

PUBLIC SERVICE COMPANY OF COLORADO

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OSCAR R. LEE
VICE PRESIDENT

April 1, 1981
Fort St. Vrain
Unit No. 1
P-81111

Mr. G. L. Madsen, Chief
Reactor Projects Branch
Nuclear Regulatory Commission
Region IV, Regulatory Operations
P. O. Box 5039
Arlington, Texas 76012

Docket No. 50-267/81-02

Reference: I & E Inspection 50-267/81-02

Dear Mr. Madsen:

This letter is in response to the Notice of Violation received as a result of inspections at this facility during the period January 26-30, 1981. The numbering of this letter is consistent with that in the Notice of Violation and pertains to the two violations cited (A and B).

- A.1. Upon notification, the Purchasing Department was advised to include the standard forms "N" with the receiving inspector's copy of the Purchase Order. After receipt of the material this copy of the P.O. and its attachments will become the record for permanent storage. This action resolves item 1 and we are now in compliance with Procedure Q-7.
- A.2. Attachment of the standard forms "N" to the receiving inspector's copy of the P.O. provides for availability of the Procurement Documents at the point of receipt for carrying out receiving inspections. This item is resolved by action taken in item 1. In addition, a controlled copy of FSV-STD-1 pertaining to Receiving, Storage and Handling associated with Quality-Related Procurement has been placed in the receiving warehouse.
- A.3. The intent of the Procurement Requisition Review Record (PRRR) is to provide a checklist for review to ensure that the appropriate Quality requirements are specified in the Purchase Requisition. Statement 1 of the PRRR requires that an appropriate Quality Program be specified. A "yes" answer to this statement indicates the requirement has been incorporated into the requisition and no comments are required. A "no" answer requires explanation for exclusion of the requirement. The instructions in Attachment Q-4F

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to Procedure Q-4 will be revised to clarify that the specified criterion or document number or description of the Quality Program is not required to be stated on the PRRR when Statement 1 is answered "yes" and the requirement is specified in the Purchase Requisition.

Action has been initiated to revise Attachment Q-4F and will be completed by April 30, 1981.

- A.4. The procedures established by PSC to prepare the purchasing documents and proper review of these documents by the Quality Assurance personnel and others were followed. The notice of violation so indicates.

The NRC I&E position is that form N110 was attached to the purchase order N3222 however, N110 is not adequate and additional paragraphs from FSV-STD-1 should have also been imposed. PSC response to the individual FSV-STD-1 paragraphs follows:

G0007, G0008, G0010: The quotations in the violation is a guidance statement from FSV-STD-1. The Standard Packaging Statements from FSV-STD-1 are as follows:

G0007 "Inspection examination and testing equipment utilized to implement the requirements of this purchase order shall have an accuracy and tolerance sufficient to determine conformance to specified requirements. As appropriate, measuring and test equipment shall be adjusted and calibrated at prescribed intervals against certified equipment having known valid relationships to nationally recognized standards. If no national standards exist, the basis for calibration shall be documented. Records shall be maintained and equipment suitably marked to indicate calibration status."

G0008 "Inspection and test results shall be documented in a suitable test report or data sheet. Each report shall identify the item to which it applies, the procedures or instructions followed in performing the task, and at least identify the conditions encountered which were not anticipated (including nonconformance), the identity of inspector or tester, and the completion date. Test reports and data sheets shall include an evaluation of the acceptability of inspection and test results and provide for identifying the individual who performed the evaluation."

G0010 "Record copies of completed procedures, reports, personnel qualification records, test equipment calibration records, test deviation or exception records, and inspection and examination records required by this purchase order shall be prepared, maintained and made available to PSC when requested."

The purchase order prepared by PSC included the following statements:

A manufacturer's certificate of compliance with material specification grade class and heat treatment condition, as applicable are required for valve body and bonnet supplied on this order.

All valve bodies on this order shall be hydrostatically tested in accordance with the manufacturer's specification. Hydrostatic test water shall have a maximum chloride content of 1 ppm and a Ph of 5.8 to 8.0.

Substitutions - The manufacturer or model number of material specified on this P.O. may "not" be substituted without the prior approval of PSC.

Quality Records - Two (2) (Microfilm Quality) copies of all required certifications and documentation specified by this P. O. Shall be supplied as follows:

one (1) copy shall be included with the material when shipped.

one (1) copy shall be mailed to the QA/QC Supervisor, Public Service Company of Colorado, 16805 Road 19 1/2, Platteville, Colorado 80651.

Manufacturer QA Program - Material supplied on this P.O. must be produced in accordance with the material manufacturer's quality assurance program which conforms to the requirements of 10CFR50, Appendix B, and ANSI N45.2, latest issue.

Hydrostatic Tests - Hydrostatic test records shall be furnished for the material supplied.

Nonconformances - The Seller shall report to PSC, in writing (include any dispositioned nonconformance reports), any nonconformances which have been dispositioned **REPAIR**, **REWORK**, or **ACCEPT-AS-IS** written against material/equipment on this P.O. such material/equipment shall not be shipped until written approval/disposition is obtained from PSC. All nonconformance reports and written approval to ship shall be included as part of the **QUALITY RECORDS** package.

PSC, by imposing the above paragraphs required the supplier to furnish equipment documents etc. which meet or exceed the requirements of FSV-STD-1 paragraphs G0007, G0008 and G0010.

G0016 The quotation in the violation is a guidance statement from FSV-STD-1. The Standard Packaging Statement from FSV-STD-1 is "Barrier and wrap materials shall be nonhalogenated when used in direct contact with austenitic stainless steel and nickel alloy material."

