

~~SENSITIVE ALLEGATION MATERIAL~~

MONTH ARB: RIII-02-A-0005

June 27, 2002

MEMORANDUM TO: John Jacobson, Chief, Mechanical Engineering Branch, DRS
Bruce Jorgensen, Chief, Decommissioning Branch, DNMS

FROM: A. Kock, RIII - OAC

SUBJECT: 6 MONTH ARB: RIII-02-A-0005 (EXELON)

Management Directive 8.8 requires that a Follow-up ARB be performed every 6 months in order to assure that Regional Management is aware of the reason for the concerns remaining open beyond the agency's expected closure date. This ARB is intended to meet that requirement. The current status is described in the attached information - if this information is incorrect, please provide the necessary corrections to EICS prior to the ARB.

DRS is assigned responsibility for concerns 2,3,4,5,6,7,8,9,10,11,12,13,
DNMS is assigned responsibility for concern 14,15
NMSS/HQ is assigned responsibility for concerns 1,8

A 6 Month ARB has been scheduled for July 1, 2002. Please review the following information to prepare for the ARB:

Review the attached information. Contact the OAC before the ARB if needed.

- cc w/attachments:
- ARB Copy
- OI
- RC
- DRP Br Chief For Rx Cases-Ring
- DRS Division Director For Rx Cases-Grobe

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ALLEGATION ACTION PLAN

AMS NO. RIII-02-a-0005

Licensee: Exelon
 Docket/License No: 07200037
 Assigned Division/Branch: MEB,DRS
 DB, DNMS

Allegation Review Board Membership: Chairman - G. Grant / C. Pederson

R.Paul / B. Berson / J. Heller / A. Kock JJacobson, DRS
Bruce Jorgensen, DNMS

B. Clayton / J. Grobe / S. Reynolds

GENERIC CONCERNS: If Yes Explain: _____

DISCUSSION OF SAFETY SIGNIFICANCE: _____

OI ACCEPTANCE: YES NO (Priority: HIGH NORMAL LOW)

Basis for OI Priority: _____

OI has Accepted Concern(s) No(s). _____ Signature _____

ARB MINUTES PROVIDED TO:
Dyer/Paul/Jorgensen/Jacobson

STATUS LETTER: PRINT IN FINAL _____ REVISE _____ N/A X

REFERRAL LETTER: A. Licensee YES _____ NO X
 B. State of YES _____ NO _____
 C. DOE YES _____ NO _____

date received	January 7, 2002	due date of 1 st ARB	February 6, 2002
due date of ACK Ltr	February 6, 2002	date -90 days old	April 7, 2002
date -120 days old	May 7, 2002	date -150 day old	June 6, 2002
date -180 days old	July 6, 2002	date -365 days old	January 7, 2003
projected date for the 5 yr statute of limitation			January 6, 2007

COMMENTS:

Management Directive 8.8 requires that a Follow-up ARB be performed every 6 months in order to assure that Regional Management is aware of the reason for the concerns remaining open beyond the agency's expected closure date. This ARB is intended to meet that requirement. The current status is described in the attached information - if this information is incorrect, please provide the necessary corrections to EICS prior to the ARB.

Allegation Review Board Chairman _____ Date _____

Concern 1: A spent-fuel storage-cask fabricator, US Tool & Die, violated Quality Assurance Program "Design Control" requirements, in that, they dispositioned manufacturing discrepancies as Use-As-Is, Repair, or Rework without authorization, or review and approval of the cask designer, Holtec International or Exelon.

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Assigned division/branch: NMSS/SFPO.

Status of concern 1: CLOSED. This concern was transferred to NMSS on 02/20/02. The issue was closed in an April 25, 2002 letter to the CI.

Concern 2 : ComEd's Quality Assurance Program requirements were violated in November 1997, in that, the Stop-Work Order against GE Nuclear Energy was lifted without verifying that corrective actions had been implemented.

Assigned Division/Branch: DRS/MEB

STATUS OF CONCERN 2: OPEN. The concern was transferred from DNMS to DRS on 02/04/02. The CI was interviewed by EICS/DB/DNMS on February 28, 2002 to clarify the concerns. MEB completed a review of the transcript on March 12, 2002. An April 8, 2002 ARB determined that the concern should be referred to the licensee. This issue was referred to the licensee on May 1, 2002. The licensee has requested an extension until July 12, 2002.

