



Consumers
Power
Company

James W Cook
Vice President - Projects, Engineering
and Construction

General Offices: 1945 West Parnell Road, Jackson, MI 49201 • (517) 788-0453

May 28, 1982

Mr J G Keppler, Regional Administrator
US Nuclear Regulatory Commission
Region III
799 Roosevelt Road
Glen Ellyn, IL 60137

MIDLAND PROJECT -
INSPECTION REPORTS NOS 50-329/82-05(DETP) & 50-330/82-05(DETP) AND
50-329/82-06 & 50-330/82-06
FILE: 0.4.2 SERIAL: 16182

References: (1) NRC Letter, C E Norelius to J W Cook, dated April 26, 1982,
transmitting Inspection Report 82-05
(2) NRC Letter, C E Norelius to J W Cook, dated April 26, 1982,
transmitting Inspection Report 82-06

This letter, including all attachments, provides our response to References 1
and 2, which transmitted the subject Inspection Reports and which requested
our written response on the items of noncompliance therein.

Attachment 1 to this letter provides our response to the violation notice in
Report No 82-05.

No response is required by Reference 1 to the item in Report No 82-05
concerning QA civil staffing. However, Consumers Power believes that this
item needs to be addressed; and Attachment 2 to this letter does so.

The first item of Report No 82-06 is addressed in Attachment 3 to this letter.

oc0582-1966a102

8209080656 820902
PDR ADOCK 05000329
G PDR

JUN 4 1982

Our response to the second item given in Report No 82-06 will be provided in the detailed report to be submitted the week of June 7th. The contents of this report were discussed with your Staff at a meeting on this subject on May 14, 1982.

Consumers Power Company

By James W. Cook
James W Cook

Sworn and subscribed to before me on this 1th day of June, 1982.

Beverly A. Avery Beverly A. Avery
Notary Public, Jackson County, Michigan

My commission expires Jan 16, 1985

WRB/vsh

CC: RJCook, USNRC Resident Inspector, Midland Site
RLandsman, NRC Region III

CONSUMERS POWER COMPANY'S RESPONSE TO
US NUCLEAR REGULATORY COMMISSION, REGION III
INSPECTION REPORT NO 50-329/82-05(DETP); 50-330/82-05(DETP)
DOCKET NOS 50-329 AND 50-330

Appendix A (Notice of Violation) to Inspection Report No 50-329/82-05 and 50-330/82-05 provides an item of noncompliance to 10 CFR 50, Appendix B, Criterion V, with four examples. Our response to each example is given in turn, as follows:

1. NRC Statement

Example "a" states:

"Mergentine's Field Procedure FPC-1.00, Revision 3, dated January 26, 1981, was not reviewed and approved prior to initiation of access shaft work as required by Site Procedure FPG-1.000. This was the result of Consumers Power Company allowing Mergentine to proceed without having an approved procedure to prepare procedures."

This item is labeled 50-339/82-05-02A and 50-330/82-05-02A.

Consumers Power Company Response

The Mergentine procedure in question, FPC-1.000, Rev 3, covered a non safety-related activity and, as such, should not be the basis for an item of noncompliance.

Consumers Power agrees the condition represented by this example required corrective action. The Mergentine procedure was approved by the vendor drawing review stamp. The format of the cover page was borrowed from the existing Bechtel format for field procedures, which provides signature blocks which are inapplicable to a Mergentine procedure. These signature blocks were blank for the Mergentine procedure in question.

Bechtel Site Procedure FPG-1.000 covers the approval of Bechtel field procedures, not the approval of Mergentine procedures.

The Mergentine procedure for preparing procedures (MGP 1.000 Q) now provides for a specific cover sheet format appropriate for Mergentine procedures.

2. NRC Statement

Example "b" is given as follows:

"Site Procedure EDPI 4.49.1 Does not have time limits established from engineer approval of the SCN, to distribution of the controlled copies of the specifications on site. This results in untimely delays for important changes."

This item is identified as 50-329/82-05-02B and 50-330/82-05-02B.

Consumers Power Company Response

We agree the concern raised by the NRC inspector must be addressed in the Quality Program. Provision meeting this concern is made in existing EDPI 4.49.1 under Section 3.1, which states (in relevant part) as follows:

"For specifications which have been issued for construction, it is imperative that the responsible engineer or designer ascertain the status of construction prior to the release of specification changes. If construction activity in the area affected by the change is imminent, the Group Supervisor shall determine whether a construction hold should be initiated, a retrofit should be planned, or the proposed change canceled or revised. If retrofitting is planned, the point (effectivity) of retrofitting shall be clearly identified in the design change document. Where possible, amplifying instructions shall be given regarding material or equipment no longer needed as a result of the design change. Holds or releases of the holds shall be by written communications between the project engineer and the project superintendent, or by appropriate SCN action covering the affected areas."

The above paragraph does not provide specific time limits for each step in the preparation and distribution of SCNs. Instead, it describes the actions required to be taken by the responsible engineer/designer to insure specification changes accommodate the actual circumstances in the field. Other requirements exist for implementation timeliness once the change notice is received in the field.

