted by SWEC as CDRs. NMPC has stated some ^{potential} items are not reportable and that they have written in to state that fact. Their current system relies upon SWEC to respond in 5 days to an NMPC query on reportability.
- B. I stated that the following was intended by 50.55(e): that the burden is upon the licensee to report in a prompt manner those significant deficiencies; that if NMPC is aware of a deficiency and can make a determination of potential reportability - that the item should then immediately be phoned in without waiting for further SWEC evaluation; that within 30 days of reporting a potential CDR, that it can be withdrawn telephonically and then not appear on SALP count of CDRs for instance; however, those potential CDRs which are withdrawn will be subject to NRC scrutiny to assure a proper evaluation was made; After 30 days even if they come in with a written report stating why it is not reportable that extensive evaluation time was consumed and the item would be treated

as a CDE subject to formal closure.

C. NMPC said that procedures are being modified to more timely identify CDEs and to escalate them to management's attention

D. The particulars for the PT examination issue are as follows, of which the licensee was cognizant of throughout the problem development:

- 1) on Dec 7, 1983, CAT identified 5 QC inspected stainless stick welds on the Main Steam Safety & Relief lines (SVV system) which failed re-examination by PT.
- 2) on Dec 9, 1983 ITT revoked the certifications of the 2 P technicians who were involved in the CAT re-inspection pending their receipt of additional training and further evaluation of the extent of the problem
- 3) on Dec 20, 1983, ITT issued Corrective Action Report 624 which identified the 5 welds for which inadequate evaluation was made for non-relevant indications due to poor surface preparation.
- 4) on Jan 10, 1984 ITT committed to re-examine ~178 welds on the SVV system to ascertain which were stick welded out
- 5) By Jan 20, 1984 numerous welds had been inspected which displayed inadequate surface preparations. ITT revoked the certifications for all PT (manual) technicians and embarked on a re-training/re-certification program. All stick welds on SVV were to be re-PT'd and an additional 25 welds per PT technician on other systems were to be re-inspected to scope the problem.

- 6) On Jan. 25, 1984 ITT advised SWEC^{QA} that the PT issue should be reviewed for 50.55(e) reportability based on the fact that 7 SVV welds had been reinspected which displayed rejectable linear indications (I am not certain as to the exact date the above letter was first observed by NMPC, but was no later than Feb 8, 1984)
- 7) On Jan 25, 1984 a meeting transpired at which time NMPC / ITT / SWEC discussed the problem. They presented the data that 59 SVV welds had been re-inspected and that 30 were unsat (7 rejectable indications, 23 unsat for inadequate surface prep to perform PT)
- 8) NMPC initiated independent verification of SVV welds and found ~50% reject rate in that visual conditions and surface prep were unacceptable.
- 9) On ~~February~~ Feb. 7, 1984 SWEC QA requested SWEC engineering to evaluate the situation for reportability
- 10) As of Feb 10, 1984, although NMPC was cognizant of the above facts no report had been made.

I rendered the statement that a significant breakdown had resulted within NDE conduct by ITT and that it was a violation with respect to the following criteria:

- 1X - NDE was not controlled nor accomplished in accordance with applicable codes and standards.

4/4

- X - Inspection did not identify conditions of indeterminate or unacceptable quality
- XVI - that a significant condition adverse to quality was not documented and reported to appropriate management for action

E. As a further concern associated with the violation, that NMPC Licensing had not been reviewing NMPC QA Nonconformance Reports for reportability in a timely manner as evidenced by the following:

NR	NR issued on	Review by Licensing for 50.55e
<u>349</u>	<u>5/24/82</u>	<u>not done as of 2/9/83</u>
377	1/47/83	not done as of 2/9/83
402	9/22/83	10/28/83
403	9/22/83	10/28/83

I asked the NMPC licensing manager if the failure to review the documentation to detect reportable conditions was in itself a COR. he rendered no immediate opinion.

I intend to document the above findings in IR 84-01 giving credit that ~~pr~~ new procedures will soon be implemented to rectify NMPC reporting problems.