

CPL
FOR ID, AS OF 1/11/79
(Hayes)

(
- MidMad 1st
50-329
50-350

January 11, 1979

MEMORANDUM FOR: W. A. Hansen
FROM: D. W. Hayes
SUBJECT: REVIEW AND EVALUATION MATERIAL SUBMITTED
PER ALAB 106 CONDITION 4

As I understand, the nonconformance reports (NCRs) and other materials submitted by Consumers Power Company in accordance with Condition 4 of ALAB order 106 have not been formally reviewed and evaluated since August 1976. In view of this and the fact our inspectors routinely review and evaluate audit findings and NCRs at the site for proper corrective action including trend analysis I see little value, in terms of required effort, in trying to fully backfit these reviews.

Please review and evaluate the material submitted since October 1978 to date in accordance with my instructions to T. E. Vandel dated April 25, 1975 (copy previously provided to you).

Maintain these reviews until further instructed. Please see me if you have any questions.

D. W. Hayes, Chief
Projects Section

cc: R. F. Weishman
R. J. Cook
T. E. Vandel

B406070409 B40517
PDR FOIA
RICEB4-96 PDR

OFFICE	RILL					
SURNAME	Hayes/jw					
DATE	1/11/79					



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION III
799 ROOSEVELT ROAD
GLEN ELLYN, ILLINOIS 60137

MIS

(Handwritten signature/initials)

DEC 18 1980

Docket No. 50-329
Docket No. 50-330

CPC DEP. EX. NO. 8
FOR ID. AS OF 1/16/81
(Kappeler)

Consumers Power Company
ATTN: Mr. James W. Cook
Vice President
Midland Project
1945 West Parnall Road
Jackson, MI 49201

Gentlemen:

This refers to the management meeting held on November 24, 1980, at the Holiday Inn in Jackson, Michigan relative to our evaluation of activities authorized by NRC Construction Permits No. CPPR-81 and No. CPPR-82 attended by myself and others of my staff, and by yourself and other members of your staff.

The subjects discussed during the meeting are included in the Office of Inspection and Enforcement Meeting Report and the Licensee Performance Evaluation which are enclosed with this letter.

It is our view that this meeting was effective in communicating to you and your staff the results of our evaluation of your performance of licensed activities. Also, we hope it provided you with a better understanding of our inspection program and objectives.

In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and the enclosures will be placed in the NRC's Public Document Room.

8101290270

DEC 23 1980
LIC. SUBJECT
INSPECTION

Consumers Power Company

- 2 -

No reply to this letter is required; however, should you have any questions concerning this matter, we will be pleased to discuss them with you.

Sincerely,


James G. Keppler
Director

Enclosure: IE Inspection
Reports No. 50-329/80-35
and No. 50-330/80-36

cc w/encl:
Central Files
Reproduction Unit NRC 20b
PDR
Local PDR
NSIC
TIC
Ronald Callen, Michigan
Public Service Commission
Myron M. Cherry

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

REGION III

Reports No. 50-329/80-35; 50-330/80-36

Docket Nos. 50-329; 50-330

Licenses No. CPPR-81; CPPR-82

Licensee: Consumers Power Company
1945 West Parnall Road
Jackson, MI 49201

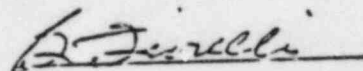
Facility Name: Midland Nuclear Power Station, Unit 1 and Unit 2

Meeting At: Holiday Inn, Jackson, MI

Meeting Conducted: November 24, 1980

NRC Participants: J. G. Keppler, Director
G. Fiorelli, Chief, Reactor Construction and
Engineering Support Branch
R. C. Knop, Chief, Projects Section 1, RC&ES
D. Hood, Project Manager, NRR
R. Sutphin, Project Inspector, RC&ES
R. Cook, Resident Inspector, RC&ES
E. Gallagher, Reactor Inspector, RC&ES

Approved By: G. Fiorelli, Chief
Reactor Construction and
Engineering Support Branch



Meeting Summary

Management Meeting on November 24, 1980 (Reports No. 50-329/80-35
and No. 50-330/80-36)

Areas Discussed: Management meeting held at the NRC's request to discuss the regulatory performance of the activities at Midland Nuclear Station Unit 1 and 2 as concluded in the Systematic Assessment of Licensee Performance (SALP) program.

Results: A summation of the licensee performance evaluation was presented. Areas of concern were discussed with corporate management. The performance at Midland Unit 1 and 2 was considered to be adequate.

