

IOWA ELECTRIC LIGHT AND POWER COMPANY

General Office

CEDAR RAPIDS, IOWA

April 27, 1979

SAMUEL J. TUTHILL
SENIOR VICE PRESIDENT

Mr. James G. Keppler, Director
Office of Inspection and Enforcement
Region III
U. S. Nuclear Regulatory Commission
799 Roosevelt Road
Glen Ellyn, IL 60137

Re: Duane Arnold Energy Center

Subject: Response to Inspection Report 79-09

File: A-102 Inspection Report 79-09

Dear Mr. Keppler:

This letter is in response to your letter concerning an inspection of activities at the Duane Arnold Energy Center conducted on January 8-12, 1979. The following response indicates the actions which have been or will be taken to correct the item of noncompliance identified in your letter.

Infraction

10CFR 50, Appendix B, Criteria 1, states in part, that "the applicant shall be responsible for the establishment and execution of the quality assurance program . . ." This criteria further states in context, that "the quality assurance functions are those of (a) assuring that an appropriate quality assurance program is established and effectively executed"

The ASME Boiler and Pressure Vessel Code Section XI incorporates ASME Section III, Subparagraph NA-4133.1 which states in part, that ". . . the authority and responsibility of persons performing activities affecting quality shall be clearly established. Assurance of quality requires management measures which provide that the individual or group assigned the responsibility of inspection, testing, checking, or otherwise verifying that an activity has been correctly performed, is independent of the individual or group directly responsible for performing the specific activity."

Contrary to the above requirements, on January 11, 1979, NRC inspectors disclosed that 12 of 13 nonconformance reports (document titled "Materials and Activities Occurrence Report") written to resolve nonconforming conditions identified by the licensee in response to the RIII Immediate Action Letter dated November 17, 1978, were

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Mr. James Keppler
Page 2
April 27, 1979

unacceptably resolved for a multiplicity of reasons, as follows: (1) the actual nonconformity was not identified, (2) inadequate basis for acceptance, (3) failure to specify corrective action, and (4) the frequent delegation of the responsibility of the Chief Engineer, Quality Supervisor, and other nonconformance review responsibilities to one individual who was frequently responsible for the origination of the nonconformance report and, in some instances, indirectly responsible for the occurrence of the identified nonconformance.

On the basis of the above, it is concluded that in the aggregate, the Duane Arnold quality assurance program was not "effectively executed" and adequate separation between Quality and Production interest has not been effectively maintained by the Duane Arnold site Quality Assurance Control management.

Response

1. Corrective action taken and the results achieved:

Based on NRC acceptance of our position that the safe end replacement program welds satisfy ASME Code requirements and on NRC approval of the resumption of operation of the DAEC, the questions regarding the twelve MAORS listed in the inspection report are considered resolved.

In order to ensure the DAEC Quality Assurance program is effectively executed, a quality department reorganization has been completed. A Quality Control Supervisor has been appointed who reports directly to corporate management. The organizational changes are documented in Quality Department Directive 1450, "Organization". The changes should provide adequate separation of quality and production interests.

2. Corrective action to be taken to avoid further noncompliance:

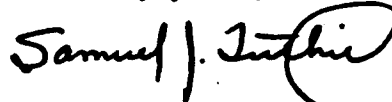
The MAOR system will be deleted and a new nonconformance reporting system will be instituted. The new system will strengthen controls for resolving nonconformances and eliminate the features of the MAOR system which resulted in the concerns expressed in the inspection report. The new system will be documented in ACP 1405.4, Revision 2, "Control of Nonconforming Items".

Mr. James Keppler
Page 3
April 27, 1979

3. Date when full compliance will be achieved:

The Quality Department reorganization was effective February 5, 1979. It is anticipated the new nonconformance control system will be formalized by June 1, 1979.

Sincerely yours,



Samuel J. Tuthill
Senior Vice President

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cc: Director, Office of Inspection and Enforcement
U. S. Nuclear Regulatory Commission
Washington, D. C. 20555