



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION III
799 ROOSEVELT ROAD
GLEN ELLYN, ILLINOIS 60137

NRR

Docket No. 50-331

JAN 13 1978

Iowa Electric Light and Power
Company

ATTN: Mr. Duane Arnold
President

IE Towers
P.O. Box 351
Cedar Rapids, IA 52406

Gentlemen:

This acknowledges Mr. Liu's letter dated December 27, 1977, which provided comments regarding the Corporate Quality Assurance Audit program in response to inspection findings included in our Inspection Report No. 50-331/77-19 dated November 21, 1977.

We have reviewed your comments and have duly noted your audit activities during 1977. However, we wish to reemphasize to you that your Final Safety Analysis Report committed you to conducting regular independent audits on a frequency of at least once per year. This commitment was implemented by your Quality Assurance Directive 1318.2, paragraph 5.3 which states that "Audits should be performed at least annually for the regular independent audit topics presented in the FSAR, Appendix D, Section D.7.18."

Audit frequency was a topic of discussion during a previous inspection in 1976. At that time the FSAR specified a frequency of twice per year, which you were not accomplishing, and your corrective actions included a reduction of the frequency to once per year to provide more meaningful audits. The FSAR was changed accordingly.

Further, we consider your response, regarding your plans for the future, unacceptable in that you state "to the extent of available funding" you will accomplish your goal of completing the annual scheduled audits. We do not consider your annual scheduled audits as a goal, rather, it is an integrated part of your Quality Assurance Program for which you are committed to conducting.

Please provide us within twenty days of your receipt of this letter your assurance that the regular independent auditing will be completed

60

JAN 13 1978

within the frequency established by your FSAR and Quality Assurance Directive.

Should you have any questions concerning these matters we will gladly discuss them with you.

Sincerely,

James G. Keppler
Director

cc: Mr. E. L. Hammond
Chief Engineer

cc w/ltr dtd 12/27/77:
Central Files
Reproduction Unit NRC 20b
PDR
Local PDR
NSIC
TIC

OFFICE	RIII	RIII	RIII <i>CF</i>	RIII	RIII	
SURNAME	<i>PK</i> Kister/jb	Knop <i>ACK</i>	Fiorelli	<i>CF</i> Norelius	<i>JK</i> Keppler	
DATE	1/12/78			1/13/78	1/13	

IOWA ELECTRIC LIGHT AND POWER COMPANY

General Office

CEDAR RAPIDS, IOWA

December 27, 1977

LEE LIU

VICE PRESIDENT - ENGINEERING

Mr. Gaston Fiorelli, Chief
Reactor Operations and Nuclear Support Branch
U. S. Nuclear Regulatory Commission
Region III
799 Roosevelt Road
Glen Ellyn, Illinois 60137

Re: Duane Arnold Energy Center
Subject: Corporate Quality Assurance Audit Schedule
Ref: 1) Letter to Duane Arnold from Gaston
Fiorelli dated 11/21/77
2) IE Report No. 50-331/77-19
File: Q-10

Dear Mr. Fiorelli:

We would like to comment on the contents of section 6 "Corporate Quality Assurance Audits" of the reference (2) report. The report is correct in stating that only 5 of 21 regular, independent audits were completed during the first 8 months of the year. Currently 2 additional audits are in process which will bring the total for 1977 to 7 regular independent audits.

In addition to the above the following audits were performed by Corporate Quality Assurance:

Regular, dependent Audit	1
Special Audits	7
Nuclear Fuel Design Audits	2
Nuclear Fuel Fabrication Audits	6
Vendor Audits	2

Furthermore, one Quality Assurance Engineer has been assigned since September 1977 to devote as much time as possible to reviewing all the DAEC and supporting organizations' audits initiated since January 1974 to determine and document the disposition of the related Audit Findings. This review was deemed to be necessary to bring the Quality Assurance records, on this subject, up-to-date in order to be able to have a meaningful dialogue between Corporate Quality Assurance and the audited organizations.

DEC 30 1977

Mr. Gaston Fiorelli

Page 2

We realize that this additional activity does not excuse us from missing our scheduled annual goal of 21 regular, independent audits. However, we wanted to point out that we have not been lacking in audit activities in general. More scheduled audits would have been performed if more manning was available, but we have been unsuccessful in being able to hire additional permanent Quality Assurance Engineers. Consequently, and perhaps belatedly, we obtained the services of an outside consultant to assist in performing regular, independent audits.

As for the future, to the extent of available funding, we will utilize contract personnel earlier and more frequently (unless we are able to hire additional Quality Assurance Engineers) in order to accomplish our goal of completing the annual scheduled audits.

We trust that this adequately explains the reason for our missing our audit schedule commitment for 1977 and our plans for meeting this goal in 1978.

Very truly yours,



Lee Liu
Vice President-Engineering

LL/DEG/D

cc: D. Arnold
G. Cook
J. Wallace