Concern 3 ComEd's Quality Assurance Program requirements were violated from August 1997 through November 1997, in that, during the Stop-Work Order against GE Nuclear Energy, engineering services were obtained, but approximately 17 associated Procurement Plans were not performed. A specific example relates to an engineering evaluation by GE Nuclear Energy of a discrepancy in the minimum required pressure (800 psig versus 940 psig) for the Control Rod Drive Hydraulic Control Scram Accumulators at Dresden and Quad Cities.

Assigned division/branch: DRS/MEB.

STATUS OF CONCERN 3: OPEN. The concern was transferred from DNMS to DRS on 02/04/02. The CI was interviewed by EICS/DRS/DNMS on February 28, 2002 to clarify the concerns. MEB completed a review of the transcript on March 12, 2002. An April 8, 2002 ARB determined that the concern should be referred to the licensee. This issue was referred to the licensee on May 1, 2002. The licensee has requested an extension until July 12, 2002.

Concern 4 :Quality Assurance departments should not report to the president of Nuclear Generation, YYYYY, because of his lack of independence from production.

Assigned division/branch: DRS/MEB.

STATUS OF CONCERN 4: OPEN. The concern was transferred from DNMS to DRS on 02/04/02. The CI was interviewed by EICS/DRS/DNMS on February 28, 2002 to clarify the concerns. MEB completed a review of the transcript on March 12, 2002. An April 8, 2002 ARB determined that MEB should determine if this organization was approved. If so, the concern was to be closed. If not, the concern was to be ARB'd. Per AMS and the allegation file, this action has not been completed.

Concern 5 The manager of Supplier Evaluation Services Group, ZZZ, is only concerned about keeping his job and not concerned about the quality of the QA audits his organization performs.

Assigned Division/Branch: DRS/MEB

STATUS OF CONCERN 5: OPEN. The concern was transferred from DNMS to DRS on 02/04/02. The CI was interviewed by EICS/DRS/DNMS on February 28, 2002 to clarify the concerns. MEB completed a review of the transcript on March 12, 2002. An April 8, 2002 ARB determined that MEB would provide the specifics of the concern to EICS by 04/22/02. Per AMS and the allegation file, this action has not been completed.

Concern 6 ComEd's Quality Assurance Program requirements were violated from November 1997 through May 1999, in that, GE Nuclear Energy never issued the required monthly status updates of their corrective actions related to findings that led to the August 1997 Stop-Work Order. Monthly updates were also not provided for open findings regarding Holtec in 2000.

STATUS OF CONCERN 6: OPEN. The concern was transferred from DNMS to DRS on 02/04/02. The CI was interviewed by EICS/DRS/DNMS on February 28, 2002 to clarify the concerns. MEB completed a review of the transcript on March 12, 2002. An April 8, 2002 ARB determined that the

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concern should be referred to the licensee. This issue was referred to the licensee on May 1, 2002. The licensee has requested an extension until July 12, 2002.

Concern 7: Four employees (XXX,WWW,VVV,UUU) were discriminated against for supporting a QA "stop work."

Assigned division/Branch: DNMS/DB.

STATUS OF CONCERN: CLOSED. This concern was closed in a 02/06/02 letter to the CI.

Concern 8 Adequate QA/QC oversight was not provided by the spent fuel storage cask design organization over the spent fuel storage cask fabricator, which resulted in indeterminate quality and structural integrity of the casks. A specific example indicated that the disposition of nonconformance conditions by the fabricator as "use-as-is," "rework," and "repair" violated the QA program design controls specified in 10 CFR 71 and 10 CFR 72, in that, acceptance of these nonconformances were equivalent to design changes which needed the design organization's approval.

Assigned division/Branch: NMSS/SFPO.

STATUS OF CONCERN: CLOSED. This concern was transferred to SFPO on 02/20/02. The concern was closed in a April 25, 2002 letter to the CI.

