



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

December 5, 1977

MEMORANDUM FOR: Thomas J. McTiernan, Director
Office of Inspector and Auditor

FROM: *W.E.R.* William E. Ryan, Assistant Director for Investigations
Office of Inspector and Auditor

SUBJECT: ~~_____~~ CONCERNS - SURRY POWER PLANT

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In your memorandum to me, dated November 16, 1977, regarding this subject you suggested that we review the Surry 1 problem. I have reviewed our file (77-4) on Surry 1. The file reflects that in a memorandum to me from Art Schnebelen dated December 7, 1976, he related the concern of an employee regarding Surry 1 (emphasis supplied). In substance, this employee related that another inspector, ~~_____~~ had conducted an inspection at Surry 1, and found welding deficiencies in Unit 1. Further, when ~~_____~~ attempted to report these deficiencies they were "swept under the rug" by the principal inspector who pulled the finding out of the report. According to the employee, the final report that was issued to the ~~_____~~ did not mention the problem of the bad welds in the neutron shield.

By our memorandum dated December 10, 1976, we called this information to the attention of John Davis and requested his views. In a buck slip dated January 12, 1977, Volgenau transmitted to you a draft of his reply. On January 14, 1977, the draft was returned to Volgenau by Abston. In a note to Abston from Schnebelen, same date, which was written after reviewing the draft, the note concluded that, based upon the draft:

1. the existence of defective welding in the Surry neutron shield tank(s) has virtually no real safety significance;
2. there was a history of welding deficiencies at Surry and that welding problems with the neutron shield at Surry were found;
3. the only way OIA can be sure that the welds that the employee alleged were bad "were or were not covered in the inspection reports (attached to Volgenau's letter) would be to locate ~~_____~~ and interview ~~_____~~; and
4. that another inspector ~~_____~~ verbally informed Moseley on December 27, 1976 (six years after the inspection) that he considered the item closed and had no concern for the safety of operations using the tank as fabricated.

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By memorandum dated January 24, 1977, to file, I recommended that we close our file and so advise Volgenau. I noted that Volgenau's reply "related apparently to Surry Unit 2, whereas our allegations related to Unit 1." I concluded that "since inspection reports referred to above concerned both units (C.O. Reports 50-280 and 50-281) this is not of consequence."

In a memorandum from you to Volgenau, dated January 25, 1977, we advised Volgenau that we were closing our file. The memorandum noted:

1. "That in view of your office, concurred in by NRR, there is no threat to public health and safety by the possible existence of defective welds in the neutron shield tank of Unit 1;"
2. "We also conclude that welding defects in the tank were detected and reported by Region II inspectors, including [redacted] and that there is no evidence to support the allegation that an attempt was made to conceal the existence of these defects."

A question remains because the allegation by the employee was that another inspector [redacted] had referred to Unit 1 at Surry and the Volgenau reply related to Unit 2. Thus, Schnebelen's suggestion that we ask [redacted] what unit [redacted] was talking about, if [redacted] talked about any unit at all. On the other hand, the inspection record for both Units 1 and 2, attached to the Volgenau reply, shows that pages 4 and 5, Appendix III, Section B of CO Report 50-280/70-1, 50-281/70-1 prepared by [redacted] notes that "both Surry 1 and 2 neutron shield tanks were at the site." [redacted] then set out the manufacturing requirements for those tanks. In subparagraph 2, entitled "Deficiencies," [redacted] observed, "Inspection by CO revealed that the Unit 2 vessel is in non-conformance with the above requirements." [redacted] then reported seven deficiencies in the welding of the Unit 2 vessel. Nothing was said about the Unit 1 vessel. This deficiency was followed up in reports 50-281/70-3, 50-281/70-4 and 50-281/70-5.

Certain inferences can be drawn from the information available. These are as follows:

1. The employee's allegations about the Unit 1 vessel are correct and IF reported only the deficiencies in the Unit 2 vessel, as the record discloses;
2. The employee allegations about the Unit 1 vessel are mistaken and [redacted] was referring to the Unit 2 vessel. [redacted] allegation about "sweeping under the rug" the vessel deficiencies is incorrect as the record reflects.

Since the record provided by IE, which we rely on, clearly shows that [redacted] inspected both Unit 1 and Unit 2 vessels and noted deficiencies in only Unit 2 and reported those deficiencies I must conclude that the inference that flows from the facts is the second one. Accordingly, I see no necessity for reopening this matter and since everyone seems to agree there is no health and safety problem involved, I suggest that our file remain closed.