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March 14, 2013
NND-13-0157

U.S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, DC 20555-0001

Subject: Virgil C. Summer Nuclear Station (VCSNS) Units 2 and 3
Docket Numbers 52-027 and 52-028
Reply to Notice of Violation

The U.S. Nuclear Regulatory Commission (NRC) issued Inspection Report 05200027/2012005, 05200028/2012005 and Notice of Violation (NOV) on February 14, 2013. The report documents NRC inspections conducted between October 1, 2012, and December 31, 2012.

The inspection report identified two findings of very low safety significance that were determined to involve violations of NRC requirements. The enclosures to this letter provide the required South Carolina Electric & Gas reply to these findings.

This letter contains no new regulatory commitments.

If you have any questions regarding this letter, please contact Mr. Alfred M. Paglia, Manager – Nuclear Licensing, at 803-941-9876.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on this 14 day of MARCH 2013.

Sincerely,

Alfred M. Paglia
Manager, Nuclear Licensing
New Nuclear Deployment

BB/RAJ/bb

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KIRO

Enclosures: (1) Reply to Notice of Violation 05200027/2012-005-002 and
05200028/2012-005-002
(2) Reply to Notice of Violation 05200027/2012-005-003 and
05200028/2012-005-003

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South Carolina Electric & Gas

Enclosure 1 to Letter NND-13-0157

Reply to Notice of Violation

05200027/2012-005-002 and 05200028/2012-005-002

Reply to Notice of Violation
05200027/2012-005-002, 05200028/2012-005-002

This enclosure provides the South Carolina Electric & Gas Company (SCE&G) reply to a Notice of Violation (NOV) issued to SCE&G by the Nuclear Regulatory Commission (NRC) for the V.C. Summer Nuclear Station Units 2 and 3 in a letter dated February 14, 2013. The NOV was identified during an NRC inspection conducted between November 5, 2012, and November 9, 2012.

Violation 05200027/2012-005-002 and 05200028/2012-005-002 states:

Criterion V of Appendix B to 10 CFR Part 50 requires, in part, that activities affecting quality shall be prescribed by documented instructions, procedures, or drawings, of a type appropriate to the circumstances and shall be accomplished in accordance with these instructions, procedures, or drawings.

The licensee delegated overall project quality requirements for safety related activities to their contractors through Section 5.1, "Quality Assurance Program," of Article 5, "Quality Assurance", of the Engineering Procurement and Construction Agreement. This agreement required, in part, that safety-related activities be performed in accordance with the quality requirements of 10 CFR Part 50, Appendix B, Criterion V.

Contrary to the above, from December 8, 2010, to May 11, 2012, the licensee failed to ensure that corrective action program activities affecting quality were accomplished in accordance with applicable procedures. Specifically, Shaw corrective action report 2010-12-08-971, dated December 8, 2010, was not identified as a significant condition adverse to quality in accordance with procedure QS 16.5, "Corrective Action System," Revision D. The failure to follow procedure QS 16.5 resulted in the failure to establish actions to evaluate the extent and potential for adverse impact to activities that used the invalid documents.

This violation is associated with a Green SDP finding.

Reason(s) for Violation 05200027/2012-005-002 and 05200028/2012-005-002:

SCE&G accepts the NOV. The deficiency described in the NOV was evaluated using the CB&I (formerly Shaw) and SCE&G Corrective Action Programs in CB&I Corrective Action Report (CAR) 2012-1509 and SCE&G Condition Report (CR) 12-0793.

The CAR 2012-1509 investigation focused on the classification of CAR 2010-12-08-971 and the failure to establish actions to evaluate the extent and potential for adverse impact to activities that may have used invalid documents. Additionally, CB&I has

previously undertaken efforts to identify and address potential Corrective Action Program discrepancies that may have occurred over the time period from December 2010 to May 2012.

The investigation performed by CAR 2012-1509 concluded that CB&I procedures and software used for classification and processing of CAR 2010-12-08-971 contained inconsistencies that might not support the timely and accurate identification of Conditions Adverse to Quality (CAQ) and Significant Conditions Adverse to Quality (SCAQ). The investigation also confirmed this situation to be encompassed by CAR 2012-0399 that was initiated on April 20, 2012.

Corrective Steps Taken and Results Achieved:

Corrective steps to address this violation have been taken under CAR 2012-0399, which include revision of CB&I Quality Standard (QS) QS 16.5, "Corrective Action Program," and the associated electronic Corrective Action Reporting (eCAR) system software. Revision 001 to QS 16.5 was made effective on October 24, 2012.

Corrective Steps to be Taken:

The investigation of this violation confirmed the need to perform an Extent of Condition evaluation for CAR 2010-12-08-971. CB&I will complete this Extent of Condition evaluation and take corrective actions, as appropriate, to address the results.

