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

REGION III

Report Nos. 50-546/81-11; 50-547/81-11

Docket Nos. 50-546; 50-547 License Nos. CPPR-170; CPPR-171

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

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

Inspection At: Marble Hill Site, Jefferson County, IN

Inspection Conducted: June 1-30, 1981

J. J. Harrison 7/8/81

Inspector: J. J. Harrison

W. S. Little 7/13/81

Approved By: W. S. Little, Chief
Reactor Projects Section 2C

Inspection Summary

Inspection during the period of June 1-30, 1981 (Report Nos. 50-546/81-11; 50-547/81-11)
Areas Inspected: Inspection by the IE Regional Resident Inspector of activities at the site to verify that the activities being performed complied with the NRC Confirming Stop Work Order, dated August 15, 1979, and were within the scope of the Graduated Recission of the Order as identified in letters dated July 7, 1980 (authorization for PSI to resume receiving inspection activities), November 13, 1980 (authorization for two firms, Cherne and Commonwealth-Lord JV, to resume receiving inspection activities), December 5, 1980 (authorization for two firms, Cherne and Commonwealth-Lord JV, to resume construction activities with certain conditions being specified), and March 27, 1981 (authorization for Newberg-Marble Hill to resume receiving inspection and construction activities with certain conditions being specified). The inspection also consisted of a review of storage and maintenance activities for safety related items and construction activities being conducted by the mechanical, electrical and civil contractors. This inspection involved a total of 208 inspector-hours on site by one NRC inspector, including 6 inspector-hours onsite during off-shifts.
Results: No items of noncompliance or deviations were identified.

DETAILS

1. Principal Persons Contacted

Public Service of Indiana (PSI)

*S. Shields, Senior Vice President Nuclear Division
*B. Petro, Executive Director - Nuclear Project Management
*L. Ramsett, Executive Director - Nuclear Quality Assurance
*T. Burns, Project Engineering Manager
N. Reichel, Contract Manager Civil
G. Warner, Civil Construction Engineering Supervisor
*C. Beckham, Quality Engineering Manager
D. Janecke, Quality Systems Superintendent
J. Roberts, Inspection Superintendent
B. Morrison, Superintendent - Civil Quality Engineering
H. Curry, Superintendent - Electrical Quality Engineering
*J. Wolfe, QA Administrative Assistant
*E. Chatham, Contract Manager - Composite
*M. Linn, Assistant Contract Manager - Civil

Cherne Contracting Corporation (CCC)

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

Newberg-Marble Hill (N-MH)

D. Stegemoller, Vice President - Power Construction
L. Elliott, Project Manager
C. Barbour, Project QA Manager

Westinghouse Electric Corporation

C. Markham, Site Manager

Authorized Nuclear Inspector (ANI)

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

Nuclear Regulatory Commission

B. Davis, Deputy Director
W. Little, Section Chief
F. Hawkins, Reactor Inspector

*Denotes those present at the exit meetings.

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

2. Licensee Action on Previous Inspection Findings

(Open) Unresolved (546/80-42-01; 547/80-42-01): Mechanical contractor, Cherne Contracting Company, resolution of problems as follows:
(1) Section 11.1, Rev. 7, of Cherne QA Manual, is not clear as to who performs the inspection on the carrier for "Shipping Damage" (ANSI N45.2.2 Requirement).
(2) Cherne QA Manual Sec. 18.3.1 & 18.3.2 need review relative to ANSI N45.2.9 requirements for listing "Lifetime Records" as "Permanent". A review indicated that QA Manual changes had been initiated for both items, but the Manual had not been issued. Manual issuance is required This item remains open.

(Closed) Unresolved (546/80-42-02; 547/80-42-02): Mechanical contractor, Cherne Contracting Company, conflicting requirements as follows:
(1) Conflict in Cherne Procedure for calibration of pressure gages. Procedure 16.1X.
(2) Conflict between Cherne Procedures with regard to calibration intervals for MT yoke.
Item (1), actions were completed by revising Procedure 16.1, Appendix 6. This procedure was reviewed during this reporting period and found to be acceptable.
Item (2), no action is required due to current procedures are not in conflict and do meet the applicable ASME Code (1977 W/78) Editions. This item is closed.

3. Functional or Program Areas Inspected

a. Construction Activities

Inspection of construction activities were performed by the Resident Inspector to assure that work in Category 1 areas was being performed within the scope of the NRC Confirmatory Order dated August 15, 1979 and Graduated Recission to the Order by NRC letters of July 7, November 13, December 5, 1980 and March 27, 1981. The activities observed were within this scope. Two inspections were conducted during off-shift periods.

