

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

Report: 50-298/81-06

Docket: 50-298

Licensee: Nebraska Public Power District
Post Office Box 499
Columbus, Nebraska 68601

Facility Name: Cooper Nuclear Station

Inspection at: Cooper Nuclear Station, Nemaha County,
Nebraska Public Power District Offices, Columbus, Nebraska

Inspection conducted: April 13-16, 1981

Inspector: J. R. Boardman May 12, 1981
J. R. Boardman, Reactor Inspector
Systems and Technical Section Date

Approved: R. E. Hall 5-12-81
R. E. Hall, Chief
Systems and Technical Section Date

Inspection Summary:

Inspection on April 13-16, 1981 (Report 50-298/81-06)

Areas Inspected: Routine, unannounced inspection of the procurement activities; receipt storage and handling program; and the procurement control program.

This inspection involved 29 inspector-hours on site by one NRC inspector.

Results: In the three areas inspected, no violations or deviations were found in two areas; one apparent violation was found in one area (violation - failure to comply with procedures - paragraph 2).

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DETAILS1. Persons Contacted

#R. E. Buntain, Director of Power Supply
 #R. S. Kamber, Assistant General Manager, Power Supply
 #J. S. Larson, Quality Assurance Engineer
 L. E. Lawrence, Maintenance Supervisor
 *L. C. Lessor, Station Superintendent
 D. Marsh, Manager Purchasing
 #J. M. Pilant, Director Licensing and Quality Assurance
 #F. E. Williams, Manager Quality Assurance
 V. L. Wolstenholm, Quality Assurance Supervisor

The NRC inspector also contacted other plant personnel, including clerical, administrative, and maintenance personnel.

*Indicates presence at exit interview held April 15, 1981.

#Indicates presence at exit interview held April 16, 1981.

2. Procurement

The NRC inspector reviewed the licensee's procedures and activities to determine whether the storage of components, materials and supplies used for safety-related functions was in conformance with the licensee's approved Quality Assurance Program and implementing procedures.

The NRC inspector noted and discussed with licensee representatives the following examples of an apparent violation of regulatory requirements and licensee approved procedures.

10 CFR Part 50, Appendix B, Criterion V requires that activities affecting quality shall be prescribed by documented procedures and shall be accomplished in accordance with these procedures.

Sections 1.11.4.3.8 and 1.11.4.4 of Cooper Nuclear Station (CNS) Administrative Procedure 1.11, "Requisitioning, Receiving, Storage of Essential Parts and Components," Revision 16, approved January 7, 1981, require an inspector to verify compliance of material and its specified documentation with purchase order requirements, and that he document this inspection on the receiving report.

Contrary to the above, the receiving reports for Purchase Orders 164106 and 170221 were not signed as being inspected as required by Administrative Procedure 1.11.

Administrative Procedure 1.11 also requires that the "CNS Stores Requisition" form (Attachment "E" to Administrative Procedure 1.11) be completed as follows:

Section 1.11.6.1.1 requires that the requisitioner will complete the appropriate section of the work document description by providing cross reference to a specific MWR, MDC, etc. Contrary to this requirement, 8 of approximately 34 stores requisitions reviewed either did not list a specific work document or were left blank in that section.

Section 1.11.6.1.2 requires that the individual issuing the item from stores will indicate the material status as accepted or hold. Contrary to this requirement, 15 of the approximately 34 stores requisitions reviewed did not have the material status indicated.

Failure to accomplish activities affecting quality as prescribed in documented procedures is an apparent violation of 10 CFR Part 50, Appendix B, Criterion V. (8106-01)

3. Receipt Storage and Handling Program

The NRC inspector reviewed licensee procedures and activities to determine if the licensee was implementing a Quality Assurance Program relating to the control of receipt, storage and handling of equipment and materials that is in conformance with the regulatory requirement of 10 CFR Part 50, Appendix B and commitments in the licensee's FSAR.

During this inspection, the NRC inspector noted O-rings for which shelf life had apparently expired as follows:

<u>Licensee-Purchase Order Number</u>	<u>Licensee's Part Number</u>	<u>Vendor's Batch Number</u>	<u>Shelf Life Expiration Date, End of</u>
118013	04996	637887	1st Quarter 1980
112572	05067	660460	4th Quarter 1979
127919	05065	5835	3rd Quarter 1980

While the licensee had initiated a program of shelf life control, the program had apparently not been completely defined; procedures prescribing the program had not been issued; and licensee purchase orders did not require suppliers to identify shelf life items and their expiration dates.

As stated above, the licensee was in process of initiating a documented program to prescribe necessary actions in this area.

The NRC inspector also noted that licensee Administrative Procedure 1.11, Revision 16, "Requisitioning, Receiving, Storage of Essential Parts and Components," approved January 7, 1981, did not require review, documentation of review, and acceptability of Material Test Reports (MTRs) or other Technical Documentation or test reports by Cooper Nuclear Station Engineering personnel or by Quality Assurance personnel. Licensee personnel did state that such reviews and acceptance were accomplished. As presently written, Administrative Procedure 1.11 could be interpreted as requiring the "inspector" performing receiving inspection to be Level II inspector in accordance with ANSI N45.2.6-1973.