Date When Full Compliance Will Be Achieved:

Full compliance was achieved on October 24, 2012, when the revision to QS 16.5 was made effective.

The Extent of Condition evaluation for CAR 2010-12-08-971 is expected to be completed by April 5, 2013. This action is not considered necessary to restore full compliance with 10 CFR 50, Appendix B, Criterion V.

South Carolina Electric & Gas

Enclosure 2 to Letter NND-13-0157

Reply to Notice of Violation

05200027/2012005-003 and 05200028/2012005-003

Reply to Notice of Violation
05200027/2012-005-003 and 05200028/2012-005-003

This enclosure provides the South Carolina Electric & Gas Company (SCE&G) reply to a Notice of Violation (NOV) issued to SCE&G by the Nuclear Regulatory Commission (NRC) for the V.C. Summer Nuclear Station Units 2 and 3 in a letter dated February 14, 2013. The NOV was identified during an NRC inspection conducted between November 5, 2012, and November 9, 2012.

Violation 05200027/2012-005-003 and 05200028/2012-005-003 states:

Criterion XVI of Appendix B to 10 CFR Part 50 requires, in part, that measures shall be established to assure that conditions adverse to quality are promptly identified and corrected.

The licensee delegated overall project quality requirements for safety related activities to their contractors through Section 5.1, "Quality Assurance Program," of Article 5, "Quality Assurance," of the Engineering, Procurement and Construction Agreement. This agreement required, in part, that safety-related activities be performed in accordance with the quality requirements of 10 CFR Part 50, Appendix B, Criterion XVI.

Contrary to the above, from August 5, 2010, to November 9, 2012, the licensee failed to establish measures to ensure that conditions adverse to quality were promptly corrected. This failure contributed to the licensee failing to assure that conditions adverse to quality were promptly corrected. For example, the licensee failed to promptly correct a condition adverse to quality as documented in Shaw corrective action report 2012-0239 when the licensee failed to provide the training they determined was required to correct the condition. Although the condition was identified in February 2011, an action item to notify appropriate staff of the necessary measures to ensure the use of controlled design inputs was not implemented as of November 2012. The corrective action was not prompt because Shaw continued to perform calculations during that time frame.

This violation is associated with a Green SDP finding.

Reason(s) for Violation 05200027/2012-005-003 and 05200028/2012-005-003:

SCE&G accepts the NOV. The deficiency described in the NOV was evaluated using the CB&I (formally Shaw) and SCE&G Corrective Action Programs in CB&I Corrective Action Report (CAR) 2012-1510 and SCE&G Condition Report (CR) 12-0792.

The CAR 2012-1510 investigation focused on the timeliness of corrective actions for CAR 2012-0239. Additionally, CB&I has previously undertaken efforts to identify and address potential Corrective Action Program discrepancies that may have occurred over the time period from August 2010 to November 2012.

The concerns documented under CAR 2012-0239 had been previously entered in the CB&I Corrective Action Program by CAR 2011-02-22-1092, dated February 22, 2011. In April 2011, CB&I adopted a new eCAR software platform, and on March 16, 2012, this issue was transferred to the new eCAR platform under CAR 2012-0239. The Apparent Cause Evaluation was completed in October 2012, and the associated corrective actions were completed in January 2013.

The investigation documented in CAR 2012-1510 concluded that concerns initially identified by CAR 2011-02-22-1092 were not properly managed during organizational and Corrective Action Program process changes that occurred in April 2011, which in turn resulted in the failure to ensure timely completion of corrective actions.

Corrective Steps Taken and Results Achieved:

The need to improve CAR timeliness and aging has been previously recognized by CB&I, and efforts undertaken to improve performance are applicable to this violation.

CAR 2011-0632 included corrective actions targeted to improve management oversight of CAR age and timeliness, such as routine review of key metrics to monitor Corrective Action Program trends and effectiveness. These metrics are currently structured to measure such attributes as process timing, overdue actions/assignments, extensions, and the age of open CARs.

In addition, QS 16.5 provides approval mechanisms and controls to identify Long Term Corrective Actions (LTCA). LTCA requests are strictly controlled by procedure and approval for this designation is restricted to senior Project and Division leadership.

Relative to the original design control issue identified in CAR 2011-02-22-1092, the corrective action plan for CAR 2012-0239 was completed and the CAR was closed on February 12, 2013. One element of that correction action plan was the completion of classroom training for Design Engineers on the specifics of verifying inputs and listing Open Items on Engineering Design Documents. That training was completed on December 5, 2012.

Enclosure 2 to NND-13-0157
NOV Response
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Corrective Steps to be Taken:

Corrective steps to address this violation have been completed.

Date When Full Compliance Will Be Achieved:

Full compliance was achieved on January 1, 2013.