



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

March 1, 1996

Dr. Robert C. Mecredy
Vice President - Nuclear Operations
Rochester Gas & Electric Corporation
89 East Avenue
Rochester, NY 14649

Dear Dr. Mecredy:

SUBJECT: INSPECTION OF ROCHESTER GAS AND ELECTRIC'S MONITORING OF ITS VENDORS' QUALITY CONTROL FOR SAFETY-RELATED PRODUCTS FOR THE GINNA NUCLEAR POWER PLANT (50-244/96-201)

We are forwarding the report of the subject inspection performed January 22-26, 1996, involving activities authorized by Operating License Nos. DPR-18 for the Ginna Nuclear Power Plant. The Nuclear Regulatory Commission (NRC) staff from the Special Inspection Branch of the Office of Nuclear Reactor Regulation conducted the inspection. An exit meeting was held on January 26, 1996, during which we discussed our findings with Mr. Richard Watts and other members of your staff.

The inspection was performed to assess the adequacy and effectiveness of your vendor oversight program for monitoring the quality control by vendors supplying safety-related products to Ginna, consistent with the importance, complexity, and quantity of the purchased products or services. The two inspectors focused on the adequacy of your qualification and monitoring of nine selected vendors supplying safety-related products to Ginna.

We assessed the attributes and implementation of your vendor oversight program against: 1) the criteria of 10 CFR Part 50, Appendix B, Criterion VII, "Control of Purchased Material, Equipment, and Services," and 2) Regulatory Guide 1.144, "Auditing of Quality Assurance Programs for Nuclear Power Plants." Details of the inspection are discussed in the enclosed copy of our inspection report.

In general, an effective vendor oversight program was implemented. Program attributes included appropriate QA organization, monitoring of vendors, maintenance of a qualified suppliers list, and qualification and training of QA staff. The basis for qualification of selected vendors appeared to be adequate and appropriately documented.

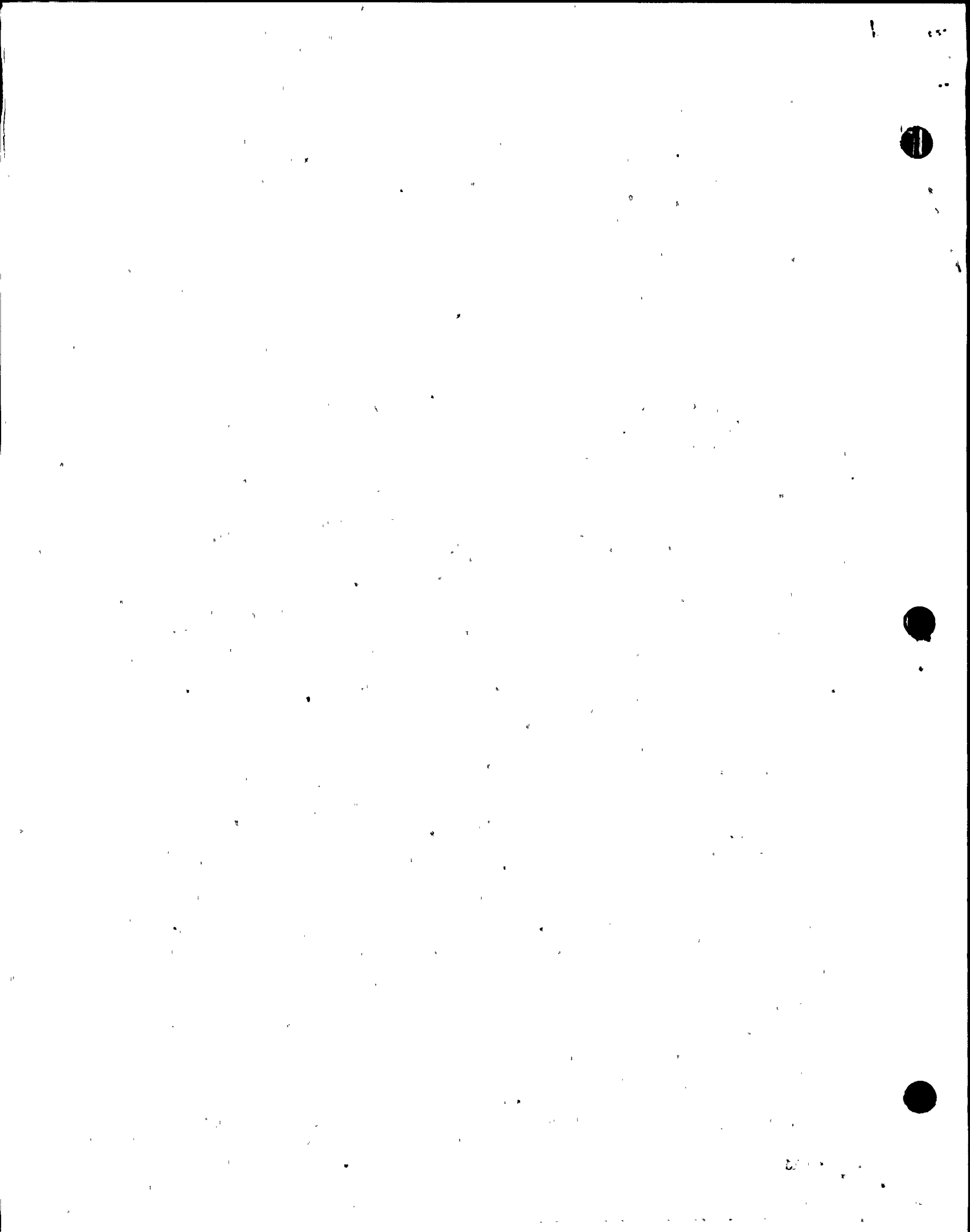
One concern was identified regarding your assessment of the vendor Modumend Incorporated (Modumend). In November 1993, your procurement QA team leader found that Modumend had not done an internal audit required by Appendix B, Criterion XVIII. During that time, QA management encouraged their staff to generate revenue for RG&E. In June 1994, with his immediate manager's approval, the QA team leader did the internal audit for the vendor for a fee, independently of RG&E. As a result, RG&E's QA team leader performed

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Modumend's quality function, instead of assessing Modumend's performance of the function. It is our understanding that, in the future, current management will avoid any perception of a conflict of interest with a vendor, will not suggest to their engineers to perform such an audit, and have instructed QA engineers not to perform work for a company that QA was responsible to assess, either as independent consultants or as RG&E employees.

In accordance with Section 2.790 of Title 10 of the Code of Federal Regulations (10 CFR 2.790), a copy of this letter and its enclosures will be placed in the NRC Public Document Room.

No response is required to this letter. If you have any questions concerning this inspection, we will be pleased to discuss them with you.

Sincerely,

Original signed by:

Michael R. Johnson, Acting Chief
Special Inspection Branch
Division of Inspection and Support Programs
Office of Nuclear Reactor Regulation

Docket No.: 50-244

Enclosure: Inspection Report 50-244/96-201

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