

Gibbs & Hill, Inc.

ENGINEERS DESIGNERS CONSTRUCTORS

DIRECT DIAL EXTENSION

(212) 760-5026

April 25, 1980

Mr. Uldis Potapovs, Chief
Vendor Inspection Branch
U.S. Nuclear Regulatory Commission
Region IV
611 Ryan Plaza Drive
Suite 1000
Arlington, Texas

Subject: Docket No. 99900524/80-01

Dear Mr. Potapovs:

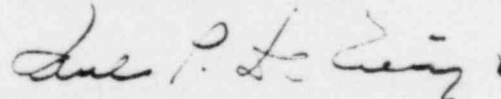
Enclosed is the information requested in your letter dated March 28, 1980, pursuant to the inspection of our QA Program, conducted by Mr. D. F. Fox, of your office, on February 25 - 29, 1980.

Our response addresses corrective action appropriate to items A, B, and C, as well as the unresolved item mentioned on page 25 of your report.

Please be assured of our continued conviction to implement our Quality Assurance Program in accordance with NRC requirements.

Very truly yours,

GIBBS & HILL, INC.



Paul P. DeRienzo
Vice President
Quality Assurance

PPD:rc
Enclosure

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NOTICE OF DEVIATION:

A. The Texas Utilities Generating Company PS&R for the Comanche Peak Steam Electric Station commits Gibbs & Hill to implement the requirements of ANSI N45.2.12, Draft 3, Revision 0, dated May 2, 1973 (Requirements for Auditing of Quality Assurance Programs for Nuclear Power Plants). Paragraphs 4.4, 4.4.4 and 5.3 of the subject standard respectively require that:

1. Audit reports be signed by the team leader.
2. Audit reports include an evaluation statement regarding the effectiveness of the QA Program elements that were audited.
3. Records shall be maintained for all personnel actively performing audits as well as those who have previously performed audits within the same project or activity. Records shall include the records of the qualification and training of auditors.

Contrary to the above, Gibbs & Hill procedures do not contain requirements that audit reports be signed by the team leader, that audit reports contain an evaluation statement of program effectiveness, or that qualification and training records of auditors be maintained.

1. Description of steps that have been taken or will be taken by Gibbs & Hill, Inc. to correct this item:

G&H Procedures QA-4, "CPSES - Internal Audit Procedure" and QAI-7, "Audit Performance, Reporting and Follow-up" will be revised to contain the following requirements:

- a) Audit reports shall be signed by the team leader.
- b) Audit reports shall include an evaluation statement regarding the effectiveness of the QA Program elements that were audited.

Regarding Item 3, Gibbs & Hill procedures do presently contain requirements that qualification and training records of auditors be maintained. Procedure QAI-4, "Auditor Training and Certification," Revision No. 1 dated May 8, 1979 contains such requirements in Section 4.3, "Transferability of Qualifications," Section 4.4.2, "Training," and Section 4.7, "Records." Therefore further corrective action is not required.

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The following action will be taken to resolve the additional observations noted by the inspector (Report Section I.C.3.a.(1)):

- a) Certification forms and other records for five (5) auditors and lead auditors were not maintained for the time period that five (5) audits were performed.

G&H Action

Formal certification records were not maintained prior to the release of Procedure QAI-4, "Auditor Training and Certification," Revision 1, dated May 8, 1979.

Gibbs & Hill had identified this discrepancy from their own surveillance and issued procedure QAI-4 to control maintenance of certification forms and other required records.

As testimony to their qualifications for the period preceding the release of QAI-4, an endorsement has been issued by the Manager of Quality Assurance for each of the auditors and added to their qualification records.

- b) None of the sixteen (16) audit reports examined contained an overall assessment of the effectiveness of the QA Program elements that were audited.

G&H Action

Assessment of the effectiveness of the QA Program has been accomplished by discussion of audit results with project personnel and by issuing a Trend Analysis Report covering audit results for each discipline.

The revised procedure will, however, contain a requirement to include an assessment in the audit report. In the interim, auditors have been instructed by memo from the Manager of Quality Assurance to include in the audit report an overall assessment of the effectiveness of the QA program elements that were audited.

