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MIDDLE SOUTH UTILITIES SYSTEM

July 3, 1984

W3B84-0452

Mr. Richard C. DeYoung, Director
Office of Inspection and Enforcement
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

REFERENCE: Construction Appraisal Team
Inspection 50-382/84-07

Dear Mr. DeYoung:

Page VIII-6 of referenced report states and Page IV-10 and A-4 imply that Peden Steel was a subcontractor of American Bridge. Based on an NRC finding that shop welds produced by Peden Steel were deficient a potential enforcement action is listed on page B-2 of referenced report.

Please be advised that Peden Steel was not a subcontractor of American Bridge.

American Bridge has requested that referenced letter be corrected. A copy of their request is attached. Copies of the pertinent pages of the referenced letter are also attached.

If there are any questions, please advise.

Very truly yours,

D.E. Dobson
Project Manager

DED/st

Attachments (5)

cc: K.A. Simister, M. Stevenson, R. Watt, R.V. Carus, R.S. Leddick,
T.F. Gerrets, J.T. Collins

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The inspection also revealed several instances where engineering design disciplines on site did not use the latest drawing and associated design changes for engineering and construction activities. Applicable design change documents are not being consistently posted on controlled drawings. The NRC inspectors found deficiencies in the maintenance of the Drawing Close-out Schedule (the engineering document which identifies outstanding design changes on design drawings). It also appears that site Document Control has not been using the Drawing Close-out Schedule to audit its files as required by procedure.

Corrective Action Systems

The NRC CAT review of the applicant's corrective action program revealed several deficiencies, one of which has major significance: The applicant has not initiated adequate and proper corrective action on previously identified violations in five areas. The five areas where this deficiency was found involve undocumented loads on seismic supports, pipe supports/restraints not meeting as-built requirements, electrical maintenance procedures for motors not being properly performed, deficient shop welds on American Bridge structures, and problems with pipe to structure clearances.

Three other deficiencies of lesser significance were found. Some reported deficient conditions are apparently not being upgraded to nonconformance reports (NCRs) and thus, are not being analyzed for repetitiveness. The applicant's quality assurance program allowed some requirements (issuance of hold tags and taking action to preclude repetition) to be removed from quality procedures. And thirdly, some required information on nonconformance reports was being omitted.

c. Design changes on design drawings and an installation specification were not being identified at the location of work activity. It was found that DCNs and FCRs were not being posted against drawings used by Ebasco design disciplines. In addition, it was found that Document Control was not auditing its files against Ebasco's Drawing Close-out Schedule (Section VII.B.1).

d. Changes to a construction installation specification were reviewed and approved by an organization different than the organization that performed the original review and approval. It was found that FCRs affecting specification MC-1 were reviewed and approved by engineering rather than the construction organization that originally reviewed and approved it (Section VII.B.2).

4. Contrary to 10 CFR 50, Appendix B, Criterion VIII, and LP&L QA Manual Section 8, the material traceability and control of some fasteners have not been adequate to assure the use of correct parts or material (Section VI.B.1).

5. Contrary to 10 CFR 50, Appendix B, Criterion X, and LP&L QA Manual Section 10, the applicant has not properly executed an inspection program in the following areas:

a. The inspection of Class 1E raceway installations relative to the requirements for physical separation, had not been accomplished in accordance with the criteria established in the inspection documents (Section II.B.1).

b. The construction inspection of some masonry walls was not commensurate with the assumptions used in the design analysis (Section V.B.6.).

c. As-built drawings for HVAC seismic restraints do not accurately reflect the actual installation (Section III.B.3).

6. Contrary to 10 CFR 50, Appendix B, Criterion XVI, and LP&L QA Manual Section 16, the applicant has failed to effectively perform the following corrective action activities:

a. Adequate corrective action has not been taken for Region IV identified discrepancies regarding the identification and evaluation of potential pipe to structure clearance problems, additional loads placed on HVAC and electric cable tray seismic supports, the conduct of electrical maintenance, and deficient shopwelds in American Bridge structures (Section VIII.B.4) .

b. Some nonconforming conditions are not being properly documented and evaluated through the Corrective Action Program (Section VIII.B.2).

7. Contrary to 10 CFR 50, Appendix B, Criterion XVII, and LP&L QA Manual Section 17, some inspection and test records were found to be deficient as a portion of the concrete in-process test records for two of the concrete placements sampled were missing (Section V.B.1).

The NRC CAT inspectors found a subsequent Notice of Violation issued in NRC Inspection Report 50-382/82-05 against the maintenance of safety-related motors, and further found that current electrical maintenance procedures are not in all cases being followed. Refer to Section II.B.3.b(1) of this report for a detailed discussion of the NRC CAT findings regarding electrical maintenance.