Pending issuance of the revised control procedure this is considered an open item and will be reviewed during a subsequent inspection. (8106-02)

4. Procurement Control Program

The NRC inspector reviewed the licensee's procedures and activities to determine whether the licensee is implementing a Quality Assurance Program relating to control of procurement activities that is in conformance with 10 CFR Part 50, Appendix B and with commitments in the licensee's FSAR.

The NRC inspector found that while recent purchase orders contained clauses specifying access to suppliers' activities and records for audit, and specified that the requirement that the supplier maintain a program in compliance with the applicable portions of 10 CFR Part 50, Appendix B, ANSI N45.2 and 10 CFR Part 21, certain earlier orders such as 155420 (MIDCO), 171646 (Lakeland Engineering Equipment Company/ASCO) and 176329 (Anchor/Darling Valve Company) did not contain these clauses. Licensee representatives stated that there was supplier resistance to acceptance of earlier standard purchase order clauses implementing these requirements. The clauses which are Attachments "I" and "J" to Administrative Procedure 1.11, "Requisitioning, Receiving, Storage of Essential Parts and Components," were changed by Revision 16 approved January 7, 1981, and these revised clauses are being used.

During the review of the licensee's supplier approval program, an anomaly was discovered in the case of MIDCO Pipe and Tube of Bensenville, Illinois. This supplier is a distributor, who supplies the licensee with numerous essential (safety-related) materials, including pipe fittings. The licensee's policy for supplier certification (or qualification) is to survey the manufacturer, not the distributor. Specifically, licensee memorandum, dated September 9, 1977, Subject: "Vendor Qualification," states that "... the term 'supplier' is defined as the manufacturing outlet, not the distribution point," and that "in accordance with that definition all future qualification will be made of 'suppliers' and

the selection of distribution points for that supplier's product will be of relatively minor importance."

In the case of MIDCO, however, the licensee surveyed and qualified MIDCO (the distribution point) and not the manufacturing outlets. Although the initial survey of MIDCO was prior to September 1979 when the term "supplier" was defined to exclude distributors, MIDCO has twice since been requalified, in November 1979 and July 1980, without survey, and apparent manufacturing outlets used by MIDCO have not been certified by the licensee since September 1977. The licensee quarterly "NCR Trend Analysis" report for five of the last six quarters showed only one supplier having continuing adverse quality trends and that the supplier was MIDCO. MIDCO was neither an ASME certificate holder, nor included in the CASE program, and neither were three of the four pipe fitting manufacturing outlets used by MIDCO and selected as a sample by the NRC inspector.

The licensee has indicated his intent to survey MIDCO to assure that there are no nonconformances in the area of subtier supplier control.

A review of purchase orders revealed that one purchase order (147073) to Nebraska Testing Laboratories included the calibration of dead weight tester weights classified as essential. This supplier was a qualified supplier, but not for this attribute. The licensee apparently had not verified that Nebraska Testing Laboratories was also qualified for calibration of dead weight tester weights. In all cases where supplier certification was not all inclusive of material, equipment or services available from that supplier, the licensee's "Qualified Vendor List" so reflects. It was noted that the licensee "Qualified Vendor List" now shows for some vendors what may be a limitation such as "H. L. Crump and Company (Flexitallic Gasketing)." The licensee has indicated his intent to survey this supplier to verify his acceptability for this attribute.

These two instances were considered isolated cases in an otherwise comprehensive program. Pending completion of the intended surveys and NRC inspector review of the results, this will be considered an open item. (8106-03)

5. Independent Inspection

As part of the NRC inspector's independent inspection effort, an analysis was made of the licensee's trend analysis program. For the past six quarters, the following areas are shown in the licensee's quarterly "NCR Trend Analysis" report as exhibiting a continuing increasing (adverse) trend condition:

- a. Reactor Equipment Cooling
- b. Reactor Core Isolation Cooling
- c. Radiation Monitoring - Vent
- d. Fire Protection
- e. Augmented Off-Gas

In addition, the licensee's "NCR Trend Analysis" report, dated May 11, 1978, Section 7, "Radiation Monitoring - Vent," states, "The data indicates that the NCRs written on this system have increased steadily since April 1977. An adverse trend is established." This indicates previous apparent long-term adverse trends in this area. The licensee, as part of his continuing program, will evaluate the underlying causes of adverse quality trends in these areas. Results of his evaluation will be reviewed during a future inspection.

This is considered an open item (8106-04).

6. Exit Interviews

Exit interviews were conducted on March 15 and 16, 1981, with those NPPD personnel denoted in paragraph 1 of this report to summarize the scope of the inspection and the findings.