

UNITED STATES
ATOMIC ENERGY COMMISSION
DIRECTORATE OF REGULATORY OPERATIONS
REGION III
799 ROOSEVELT ROAD
GLEN ELLYN, ILLINOIS 60137

TELEPHONE
(312) 858-2660

September 14, 1972

Iowa Electric Light & Power Company
ATTN: Mr. Charles W. Sandford
Vice President, Engineering
Security Building
P. O. Box 351
Cedar Rapids, Iowa 52405

Docket No. 50-331

Gentlemen:

Thank you for your letter dated September 1, 1972, providing us with the additional comments we requested in our letter dated August 8, 1972, relative to the item of apparent noncompliance which we brought to your attention in our letter dated June 1, 1972. We have no further questions on this matter at this time.

Your cooperation with us is appreciated.

Sincerely yours,

Boyce H. Grier
Regional Director

cc: L. D. Root, Assistant
Project Manager
J. N. Ward, Nuclear
Group Leader
G. A. Cook, Quality
Assurance Manager

bcc w/ltr dtd 9-1-72:

J. B. Henderson, RO
J. G. Keppler, RO
H. D. Thornburg, RO
R. H. Engelken, RO
G. W. Reinmuth, RO
P. A. Morris, RO
A. Giambusso, L
RO Files

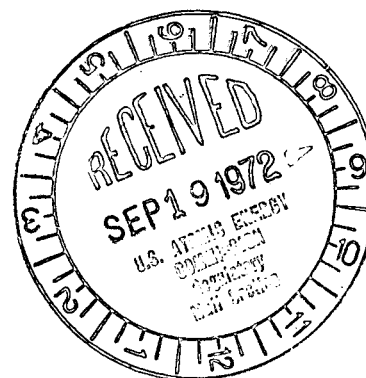
DR Central Files

PDR

Local PDR

NSIC

DTIE



*Misc
appl.*

IOWA ELECTRIC LIGHT AND POWER COMPANY

General Office

CEDAR RAPIDS, IOWA
September 1, 1972
IE-72-514

C. W. SANDFORD
VICE PRESIDENT

Mr. Boyce H. Grier
Regional Director
U.S. Atomic Energy Commission
Directorate of Regulatory Operations
Region III
799 Roosevelt Road
Glen Ellyn, Illinois 60137

Re: Duane Arnold Energy Center #1
Subject: AEC letter dated August 8, 1972
File: A-110

Dear Mr. Grier:

Thank you for your letter of August 8, 1972 inviting our comments on the matters discussed in your letter of June 1, 1972.

Referring first to the matter of our directions to Bechtel, the actions taken by Bechtel were in complete conformity with the intent of our instructions. Our intent was to have Bechtel treat the non-conforming panels in accordance with the established procedure for on-site repair of non-conforming equipment. Bechtel followed the applicable procedure; namely Bechtel procedure G-3 which is described in our letter of June 27, 1972. We recognize that a possible ambiguity existed in our written instructions to Bechtel and shall endeavor to avoid the same in the future. There was, however, no misunderstanding between Iowa Electric and Bechtel as to the procedure to be followed.

We are in full agreement with you that Criterion XV requires positive measures to prevent the inadvertent use or installation of non-conforming equipment as, for example, tagging or other appropriate identification. If not explicitly so stated by Mr. Cook and/or Mr. Root, this is nevertheless their understanding and also represents the position of Iowa Electric Light and Power Company. We believe that the circumstances involving the particular control room panels establish that they were appropriately tagged and identified and

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that therefore they were at all times under the control of a functioning, positive system which prevented their inadvertent use or installation. We are also in full agreement that knowledge of defective quality alone is not a sufficient control mechanism. Only when the control provisions of Bechtel procedure G-3 are complied with can controlled non-conforming equipment be further processed within the limiting conditions of that procedure. Accordingly, we do not believe that there was a violation of the provisions of Criterion XV. We regret any misunderstanding which may have arisen as a result of your conversation with Messrs. Cook and Root. We are, in fact, in accord with your statement of the intent and meaning of Criterion XV as set forth in the first sentence of the third paragraph of your letter of August 8, 1972.

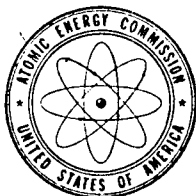
We appreciate the opportunity afforded us to comment on this matter.

Sincerely,

C. W. Sandford
C. W. Sandford
Vice President

GAC:CWS:hh

cc: L. D. Root
G. A. Cook
G. L. Parkinson
C. S. Darrow
J. R. Newman



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OR Central Files

TELEPHONE
(312) 858-2660

August 8, 1972

Iowa Electric Light & Power Company
ATTN: Mr. Charles W. Sandford
Vice President, Engineering
Security Building
P. O. Box 351
Cedar Rapids, Iowa 52405

Docket No. 50-331

Gentlemen:

Thank you for your letter dated June 27, 1972, dealing with the item of apparent noncompliance which we brought to your attention in our letter dated June 1, 1972. These are portions of your June 27 letter, discussed below, which do not adequately satisfy the concern expressed in our letter, and we are requesting additional comments as indicated.