~~8101290283~~

DETAILS

1. Persons Contacted

Consumers Power Company

S. K. Howell, Executive Vice President
J. W. Cook, Vice President - Midland Project
G. S. Keeley, Project Manager - Midland Project
B. W. Marguglio, Director Environmental Service and Quality Assurance
W. R. Bird, Manager - QA - Midland Project

2. Areas Discussed

- a. A summary of the SALP program was presented, including the development, the basis for evaluation, and its purpose.
- b. The results of the NRC's evaluation of the licensee's performance were discussed. (A copy of the evaluation is enclosed).
- c. Several topics related to enforcement, the inspection program, and regulatory planning were discussed with the licensee.

3. Major Observations

- a. Within the areas reviewed during this appraisal period, the non-compliance history for issued inspection reports was low, however, when the items of noncompliance relative to the investigation of Zack activities at the Midland site are added, the numbers are high. The investigation report for the Zack activities is under review for escalated enforcement.
- b. Of the twelve construction deficiency reports of problems reported by the licensee in accordance with 10 CFR 50.55(e) requirements, four were deemed to be within the control of the licensee.
- c. The NRC acknowledged that the licensee had undertaken a major re-organization to improve licensee control of activities, however, some problems persist. (See Inspection Reports No. 50-329/80-36 and No. 50-330/80-37.)
- d. These significant problems were identified during the evaluation period. They were:
 - (1) RPV Anchor Bolts - two meetings were held relative to these bolts. It was recognized that these problems originated in the period of 1973.

- (2) Qualification of QC inspectors for containment post tensioning work - additional training and instruction was required to bring the inspectors up to an acceptable level after identification of the problem by the NRC. The meetings in RIII were documented in an inspection report.
- (3) Investigation of HVAC Zack Company activities - a lengthy investigation was conducted at the site. Bechtel and Consumers Power Company were aware of continuing problems with quality requirements, but did not stop the work. The investigation report is under review for escalated enforcement action.

The licensee was informed that the types of concerns which contributed to the three related problems were similar to those identified in previous years. While we recognized that CPCo had taken actions to improve its QA/QC operation through reorganization and restructure, additional efforts were warranted. *1/12/84*

4. Overall Assessment

The overall performance of Consumers Power Company during the appraisal period, as related to the Midland Unit 1 and Unit 2 plants, is considered adequate.

5. Planned NRC Actions

Increased inspection effort is planned in the areas of: Quality Assurance, Management and Training; Soils; and HVAC.

Enclosure: SALP Evaluation

REGION: III

LICENSEE PERFORMANCE EVALUATION (CONSTRUCTION)

Facility: Midland Units 1 and 2

Licensee: Consumers Power Company

Unit Identification:

<u>Docket No.</u>	<u>CP No./Date of Issuance</u>	<u>Unit No.</u>
50-329	CPPR-81, December 15, 1972	1
50-330	CPPR-82, December 15, 1972	2

Reactor Information:	<u>Unit 1</u>	<u>Unit 2</u>	<u>Unit 3</u>
NSSS	B&W	B&W	
MWt	2452	2452	

Appraisal Period: July 1, 1979 to June 30, 1980

Appraisal Completion Date: November 3, 1980

Review Board Members:

J. G. Keppler, Director, RIII
G. Fiorelli, Chief, Reactor Construction and Engineering Support Branch, RIII
R. C. Knop, Chief, Projects Section 1, RC&ES, RIII
D. W. Hayes, Chief, Engineering Support Section 1, RC&ES, RIII
E. J. Gallagher, Reactor Inspector
K. R. Naidu, Reactor Inspector
R. J. Cook, Resident Inspector
C. M. Erb, Reactor Inspector
P. A. Barrett, Reactor Inspector
E. W. Lee, Reactor Inspector
K. D. Ward, Reactor Inspector
I. T. Yin, Reactor Inspector

A. Number and Nature of Noncompliance Items

Noncompliance Category	Unit 1 *		Unit 2 *	
Violations	-		-	
Infractions	11	(10)	10	(10)
Deficiencies	1		2	
Areas of Noncompliance	Unit 1 (Points)		Unit 2 (Points)	
Criterion II	10		10	
Criterion III	10		10	
Criterion IV	10	(10)	10	(10)
Criterion V	30	(10)	30	(10)
Criterion V	2		2	
Criterion VI	10		10	
Criterion IX	30	(10)	20	(10)
Criterion XIII	10		10	
Criterion XIII		(10)	2	(10)
Criterion XVII		(10)		(10)
Criterion VII		(10)		(10)
Criterion VIII		(10)		(10)
Criterion X		(10)		(10)
Criterion XV		(10)		(10)
Criterion XVI		(10)		(10)
Criterion XVIII		(10)		(10)

* Items of noncompliance not yet issued with respect to the investigation of Zack Company activities at the Midland site.

