

ILLINOIS POWER COMPANY



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U-10007

CLINTON POWER STATION, P.O. BOX 678, CLINTON, ILLINOIS 61727

November 3, 1982

Mr. James G. Keppler  
Regional Administrator  
Region III  
U.S. Nuclear Regulatory Commission  
799 Roosevelt Road  
Glen Ellyn, Illinois 60137

Docket No. 50-461

Dear Mr. Keppler:

Deficiency 81-04  
10CFR50.55(e)  
Certifications of HVAC Materials

On October 2, 1981, Illinois Power verbally notified Mr. H.M. Wescott, NRC Region III, of a potential reportable deficiency per 10CFR50.55(e) concerning inconsistencies in the certifications for Clinton Project HVAC materials installed by the Zack Company. This initial notification was followed by four (4) Interim Reports: L.J. Koch letter U-0325 to J.G. Keppler dated November 4, 1981; L.J. Koch letter U-0413 to J.G. Keppler dated February 3, 1982; W.C. Gerstner letter U-0474 to J.G. Keppler dated May 3, 1982; and W.C. Gerstner letter U-0524 to J.G. Keppler dated August 3, 1982.

Illinois Power's investigation has determined that this matter represents a reportable deficiency per 10CFR50.55(e). This letter presents an interim report in accordance with 10CFR50.55(e)(3).

STATEMENT OF REPORTABLE DEFICIENCY

Investigation has determined that a breakdown in the Zack Company (HVAC Contractor) Quality Assurance program had occurred in the area of 10CFR50, Appendix B, Criterion VII, Control of Purchased Material, Equipment, and Services. A quality review of HVAC material certifications revealed that the certifications contained numerous errors of omission, inaccuracies and in some instances alterations or modifications. These errors and inconsistencies resulted in the material certifications being suspect and, therefore, the material suspect. These inconsistencies in documentation have, and will require extensive resources to evaluate, correct, and prove adequacy of material, and is considered a reportable deficiency per 10CFR50.55(e).

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### INVESTIGATION RESULTS/BACKGROUND

During a Zack Company Quality Assurance review of the certifications for the Clinton Power Station HVAC materials, a number of inconsistencies were identified. These inconsistencies were categorized into the following four areas:

- 1.) Incomplete material test reports,
- 2.) Incorrect material test reports,
- 3.) Improperly modified test reports, and
- 4.) Possibility of individual(s) within the Zack Company improperly changing test reports.

As a result, the Zack Company issued Corrective Action Request (CAR) #014-b on September 25, 1981, which identified the problem, contained a plan of action to determine the extent of the problem, and the time frame for completion. Corrective Action Request #014-b has not been closed to date pending completion of corrective action measures addressed in this letter.

Zack Company is presently generating for Baldwin Associates (Illinois Power Contractor), a final list of nonconforming purchase order/CMTR documentation packages that were identified during Zack Company's investigation into this matter. Fifty-three (53) Nonconformance Reports are being generated by Zack Company for submission to Baldwin Associates for evaluation and disposition.

In addition to the actions being taken to resolve the identified documentation discrepancies, Illinois Power Quality Assurance has conducted two (2) evaluation/verifications of Zack Company's corrective action on this matter. These evaluation/verifications revealed problems in the Zack Company's closure of a number of discrepant documentation packages, and with other Zack Company's corrective action measures being taken to correct deficiencies and to prevent further recurrence. These problems are documented on Illinois Power Quality Assurance surveillance findings, and are being resolved by the Zack Company through Baldwin Associates.

### CORRECTIVE ACTION

The following measures have been or are being taken to correct this deficiency and to prevent further recurrences:

1. Zack Company has revised their Quality Assurance Manual to enhance controls and describe in detail the programs for assuring that the requirements of 10CFR50, Appendix B, and the HVAC Installation Specification K-2910 are met. This revised manual has been reviewed and has been conditionally approved by Baldwin Associates Quality Assurance. The Zack Company has added additional Quality Assurance personnel to support the upgraded program, including the area of procurement and certification documentation review.

2. Procurement documentation has been revalidated by the Zack Company Quality Assurance and Document Control Departments and results have indicated a possible fifty-three (53) questionable procurement document packages. These are identified by a nonconformance report for each package. Resolution of these nonconformance reports will assure that HVAC materials are adequate in meeting the design intent. It is expected that nonconformance reports will be submitted to Baldwin Associates and Sargent & Lundy (as applicable) for disposition by November 19, 1982.
3. A centralized documentation center has been established within the Zack Company's Cicero, Illinois, office. Specific guidelines have been established in Zack Company Quality Assurance Instruction (QAI No. 4) titled, "Control and Maintenance of QA Purchase Order/Certified Material Test Report Files".
4. The Zack Quality Assurance Department reviews all procurement documentation and receiving inspection reports for compliance. Procedures titled, "Procurement" (PQCP-15) and "Receiving Inspection" (PQCP-1), incorporates the requirement for quality assurance review.
5. Unauthorized personnel are not allowed access to quality records at the Cicero, Illinois, office.
6. Zack Company management has established, in written directives, a company policy addressing disciplinary action to be taken as a result of instances of failure to follow procedures by employees.
7. Monthly training schedules have been developed and implemented for on-going training of personnel at Zack Company's Cicero, Illinois, office as to the requirements of Zack's Quality Assurance program.
8. Illinois Power and Baldwin Associates Quality Assurance Departments will increase surveillance and audits of Zack Company (Cicero, Illinois) activities, specifically in the documentation and records management areas.

#### SAFETY IMPLICATIONS/SIGNIFICANCE

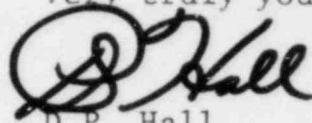
At this time, the impact of this deficiency on the safety of operations of Clinton Power Station is unknown, and cannot be ascertained until the nonconformance reports have been dispositioned, dispositioning action taken, and reports closed. The corrective actions identified above will identify and assure resolution of all potential documentation and material discrepancies and will prevent further discrepancies; consequently, the safety of operations of Clinton Power Station will not be impacted by this deficiency. It is anticipated that ninety (90) days will be necessary to evaluate and disposition the nonconformance reports, evaluate for safety impact, and provide a Final Report on this matter.

J.G. Keppler  
NRC

November 3, 1982  
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This letter is hereby submitted as an interim report in accordance with 10CFR50.55(e)(3). I trust that it is sufficient for analysis and evaluation of the deficiency and corrective action.

Very truly yours,



D.P. Hall  
Vice President

cc: H.H. Livermore, NRC Resident Inspector  
Director, Office of I&E, Washington, DC 20555  
Illinois Department of Nuclear Safety  
Director-Quality Assurance