3. NRC Statement

Example "c" is given as follows:

"Specification C-88, for the initial 20 dewatering wells, does not have acceptance criteria for determining if the actual amount of gravel pack/grout used in the dewatering wells was within an acceptable range. This resulted in inadequate assurance that the wells are acceptable. Furthermore, Specification C-118, for the remaining 40 wells, does not have acceptance criteria for this attribute."

This item is identified as 50-329/82-05-02C and 50-330/82-05-02C.

Consumers Power Company Response

Specification C-118 supersedes Specification C-88 for the installation of the site permanent dewatering system. Specification C-118 is in the process of being revised to include the following requirement:

"Upon completion of dewatering well installation, the measured versus calculated amounts of gravel pack and grout material used will be

compared. If the measured quantity differs from the calculated quantity by 25 percent, an engineering evaluation is required by the contractor."

Both the issuance of this revision to the specification and the actual required calculations, on wells installed to date, are anticipated to be completed by early June 1982. Results of comparisons thus far (which includes all wells installed under Specification C-88) indicate that the difference between measured and calculated values are well within acceptable limits. Consumers Power Company (Design Production Geotechnical Engineering) will review the comparisons and will determine if any additional evaluations are deemed necessary.

4. NRC Statement

Example "d" is given as follows:

"Site Procedure E-1M does not have adequate instructions to prepare or implement overinspection plans in that it did not address how SCNs, FCNs, FCRs and DCNs are incorporated into the plans. This resulted in Overinspection Plan C-17B having contradicting and unclear acceptance criteria. As a result, the inspection reports document erroneous results."

This item is identified as 50-329/82-05-02D and 50-330/82-05-02D.

Consumers Power Company Response

This example deals with two concerns -the first with procedure E-1M, which did not specifically identify how attachments to contract specifications, drawings and procedures (SCNs, FCNs and DCNs) are used in both the preparation and implementation of the Overinspection Plans; and the second with Overinspection Plan C-17B, which, as a result of the first concern, had conflicting statements for activities 4.3D and 4.4A/C17B.

First Concern

Procedure E-1M was revised and approved on an interim basis on March 12, 1982 and on a final basis on April 25, 1982. This revision was made to address the use, in overinspection plans, of attachments to reference documents (including contract specifications, drawings, procedures, etc.) which contain acceptance criteria.

Second Concern

Overinspection Plan C-17B was revised and approved on February 16, 1982. This revision eliminated the conflicting statements. The completion of this corrective action was documented in the CP Co minutes of the NRC exit meeting held February 19, 1982.

A summary of corrective actions for the above items and date when full compliance was achieved is as follows:

1. Procedure (MGP 1.000 Q) for preparing procedures was approved by Bechtel on May 6, 1982 and was distributed to the field for use on May 10, 1982, which provides for full compliance of this Mergentime activity.
2. The concern raised in this example is adequately addressed by the controls in EDPI 4.49.1 which provides for compliance to the QA Program requirements.
3. Specification C-118 was revised on May 7, 1982 by SCN 12003 which incorporated the acceptance criteria which was the subject of this item. Full compliance with requirements was achieved by this revision although compliance to the individual specification requirement will be a continuing on going activity.
4. Full compliance was achieved with the implementation of the Program changes to E-1M on April 25, 1982. The specific problem with Overinspection Plan C-178 was corrected on February 16, 1982.

CONSUMERS POWER COMPANY'S RESPONSE TO
US NUCLEAR REGULATORY COMMISSION, REGION III
INSPECTION REPORT NO 50-329/82-05(DETP); 50-330/82-05(DETP)
DOCKET NOS 50-329 AND 50-330

NRC Statement

Appendix B (Notice of Deviation) of Inspection Report No 50-329/82-05 and 50-330/82-05 provides the following:

"As a result of the inspection conducted on February 3-5, 17-19 and March 17-19, 1982, the following was cited as a deviation.

During IE Inspection No 81-12, the licensee committed to provide additional qualified QA civil staff prior to the initiation of the remedial soils work.

Contrary to the above, it was determined that certain of the assigned personnel do not satisfy the commitment to provide qualified staff needed to support the remedial soils work."

This item is identified as 50-329/82-05-01 and 50-330/82-05-01.

Section 1 of the "DETAILS" portion of the Inspection Report No 50-329/82-05 and 50-330/82-05 states the following:

"During this inspection, a review of the quality assurance staff for the civil work activities was made to determine that adequate technical, quality assurance depth and personnel availability exist for the planned remedial measures to be performed as a result of the soil settlement issue.

The onsite QA group is divided into two sections; (1) Quality Assurance Engineering (QAE), and (2) Inspection-Examination and Testing Verification (IE&TV). The QAE section presently consists of a supervisor (an industrial engineer) and three civil engineers. The IE&TV section presently consists of a supervisor (a civil engineer), one civil engineer, a geologist, and two other individuals, one of which has an associate degree in environmental studies. The following determinations were made:

- a. The QAE section supervisor does not have the technical experience to implement the MPQAD program for the required remedial measures.
- b. The IE&TV staff has very limited technical depth for the complex nature of the remedial actions.