This item was covered in the standard form N110 attached to purchase order N3222 which states: "Cover, plugs and caps used in contact with austenitic stainless steel shall be made from nonhalogenated materials or stainless steel."

P0019 The quotation in the violation is a guidance statement from FSV-STD-1. The Standard Packaging Statement from FSV-STD-1 is:

"Desiccants and the materials for the desiccant bags, when used with austenitic stainless steel or nickel alloy materials, shall not be compounded from or treated with chemical compounds containing elements in such quantities that harmful concentrations could be leached or be released by breakdown of the compounds under expected environment conditions (e.g., by radiation). Examples of such compounds are those containing fluorides, chlorides, sulfur, lead, zinc, copper and mercury."

The use of desiccants was not specified in the purchase order by PSC. The ANSI level for packaging, shipping and storage was designated by PSC as Level C. The Vendor at his option may or may not use the desiccant to fulfill the requirements providing he complies with form N110 which specifies "stainless steel materials shall be protected at all times (prior to, during and after manufacture or fabrication) from contact with other materials containing deleterious compounds such as fluorides, chlorides, sulfur, lead, zinc, copper and mercury.

P0037 & P0038 The quotations in the violation are guidance statements from FSV-STD-1. The Standard Packaging Statements from FSV-STD-1 are:

P0037 "This item shall be provided with a nameplate marked with the information specified elsewhere in this purchase order. The nameplate shall be in a location which is in plain unobstructed view, but not directly applied to bare austenitic stainless steel and nickel alloy metal surfaces of the item."

P0038 "The nameplate shall identify the following information in 1/4 inch characters clearly stamped on the nameplate:

Manufacturer
Model Number
PSC Equipment Number
PSC P. O. Number"

Form N110 attached to the purchase order specified: "Items and packages shall be marked as follows:" "Individual items or packages of individual items shall be identified with the following information: Manufacturer, part number, PSC P.O. number and quantity." Form N110 states: "each item shall be marked in accordance with applicable codes and standards for such items." Form N110 states "Identification and marking shall not be deleterious to the material and shall be designed to preclude loss due to handling, storage, shipping or as a result of environmental conditions." Form N110 also states: "This item shall be identified by marking to preserve identity. The information -----shall be stamped, etched, stenciled or otherwise marked on the item or on tags to be affixed securely to the item in plain, unobstructed view.

The violation has a note which states: "FSV-STD-1 does not contain prohibitions in the section on marking of items against marking on machined surfaces."

Several statements are made in Form N110 which prevent damage to critical or machine surfaces. They are in brief form:

Packaging shall ---- prevent damage, deterioration or contamination ----.

Identification and marking shall not be deleterious to the material ----.

Storage shall ---- prevent damage, deterioration or contamination ----.

Nonmetallic cover, caps ---- to protect flanged faces, threads and weld end preparations against corrosion and physical damage.

Covers, plugs ---- shall be made from nonhalogenated ----.

R0002 The quotation in the violation is a guidance statement from FSV-STD-1. The Standard Receiving Statement from FSV-STD-1 is:

"Receiving and receiving inspection activities shall start immediately upon arrival of items at the destination specified on the purchase order and shall be performed in accordance with requirements of applicable PSC procedures."

The purchase order is a means of imposing restrictions, requirements and contractual arrangements on the equipment and manufacturer. Any requirement on the purchaser to perform work does not belong on the agreement between a Buyer and the Seller.

PSC believes that P.O. N3222 and attached from N110 fulfill the requirements of FSV-STD-1 and that the additional paragraphs as specified in the violation need not be included as stipulated by NRC-I&E.

- B. Electronic parts are considered standard commercial grade components for use at Fort St. Vrain and are purchased as non-quality related items to commercial standards except for parts which are specially designed and built for Fort St. Vrain applications. In this case, where a commercial standard does not establish the necessary design requirements, the parts are ordered as Quality-Related items to referenced manufacturers specifications or other standards. Action has been initiated to revise Attachment Q-4B, Item 4 to Procedure Q-4 to specify that electronic parts specially designed and built for Fort St. Vrain are considered Quality-Related. The revision to the procedure will be completed by April 30, 1981.

The only fuel considered Quality-Related at Fort St. Vrain is the Nuclear Fuel Element Assembly which consists of the following:

- a) Graphite Dowel
- b) Fuel Element Graphite Block
- c) Fuel and Poison Hole Plugs
- d) Fuel Stack/Fuel Rod
- e) Burnable Poison Rods

Fuel oil used in the Standby Emergency Diesel Generator, the Emergency Diesel Firewater Pump and the Auxiliary Boiler are not considered Quality-Related. The Standby Emergency Diesel Generator and the Auxiliary Boiler fuel is sampled monthly for percent moisture and sediment content under Water Chemistry Fuel Sampling Procedure, WCP-12. The Standby Emergency Diesel Generator Fuel is sampled quarterly for viscosity and percent moisture and sediment content as required by Tech. Spec. Surveillance SR 5.2.10.a.2-Q. The existing requirements for sampling of fuel oil are considered acceptable to ensure fuel quality and operability of the referenced equipment. Action has been initiated to revise Attachment Q-4B, Item 5 to Procedure Q-4 to specify that the Nuclear Fuel Element Assemblies are Quality-Related. This activity will be completed by April 30, 1981.

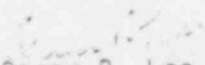
Mr. G. L. Madsen

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Compliance with Criterion II and V of 10CFR Part 50, Appendix B requirements will be accomplished by completion of the above corrective actions.

Very Truly Yours,


Oscar R. Lee
Vice President

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