UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION II
101 MARIETTA ST., N.W., SUITE 3100
ATLANTA, GEORGIA 30303

Report Nos. 50-348/79-35 and 50-364/79-19

Licensee: Alabama Power Company
600 North 18th Street
Birmingham, Alabama 35202

Facility Name: All Alabama Power Company Nuclear Facilities in Operation and under Construction

Docket Nos. 50-348 and 50-364

License Nos. NPF-2 and CPPR-86

Inspection at Alabama Power Company general offices, Birmingham, Alabama and Southern Company Services, Inc., Birmingham, Alabama

Inspectors: Virgil Brownlee — 12/7/79
V. L. Brownlee — Date Signed

M. D. Hunt for — 12/7/79
M. D. Hunt — Date Signed

Approved by: C. E. Murphy — 12/10/79
C. E. Murphy, Chief, RCES Branch — Date Signed

SUMMARY

Inspection on November 7-8, 1979

Areas Inspected

This special, announced inspection involved 28 inspector-hours at the general offices in review of procedures and controls adopted by Alabama Power Company (APCO) to implement the requirements of 10 CFR Part 21.

Results

One item of noncompliance involving adequacy and implementation of procedures to implement the requirements of 10 CFR 21 was identified [Infraction-Part 21 evaluation-paragraph 5.b.(2)].

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DETAILS

1. Persons Contacted

   Licensee Employees

   *C. Biddinger, Jr., Manager, Corporate Quality Assurance
   *W. C. Petty, Manager, Quality Assurance (D&C)
   *L. L. Bailey, Quality Assurance Engineer (OQA)
   *W. C. Carr, Quality Assurance Engineer (OQA)
   *E. R. Sims, Jr., Project Quality Assurance Engineer (Q&C)
   *J. G. Sims, PNS-Supervisory Engineer
   *T. N. Epps, PNS-Licensing
   *H. Taylor, Quality Control (Construction)

   Other Organizations

   Southern Company Services, Inc. (SCS)

   D. M. Crane, Manager of Generic Licensing
   P. Herrmann, Generic Licensing Engineer

   *Attended exit interview.

2. Exit Interview

   The inspection scope and findings were summarized on November 8, 1979 with those persons indicated in Paragraph 1 above. The Alabama Power Company (APCO) representatives were apprised of the scope of inspection and inspection findings as noted in this report.

3. Licensee Action on Previous Inspection Findings

   Not inspected.

4. Unresolved Items

   Unresolved items were not identified during this inspection.

5. Compliance with 10 CFR 21

   References:
   a) Company Policy Statement Number 402, Reports to the Nuclear Regulatory Commission Concerning Defects and Noncompliance, dated December 1, 1977

   b) Management Procedure Number 001-005, Report to the Nuclear Regulatory Commission Concerning Defects and Noncompliance, as revised January 15, 1979

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c) Management Procedure Number 364-001, Reporting of Defects and Noncompliance, dated December 15, 1977

d) Quality Assurance Design and Construction Number QA-03.07, Reporting of Defects and Noncompliances, All Nuclear Projects (General Office and Site), dated December 21, 1977

e) Quality Assurance Design and Construction Number QA-03-05, Significant Deficiency Reporting, All Nuclear Projects (General Office and Site), Revision 3, dated February 24, 1978 (does not address Part 21)

f) Construction Department Administrative Procedure CDAP 7.01, Reporting Defects and Noncompliance at Farley Nuclear Plant

g) Construction Department Administrative Procedure CDAP 7.02, Identifying and Reporting Possible Significant Deficiencies at Farley Nuclear Plant

h) Southern Company Services, Inc. (SCS), Engineering Policies and Procedures Number 4-21, Identification, Evaluation, and Reporting of Significant Deficiencies (Nuclear Only), Revision 6, January 31, 1978

i) Southern Company Services, Inc. (SCS), Engineering Policies and Procedures Number 4-22, Identification, Evaluation, and Reporting of Deviations, Possible Defects, and Possible Failures to Comply (Nuclear Only), Revision 3, September 7, 1979

j) Alabama Power Company (APCO) Production Nuclear Section Administrative Procedure GO-PNS-401, Reporting of Defects and Noncompliance, Revision 1, February 28, 1978

k) Farley Nuclear Plant Procedure FNP-0-AP-49, Plant Reporting Requirements, Revision 1, December 30, 1977

l) Alabama Power Company (APCO) Part 21 Report to Nuclear Regulatory Commission dated December 13, 1977, Design Deficiency-DC Power Supply

m) Alabama Power Company (APCO) Part 21 to Nuclear Regulatory Commission dated October 16, 1979, G. E. Induction Disc Relays

n) Record file A35.62.43, Charging Pump Shift Failures

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o) Record File A35.62.48, Auxiliary Feedwater System

p) Record File A35.62.59, Terminal Blocks Inside Containment

q) Record file A35.62.47, Auxiliary Feedwater System

a. General

The purpose of this inspection was to ascertain whether Alabama Power Company (APCO) and appropriate responsible officers had established and implemented procedures and other instructions to ensure compliance with 10 CFR 21 requirements relative to reporting of defects and noncompliances. Part 21 states that each organization, such as APCO, that constructs, owns or operates a facility which involves "basic components" as defined under Part 21 is subject to its regulations.