B. Number and Nature of Deficiency Reports

Twelve Construction Deficiency Reports (CDR's) were received by the regional office during the period of July 1, 1979 through June 30, 1980. The nature of these reports covers a broad range of material and construction problems as listed below:

1. Containment coolers, water supply problem
2. Small break/RC Pump operation interaction
3. States sliding links, defective clip (Electrical)
4. Tendon wire length problem
5. Station batteries inadequate
- *6. Hilti drop-in anchors
- *7. RPV anchor bolt failures
8. Boration system inadequacies
9. Gould starters
- *10. Epoxy coating of primary shielding walls
11. Letdown coolers supports over-stressed
- *12. NSSS components wiring problem

*Indicates may have been licensee controllable

C. Escalated Enforcement Actions

Civil Penalties

None

Orders

December 6, 1979, an order modifying construction permits No. CPPR-81 and CPPR-82 was issued by the NRC prohibiting certain construction activities relating to soils problems.

Immediate Action Letters

March 21, 1980 an immediate action letter was issued by the Region III office of Inspection and Enforcement concerning stop work by the Zack Corporation of all safety related heating and ventilating equipment installations.

D. Management Conferences Held During Past Twelve Months

1. Second Corporate Management Meeting - January 11, 1980 in Consumers Power Company corporate office.
2. Qualifications of QC Inspectors - Post Tensioning - October 25, 1979 in RIII office.
3. Management Problems covering HVAC and Reactor Vessel Anchor Bolts - May 2, 1980 in RIII office.

E. Justification of Evaluations of Functional Areas Categorized as Requiring an Increase in Inspection Frequency/Scope (See evaluation sheet)

1. Quality Assurance, Management and Training will receive an increase in inspection frequency to verify that the reorganized QA unit is performing adequately and that identified problems are resolved.
2. Soils will receive an increase in inspection frequency to assure that corrective actions associated with the Diesel Generator building and other areas are effective.
3. HVAC will receive an increase in inspection frequency to assure that corrective actions associated with the installation of the HVAC systems are adequate to insure adequate installation of those systems.

Inspection
Frequency and/or Scope

FUNCTIONAL AREA	Increase	No. Change	Decrease
1. Quality Assurance, Management & Training	X		
2. Substructure & Foundations	X		
3. Concrete		X	
4. Liner (Containment & Others)		X	
5. Safety-Related Structures		X	
6. Piping & Hangers (Reactor Coolant & Others)		X	
7. Safety-Related Components (Vessel, Internals & HVAC)	X (HVAC)		
8. Electrical Equipment		X	
9. Electrical (Tray & Wire)		X	
10. Instrumentation		X	
11. Fire Protection		X	
12. Preservice Inspection		X	
13. Reporting		X	

James D. Keppel
(Designated Regional Manager)

December 18, 1970
Date

Additional
Correction:

identification

Wood Exhibits 28 } through 32
are marked with the date "2-17-81"
rather than the correct date of deposition,
2-19-81.

Feb 6, 1979

Summary discussion of past history at Medlar
Monahan Ex 4 & 21 - Prep for OE training

Monahan, Hood, Gaylor, Davis, Fucelli,
Ditzler, Olnstead

2-27-79 - Summary by Monahan to my wrapped (record page copy)

Mar 9, 1979

Met with I E / Denton / OELD
Denton says to issue SO. 54 "if required"

Aug 10, 1979

Rain-Nolan Meeting

Monahan, Ex. 7 ; Hood Ex 16 of 10/1/80
Vassallo Office Vassallo, Gaylor, Knight,
Rosenstein, Varga, Olnstead, Broadbent, Hood,
Lichtenow, Monahan, Haase, Bryant, Beckman,
Hilary.