Concern 9 The seismic qualification of certain valves and the associated piping systems is invalid because valve manufacturers assumed that the valves were rigid; however, this assumption had been shown to be incorrect for specific motor operated valves in the Generic Letter 89-10 program. This potentially affects the calculated natural frequencies of piping used in seismic analyses and would apply to all valves and valve types that were not included in the Generic Letter 89-10 program.

Assigned division/Branch: DRS/MEB

STATUS OF CONCERN : OPEN. The concern was transferred from DNMS to DRS on 02/04/02. The CI was interviewed by EICS/DRS/DNMS on February 28, 2002 to clarify the concerns. MEB completed a review of the transcript on March 12, 2002. An April 8, 2002 ARB determined that the concern should be referred to the licensee. This issue was referred to the licensee on May 1, 2002. The licensee has requested an extension until July 12, 2002.

Concern 10 The licensee attempted to hide a report of an audit of U. S. Tool & Die from an NRC inspector who had requested a copy of the report to support the NRC inspection process.

Assigned division/Branch: DB.

STATUS OF CONCERN: CLOSED. This issue was closed in a February 6, 2002 letter to the CI.

Concern 11 ComEd did not investigate an issue from a Zion audit in August 1995 (SQV Audit File 22-95-05), to ensure that a similar issue did not apply to older vintage plants, such as Dresden and Quad Cities. The audit issue related to valves that were originally purchased as non-safety-related (or commercial grade), were upgraded to safety-related without performing any calculations, and were subsequently modified based on engineering judgment with no documentation. The modifications involved reduction in the thickness of the valve body or bonnet.

Assigned division/ Branch; DRS/MEB

STATUS OF CONCERN: OPEN. The concern was transferred from DNMS to DRS on 02/04/02. The CI was interviewed by EICS/DRS/DNMS on February 28, 2002 to clarify the concerns. MEB completed a review of the transcript on March 12, 2002. An April 8, 2002 ARB determined that the concern should be referred to the licensee. This issue was referred to the licensee on May 1, 2002. The licensee has requested an extension until July 12, 2002.

Concern 12 ComEd's Quality Assurance Program requirements were violated, in that, ComEd did not perform "owner's reviews" of all design analyses provided by architect/engineers, NSSS vendors, etc. These ongoing reviews were required to address a 1998 Level 1 audit finding, which related to "control of purchased items, components, and services." This issue would also apply to the

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documents sent in by Holtec that dispositioned discrepancies for the dry-cask-storage project..

Assigned division/branch: DRS/MEB.

STATUS of CONCERN: OPEN. This concern was identified during MEB's review of the CI's 02/28/02 transcribed interview with EICS/DB/MEB. An April 8, 2002 ARB determined that MEB would provide EICS with specifics of the issue, due 04/22/02. Per AMS and the allegation file, this action was not completed.

Concern 13: The claimed that s/he had been blackballed from employment at Sargent and Lundy as a result of the safety issues s/he raised while employed at Exelon.

STATUS OF THE CONCERN: OPEN. This issue was identified by EICS/MEB during a review of the CI's 02/28/02 transcribed interview. The April 8, 2002 ARB determined that EICS will provide OI with the transcript. After OI reviewed the transcript, the issue was ARB'd on May 17, 2002, and OI accepted the issue. The investigation is ongoing.

Concern 14: Exelon failed to issue a stop work order against Holtec and US Tool & Die as a result of the nine findings from the CI's audit of these organizations in March 2000 and as a result of the stop work orders issued by New York Power Authority and the Southern Nuclear Company against these same organizations.

STATUS OF THE CONCERN: OPEN. This issue was identified by MEB on April 11, 2002 after review of supplemental information provided by the CI. The issue was discussed at a April 22, 2002 ARB. The ARB determined that the concern should be transferred to DNMS and that the concern should be referred to the licensee. The concern was referred to the licensee on May 1, 2002. The licensee has requested an extension to July 12, 2002.

Concern 15: The CI alleges that EMS and KCI blackballed her/him from employment

STATUS OF THE CONCERN: OPEN. This issue was identified by OI/DRS/EICS on May 31, 2002 based on a review of supplemental information from the CI. DNMS/OI have determined that additional information is needed from the CI. Once DNMS contacts the CI, the issue can be discussed at an ARB.

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EMS

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