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- c) The team leader was not specifically identified in three (3) audit reports. The team leader identified in a fourth audit report did not sign the report.

G&H Action

Audit reports have been reviewed to ensure that the team leader has been identified in each audit report. The team leader has been identified in each case. Only one report has been found lacking a signature by the team leader. His signature has been added.

- d) There did not appear to be records or other documentation that the audit team members were oriented by the team leader prior to the execution of the audit.

G&H Action

Previously, audit team members were given verbal orientation by the team leader prior to the execution of the audit. Audit team orientation was not documented. Therefore audit team leaders have been instructed by memo from the Manager of Quality Assurance to document the orientation of the team members prior to the execution of the audit.

- 2. Description of steps that have been taken or will be taken by Gibbs & Hill to prevent recurrence:

Auditors have been instructed orally and by memo to adhere to the following points in future audits.

- a) Audit reports shall be signed by the team leader, and the team leader shall be identified on the audit report.
- b) Audit reports shall include an evaluation statement regarding the effectiveness of the QA program elements that were audited.
- c) The orientation of team members, held prior to the execution of the audit, shall be documented by the audit team leader.

In addition a seminar will be given for personnel who are performing audits on CPS&S project. The seminar

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will cover the revised procedures, QA-4, and QAI-7, and will provide a comprehensive explanation of the audit report requirements. Records of attendance will be added to personnel training files.

3. Dates by which corrective action and preventive measures will be completed.

Corrective action and preventive measures will be completed no later than June 30, 1980

NOTICE OF DEVIATION:

- B. Paragraph 2.1 of Quality Assurance Procedure QA-7 (Issuance, Modification and Control of Project Procedures Manual) states in part that, "All (CPSSES Project Procedures) Manuals are controlled copies. They are serialized for accountability purposes, and the serial number, name of the person issued to, and the date issued are contained on a list by QA...Issuance of the CPSSES Project Procedures Manual, as well as additions and revisions, is accomplished by the 'Letter of Receipt'...

If acknowledgements are not received within 60 days after follow-up notification had been sent, the manual will be considered 'uncontrolled' and notification will be sent cancelling out the controlled number."

Paragraph 4.3.3 of Quality Assurance Instruction QAI-1 (Preparation, Format, Control and Distribution) contains similar requirements for the Quality Assurance Instruction Manual.

Contrary to the above, one Project Procedure Manual was not serialized, nor identified to its holder and nine (9) Project Procedures Manuals and Quality Assurance Instruction Manuals for which acknowledgements of receipt were not received within the specified period, were not considered "uncontrolled" as required by procedures.

1. Description of steps that have been or will be taken by Gibbs & Hill, Inc. to correct this item:

The single unserialized Project Procedures Manual referred to as a deviation had not been formally issued to a specific individual, but had been compiled specifically and solely for the use of the NRC auditors. This was explained to the NRC inspector at the time of the inspection and no other unserialized manuals have

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been identified. This manual has been destroyed as planned following the NRC audit.

Gibbs & Hill has instituted a new system to follow-up the acknowledgement of receipt of manuals and revisions. This system is in the process of being implemented. To verify that issued manuals are up to date, each manual holder will be required to return an acknowledgement confirming ownership of the manual, and that the latest revisions as specified in the most recent index, are contained therein. Holders will be advised that manuals will be decontrolled if acknowledgement is not received within a specified time frame.

In addition to the above corrective action, Gibbs & Hill will take action on the following additional observations noted by the inspector:
(Section I.C.3.a. (2))

- a) Eight identified recipients of controlled CPSES Project Procedures Manuals did not return the acknowledgement receipt for either the original issue, or revisions or additions thereto, for the past eight and one half (8 1/2) months. There were no records or other documentation that:
- The required follow-up notification was sent to the delinquent recipients;
 - These manuals were considered by G&H to be "uncontrolled";
 - The required notification was sent out to cancel the controlled number manual.

Gibbs & Hill Action:

An index of current revisions has been provided to each manual holder. Each manual holder has been required to acknowledge in writing, ownership of the manual, and that the latest revisions are contained therein.

- b) One controlled CPSES Project Procedure Manual was not serialized, nor was the name of the person issued to, or date issued, contained on a list in Quality Assurance as required.

