

SIEMENS

April 15, 1994

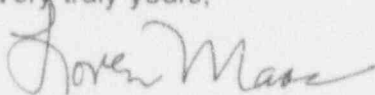
U.S. Nuclear Regulatory Commission
Attn: Document Control Desk
Washington, DC 20555

Gentlemen:

Re: Letter, Joseph Yardumian to Siemens Power Corporation, "Notice of Violation, NRC Inspection Report No. 70-1257/94-201," dated March 17, 1994.

Enclosed is Siemens Power Corporation's reply to the Notice of Violation contained in the referenced letter. If you have any questions regarding this reply, please contact me at 509-375-8537.

Very truly yours,



L. J. Maas, Manager
Regulatory Compliance

LJM:pm

cc: Richard Cassano, U.S. NRC

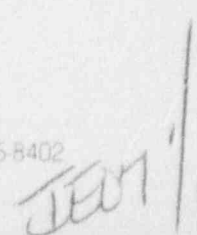
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Siemens Power Corporation

Nuclear Division - Engineering and Manufacturing Facility

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REPLY TO NOTICE OF VIOLATIONS (94-201)

Statement of Violation No. 94-201-01

NRC regulations require the licensee to document management's action on prior assessment recommendations [10 CFR 74.31(c)(8)]. Section 6.3.1, "Ad Hoc Review Committee Audit," of the licensee's currently approved Fundamental Nuclear Material Control (FNMC) Plan specifies that the Vice President, Operations Division, documents on the copy of the assessment final report, or by cover letter, if he judges that a formal response plan to the assessment recommendations is not required.

Contrary to the above, the licensee failed to follow the FNMC Plan requirement to document the 1992 assessment report when determining that a formal response plan to the assessment recommendations was not required. In addition, the licensee allowed a number of recommendations to remain unresolved from one assessment to another.

This is a Severity Level V violation (Supplement III).

SPC Response

Admission or Denial of the Violation

SPC accepts the violation.

It should be noted that the safeguards responsibilities formerly held by the Vice President, Operations were assumed by the Plant Manager following an organizational realignment at SPC in the summer of 1992. These changes were first submitted by SPC as changes to the FNMC Plan in March 1993 (Revision 25), with final acceptance by NRC in February 1994. Revision 25, Functional Description (Section 1.1.1.1) of the FNMC Plan, describes the Plant Manager as having been delegated the safeguards responsibilities by the Vice President, Manufacturing. Therefore, he is the person responsible for reviewing, accepting and recommending any formal response to the 1992 Ad Hoc Audit. The position of Vice President, Operations, no longer exists.

Reason for the Violation

The cause of the violation was administrative oversight which resulted during the transition of responsibilities under the reorganization discussed above.

Recommendations from the 1990 Ad Hoc Committee Review Audit appeared to have not been addressed, because documentation of the closure of the three items in question had not been completed. In actuality, SPC had made decisions and/or taken actions relative to these three recommendations. Failure to document these decisions/actions was the result of administrative oversight.

Corrective Steps Taken

The Plant Manager has reviewed the 1992 Ad Hoc Review Committee Audit and confirmed that the report contained no recommendations that would require a formal response plan. The Plant Manager issued a memo to that effect dated March 31, 1994.

Administrative action was taken by the Manager, Regulatory Compliance through the Safeguards Specialist by memo on April 13, 1994, to document and close the remaining three open items from the 1990 Ad Hoc Audit.

Corrective Actions Taken to Avoid Future Violations

The FNMC plan pertaining to the Ad Hoc review (Section 6.3.1 Ad Hoc Review Committee Audit), is currently under review and will be strengthened to include responsibilities and actions to be taken by the Manager, Regulatory Compliance to document corrective actions when no formal action plan is called for by the Plant Manager. These changes will be submitted prior to convening of the next Ad Hoc Review Committee.

Date of Full Compliance

Full compliance has been achieved as described in Corrective Steps Taken. Revisions to the FNMC Plan will be submitted prior to the next Ad Hoc review in November 1994.

Statement of Violation 94-201-05

Section 4.2.2.1, "Mass Measurement," of the Licensee's FNMC Plan states the following:

"Once a week at a random time, a QC technician weighs a known standard in the working range on each scale. The standard is weighed while the scale is in use."

Contrary to this commitment, the licensee performed only 31 weekly scale checks beside the monthly calibration during 1993.

This is a Severity Level V violation (Supplement III).

SPC Response

Admission or Denial of the Violation

SPC accepts the violation.

Reason for the Violation

Internal investigation revealed that it was understood by the QC Technician that the intent of the procedure was to make sure that there was enough data to perform the statistical scale error calculations. The investigation made the following determinations:

Allowing the weekly audits to proceed on a "best efforts" basis is the major contributing factor in this instance. There was no management overview from Regulatory Compliance to assure that the weekly audit was being performed completely and in accordance with the FNMC Plan nor was there any overview by Quality Control to monitor performance. The technician never received feedback from management to suggest that he was not obtaining adequate information to satisfy the requirements.

Adequate training was not provided for the QC Technician. It was clear that he did not understand that the procedure was imposing a strict frequency requirement and that the audit should include all active, in-use scales every week. QC Procedure P69007 was found to have contributed to the subject finding by not clearly defining responsibility for technician training regarding scale audits.

Corrective Steps Taken

Three major steps have been taken to bring the scale audits into compliance:

(1) The applicable QC procedure is being revised to require a copy of the data turned in at the end of each month to be submitted to the Sr. Metrology Engineer - QC Engineering. The QC Metrology Engineer will then forward the copy to the Manager - Regulatory Compliance for final disposition. This action will be completed by May 2, 1994.

(2) The applicable QC procedure is also being revised to require documenting scale "status" on the audit forms. This will require noting the status for scales which are not being used during the audit period or scales which are out of service for calibration or repairs. This action will be completed by May 2, 1994.

(3) The gage calibration technicians were thoroughly instructed by the Metrology Engineer - QC Engineering on the procedures for the scale audits and on the importance of carrying out the procedure (all procedures) to the letter. They were also instructed on the new QC procedure revision which specifies noting the scale's status on the forms if a particular scale is not included in the weekly audit. This action has been completed.

The results achieved are to bring all future scale audits into compliance with the FNMC Plan. A supervisory overcheck will be performed by QC on the audit data before it is turned in to the Manager - Regulatory Compliance each month. This is achieved by revision of the applicable QC procedure to clarify responsibilities for performing the overview each month and for clarification of training responsibilities for scale audits and calibration procedures. In addition, Regulatory Compliance will review the scale audits and communicate to QC management if the weekly schedule is not being met.

Corrective Steps Taken to Avoid Future Violations

The three corrective actions outlined above will serve to avoid future violations regarding scale audits.

Date of Full Compliance

Full compliance will be achieved by May 2, 1994.