

Alabama Power Company  
600 North 18th Street  
Post Office Box 2641  
Birmingham, Alabama 35291  
Telephone 205 250-1000

REGIONAL REGION  
ATLANTA, GEORGIA

F. L. CLAYTON, JR.  
Senior Vice President

0 SEP 8 AIO: JK



Alabama Power

*the southern electric system*

September 2, 1980

J. M. Farley Nuclear Plant  
NRC Inspection June 9-20, 1980

Mr. R. C. Lewis  
United States Nuclear  
Regulatory Commission  
Region II  
101 Marietta Street, N.W.  
Atlanta, GA 30303

Dear Mr. Lewis:

RE: RII:WAR  
50-348/80-14  
50-364/80-16

This refers to the apparent non-compliances identified in the subject audit. The apparent non-compliances are repeated below for clarity:

"As required by 10 CFR 50, Appendix B, Criterion XVI and Section 17.2.16 of your accepted quality assurance program, conditions adverse to quality shall be promptly identified and corrected. Your accepted program also includes a commitment to comply with ANSI N45.2.12, Draft 3, Revision 4 which requires in Section 4.5.2.3 that the auditing organization shall assure that corrective action is identified and scheduled for each non-conformance.

Contrary to the above, corrective action was not taken on the improper storage of materials as noted in Item FNP-NC-18-79/7(18) on or about April 18, 1979 in that the same conditions existed on June 11, 1980 and the only documented corrective actions dealt with two options which would not correct the noted inadequacies until May 1982. Further, the auditing organization failed to assure that prompt corrective action was identified in that they accepted the audited organizations response given above."

The corrective action report for Alabama Power Company's Operation Quality Assurance non-compliance FNP-NC-18-79/7(18) was approved on June 7, 1979. In February 1980 Alabama Power Company

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Mr. R. C. Lewis  
September 2, 1980  
Page 2

made several changes to improve the timeliness of all corrective action. However, the timeliness of the previously approved corrective action for the above situation was not reviewed at that time.

The specific item identified in the subject report as 348/80-14-01 will be re-evaluated with respect to the technical aspect of the storage adequacy for the specific items involved and interim measures will be implemented as appropriate until fully qualified storage space is available.

To prevent recurrence and to provide additional input to management, the existing Operations Quality Assurance Audit program will be revised to provide for reaudit of corrective action for all outstanding OQA noncompliances regardless of status during each four-month audit.

Full compliance is anticipated by November 17, 1980.

"As required by 10 CFR 50, Appendix B, Criterion II, structures, systems and components to be covered by the QA program shall be identified and the program shall provide controls over activities affecting the quality of these components consistent with their importance to safety. The accepted QA program, Section 17.2.2, states that the program applies to those plant activities concerning safety-related structures and systems defined as Q items in Section 17.2.1 and listed in Section 17.3.

Contrary to the above, certain components which affect the ability of safety-related items to perform their safety function are neither identified on the Q list nor controlled consistent with their importance to safety. Specifically, on June 10, 1980 the inspector observed unmarked containers of grease and oil and uncontrolled gasket material. Interviews with licensee personnel indicated that these materials could be used in safety-related systems. The inspector only identified the potential for improper usage."

The above item is identified as 348/80-14-02 in the subject report. The following controls have been established to preclude the use of uncontrolled oil, grease and gasket material in safety related maintenance activities:

Mr. R. C. Lewis  
September 2, 1980  
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All leftover material of this nature that is not acceptable for use will be discarded. The leftover material that is acceptable for use will be placed in a storage location marked "Not for Safety Related Use" or returned to the storeroom to be issued for non-safety related work only.

We do not consider the information in the subject report to be of a proprietary nature.

Very truly yours,

  
F. L. Clayton, Jr. *for*

FLCJr/JRC:nac

cc: Mr. R. P. McDonald  
Mr. W. G. Hairston  
Mr. Ozen Batum  
Mr. J. R. Campbell  
Mr. J. W. McGowan



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

AUG 08 1980

In Reply Refer To:  
RII:WAR  
50-348/80-14  
50-364/80-16

Alabama Power Company  
ATTN: R. P. McDonald  
Vice President-Nuclear Generation  
P. O. Box 2641  
Birmingham, AL 35291

Gentlemen:

This refers to the inspection conducted by W. A. Ruhlman of this office on June 9-13 and June 16-20, 1980, of activities authorized by NRC License No. NPF-2 and Construction Permit No. CPPR-86 for the Farley facility, and to the discussion of our findings held with W. G. Hairston, III on site and with you and members of your staff at the Company offices at the conclusion of the inspection.

This inspection was a comprehensive examination of your management and quality assurance controls related to licensed activities. Inspection was conducted in selected key areas of responsibility at both the plant site and the Company offices. Areas examined during the inspection and our findings are discussed in the enclosed inspection report. Within these areas, the inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspector.

During this inspection it was found that certain activities under your license appear to be in noncompliance with NRC requirements. These items and references to pertinent requirements are listed in the Notice of Violation enclosed herewith as Appendix A. This notice is sent to you pursuant to the provisions of Section 2.201 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations. Section 2.201 requires you to submit to this office, within 20 days of your receipt of this notice, a written statement or explanation in reply including: (1) corrective steps which have been taken by you and the results achieved; (2) corrective steps which will be taken to avoid further noncompliance; and (3) the date when full compliance will be achieved. With regard to Item C, corrective actions to prevent recurrence were completed prior to conclusion of this inspection; therefore, a reply is not requested for this item.

Six new unresolved items resulted from this inspection and are discussed in the enclosed report. These items will be examined during subsequent inspections.

