



Consumers
Power
Company

Landsman

James W Cook
Vice President - Projects, Engineering
and Construction

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

September 26, 1983

Mr Richard C DeYoung, Director
Office of Inspection and Enforcement
US Nuclear Regulatory Commission
Washington, DC 20555

MIDLAND NUCLEAR PLANT UNITS 1 AND 2
DOCKET NOS 50-239, 50-330
RESPONSE TO EA83-03
FILE: 0.4.2 SERIAL: 25914

This letter responds to your letter to Consumers Power Company dated August 29, 1983, reciting the conclusion of the Office of Inspection and Enforcement regarding the imposition of a civil penalty for violations found during Inspection 83-23. The Company was notified of these violations in a letter dated February 8, 1983. The Company's response, dated March 10, 1983, admitted that a civil penalty was warranted but asked that the penalty be reduced because of the prompt, thorough corrective actions undertaken in response to the violations. While the Company is disappointed that the Commission has not granted our request for mitigation of the penalty, we nevertheless agree to pay in full the penalty as set forth in your August 29, 1983 letter. Accordingly, please find herewith a check in the amount of \$116,500.

James W Cook

CC: RJCook, USNRC
✓ JGKepler, USNRC
OL/OM Service List

8408220059 840718
PDR FOIA
RICE84-96 PDR

SEP 29 1983

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Novak/Landsman



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

SEP 22 1983

Docket Nos.: 50-329 OM, OL
and 50-330 OM, OL

PRINCIPAL STAFF	
✓ RA	ENF
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OPRP	ISL
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ML	
OL	FIS

MEMORANDUM FOR: The Atomic Safety and Licensing Board for the Midland Plant, Units 1 and 2

FROM: Thomas M. Novak, Assistant Director
for Licensing
Division of Licensing
Office of Nuclear Reactor Regulation

SUBJECT: SCHEDULE FOR COMPLETION OF RE-REVIEW OF THE MIDLAND DIESEL GENERATOR BUILDING (BN 83-142)

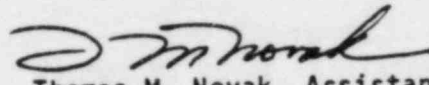
On July 27, 1983, Board Notification 83-109 transmitted the NRC staff plan to address the concerns of Dr. Ross Landsman of Region III regarding the structural adequacy of the Midland Diesel Generator Building (DGB). Enclosures 1, 2 and 3 to that Notification provided respectively: (1) a discussion of the Region III and NRR activities in this regard; (2) Dr. Landsman's written statement of his concerns and; (3) a detailed NRR action plan, including the schedules for completion of the effort.

This Board Notification 83-142 further supplements the information regarding the DGB re-evaluation. As with the original Notification, this updated information is provided in accordance with NRC procedures regarding Board Notifications and is deemed as information material and relevant to safety issues in the Midland OM/OL proceeding. Specifically, the re-evaluation effort is relevant to: (1) concerns expressed by Dr. Landsman in the OM - OL hearing and elsewhere regarding the adequacy of the Diesel Generator Building and; (2) testimony by members of the NRC staff and staff consultants during the December 10, 1982 hearing session regarding the Diesel Generator Building.

The enclosure contains a memorandum from D. G. Eisenhut to R. H. Vollmer accepting a delayed schedule for completion of the review of Dr. Landsman's concerns. Attachments to the Eisenhut memorandum include the Vollmer to Eisenhut memo noting the need for the delay in the schedule which was provided in BN 83-109. The Vollmer memo notes that issuance of the task force's findings will be delayed from September 28, 1983 (i.e. 45 working days after receipt of Dr. Landsman's statement) to October 15, 1983. The Vollmer memo also includes a revised work plan. The events shown through September 13, 1983 have been completed as scheduled. The discussions with various individuals on September 8 and 13, 1983 were in accordance with the task force's role to interview concerned individuals. Although not shown,

SEP 28 1983

the individuals with whom the task force met on September 8, 1983 also included H. Singh of the U.S. Army Corps of Engineers. A second attachment to the Eisenhut memo is a letter from B. Garde of the Government Accountability Project expressing concerns related to the task force review.



Thomas M. Novak, Assistant Director
for Licensing
Division of Licensing

Enclosures:
As stated

cc: Licensee/Boards Service List
SECY
OGC
OPE

DISTRIBUTION LIST FOR BOARD NOTIFICATION

(BN 83-142)

Midland Units 1&2,
Docket Nos. 50-329/330

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MIDLAND (For BNS)

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UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

SEP 20 1983

MEMORANDUM FOR: Thomas Novak, Assistant Director for Licensing
FROM: Darrell G. Eisenhut, Director
Division of Licensing
SUBJECT: BOARD NOTIFICATION FOR MIDLAND

I have determined that the attached correspondence concerning a new schedule for the review of the Landsman concerns should be transmitted to the Board and parties for Midland according to the procedure of Office Letter No. 19. Your transmittal should include both enclosures to my memorandum to Vollmer.

