

The Light company

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May 8, 1981
ST-HL-AE-665
SFN: V-0530

Mr. Karl Seyfrit
Director, Region IV
Nuclear Regulatory Commission
611 Ryan Plaza Drive, Suite 1000
Arlington, Texas 76012

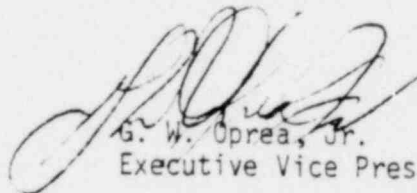
Dear Mr. Seyfrit:

South Texas Project
Units 1&2
Docket Nos. STN 50-498, STN 50-499
First Interim Report Concerning
HILTI Industries QA Program

On April 10, 1981, pursuant to 10CFR50.55(e), Houston Lighting & Power Company notified your office of an item concerning HILTI Industries QA Program. The first interim report is attached. The next report concerning this item will be submitted to your office by July 17, 1981.

If there are any questions concerning this item, please contact Mr. Michael E. Powell at (713) 676-8592.

Very truly yours,


G. W. Oprea, Jr.
Executive Vice President

MEP/par
Attachment



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Houston Lighting & Power Company

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FIRST INTERIM REPORT CONCERNING

HILTI INDUSTRIES QA PROGRAM

I. SUMMARY:

During routine preparation for an annual audit of the HILTI Industries facility in Tulsa, Oklahoma, it was discovered that HILTI was working to a Quality Assurance Manual which had been re-issued in January of 1980 and revised in June of 1980 without receiving Brown & Root approval. HILTI Industries is a supplier of HILTI "Kwik-Bolt" concrete expansion anchor bolts for the South Texas Project (STP). The bolts are used in Seismic Category I applications at the facility. HILTI's original QA Program at the McCulloch Industries facility in Minneapolis, Minnesota, had been reviewed and approved prior to award of a Purchase Order. Brown & Root continued to purchase expansion anchor bolts, without knowledge of any change to HILTI's QA Program during the period from January, 1980, through November of 1980. At that time, a copy of HILTI Industries' new QA Manual was obtained by Brown & Root for review and approval. This manual did not contain sufficient information to satisfy the procurement documents quality assurance requirements. Iterative attempts were made by Brown & Root to obtain additional documentation from HILTI which could allow approval of their QA Program. However, sufficient information was not submitted from HILTI Industries to allow the approval of their revised QA Program. HILTI Industries was then removed from the STP list of approved vendors. The quality of the HILTI "Kwik-Bolt" concrete expansion anchor bolts has been determined by Houston Lighting & Power to be questionable due to the fact that the manufacturing was accomplished without accepted procedural controls.

II. DESCRIPTION OF INCIDENT:

HILTI Industries, Inc. is a supplier of expansion anchor bolts which have been used at STP in Seismic Category I applications. HILTI was approved by pre-award survey on November 6, 1979. This survey included review and approval by Brown & Root of the HILTI QA Program, consistent with procurement documents QA requirements.

In November, 1980, during routine preparation for an annual audit of HILTI Industries, it was discovered that they had completely changed their QA Manual in January of 1980 and further revised it in June of 1980. HILTI was immediately asked to provide their current QA Manual to Brown & Root for review and approval prior to any audit. The manual was reviewed by B&R and found to be "Incomplete; Disapproved". HILTI was notified of this action on December 8, 1980, and was subsequently removed from the project's approved vendors list. In January, 1981, a hold on the installation of permanent concrete expansion anchor bolts had been initiated on the South Texas Project.

HILTI was then requested to provide additional operational procedures for review and approval which might supplement their QA manual and allow approval of their Quality Program for the period in question. After numerous delays these procedures were received and reviewed.

The additional procedures were also found to be incomplete and unacceptable.

It has been determined that approximately 136,000 concrete expansion anchor bolts have been supplied to STP by HILTI Industries since January, 1980. A number of these bolts have been installed in Seismic Category I areas. Since there has been a failure by HILTI to meet the QA requirements of the procurement documents, the quality of the HILTI "Kwik-Bolt" expansion anchor bolts is considered to be questionable. In order to resolve the question of bolt adequacy, a "user's" test will be performed by an independent testing agency on a significant sample of bolts in stock at STP. This test will be conducted in accordance with applicable ASTM standards to determine the actual physical and chemical characteristics of the bolts.

III. CORRECTIVE ACTION:

When Brown & Root became aware that HILTI Industries was operating to a QA Manual that was not reviewed and approved by Brown & Root, HILTI was removed from the Approved Vendors List. All expansion anchor bolts to be used for permanent installations at STP were placed on "Hold" on December 12, 1980. The current HILTI QA Manual was "conditionally approved", pending satisfactory completion of an audit of HILTI's facility in Tulsa, OK. On April 15 and 16, 1981 a team comprised of Quality Assurance Auditing, STP Site Engineering and HL&P personnel visited HILTI's Tulsa, Oklahoma facility. The purpose of this visit was to (1) audit HILTI to their present manual (Revision 4/1/81) and (2) to evaluate HILTI's performance as it would have related to their previously accepted QA Manual for the period of January 2, 1980 to date, and hence, the quality of the bolts supplied to STP during this period. The results of this audit are (1) HILTI's QA Program failed to satisfy the STP QA requirements as stated in the procurement documents, and (2) HILTI failed to satisfy Brown & Root that adequate control processes were in effect since January, 1980. HILTI has agreed to incorporate certain recommended changes into their current QA Manual. HILTI also has been re-informed of the STP requirement to submit any changes to the QA Program for Brown & Root review and approval prior to implementation of such changes.

IV. SAFETY EVALUATION:

A "user's" test will be conducted at an independent laboratory under the direction and surveillance of Brown & Root to determine the actual chemical and physical characteristics of the HILTI "Kwik-Bolt" concrete expansion anchor bolts presently in stock at STP. An evaluation of the safety significance of this time item is pending receipt of test results. No physical defects with the bolts have been identified to date.