

Appendix A

NOTICE OF VIOLATION

Gulf States Utilities Company

Docket No. 50-458
CPPR-145

As a result of the inspection conducted on February 2-6, 10-13, and 17-20, 1981, and in accordance with Interim Enforcement Policy, 45 FR 66754 (October 7, 1980), the following violation was identified:

Failure to Provide Prompt Followup to Audit Findings

Criterion XVI of Appendix B to 10 CFR Part 50 requires that conditions adverse to quality; such as failures, malfunctions, deficiencies, deviations, defective material and equipment, and nonconformances, be promptly identified and corrected.

Contrary to the above:

A Stone and Webster Corporate Audit (QACA Audit No. 21) performed during the period January 12-19, 1981, identified two controlled manuals in the Site Engineering Office that were not being properly maintained in that both contained numerous discrepancies. The discrepancies involved missing procedures, missing procedure change notices and the failure to discard outdated procedures. The audit team recommended a complete review of all manuals in the Site Engineering Office to assure that they were updated and properly maintained. As of this inspection, the review had not been performed and the discrepancies noted in the audit had not been corrected. This represents a failure to take prompt corrective action.

This is a Severity Level VI violation (Supplement II, paragraph F).

Pursuant to the provisions of 10 CFR Part 2.201, Gulf States Utilities Company is hereby required to submit to this office within 25 days of the date of this Notice, a written statement or explanation in reply, including: (1) the corrective steps which have been taken and the results achieved; (2) corrective steps which will be taken to avoid further violations; and (3) the date when full compliance will be achieved. Under the authority of Section 182 of the Atomic Energy Act of 1954, as amended, this response shall be submitted under oath or affirmation.

Dated 4-20-81



W. C. Seidle, Chief
Engineering Inspection Branch

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Appendix B

SIGNIFICANT INSPECTION OBSERVATIONS

Gulf States Utilities Company

Docket No. 50-458
CPPR-145

As a result of the inspection conducted on February 2-6, 10-13, and 17-20, 1981, the following observations of program strengths and weaknesses were identified.

- A. Perceived program strengths were identified in several areas. These items are referenced below:
1. In the Project Management Program, the licensee has an active role in the management of the construction of River Bend. (paragraph 3.3.a)
 2. In the area of Project Management, both the licensee and contractor have experienced, highly motivated, quality conscious personnel in management and supervision. (paragraph 3.3.b)
 3. Stone and Webster training programs in Project Management Area are strong. (paragraph 3.3.c)
 4. The Nuclear Agreement seems to provide a responsible and reasonable labor relations/negotiation tool. (paragraph 3.3.d)
 5. Morale of employees in Project Management is high. (paragraph 3.3.e)
 6. Gulf State Utilities and Stone and Webster (S&W) on-site design controls appear to be strong and viable. (paragraph 4.3)
 7. Overall Procurement Program is strong and functional. (paragraph 5.3)
 8. Generation of various inspection plans and inspection handbooks by S&W (FQC) should ensure adequate inspections, surveillance audits and documentation. (paragraph 6.3.a)
 9. Top management of GSU and S&W hold regular meetings, with corporate QA input for problem resolution. (paragraph 6.3.b)
 10. Project trends are tracked by a semiannual trend analysis report prepared by GSU QA. (paragraph 6.3.c)
 11. QA management is actively involved in the site construction and communication channels are adequate. (paragraph 6.3.d)
 12. Construction controls in the civil/structural area indicate a strong effort to preclude repetitious nonconformances. (paragraph 7.2.4)
 13. NDE programs are managed by competent personnel and morale appears to be above average. (paragraph 7.4.4)

14. Management within the Field Quality Control area is perceived to be competent with a sincere dedication to quality and quality control. (paragraph 7.5.4)

B. Perceived program weaknesses were identified in several areas. Observation of weaknesses identified were:

1. The GSU Project Procedure Manual was about six months out-of-date and did not designate the senior GSU representative on site. (paragraph 3.2.a)
2. An isolated instance of an individual manager's lack of commitment to the resolution and corrective action to previous NRC findings was noted. (paragraph 3.2.b)
3. The Stone and Webster's Construction Program does not have a systematic training schedule. (paragraph 3.2.c)
4. The Construction Control and Completion Program is not being fully implemented. (paragraph 3.2.d)
5. The GSU Construction Group is understaffed in key positions. (paragraph 3.2.e)
6. GSU review and approval of Engineering and Design Change Requests (E&DCRs) and Nonconformance and Disposition Reports (N&Ds) do not provide for documentation of a review for reportability of a potential construction deficiency as defined by 10 CFR Part 50.55(e). (paragraph 4.2.a)
7. Stone and Webster's review of N&Ds for reportability of a potential construction deficiency under 10 CFR Part 50.55(e) is completed by the Engineering Department with no formal review and/or concurrence by the S&W QA Department. (paragraph 4.2.b)
8. S&W QA Department does not formally review all N&Ds even though N&D trending is their responsibility. (paragraph 4.2.c)
9. Nonconformance Reports generated by off-site vendors and subcontractors are tracked on E&DCRs which have no provision for review for potential construction deficiency reportability under 10 CFR Part 21 or 10 CFR Part 50.55(e). (paragraph 4.2.d)
10. The amount of space allotted for Class A storage appears to be limited. (paragraph 5.2.)
11. GSU collateral assignment of a newly promoted supervisor to supervise two QA sections has the potential for degrading QA program effectiveness. (paragraph 6.2.d)
12. The interface between S&W site QA organization and the licensee's QA organization could be strengthened such that two groups could more effectively complement each other. (paragraph 6.2.a)

13. In the GSU QA management function, the main goals appear to be the number of findings at the expense of assurance of the adequacy of corrective actions. (paragraph 6.2.c.)
14. Sign offs by field QC inspectors on some Pour Card Preplacement records were not dated and signatures of mechanical and electrical QC inspectors were from two to four weeks ahead of placement date. (paragraph 7.2.3.a)
15. A more efficient method of document transmittal and retention should be utilized for Pour Cards. (paragraph 7.2.3.b)
16. Inadequate training and guidance in the use of a Densitometer and recording of minimum and maximum film densities results in recording of potentially erroneous values on the radiograph interpretation sheets. (paragraph 7.4.3)
17. There appears to be a lack of adequate management in the Civil Testing Laboratory. (paragraph 7.5.3)