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Northern Indiana Public Service Company
General Offices / 5265 Hohman Avenue / Hammond, Indiana 46325 / Tel.: 853-5200 (219)

E. M. SHORB
SENIOR VICE PRESIDENT-OPERATIONS

December 11, 1978

Mr. R. F. Heishman, Chief
Reactor Construction & Engineering Support Branch
U. S. Nuclear Regulatory Commission, Region III
799 Roosevelt Road
Glen Ellyn, Illinois 60137

Re: Northern Indiana Public Service Company
Bailly Generating Station Nuclear I
Docket 50-367

Dear Mr. Heishman:

The following is Northern Indiana Public Service Company's resolution of the Notice of Violation identified in the NRC Inspector's Report 50-367/78-07 which dealt with the vertical load test of indicator pile AB-155. The noted violation identified certain areas of calibration, data recording and personnel qualification which were not verified prior to the test.

1. Calibration of the Baldwin Southwork Machine

(a) Corrective Action:

When it was determined that the calibration of the Baldwin Southwork machine at the University of Illinois was not traceable to nationally recognized standards, the hydraulic jack (#C822418) was sent to Lehigh University and its calibration was verified by a test machine which was calibrated to nationally recognized standards. This recalibration was performed after indicator pile test AB-155, but before any additional pile tests. The results of the recalibration on the Lehigh University test machine indicated the jack calibration was within acceptable limits without adjustment and verifies the calibration at the University of Illinois and, thereby, verifies the jack data recorded during test AB-155. The contractor supplying this equipment (Thatcher Engineering) has been instructed as to the importance of following his quality program. Load Cell "H" was found to be defective and all data collected from this instrument has been voided.

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(b) Corrective Action to Avoid Further Noncompliance:

The Construction Manager will perform a closer surveillance of site contractors to avoid further noncompliance activities. Also, NIPSCO Quality Assurance will increase its audit activities of contractors and the Construction Manager.

(c) We are now in full compliance.

2. Load Cell Calibration Range

(a) Corrective Action:

An attempt was made to recalibrate Load Cell "H" after load test of pile AB-155, but prior to any further tests. During this recalibration, the load cell was found defective and Nonconformance Report #220 was issued voiding all data received from this load cell. Load Cell "H" was not used in tests performed after pile test AB-155. The hydraulic jack described in 1 (a) above was the primary source of the test data for pile test AB-155. The load cell, which was a back-up source of data, is not required.

(b) Corrective Action to Avoid Further Noncompliance:

See 1 (b) above.

(c) We are now in full compliance.

3. Dial Gage Calibration Procedure

(a) Corrective Action:

While the method used for calibration of the gages assured the accuracy of the gage, the method was not in accordance with the approved procedure. Subsequent to pile Test AB-155, but prior to any additional pile tests, the contractor recalibrated his gages in accordance with his approved procedure. The results of the recalibration verified the original calibration and validated the data recorded on test AB-155. The contractor was informed of the importance of performing activities in accordance with approved procedures.

(b) Corrective Action to Avoid Further Noncompliance:

See 1 (b) above.

(c) We are now in full compliance.

4. Hydraulic Jack Calibration Method

(a) Corrective Action:

The recalibration of the hydraulic jack described in 1 (a) above was performed in the same manner which was used in the actual test and calibration was found to be within acceptable limits, thereby validating data recorded for pile test AB-155.

(b) Corrective Action to Avoid Further Noncompliance:

See 1 (b) above.

(c) We are now in full compliance.

5. Test Data Discrepancy

(a) Corrective Action:

When the load was removed from the test pile, the inspector "assumed" the load cell read zero as there was no load being applied. Data recorded by another inspector reading the load cell instrumentation directly indicated the load cell was reading approximately 10 tons. The problem was limited to one entry on Form VPT-1 as other entries properly indicated the discrepancy between the load cell and the hydraulic jack. Subsequent to the test, load cell H was found to be defective and Nonconformance Report #220 was issued voiding all data received from the load cell H. The contractor was informed of the importance of accurately recording the actual test data.

(b) Corrective Action to Avoid Further Noncompliance:

See 1 (b) above.

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(c) We are now in compliance.

6. Calibration Personnel Qualification

(a) Corrective Action:

The Contractor (Thatcher Engineering) has revised his Quality Control Procedure 10-5 "H"-Pile Inspection Personnel Qualification and Training to include the requirements for qualifying personnel to calibrate dial gages.

(b) Corrective Action to Avoid Further Noncompliance:

See 1 (b) above.

(c) We are now in full compliance.

Northern Indiana Public Service Company has also taken the following actions to improve the effectiveness of its Quality Assurance Program.

1. On October 10 NIPSCO met with Braun's Corporate Quality Assurance and Quality Control Managers at the site to discuss concerns with the implementation of the Braun quality program. This meeting resulted in the implementation of a formal training program for Braun and NIPSCO site personnel. This training program was started on October 20, 1978, and is expected to continue into the first quarter of 1979. The Braun inspectors have been instructed to assume a more aggressive attitude in their inspection responsibilities. This meeting resulted in significant changes, notably a marked increase in Braun Corporate involvement in the site quality program.

2. October 16, 1978, NIPSCO Quality Assurance met with Thatcher Engineering to stress the importance of following their written quality program and procedures. Subsequent pile test activities observed were found to be in accordance with his program and procedures.

3. NIPSCO Quality Assurance has identified a need for more frequent audits of site contractors during the initiation phase of their quality program. Therefore, one or more NIPSCO QA Engineers will be assigned full time to perform daily surveillance of each major contractor's implementation of his quality program. The NIPSCO

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QA Engineer will perform this daily surveillance until a level of confidence is established that the contractor is properly implementing his quality program and periodic audits are justified. This program will be developed and implemented by January 1, 1979.

Very truly yours,

EMS:cgs

cc: Mr. James G. Keppler, Regional Director
U. S. Nuclear Regulatory Commission, Region III