

U.S. NUCLEAR REGULATORY COMMISSION
OFFICE OF INSPECTION AND ENFORCEMENT

REGION III

Report Nos. 50-546/80-43; 50-547/80-43

Docket Nos. 50-546; 50-547

License Nos. CPFR-170; CPFR-171

Licensee: Public Service of Indiana
Post Office Box 190
New Washington, IN 47162

Facility Name: Marble Hill Generating Station, Units 1 and 2

Inspection At: Marble Hill Site, Jefferson County, IN

Inspection Conducted: November 1-30, 1980

Inspector: *J. J. Harrison*
J. J. Harrison

12/5/80

Approved By: *C. C. Williams*
C. C. Williams, Chief
Projects Section 2

12/16/80

Inspection Summary

Inspection during the period of November 1-30, 1980 (Report Nos. 50-546/80-43; 50-547/80-43)

Areas Inspected: Inspection by the IE Regional Resident Inspector of the Auxiliary Building, Fuel Handling Building, Unit 1 and 2 Containments with miscellaneous areas to verify that activities in progress complied with the stop work order of August 7, 1979. This inspection also included a review of the storage and maintenance activities for safety related items, a review of changes to the Project Quality Assurance Manual, a review of the licensee program for receiving inspection, and a special inspection on Cherne Contracting Company and initiation of a special inspection on Newberg-Marble Hill. The Resident Inspector also participated as an observer on the American Society of Mechanical Engineers (ASME) Survey Team conducting a survey on Public Service of Indiana. This inspection involved a total of 70 inspector-hours on site by one NRC inspector.

Results: No items of noncompliance or deviations were identified.

DETAILS

Principal Persons Contacted

Public Service of Indiana (PSI)

*S. Shields, Sr. Vice President Nuclear Division
*B. Petro, Project Director
K. Hinkle, Construction Manager
*C. Beckham, Manager Quality Engineering
V. McMahon, Special Project Consultant
*L. Ramsett, QA Manager
D. Janecki, Superintendent Quality Systems
J. Roberts, Superintendent Inspection
N. Reichel, Area Construction Manager, Reactor Building
*T. Burns, Project Engineering Manager
D. Ingmire, Project Engineering Staff - Special Projects
R. Keele, Superintendent - Quality Administration
R. Beech, Material Manager
S. Heath, Superintendent - Mechanical Quality Engineering
G. Warner, Superintendent - Civil Quality Engineering
B. Morrison, Superintendent - Civil Quality Engineering
*M. Juvick, QA Administrative Assistant
R. Simmons, Supervisor Operation QA
*J. Keys, QA Administrative Assistant

Cherne Construction Company

J. Mortell, Project Manager
A. Dolgaard, QC Manager
T. Francis, Principal Engineer

Newberg - Marble Hill

D. Stegemoller, Vice President - Power Construction
N. Henry, Project QA Manager
D. Maxwell, Project QC Manager

Westinghouse Electric Corporation

C. Markham, Site Manager
N. Skorick, Site Mechanical Engineer

Authorized Nuclear Inspector (ANI)

A. Clark, Hartford Steam Boiler (ANI-PSI)

*Denotes those present at the exit meetings.

The inspector also contacted and interviewed other licensee and contractor personnel.

Licensee Actions on Previous Inspection Findings

(Closed) Unresolved (546/78-06-02; 547/78-06-02): Personnel records for PSI Vendor Surveillance Personnel are located in the Plainfield office and will be reviewed there. The Vendor Surveillance group and records have been relocated to the site. All records were reviewed and found to be acceptable. This item is closed.

(Closed) Unresolved (546/78-06-03; 547/78-06-03): Use of specific checkpoints used by PSI Vendor Surveillance Team, as documented, will require check at Plainfield. Records and checklist are presently on site, these were reviewed to assure hold-points were established and were witnessed during source inspection. This documentation was reviewed for several suppliers and found to be acceptable. This item is closed.

(Closed) Unresolved (546/78-06-04; 547/78-06-04): Inspector will reevaluate PSI's Audit/Surveillance activities related to ITT Grinnell. Recent audits and source inspection reports for ITT Grinnell. Recent audits and source inspection reports for ITT Grinnell were reviewed by the Resident Inspector and found to be acceptable. This item is closed.

(Closed) Unresolved (546/79-02-03; 547/79-02-03): Cherne must: (1) Satisfy all QA Program requirements of PSAR Chapter 17.1 for Non-ASME Section III safety related activities. (2) Comply with ANSI N45.2.12 for the Audit Program. (3) Assure nonconformance reports with "Use As Is" disposition are reviewed by the Design Engineer. (4) Designate what quality records will be transferred to PSI as permanent records. The Resident Inspector reviewed the changes to Cherne's QA Manual and procedures to incorporate all of these concerns, all were satisfactorily incorporated into the Cherne QA Program. This item is closed.