Issue this as Board Notification 83-142.

Darrell G. Eisenhut, Director
Division of Licensing

Enclosure;
As Stated

cc: E. Adensam
D. Hood

8403010211



ENCLOSURE 1

UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

SEP 20 1983

MEMORANDUM FOR: Richard H. Vollmer, Director
Division of Engineering

FROM: Darrell G. Eisenhut, Director
Division of Licensing

SUBJECT: EVALUATION OF THE LANDSMAN CONCERNS FOR MIDLAND

Your letter of September 8, 1983 (Enclosure 1) provided a revised schedule for the DE work plan regarding the Landsman concerns. While I find the proposed schedule acceptable I feel compelled to emphasize that we must ensure that no further slippage occurs.

I am also in receipt of a letter from Billie Garde (Enclosure 2) that indicates their understanding that several staff members had "strong feelings about the approval by the DGB resolution." Please consider this letter in your ongoing review.

Darrell G. Eisenhut, Director
Division of Licensing

Enclosures:

1. Vollmer memo to DGEisenhut
8/8/83
2. B. Garde to DGEisenhut
7/19/83

~~8406020241~~



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

SEP 8 1983

MEMORANDUM FOR: Darrell G. Eisenhut, Director
Division of Licensing, ONRR

FROM: Richard H. Vollmer, Director
Division of Engineering, ONRR

SUBJECT: EVALUATION OF LANDSMAN'S CONCERNS REGARDING
DIESEL GENERATOR BUILDING AT MIDLAND

References: 1. Memo, Eisenhut to Keppler, June 27, 1983
2. Memo, Vollmer to Eisenhut, July 21, 1983
3. Memo, Landsman to Warnick, July 19, 1983

Due to schedule conflicts between the Diablo Canyon Review and this effort on Midland which affects the personnel from Brookhaven National Laboratory (BNL), DE must reschedule the completion of the Midland DGB review from September 28 to October 15, 1983. During the month of September, the BNL personnel will partially be committed to Diablo Canyon reviewing ITR's, preparing testimony and taking depositions. If you do not concur with slipping this effort to accommodate the demands of Diablo Canyon, please advise accordingly.

Enclosed is a revised Work Plan for the completion of the DE evaluation of the Landsman's concerns. The ASLB (via OELD) should be advised of the revised schedule for completion.

Richard H. Vollmer, Director
Division of Engineering, ONRR

Enclosure:
As stated

cc: H. Denton
J. Knight
G. Lear
P. Kuo
N. Romney
C. Tan
E. Adensam
D. Hood

CONTACT: N. Romney, SGEB
49-28987

~~4406120605~~

ENCLOSURE

Midland NPP Diesel Generator Building Review

Work Plan

August 24 - 25, 1983	Task Force - Site Visit - Completed
September 8, 1983	Task Force meet with: F. Rinaldi J. Kane J. Matra G. Harstead
September 13, 1983 (AM)	Task Force meet with R. Landsman (Ann Arbor, Michigan)
September 12 - 13, 1983	Task Force conduct audit of Midland DGB (Ann Arbor, Michigan)
October 15, 1983	Issue Report of Findings

GOVERNMENT ACCOUNTABILITY PROJECT

Institute for Policy Studies
1901 Que Street, N.W., Washington, D.C. 20009

(202) 234-9382

August 19, 1983

Mr. Darrell G. Eisenhut, Director
Division of Licensing
Office of Nuclear Reactor Regulations
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Dear Mr. Eisenhut:

On August 10, 1983 you responded to my Aug. 8, 1983 request for information regarding the review group formed to consider the concerns of Mr. Ross Landsman. On Aug. 11, 1983 during a public meeting on the Construction Completion Plan (CCP) you indicated that a review of the NRR Engineering Division had indicated no support or agreement with Mr. Landsman. Mrs. Barbara Stamiris, the Citizen Intervenor on the soils settlement ("OM") proceedings inquired specifically about Mr. Joe Kane of your office and a consultant, Dr. Sing, of the U.S. Army Corps of Engineers. You indicated that you were not aware of whether or not those individuals had been asked or not. Please inform Mrs. Stamiris and myself of the answer to that question.

More specifically, it is our clear understanding that several members of the Engineering Staff in both the Region and in headquarters had very strong feelings about the approval of the DGB resolution. We expect your technical review to include the past concerns of both Regional and headquarters engineers. Furthermore, since the concerns about this issue and its resolution are of interest to Congress, the local intervenors and GAP we respectfully request that your office issue an Interim report, allow time for review and comment by the public, and hold at least one open meeting prior to the issuance of the final report on this subject.

A final concern we wish to raise with your office deals with the background of the individuals you have nominated to complete the review of Dr. Landsman's concerns. All of the people selected are structural engineers. Dr. Landsman of course, is a geo-technical engineer. Clearly, any review team should contain professional representation from Dr. Landsman's discipline, and suggest that you appoint an independent geo-technical consultant to review the work of your engineers.