APCO and its responsible officers must therefore ensure compliance with requirements of Part 21 as specified in Section 21.6, for posting; 21.21.(a), for procedures; 21.21.(b), for notification and written reports to the Commission; 21.31, for the inclusion of appropriate references in procurement documents; and 21.51, for preparation and maintenance of records. Inspector determinations are based on the requirements of 10 CFR 21 as clarified by staff positions in NUREG-0302, Revision 1.

As a result of this inspection, the inspectors identified one (1) item of noncompliance discussed in paragraph 5.b.

b. Power Supply Services and Construction Departments

(1) Program Review

The inspectors reviewed the above controlling procedures noted in References a), b), c), d), e), h), i), n), o), p) and q). The inspectors concluded that procedures have been established for the control of posting (21.6), evaluating deviations [21.21(a)], informing the responsible officer [21.21(a)], notification and written reports to the Commission [21.21(b)], procurement documents which specify that provisions of 10 CFR Part 21 will apply when applicable (21-31), maintenance of records [21.51(a)], and disposition of records [21.51(b)]. APCO performs initial review of deficiencies, defects and nonconformances to determine need for further evaluation relative to Construction Deficiency Report (CDR) and Part 21 reporting. SCS performs the detailed evaluations for APCO.

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(2) Implementation

The inspectors held discussions with personnel noted in paragraph 1 above and examined the areas noted in paragraph 5.b.(1) above.

During the inspection it could not be demonstrated that Part 21 evaluations were being performed as required by 21.21(a)(1) and APCO controlling procedures 001-005, 364-001, and QA-03-07. Consequently, the informing of the responsible officer of defects and failures to comply relating to substantial safety hazards [21.21(a)(2)], NRC notification [21.21(b)(3)], and record maintenance (21.51) requirements of Part 21 could not be met.

Based on review of the controlling procedures, selected record files and discussions with corporate QA and construction personnel, the inspectors concluded that the failure to perform Part 21 evaluations is primarily attributed to construction procedures. The construction procedures do not provide the guidance necessary to assure that defects and noncompliances are properly reviewed and identified for Part 21 evaluations. The procedures do not provide for corporate QA design and construction personnel requesting that SCS perform Part 21 evaluations for items identified as significant. Additionally, SCS (APCO's evaluating agent) procedure 4-21 and 4-22 do not provide assurance that all items identified as significant will receive the required Part 21 evaluation. The inspectors informed the licensee representatives that this matter is identified as an item of noncompliance at the infraction level, 364/79-19-01, Part 21 Evaluation.

The inspectors were informed by APCO representatives that the findings were correct. The representatives informed the inspectors that a complete procedure review would be accomplished to assure that all the requirements of Part 21 were addressed and that the procedures would be revised as needed and implementation of those procedures would be verified by APCO.

c. Production Department

(1) Program Review

The inspectors reviewed the above noted controlling procedures in references a), b), j) and k). They verified that procedures have been established and address posting (21.6), evaluating deviations [21.21(a)], informing the director [21.21(a)], assuring that a director will inform the Commission [21.21(b)], assuring that procurement documents specify that provisions of 10 CFR Part 21 apply when applicable (21.31), maintenance of records [21.51(a)] and disposition of records [21.21(b)].

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(2) Implementation

The inspectors held discussions with personnel noted in paragraph 1 above and examined the areas noted in paragraph 5.c.(1) above. The inspectors determined that those personnel interviewed were knowledgeable of Part 21 requirements, the controlling procedures, and the implementation of the controlling procedures.

During discussions with responsible personnel, review of the controlling procedures and review of Part 21 reports to the Commission the inspectors concluded that the Production Department procedures do not provide specific guidance and evaluation criteria to assure appropriate screening, evaluation, informing the responsible officer, Commission notification and record keeping. APCO representatives concurred that clarification is needed and agreed to review, revise and issue the controlling procedures by January 31, 1980. This matter is identified as inspector followup item number 348/79-35-01, Part 21 procedures revision.

The inspectors concluded that no safety issues are involved with the identified inspector followup item since defects, circumstances, conditions and failures to comply have been reviewed and evaluated under other reporting mechanisms when APCO has identified a significant problem and deemed the matter reportable under the other mechanism, APCO has submitted Part 21 reports [see paragraph 5, references 1) and m)].

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