(Closed) Unresolved (546/79-06-03; 547/79-06-03): Lack of procedure for control of review and approval of piping isometric drawings (Cherne). Procedure 15.18, Isometric Flow and Package Development, was generated and issued to control this function. This procedure was reviewed and found acceptable. This item is closed.

(Closed) Unresolved (546/79-06-04; 547/79-06-04): Welding procedure does not specify the maximum allowable gap opening in a split backing ring, and the root opening is specified as 3/16" nominal. Welding procedure specification, WPS #101 BR11-0.50 was revised to include the specific dimensions. This procedure as reviewed was acceptable. This item is closed.

Closed) Noncompliance (546/79-25-01; 547/79-25-01): Failure to provide proper storage and maintenance of material/equipment (nineteen examples were noted). Procedure PMP 6.03 was prepared by PSI, also equipment storage instructions were prepared for all equipment, storage areas were upgraded and the storage and maintenance program is being successfully implemented. These actions were all reviewed and found to be satisfactory. This item is closed.

(Closed) Noncompliance (546/80-03-01; 547/80-03-01): Failure to include storage requirement/responsibility in a procurement document. PSI issued Extra Work Authorization to NISCO to include Reactor Vessels and Heads in their maintenance program to be within the scope of their purchase order. This action together with the existing storage and maintenance program is satisfactory. This item is closed.

(Closed) Noncompliance (546/80-03-02; 547/80-03-02): Failure to prescribe a storage requirement in a documented procedure (NISCO). NISCO has prepared and issued procedures MSI 4004-1, 4004-2, 4004-3, 4004-4, 4004-14 to control storage and maintenance. These procedures as reviewed, together with implementation of this program are considered satisfactory. This item is closed.

(Closed) Noncompliance (546/80-03-03; 547/80-03-03): Failure to adequately implement (verify conformance) a Storage Inspection Program. PSI has developed a new procedure PMP 3.27, Surveillance of Storage and Maintenance, and is successfully presently implementing this program. These actions as reviewed are satisfactory. This item is closed.

(Closed) Noncompliance (546/80-03-04; 547/80-03-04): Failure to provide adequate storage/preservation instructions and to provide such instruction in a timely manner. PSI has issued procedure PMP 6.03, Storage, Handling and Maintenance of Plant Equipment and Materials. One of the requirements of this procedure is to issue Equipment Storage Instructions, this has been accomplished for all equipment on site and for those items to be received. Such instructions have been forwarded to the contractors performing the activities and are currently being complied with. All the actions noted above were reviewed and found to be satisfactory. This item is closed.

(Closed) Noncompliance (546/80-03-05; 547/80-03-05): Failure to adequately identify storage nonconformances. PSI action was reviewed and found to be satisfactory in that (1) Nonconformances were prepared to report problems not previously reported (2) Nonconformances were/are being reevaluated for types of nonconformance and as to the real nonconformance issue (3) Additional training has been conducted to preclude this from recurring. This item is closed.

(Closed) Noncompliance (546/80-03-06; 547/80-03-06): Failure to provide prompt corrective action for storage nonconformances. PSI has revised the nonconformances/corrective action program to assure reporting, tracking, and trending is being controlled as an effective tool. Procedures PMP-1.07, Control of Nonconformance, PMP 3.11, Nonconformance Trending, and PMP 3.20 Follow-up of Overdue Nonconformance Documents. These procedures and program implementation were reviewed and found satisfactory. This item is closed.

(Closed) Unresolved (546/80-26-01; 547/80-26-01): Documentation review for SPP-12 not completed for hanger packages. PSI completed all data package review as indicated by the Special Process Procedure for SPP-12 and was accepted by the NRC in report number 546/80-35; 547/80-35. This item is closed.

(Closed) Unresolved (546/80-26-02; 547/80-26-02): Internal cleanliness problem on essential service water piping. PSI issued Corrective Action Request (CAR) #PC-0578 with action denoted to clean the piping. Piping was cleaned and inspected by PSI. The Resident Inspector also inspected for cleanliness and found the condition to be satisfactory. This item is closed.

(Closed) Unresolved (546/80-29-01; 547/80-29-01): Cherne Nondestructive Examination Procedure No. 14.6.1.77, Radiography, needed revision to include penetrameter placement on similar material, same thickness as material being radiographed, and next to the item when placement was not possible on the object being radiographed. Figure reference was also incorrect. The procedure was revised, reviewed and found to be satisfactory. This item is closed.

(Closed) Unresolved (546/80-29-02; 547/80-29-02): The eye examination required to be accomplished annually for nondestructive examination personnel, Messrs. Jurgens, and Anderson were overdue. Both individuals were re-examined and found to be satisfactory. Also the program was modified to include a tickler system identified when retest is due. This action as reviewed was considered satisfactory. This item is closed.