Also during this reporting period the Resident Inspector observed the following:

(1) Civil - The chipping, evaluation and repair of defective concrete areas in the Auxiliary, Fuel, and Unit 1 Containment Buildings. The Resident Inspector observed the work and inspection activities as detailed in Newberg Procedures:

WPN-25, Concrete Patching, Revision 6

WPN-25-02, Concrete Patch and Repair Area Evaluation, Revision 3

WPN-41, Concrete Curing, Revision 1

QCP-10.04. Concrete Curing Inspection, Revision 1

QCP-10.06, Post Placement and Patching Inspection, Revision 3

Also during the month the Resident Inspector observed seven concrete placements. Inspections were conducted for preplacement and post placement activities for pours 1CW-377-15, 1CW-377-22, 1CW-377-6, 1CW-377-13, 1CW-412-3, 1SW-377-5B and AS-401-7, 8A, 8B, and 8C to the following Newberg Procedures:

WPN-9, Concrete Placement, Revision 15

WPN-41, Concrete Curing, Revision 1

QCP-10.02, Concrete Preplacement Inspection, Revision 2

QCP-10.03, Concrete Placement Inspection, Revision 1

QCP-10.04, Concrete Curing Inspection, Revision 1

(2) Electrical - The installation of electrical hangers in the Auxiliary Building, elevation 383, to the following Commonwealth-Lord JV Procedures:

CWP-C8A, Welding Procedure General, Revision 1

CWP-C3B, Cable Tray System Installation, Revision 1

CWP-C24, Priming and Galvanizing Repair, Revision 1

(3) Mechanical - The installation of the Containment Spray System in the Unit 1 and 2 dome areas to the following Cherne Contracting Company Procedures:

13.10, Fitting and Alignment, Revision 4

WPS 808B021 - 1.0 CT, Revision 6

No items of noncompliance or deviations were identified.

b. 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. The Resident Inspector also observed the Quarterly maintenance being performed on the Unit 1 Reactor Vessel. This activity was being performed by the Nuclear Installation Services Company (NISCO) to Procedure #ES-MSI-4004-3 and surveillance of this activity by PSI Quality Assurance personnel to procedure PMP-3.27, Revision 2, Surveillance of Storage and Maintenance.

No items of noncompliance or deviations were identified.

c. Handling of Major Components

The Resident Inspector observed the unloading of the Unit 2 Reactor Vessel Lower Internals Assembly from the railcar onto a transporter, and for movement to a warehouse and placement in storage. This activity was performed by the Nuclear Installatic ns Services Company (NISCO) to procedure ES-4004-10A2&3, Reactor Vessel Lower Internal Off-Loading Procedure and Process Control Sheet 4004-25 & 25A. This procedure and process control sheets combined to provide sufficient detail to adequately handle the Lower Internals. The process control sheets, although approved by PSI, were not part of the approved procedure or were not referenced by the procedure. This item is unresolved. (50-546/81-11-01; 50-547/81-11-01)

No items of noncompliance or deviations were identified.

4. Quality Assurance Program (General)

The Resident Inspector reviewed the Quality Assurance Activities in specific areas to evaluate the effectiveness of that part of the QA program, these areas were:

(a) Nonconformance and Corrective Action Reports - These reports were reviewed for timely disposition, proper dispositions, improper voiding, and basis for "Use-As-Is". Several reports were found with questionable disposition (use-as-is and rework/repair) and several were noted to have been dispositioned Use-As-Is without a documented basis (part of a quality record). This item is unresolved. (50-546/81-11-02; 50-547/81-11-02)

(b) Storage and Maintenance - Maintenance was not being performed on all Heating, Ventilating and Air Conditioning (HVAC) equipment as required by PMP 6.03, Revision 2, Storage, Handling and Maintenance of Plant Equipment and Materials. This problem had been properly documented on a Corrective Action Request (PCO-811). During this inspection the contract to perform this activity was awarded to a different site contractor. This activity is currently being performed and appears adequate. Also during this inspection it was noted that one contractor was not fully complying with PSI Storage and Maintenance Instructions (SMI) due to conflicts contractually or due to problems with the SMI's. This problem was properly addressed and currently requirements were being met.

(c) Internal Audits - A review of the Audit Log, Audit Reports, and Audit Responses was conducted. The results of this review were that the basic program requirements were being complied with. Audit Responses, however, appeared to lack a timely submittal of an acceptable response. That is numerous submittals and rebuttals were required to reach a final acceptable solution. This caused some audit findings (example, 16 PSI 05-Nonconformance #5) to be open for up to nine months (July 1980 to April, 1981). This item is unresolved. (50-546/81-11-03; 50-547/81-11-03)

At the conclusion of this inspection, on June 3, 1980, the Resident Inspector and W. S. Little, RIII Reactor Projects Section Chief met with S. W. Shields, Sr. Vice President Nuclear Division, to discuss these concerns. Mr. Shields was aware of the problems and status'ed each concern as to action taken or planned to be taken. A follow-up inspection is planned in the near future to complete this evaluation.

No items of noncompliance or deviations were identified.

5. Meetings/Site Visits

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

On June 3 and 4, 1981, W. S. Little, RIII Reactor Projects Section Chief visited the site to observe construction and inspection activities. On June 3, 1981 participated in a meeting with PSI, see Section 4.

On June 11 and 12, 1981, A. B. Davis RIII Deputy Director visited the site to observe construction and inspection activities. On June 11, 1981 we met with Mr. S. Shields to discuss philosophy, regulation, and Marble Hill direction and status.

6. Unresolved Items

Unresolved items are matters about which information is required in order to ascertain whether they are acceptable items, items of noncompliance, or deviations. Unresolved items disclosed during this inspection are discussed in Paragraphs 3.c, 4.a, and 4.c.

7. Exit Meetings

The Resident Inspector participated in the exit meetings conducted on:

June 12, 1981, F. Hawkins and B. Davis

June 26, 1981, 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.