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Gibbs & Hill Action:

This was an isolated case since the single unserialized Project Procedures Manual had not been issued, but had been compiled specifically for the use of the NRC auditors, as was explained to the NRC inspector. This manual was destroyed following the NRC audit.

- c) One identified recipient of a controlled Quality Assurance Instruction Manual did not return the acknowledgement receipt for revisions or additions thereto for the past six (6) months. There were no records or other documentation that followup activities were performed to assure timely return of the acknowledgement receipts.

Gibbs & Hill Action:

This Quality Assurance Instruction Manual was issued for use by the client. An index of current procedure revisions has been transmitted to the Client, and he has been requested to verify that the latest revisions are contained in his manual. The manual will be updated as required and controlled in accordance with revised procedure QA-7.

2. Description of steps that have been or will be taken to prevent recurrence:

Procedure QA-7, "Issuance, Modification and Control of Project Procedures Manual," contains the statement that all manuals are controlled copies. The procedure will be revised to state that copies of the manual become controlled when they are a) serialized, b) issued to the holder, and c) recorded on the Manual Holders List.

Procedure QA-7 will be revised to include procedures for decontrolling manuals and for return of decontrolled manuals to the QA Dept.

3. Dates by which corrective actions and preventive measures will be completed:

Procedure QA-7 will be revised by June 20, 1980.

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Corrective actions and other Gibbs & Hill, Inc. actions will be completed by June 20, 1980.

NOTICE OF DEVIATION:

C. CPSES Project Procedure PC-5 (Vendor Drawing Review Procedure) states in part, a drawing (or vendor prepared specification, calculation, or procedure) fulfilling the requirements of the specification and satisfying the needs of in-house design is considered approved and document is stamped as follows:

"Approved....proceed with fabrication...date... Gibbs & Hill, Inc."

Contrary to the above, a vendor prepared job specification and procedure that did not fulfill the requirements of Gibbs & Hill specification No. MS-43A (which requires solution annealing for any austenitic stainless steel subject to temperatures above 800°F during fabrication) were approved and so stamped by Gibbs & Hill.

1. Description of steps that have been taken to correct this item.

As stated in the NRC audit report, (Page 21, item C) "corrective actions were taken by ITT Grinnell in submitting Revision 12 to Job Specification JS-136 which states 'All austenitic stainless steel piping subject to hot bending shall receive a solution anneal and rapid quench following the bending operation.' Corrective action was taken by G&H in their approval of Revision 12."

2. Description of steps that have been or will be taken to prevent recurrence.

To prevent misinterpretation of specification requirements by other vendors, Specification MS-43A has been revised by issue of change order DE/CD-2116 to clarify the requirements for solution annealing. In addition, the QA Department has issued a memorandum to the job engineers requesting them to instruct project engineers in the proper methods for reviewing and approving vendor procedures to assure compliance with the specification requirements.

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3. Dates by which corrective actions and preventive measures will be completed.

The NRC Audit Report verified that implementation of this corrective action was completed.

DE/CD-2116 was released on March 4, 1980.

The request to job engineers to instruct appropriate engineers was issued April 25, 1980.

Unresolved Item

One unresolved item was identified, as follows. The duplicate storage area does not have any device to record humidity/temperature and it is therefore unknown whether humidity and temperature are controlled within acceptable limits to preclude deterioration of the microforms stored there. ANSI N45.2.9 which is an SAR commitment, states: "For storage of film and other special processed records (radiographs, photographs, negatives and microfilm), humidity and temperature controls shall be provided to maintain an environment as recommended by the manufacturers." It is unclear whether present storage practices, including air-conditioning and heat during much of the time, provide adequate controls.

G&H Response

The Records Retention Center (Duplicate Storage Area) at the Commercial Building at 2 Penn Plaza is indeed maintained in a controlled temperature and humidity environment.

Gibbs & Hill has made inquiries of the film manufacturers to determine the recommended environmental conditions. These inquiries will be pursued to obtain responses concerning the range of acceptable conditions for the Records Retention Center.

With this information, Gibbs & Hill will decide if additional environmental controls are needed for the Records Retention Center.