

TENNESSEE VALLEY AUTHORITY

CHATTANOOGA, TENNESSEE 37401
400 Chestnut Street Tower II

October 21, 1982

SQRD-50-328/81-24
WBRD-50-390/81-28, -391/81-27
BLRD-50-438/81-25, -439/81-27
YCRD-50-566/81-07, -567/81-05
HTRD-50-518/81-11, -520/81-09

U.S. Nuclear Regulatory Commission
Region II
ATTN: James P. O'Reilly, Regional Administrator
101 Marietta Street, Suite 3100
Atlanta, Georgia 30303

Dear Mr. O'Reilly:

SEQUOYAH UNIT 2, WATTS BAR, BELLEFONTE, YELLOW CREEK, AND HARTSVILLE
NUCLEAR PLANTS - REPORTABLE DEFICIENCIES - PROCUREMENT
CONTROL ACTIVITIES -SQRD-50-328/81-24 -WBRD-50-390/81-28, -391/81-27 -
BLRD-50-438/81-25, -439/81-27 - YCRD-50-566/81-07, -567/81-05 - HTRD-50-
518/81-11, -520/81-09

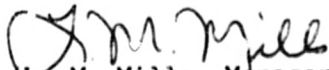
The subject deficiencies were initially reported to NRC-OIE, Region II, Inspector R. Crlenjak on March 16, 1981 as a result of audit M80-11. In compliance with paragraph 50.55(e) of 10 CFR Part 50, we are enclosing the final report for deficiencies B and E and the seventh interim report on deficiencies A and D. A 14-day extension was discussed with and granted by NRC Inspector Ross Butcher on October 1, 1982. We anticipate transmitting our next report on or before April 28, 1983.

TVA has elected to defer construction activities for Hartsville and Yellow Creek Nuclear Plants. Deferral does not mean that these projects will be cancelled but that TVA is minimizing its expenditures and construction efforts until such time that TVA has sufficient information to indicate whether these projects should be completed or cancelled. Therefore, we will not be submitting a final report for this nonconformance until a final decision is made regarding these projects.

If you have any questions, please call Ralph Shell for PWRs at FTS 858-2676 or Jim Domer for BWRs at FTS 858-2725.

Very truly yours,

TENNESSEE VALLEY AUTHORITY


L. M. Mills, Manager
Nuclear Licensing

Enclosure

cc: Mr. R. C. DeYoung, Director (Enclosure)
Office of Inspection and Enforcement
U.S. Nuclear Regulatory Commission
Washington, DC 20555

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BLRD-50-438/81-25, -439/81-27
YCRD-50-566/81-07, -567/81-05
HTRD-50-518/81-11, -520/81-09

ENCLOSURE
SEQUOYAH UNIT 2, WATTS BAR, BELLEFONTE, HARTSVILLE, AND
YELLOW CREEK NUCLEAR PLANTS
CONTROL OF PROCUREMENT ACTIVITIES
10CFR50.55(e)
AUDIT M80-11, DEFICIENCIES A, B, D, AND E
FINAL REPORT FOR DEFICIENCIES B AND E
SEVENTH INTERIM REPORT FOR DEFICIENCIES A AND D

Description of Deficiency

The individual procurement activity deficiencies are described below.

Safety Implications

Deficiencies in the control of the procurement activities program could lead to shipment of defective equipment to the site and thereby adversely affect plant safety, if the deficiencies were not discovered at the site.

Description of Deficiency A

The Quality Engineering Branch (QEB) of TVA's Division of Engineering Design (EN DES) certifies its surveillance personnel in nondestructive examination. However, QEB personnel have not established the required qualification/certification program for their inspection personnel involved in the inspection of other special process areas.

Interim Progress

Certification of training received will be documented through the QEB Engineering Procedure (EP) 24.70, R0, "Certification and Training of QEB Personnel."

TVA's scheduled issue date is November 30, 1982.

The intent of the procedure is to document detailed requirements for, and document fulfillment of, training and certification for QEB inspectors by title and grade.

QEB employees do not conduct vendor audits, therefore, no audit training is required. At times, followup and corrective action at the vendors' plants are requested of QEB by quality assurance personnel. When this occurs, specific instructions are provided.

Description of Deficiency B

QEB inspection reports and accompanying documentation on two contractors were not completed per established QA requirements. A review of 34 inspection reports involving two vendors which are identified as problem vendors revealed several deficiencies. This could lead to the release of components for shipment which are deficient in certain aspects due to the omission of certain required inspection activities.

Corrective Action (Final)

The deficiency is based on a review of 34 inspection reports on two contracts, 78K61-86965 and 76K72-820117, covering the period January 1979 to August 1980. In order to prevent recurrence of this type deficiency in the future, two procedural corrections are being made to clarify the inspectors' reports. These procedures are as follows:

- a. In EN DES-EP 5.43, R6, "Release of QA Items from Suppliers' Shops to TVA Construction Sites," issued March 25, 1982 (ESS 820325 215), instructions have been rewritten to clarify which copies of the final inspection report will be sent to QEB personnel in Knoxville and when these copies will be sent.
- b. In QEB-EP 24.56, R1, "Inspection Reports - Preparation, Review, and Distribution," issued July 23, 1982, a procedure has been rewritten to clarify the necessity of resident inspectors writing an inspection report for each significant contact with a supplier. Administrative and technical supervisors will determine if the resident inspector's reports are provided at proper intervals.

Description of Deficiency D

Deficiency D states that contract preaward activities do not reveal how the supplier intends to meet procurement contract requirements per QA requirements. This could lead to the fabrication of equipment which does not meet contract requirements.

Interim Progress

TVA is still evaluating this deficiency. More information will be provided in our next report.

Description of Deficiency E

Deficiency E states that GE and C. F. Braun are making STRIDE equipment changes without providing TVA with updated and current documents. This could lead to the field installation or construction of procured components contrary to the requirements of the latest design documents.

Corrective Action (Final)

Drawings or other revised documents are provided by GE to TVA (QEB Knoxville) who in turn immediately sends them to the Regional Inspection Office.

The release of equipment is not made until all updated and current documentation is in the possession of the Regional Inspection Office. Release occurs only after acceptance by TVA's technical engineer and his written confirmation to QEB.

The memorandums which served as a basis for the deficiency findings contain two statements of the working conditions:

1. Drawings or other documents were received late, often after fabrication had begun in the manufacturer's shop.
2. No inspectors would release equipment until they had in their possession the latest documentation.

Since the date of this finding, improved communications between GE, CFBraun, and TVA have virtually eliminated the problem. Also, cancellation of the contracts with GE and GE/CFBraun (STRIDE) turn responsibility for these items back to TVA.