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and the enclosed inspection report will be placed in the NRC's Public Document Room. If this report contains any information that you (or your contractor) believe to be proprietary, it is necessary that you make a written application within 20 days to this office to withhold such information from public disclosure. Any such application must include a full statement of the reasons on the basis of which

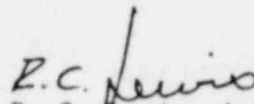
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it is claimed that the information is proprietary, and should be prepared so that proprietary information identified in the application is contained in a separate part of the document. If we do not hear from you in this regard within the specified period, the report will be placed in the Public Document Room.

Should you have any questions concerning this letter, we will be glad to discuss them with you.

Sincerely,



R. C. Lewis, Acting Chief  
Reactor Operations and Nuclear  
Support Branch

Enclosures:

1. Appendix A, Notice of Violation
2. Inspection Report Nos. 50-348/80-14  
and 50-364/80-16

cc w/encl:

- A. R. Barton, Executive Vice President
- F. L. Clayton, Jr., Senior Vice President
- H. O. Thrash, Manager-Nuclear Generation
- O. D. Kingsley, Jr., Manager, Nuclear Engineering  
and Technical Services
- J. W. McGowan, Manager-Operations  
Quality Assurance
- W. G. Hairston, III, Plant Manager
- W. C. Petty, Manager-Quality Assurance  
(Design and Construction)

APPENDIX A

NOTICE OF VIOLATION

Alabama Power Company  
Farley 1

License No. NPF-2

Based on the NRC inspection June 9-13 and 16-20, 1980, certain of your activities were apparently not conducted in full compliance with NRC requirements as indicated below. These items have been categorized as described in correspondence to you dated December 31, 1974.

- A. As required by 10 CFR 50, Appendix B, Criterion XVI and Section 17.2.16 of your accepted quality assurance program, conditions adverse to quality shall be promptly identified and corrected. Your accepted program also includes a commitment to comply with ANSI N45.2.12, Draft 3, Revision 4 which requires in Section 4.5.2.3 that the auditing organization shall assure that corrective action is identified and scheduled for each non-conformance.

Contrary to the above, corrective action was not taken on the improper storage of materials as noted in Item FNP-NC-18-79/7(18) on or about April 18, 1979 in that the same conditions existed on June 11, 1980 and the only documented corrective actions dealt with two options which would not correct the noted inadequacies until May 1982. Further, the auditing organization failed to assure that prompt corrective action was identified in that they accepted the audited organizations response given above.

This is an infraction.

- B. As required by 10 CFR 50, Appendix B, Criterion II, structures, systems and components to be covered by the QA program shall be identified and the program shall provide controls over activities affecting the quality of these components consistent with their importance to safety. The accepted QA program, Section 17.2.2, states that the program applies to those plant activities concerning safety-related structures and systems defined as Q items in Section 17.2.1 and listed in Section 17.3.

Contrary to the above, certain components which affect the ability of safety-related items to perform their safety function are neither identified on the Q list nor controlled consistent with their importance to safety. Specifically, on June 10, 1980 the inspector observed unmarked containers of grease and oil and uncontrolled gasket material. Interviews with licensee personnel indicated that these materials could be used in safety-related systems. The inspector only identified the potential for improper usage.

This is a deficiency.

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- C. As required by 10 CFR 50, Appendix B, Criterion V, activities affecting quality shall be prescribed by written procedures and accomplished in accordance with these written procedures. Section 17.2.5 of the accepted QA program requires all safety-related activities to be conducted in accordance with written approved procedures. Procedure FNP-O-AP-12, Control of Special Processes During Operations, Revision 1 dated August 30, 1979, Sections 5.4.6 and 5.4.7 require that unused welding material shall be disposed of unless it is clearly marked to indicate that it is not for use in critical systems.

Contrary to the above, activities were not accomplished in accordance with Procedure FNP-O-AP-12 on June 10, 1980 in that approximately 1½ pounds of ER 309 electrode wire were stored in the Maintenance Shop weld rod oven and neither the material nor the oven was marked to indicate that the contents (which were required to be considered as contaminated by Section 5.4.6 of the procedure) were not to be used on critical components. No improper usage of the material was identified by the inspector.

This is a deficiency.



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

Report Nos. 50-348/80-14 and 50-364/80-16

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

Facility Name: Farley

Docket Nos. 50-348 and 50-364

License Nos. NPF-2 and CPPR-36

Inspection at Farley site near Dothan, Alabama and at Company Offices in Birmingham, Alabama

Inspectors:	<u><i>G. A. Belisle</i></u>	<u>8/6/80</u>
	G. A. Belisle	Date Signed
	<u><i>W. A. Ruhlman for</i></u>	<u>8/6/80</u>
	E. J. Ford	Date Signed
	<u><i>Eric Messitt</i></u>	<u>8/6/80</u>
	Eric R. Messitt	Date Signed
	<u><i>W. A. Ruhlman</i></u>	<u>8/6/80</u>
	W. A. Ruhlman	Date Signed
Approved by:	<u><i>C. M. Upright</i></u>	<u>8/6/80</u>
	C. M. Upright, Acting Section Chief, RONS Branch	Date Signed

SUMMARY

Inspection on June 9-13 and 16-20, 1980

Areas Inspected

This routine, announced inspection involved 165 inspector-hours on site and at the company offices by 4 region based inspectors. Overall management was reviewed by inspecting 36 aspects of the overall quality assurance program within the following 22 areas: receipt, storage and handling of equipment and materials; QA/QC administration; QA for startup testing program; QA program

es and modifications; surveillance and experiments; test and measuring training; training and retraining of training; audits; document control; records; offsite support staff; house- and administration.

DUPLICATE DOCUMENT

Entire document previously entered into system under:

ANO 8009120071

No. of pages: 35