Knight - "Tech solution appears feasible, need", and
info

I E (Vassallo, Dent) to determine whether plus as a
general GA breakdown - not GA or Overall GA

Check dep. Ex 25
2-19-81 JET

Nov 28

319 E/W Ave

9:00 -

Christead, J Murray, Vielman, Brockett,
P Mendenhall, Sprunt, Wood, Thompson,
Norell, F. Sorelli, V. map, Haggler,
Rinaldi

Minutes, Ex 13

from accounts of irregularities previously
It is on for the question - how long it takes

1:00 - continue with N. H. H.

N. H. H. - some other ²/₃ dept from CP

Nov 29

12:00 meet with Nelly, Cass, Christead.

Notes

8/4 -
Feb 6

Summary of good books & materials
- 10/14 - 10/15/1981
Merrill, Hunt, Murphy, Case
Fowler, ...

March 9 - Partially ...

March 10 - ...
March 11 - ...
March 12 - ...
March 13 - ...
March 14 - ...
March 15 - ...
March 16 - ...
March 17 - ...
March 18 - ...
March 19 - ...
March 20 - ...
March 21 - ...
March 22 - ...
March 23 - ...
March 24 - ...
March 25 - ...
March 26 - ...
March 27 - ...
March 28 - ...
March 29 - ...
March 30 - ...
March 31 - ...

Nov 26 - ...
Nov 23

Nov 28 - ...
Nov 29 - ...
Nov 30 - ...

- 12/1/81

Nov 29 - 12 Min with Case

Keep Sept 26
2-19-81

2/27/79

Met today with P. Boyd, H. Threlking,
A. Davis, Jim Feldman and others on the diesel
generator settlement matter. Threlking reviewed
I&E findings to date. A meeting on 3/1/79
3/5/79 in Glen Ellyn to give Consensus opportunity
to rebuttle the non-compliance to QA requirements
cited by I&E during the week of February 19th.
A. Davis, D. Miller & I will attend for NRR.
OGLD may also attend.

3/1/79

Met Fisher (local radio news reporter) called
to discuss status of diesel generator body settlement.

3/28/79

Date of TMI-2 accident

Insight - Midland review suspended due to TMI-2.

10/3/79

Visit by Jim Halapoz

The following list has been selected to perform the review
for MTE B, Pottawaming Station, NRR:

Mr Peter Cybulskis
Battelle - Columbus Laboratories
505 King Ave.
Columbus, Ohio 43201

Wright (614) 424-7509

F.T.S. 976-7509

10/3/79

Call to Jim Zabrutski

Jim will forward FSAR and all amendments to BC Lab.

2-13-81 (61)

FROM: Chairman Ahearne <i>INFO COPY</i>		ACTION CONTROL	DATES	CONTROL NO.
TO: Stello		COMPL DEADLINE	2-10-81	10094
DESCRIPTION <input type="checkbox"/> LETTER <input checked="" type="checkbox"/> MEMO <input type="checkbox"/> REPORT <input type="checkbox"/> OTHER		ACKNOWLEDGMENT		DATE OF DOCUMENT
Questions re possible need for additional enforcement action in Midland		INTERIM REPLY		1-14-81
CLASSIFIED DATA		FINAL REPLY		PREPARE FOR SIGNATURE OF:
DOCUMENT/COPY NO.	CLASSIFICATION	FILE LOCATION	<input type="checkbox"/> CHAIRMAN <input type="checkbox"/> EXECUTIVE DIRECTOR OTHER: Stello	
NUMBER OF PAGES	CATEGORY	SPECIAL INSTRUCTIONS OR REMARKS		
POSTAL REGISTRY NO.	<input type="checkbox"/> NSI <input type="checkbox"/> RD <input type="checkbox"/> FRD	PRIORITY <i>Handwritten signatures and notes: "F. J. ...", "Stello", "FRANK M", "SDATPC H"</i>		
ASSIGNED TO:	INFORMATION ROUTING			
Stello	Dircks Cornell Rehm Denton Shaper	LEGAL REVIEW		
DATE		ASSIGNED TO:	DATE	<input checked="" type="checkbox"/> FINAL <input type="checkbox"/> COPY NO LEGAL OBJECTIONS NOTIFY: <input type="checkbox"/> EDO ADMIN & CORRES BR COMMENTS, NOTIFY: _____ EXT _____ _____ EXT _____
1-28-81				<i>Handwritten notes: "Final copy 2/28", "2-17-81"</i>

NRC FORM 232
(7-79)

EXECUTIVE DIRECTOR FOR OPERATIONS
PRINCIPAL CORRESPONDENCE CONTROL