Staffing problems were previously discussed with the licensee (as described in IE Reports No 81-01 and No 81-12). CP Co committed to provide, prior to the initiation of the complex remedial activities, additional qualified staff to participate in these activities. It is the

assessment of the inspector that the staff is not fully adequate and are judged not to be commensurate with the complexity of the task. Therefore, it has been determined that CP Co is in deviation from an NRC commitment as described in Appendix B of the report transmittal letter (50-329/82-05-01; 50-330/82-05-01).

Subsequent to the inspection, CP Co informed the Region III office that the civil QA section will be reorganized into a remedial soils group and a structural group. The remedial soils group, will have a qualified civil engineering staff. Additional qualified staff will also be provided. This action will be verified during a subsequent inspection."

Consumers Power Company Response

This deviation appears to be based, at least in part, on an erroneous perception of facts forming the subject matter of previous inspection reports.

Report 81-01 contained a deviation for "failure to supply an on-site Geotechnical Engineer." The history of events leading up to this citation were fully described in Consumers Power Company's "Response to Draft SALP Report," Attachment 1, p 1-11. On the basis of that description, there clearly was no "staffing problem".

NRC Inspection Reports 50-329/81-12; 50-330/81-12, also referred to by the inspection report as a "staffing problem," merely indicated the NRC's advice to the effect that additional QA/QC personnel were needed to accommodate the forthcoming remedial soils work. We agreed with this NRC observation. The inspection report itself (81-12) did not cite us on this score. We always had an adequate number of QA/QC personnel to cover the job. We now have 12 full time and 1 part time QA/QC persons employed in MPQAD and 30 QA/QC persons employed by both MPQAD and Bechtel Quality Control to cover remedial soils work. This staffing is appropriate for the current workload, including the time necessary to assure their adequate training and certification. Several more persons are expected to be on site in June. Additional personnel are being sought to fill the 2 remaining authorized positions. We will continue to assess our staffing needs as the job progresses to assure that appropriate staff is in place.

Regarding present staffing, the inspection report also cites the fact that the QAE Supervisor lacks a degree in civil engineering and specific soils engineering experience. The NRC Inspector was advised that this individual was, and is, not involved in the technical direction of the Quality Assurance Engineers assigned to the support of the remedial work. This information was also presented to Region III and NRR Staff in Glen Ellyn at a meeting on January 12, 1982. At that meeting a viewgraph was shown of the total MPQAD Civil Section with an annotation of those individuals involved in support of the remedial work.

The conclusion reached in NRC Inspection Report that "the IE&TV staff has very limited technical depth for the complex nature of the remedial actions" is one with which we disagree. Each member of our staff must be

certified in accordance with NRC regulations, national standards and our own procedures before he can perform inspection or audit functions. We are continuing to staff in preparation for future work. It should also be noted that our Design Production Department has several highly qualified individuals in structural and geotechnical engineering who have supported, and will continue to support, MPQAD.

In summary, it is Consumers Power's position that the Notice of Deviation is not appropriate. It is our hope that NRC will, in time, come to the same conclusion as the remedial work goes forward.

CONSUMERS POWER COMPANY'S RESPONSE TO ITEM 1 OF
US NUCLEAR REGULATORY COMMISSION, REGION III
INSPECTION REPORT NO 50-329/82-06(DETP); 50-330/82-06(DETP)

NRC Statement

Appendix (Notice of Violation) to Inspection Report No 50-329/82-06 and 50-330/82-06 provides the following for Item 1:

"10 CFR 50, Appendix B, Criterion II states, in part, 'The Quality Assurance Program shall provide control over activities affecting the quality of the identified structures, systems, and components, to an extent consistent with their importance to safety. Activities affecting quality shall be accomplished under suitably controlled conditions.'

"Consumers Power Company Quality Assurance Program Policy No 2, Revision 11, Paragraph 1.0 states, in part, 'The Quality Assurance Program assures that activities affecting quality are accomplished by use of appropriate equipment and under suitable environmental conditions. The program establishes the requirements for special controls, processes, test equipment...'

"Contrary to the above, the Midland Project Quality Assurance Department has not adequately established a Quality Assurance Program which provides controls over the installation of underpinning instrumentation. This condition is exemplified by the installation of underpinning instrumentation cables without documented procedures, approved drawings, or the development and implementation of inspection and audit requirements."

This item is identified as 50-329/82-06 and 50-330/82-06. Consumers Power Company is disappointed with this citation because it is apparently based upon incorrect conclusions derived from the March 10, 1982 meeting and subsequent conversations with the Staff. The matter was partially addressed in Attachment 3 to Consumers Power Company's "Response to Draft SALP Report". The citation is based on the Company's classification as non Q of the installation of the instrumentation system. However, as a result of the NRC inspection of March 17-19 and the management meeting in Glen Ellyn on March 30th, the instrumentation is being, and will be, installed under the Quality Program in line with the now in-place agreements and Quality Program Requirements. Appropriate specific quality assurance requirements, which have been coordinated with Mr R Gardner of your staff, are being applied. This includes ripout and replacement of the cables pulled prior to implementation of the additional requirements.