(4) Significant Construction Deficiencies (SCDs) 73 and 78 were issued on April 11, 1983, and April 28, 1983, respectively, to address welding deficiencies by American Bridge in the Reactor Containment Building and the Reactor Auxiliary Building. A comprehensive reinspection program by LP&L was completed and rework has been finished.

The NRC CAT inspectors found weld deficiencies in the shop welds fabricated by Peden Steel, which was an American Bridge subcontractor. Refer to Section IV.B.10 of this report for a detailed discussion of the NRC CAT findings.

(5) NRC Inspection Report 50-382/83-13 contained a Notice of Violation concerning piping to structure clearance problems not being properly identified. LP&L responded to the violation on May 17, 1983, that corrective action was initiated to preclude recurrence.

The NRC CAT inspectors found several instances where the clearance between piping and adjacent structures did not meet approved criteria. Refer to Section III.B.1.b of this report for a detailed discussion of the NRC CAT findings.

c. Conclusions

The NRC CAT findings in the area of corrective actions indicate that the commitments made to the NRC regarding the recurrence of nonconforming conditions have not been fulfilled. This is a recurring problem and is of considerable concern to the NRC CAT inspectors.

9. Nooter

a. Inspection Scope

The NRC CAT inspected approximately 120 feet of welded seam on the refueling pool liner. Twelve welder qualification test records and 16 welding procedures were reviewed for compliance with the applicable codes and specifications. In addition, 30 feet of welded seams involving 40 radiographs were reviewed. Five NDE procedures and five NDE personnel qualification records were also reviewed.

The inspectors also inspected the ends of 28 telltale pipes of both spent fuel pool and refueling pool in order to ascertain that the pools had not leaked during the time they were tested for leakage. The inspection reports associated with these tests were also reviewed for adequacy of documentation.

b. Inspection Findings and Conclusions

No problems were identified in the areas of inspected welding and NDE activities. Activities were found to comply with the applicable construction codes and specifications.

10. American Bridge

a. Inspection Scope

Approximately 380 welds consisting of 80 field and 300 shop fabricated welds were inspected for compliance with the specified acceptance criteria. The shop welds were fabricated by Peden Steel Company. Eighteen welder qualification test records and 15 welding procedures were reviewed for compliance with the applicable codes and specifications. In addition, 40 feet of weld involving 244 radiographs were reviewed. Four NDE procedures were also reviewed for adequacy.

b. Inspection Findings

No concerns were identified in the area of reviewed NDE activities and inspected field welding. However, during the inspection of shop welds fabricated by Peden steel, the NRC CAT inspectors identified welds which did not meet the specified acceptance criteria. Three welds were selected for engineering evaluation. Those three welds represented the "worst" welds from the inspected weld sample. Two of the selected welds contained various defects such as undercut, lack of fusion, crater and were undersized. The third weld was a seal weld whereas the drawing required a 1/4-inch fillet weld. Therefore, the required 1/4-inch fillet weld was missing altogether. As a result of this finding, the applicant issued DN-SQ-2167. The three welds were evaluated by Ebasco engineering, accepted "as is" and were determined to be adequate for the intended application.

DOBSON —
GEDETS —
for action

American Bridge
Division of United States Steel Corporation
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June 22, 1984

Mr. R. S. Leddick
Senior Vice President
Louisiana Power and Light
Waterford III
P. O. Box "B"
Killona, Louisiana 70066

Re: Nuclear Regulatory Commission
Docket 50-382; Construction
Appraisal Team Inspection
50-382/84-07

Dear Sir:

American Bridge Division, United States Steel Corporation has reviewed the above-referenced report which contains certain allegations regarding deficient shopwelds fabricated by American Bridge's alleged subcontractor, Peden Steel.

As you know, Peden Steel was not American Bridge's subcontractor at Waterford. As fabricator, Peden contracted directly with LP&L and its agent Ebasco. American Bridge had no responsibility whatsoever for Peden's shopwelding activities.

The NRC's report, however, is premised upon the erroneous assumption that Peden was American Bridge's subcontractor. As a result, there is language in the report which suggests that Peden's defective shopwelds were therefore American Bridge's responsibility.

American Bridge considers LP&L responsible for this misunderstanding in that you are required to insure that the NRC has accurate information regarding such matters as the precise contractual relationships of your subcontractors. We, therefore, demand that you immediately contact the NRC to clarify this situation and modify the May 14 report accordingly, and that such clarification be accomplished prior to any potential enforcement action recommended by the NRC.

USS American Bridge
Division of United States Steel Corporation

June 22, 1984

American Bridge will continue to hold Louisiana Power and Light fully liable for any damage to our business reputation which we have or may experience as a result of the inaccurate information contained in NRC 50-382/84-07 and all related documentation and activities

Yours very truly,

Richard V. Carus

Richard V. Carus
General Manager-Contracting

RVC:mb

cc: Charles A. Rea, Esq.
V. Frederic Lyon, Esq.