



SACRAMENTO MUNICIPAL UTILITY DISTRICT □ 6201 S Street, Box 15830, Sacramento, California 95813; (916) 452-3211

January 26, 1981



Mr. R. H. Engelken, Director
Region V Office of Inspection & Enforcement
U. S. Nuclear Regulatory Commission
1990 North California Boulevard
Walnut Creek Plaza, Suite 202
Walnut Creek, CA 94936

Re: NRC Inspection 80-36
Operating License DPR-54
Docket No. 50-312

Dear Mr. Engelken:

As a result of an inspection conducted between November 3 and 28, 1980, two items of noncompliance were identified:

- A. 10 CFR 50, Appendix B, Criterion XVI, states in part, "Measures shall be established to assure that conditions adverse to quality, such as ... nonconformances are promptly identified and corrected."

Quality Control Instruction 1, Revision 7, Processing of Non-conforming Reports, NCRs, Section 5.8 states that the Manager of Nuclear Operations or the Manager of Generation Engineering are responsible to insure prompt closure of the NCRs in their areas of responsibilities.

Contrary to the above, the November 7, 1980 NCR Status Report lists NCRs which have not been promptly corrected.

This is a Severity Level V violation (Supplement I).

SMUD Reply

The District concurs that prompt closure of NCRs have not been realized in the past. The long time for closure has resulted from a program that was directed to produce a NCR whenever a nonconformance existed in either QA Class I, II, or III material or equipment. This approach has resulted in over 2167 NCRs since Rancho Seco has been in operation. In 1980, 613 NCRs were written, mostly as the result of TMI modifications. The large volume of NCRs made prompt closure difficult.

The MSRC, on December 10, 1980, directed a program to identify all NCRs over two years old and obtain definitive information

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January 16, 1981

on why they have not been closed. By July 1, this program will be expanded to identify the NCRs one year and older. The Managers of Nuclear Operations and Generation Engineering have been directed to expedite closure of outstanding NCRs.

The high visibility of the NCR reporting system will provide the information to avoid further noncompliance. Full compliance will be achieved by July 1, 1981.

- B. 10 CFR 50.59(b) requires that the licensee furnish the NRC annually or at such shorter intervals as may be specified in the license, a report which includes a summary of the safety evaluations of each change, test and experiment made pursuant to 10 CFR 50.59.

Technical Specifications 6.9.3 requires a monthly report be provided which includes a tabulation of facility changes, test and experiments made pursuant to 10 CFR 50.59.

Contrary to the above, the monthly reports for May, June, and July, 1979, did not include the summary of safety evaluations discussed in 10 CFR 50.59(b) such that the annual requirement for these summaries was not fulfilled.

This is a Severity Level VI violation (Supplement I).

SMUD Reply

A summary of the safety evaluation for each 50.59(b) change to comply with the NRC audit finding was initiated for the December 1980 Monthly Report and all subsequent reports will have the stated evaluations included.

The District is in full compliance with this item.

The District contends that according to the Licensee Technical Specifications Section 6.9.3, the monthly reports did include a tabulation of facility changes, tests and experiments made pursuant to 10 CFR 50.59. The requirements for a summary of the safety evaluation statement only appears within the context of the 10 CFR 50.59(b) discussion. The governing operational document is the Technical Specifications when applicable not 10 CFR. Since a tabulation was submitted for each 50.59(b) change this violation should be withdrawn.

Sincerely yours,

J. J. Mattimoe

J. J. Mattimoe
Assistant General Manager
and Chief Engineer

Sworn to and subscribed before
me this 28th day of January, 1981

Patricia K. Geisler
Notary Public