Functional or Program Areas Inspected

1. Construction Activities

Inspection of construction activities indicated that work in all Category 1 areas, i.e., safety-related work, remains terminated in accordance with NRC confirmatory order dated August 15, 1979, except for material receiving, storage, and maintenance and receiving inspection activities. One inspection was also conducted during off shift periods.

No items of noncompliance or deviations were identified.

2. Storage and Preservation of Material and Equipment

The Resident Inspector observed the storage conditions and maintenance activities in laydown areas, warehouses, and interim storage in the Auxiliary and Fuel Handling Buildings and other storage areas of material and equipment. These inspections were performed to assure compliance with the requirements of ANSI N45.2.2-Packaging, Shipping, Receiving, Storage and other requirements of the Nuclear Steam System Supplier (Westinghouse) and the Public Service of Indiana's project Management Manual.

No items of noncompliance or deviations were identified.

3. Project Quality Assurance Manual (PQAM)

The Resident Inspector reviewed the changes to the PQAM and found these to be acceptable as follows:

<u>SECTION</u>	<u>TITLE</u>	<u>DATE</u>	<u>REVISION</u>
1*	ORGANIZATION	10-31-80	3
2	QUALITY ASSURANCE PROGRAM	11-06-80	4
3	DESIGN CONTROL	11-06-80	3
4	PROCUREMENT DOCUMENT CONTROL	11-06-80	2
7	CONTROL OF PURCHASED MATERIAL, ITEMS AND SERVICES	11-06-80	3
8	IDENTIFICATION AND CONTROL OF MATERIALS AND ITEMS	11-06-80	3
9	CONTROL OF SPECIAL PROCESSES	11-06-80	2
10	INSPECTION	11-06-80	4
11	TEST CONTROL	11-06-80	2
12	CONTROL OF MEASURING AND TEST EQUIPMENT	11-06-80	3
13	HANDLING, STORAGE, SHIPPING AND PRESERVATION	11-06-80	3
14	INSPECTION, TEST AND OPERATING STATUS	11-06-80	2
15	NONCONFORMING MATERIAL AND ITEMS	11-06-80	4
16	CORRECTIVE ACTION	11-06-80	3
17	QUALITY RECORDS	11-06-80	3
18	AUDITS	11-06-80	4

*Section 1 was a major revision, all others were minor.

No items of noncompliance or deviations were identified.

4. Receiving Inspection Program

The Resident Inspector observed the ongoing receiving inspection activities being performed in accordance with Project Management Manual Procedure PMP-3.07, Revision 5, dated October 28, 1980.

No items of noncompliance or deviations were identified.

5. Special Inspections

During this reporting period the Resident Inspector participated in two special inspections as follows:

a. Cherne Contracting Company

The Resident Inspector, assisted by W. Key, conducted a special inspection, on November 4-6, 1980, on Cherne's Quality Assurance Program. This inspection was performed to evaluate program adequacy to support receiving inspection and construction activities. Inspection details and results are documented in NRC Inspection Report number 50-546/80-42 and 50-547/80-42.

b. Newberg - Marble Hill

The Resident Inspector participated as a member of an NRC inspection team conducting a special inspection of the Newberg Quality Assurance Program. The inspection was not completed during this reporting period.

6. American Society of Mechanical Engineers (ASME) Survey of Public Service of Indiana

On November 10-12, 1980, the Resident Inspector participated as an observer in an ASME survey of PSI at Marble Hill. The Survey Team concluded that the program as reviewed was acceptable and would recommend to ASME that the "N" certificate be issued.

7. Meetings/Site Visits

During this reporting period the Resident Inspector participated in the following:

On November 24, 1980 representatives of Wabash Valley Power Authority and J. Bott, PSI, met with the Resident Inspector to briefly discuss the stop-work and changes to the PSI Quality Program.

On November 25, 1980 representatives of NRC Nuclear Reactor Regulations, Mr. D. G. Eisenhut, Director Division of Licensing and Mr. J. N. Wilson Licensing Project Manager, visited the site. The Resident Inspector was not present during this visit.

Exit Meetings

The Resident Inspector participated in the exit meetings conducted on:
November 7, 1980, B. Key, J. Harrison
November 7, 1980, F. Hawkins/J. Niesler
November 7, 1980, E. Schweibinz (R.I. did not attend)
November 14, 1980, F. Hawkins
November 20 and 21, 1980, D. Hayes, E. Schweibinz, G. Gallagher,
F. Hawkins, J. Harrison

The Resident Inspector also met with licensee representatives (denoted under Persons Contacted) periodically throughout this reporting period collectively and individually. The inspector summarized the scope and findings for each part of this activity.