Paragraph 3 of your June 27 letter identifies a March 7, 1972, letter to the Bechtel Corporation wherein you apparently required that the control room panels in question should be reworked at the site and made acceptable for installation. It was our understanding during the inspection on May 10 - 12, 1972, that the decision to rework the panels at the site was in lieu of return of the panels to the manufacturer for reworking. Moreover, we feel that the words "rework at the site and make acceptable for installation" constituted a requirement for reworking of the panels prior to installation. On this basis, we conclude that the panels were installed contrary to your instructions.

With respect to Paragraph 5 of your June 27 letter, in our view the words . . . "to prevent their inadvertent use or installation" in Criterion XV of 10 CFR 50, Appendix B, mean to prevent use or installation due to oversight, i.e., to prevent use or installation which may occur as a result of inadequate control in terms of tagging and segregation. We do not agree with the Iowa Electric Light and Power Company position stated by Messrs. Root and Cook of your staff, during a recent telephone conversation, that the word inadvertent means a lack of knowledge or awareness and that, consequently, defective components or parts may be installed in keeping with Criterion XV as long as knowledge of defective quality exists prior to installation and provided that this knowledge is used as a control mechanism. While we have recognized, and discussed with

Iowa Electric Light
and Power Company

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August 8, 1972

you, the fact that there may be occasions which could logically and reasonably permit the use or installation of defective parts or components, we do not agree that this meets the requirements or general intent of Criterion XV as stated in Paragraph 5 of your June 27 letter.

We request that you provide us, within 30 days, with your further comments regarding the matters discussed above.

Sincerely yours,

Boyce H. Grier
Regional Director

cc: L. D. Root, Assistant
Project Manager
J. N. Ward, Nuclear
Group Leader
G. A. Cook, Quality
Assurance Manager .

bcc: J. B. Henderson, RO
J. G. Keppler, RO
H. D. Thornburg, RO
R. H. Engelken, RO
G. W. Reinmuth, RO
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RO Files
DR Central Files
PDR
Local PDR
NSIC
DTIE

IOWA ELECTRIC LIGHT AND POWER COMPANY

General Office

CEDAR RAPIDS, IOWA

IE-72-344

June 27, 1972

C. W. SANDFORD
VICE PRESIDENT

Mr. Boyce H. Grier
Regional Director
United States Atomic Energy Commission
Directorate of Regulatory Operations
Region IV
799 Roosevelt Road
Glen Ellyn, Illinois 60137

Re: Duane Arnold Energy Center #1
Subject: AEC ltr dtd June 1, 1972
File: A-110

Dear Mr. Grier:

This is in answer to the concerns expressed in your letter of June 1, 1972, resulting from your inspection of May 1972.

Upon reviewing the circumstances associated with the installation of the control room panels, we have established the following:

Upon receipt at the site on February 29, 1972 and March 3, 1972, with Bechtel shop inspectors release, the panels were jointly inspected by Iowa Electric and Bechtel site personnel. The inspection revealed that the panels would perform the functions as requested by the specification, but the workmanship was below the quality level insisted upon by Iowa Electric. These findings resulted in the issuing of the letter of March 7, 1972, by Iowa Electric to Bechtel Engineering, directing that corrective action be taken. Bechtel issued a Non-conformity Report (NCR) on the panels in compliance with Bechtel procedure G-3. The Iowa Electric letter of March 7, 1972 said, "they should be reworked at the site, made acceptable for installation."

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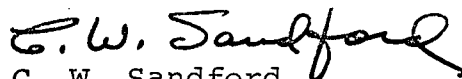
Under the control provisions of Bechtel Procedure G-3, the panels were moved to the control room for correction of the workmanship deficiencies and for the start of installation. Bechtel Procedure G-3 requires that identified non-conformities be described on a Non-conformity Report, that the equipment be tagged, that the proposed action be reviewed, and that the equipment be reinspected following implementation. Corrective action was completed May 5, 1972. However, the reinspection had not been completed at the time of your inspection.

The panels were at all times under the control of a functioning system which prevented their inadvertant use or installation and which, in our view, meets the literal requirements and general intent of Criteria XV.

Concerning the inadequate seismic documentation covering two relays and eleven switches on the BOP panels; the facts are that the document in question was inadequately reviewed by Field Engineering upon receipt, and was discovered during a QA document Audit by Iowa Electric Light and Power Company Quality Assurance Personnel. Investigation revealed that the items had been tested to the proper levels to meet the requirements of the specifications. Adequate documentation to substantiate these tests will be obtained to indicate the conformity of the items with the specification requirements. Iowa Electric Light and Power Quality Assurance personnel are increasing their audit activities to insure that Field Engineers perform a more adequate review of quality documents.

Please notify us if you desire any additional information concerning this matter.

Very truly yours,


C. W. Sandford
Vice President

CWS:hp

cc: L. D. Root
G. A. Cook
G. L. Parkinson
C. S. Darrow
J. Newman