Finally, we concur with Mr. Robert Warnicks suggestion contained in his July 21, 1983 memo to you that "all related correspondence and the resulting report(s) and documentation should be placed in the public document room and distribution list."

8809260410

Thank you for your extraordinary promptness to my August 8, 1983 letter, it was a pleasant surprise. I look forward to an equally pleasant substantive report on the DGB from your office.

Sincerely,

Billie Pirner Garde
Citizens Clinic Director

wgw

August 10, 1983

Docket Nos: 50-329
and 50-330

Billie Pirner Garde, Director
Citizens Clinic for Accountable Government
Government Accountability Project
Institute for Policy Studies
1901 Que Street, N.W.
Washington, D. C. 20009

Dear Ms. Garde:

DISTRIBUTION:

Docket Nos. 50-329/330
NRC PDR
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EAdensam
DHood
DEisenhut
TNovak
RVollmer
GLear
MDuncan
Attorney, OELD
JSniezak, I&E
JStone, I&E
ACRS (16)

Your letter of August 8, 1983, noted that the Division of Engineering in the Office of Nuclear Reactor Regulations has formed a review group to review the concerns of Dr. Ross Landsman regarding the structural adequacy of the Diesel Generator Building (DGB) at Midland Plant, Units 1 & 2. The concerns of Dr. Landsman and the implementation concept for the review task were described in Board Notification 83-109 which was forwarded to you on July 27, 1983. Your letter requests three items of additional information. These items and our responses follow:

1. Names, resumes, and nomination process for the team members, particularly for selection of the consultant.

The review group is composed of both NRC structural staff and consultants. The review group is headed by Dr. P. T. Kuo, who is a Section Leader in our Structural and Geotechnical Engineering Branch (SCEB). Two team members from the NRC structural staff are assigned - Dr. C. P. Tan and Mr. R. D. Romney. The team members provided by our technical assistance contract with Brookhaven National Laboratories (BNL) are Doctors M. Reich, C. Miller, C. Constantino, P. Wang, and A. Philippopoulos. Enclosure 1 provides the resumes of these individuals.

The NRC and BNL members of the team were selected by the Director of the Division of Engineering on the basis of their qualifications, experience, and availability. The BNL team members were also selected based upon their oversight role in the Diablo Canyon Independent Design Verification Program.

2. Methodology by which the review effort will be completed.

As described in Enclosure 3 to Board Notification 83-109, the efforts of the review group may include, but will not necessarily be limited to, (1) review of pertinent technical materials, (2) on-site inspections of the DGB, (3) on-site interviews with all inspection personnel that have information to contribute and (4) preparation of a technical report summarizing their activities, considerations and findings. The detailed methodology for the structural evaluation is left to the technical expertise of the review group which will establish its own approach once relevant background information has been reviewed.

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PDR ADOCK 05000329
PDR

NRC					
DOE					
EPRI					

3. Plans for public participation or oversight, including input of consultants, into the technical report.

To the extent practical, the review will be conducted consistent with "Open Meeting and Statement of NRC Staff Policy" from the 43 Federal Register 28058, June 28, 1978. This Statement and Policy generally provides for meetings between the NRC technical staff and applicants for licenses to be open for interested members of the public, petitioners, intervenors, or other parties to attend as observers. Records of significant information exchanges and correspondence will be maintained by the review group and summarized in their final report as appropriate. The report will reflect the input of the consultants as well as the NRC members of the review group. The consultant's critique of Dr. Landsman's concerns will be incorporated directly into the report. The report will be made publicly available.

I trust this reply is responsive to your requests.

Sincerely,

Darrell G. Eisenhut, Director
Division of Licensing
Office of Nuclear Reactor Regulation

Enclosures:
As stated

OFFICE	DL:LB #4	LA:DL:LB #4	SGEB	DL:LB #4	D:DL	AD:DL	DIR:D
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DATE	8/10/83	8/10/83	8/10/83	8/10/83	8/10/83	8/10/83	8/10

GOVERNMENT ACCOUNTABILITY PROJECT

Institute for Policy Studies
1901 Que Street N.W. Washington D.C. 20009

(202) 234-9382

August 8, 1983

Mr. Darrell G. Eisenhut
Direct Division of Licensing
U.S. Nuclear Regulatory Commission
Washington, D.C. 20555

Dear Mr. Eisenhut:

It is my understanding that the Division of Nuclear Reactor Regulations (NRR) Division of Engineering has developed a review group composed of four technical members, a group leader, two team members from the structural review staff and a structural consultant to review the concerns of Dr. Ross Landsman over the structural adequacy of the Diesel Generator Building at the Midland Nuclear Power Plant.

Please provide the following information to us as soon as possible:

1. The names, resumes, and nomination process for the members of the review team; 1/
2. The methodology by which the review effort will be completed, and
3. The plans for public participation or oversight, including the input of expert consultants, into the technical report.

We look forward to your immediate response.

Sincerely,

Billie Firner Garde

Billie Firner Garde

pdc

1/

In particular we are interested in the selection of the independent consultant.

Boo!
ik



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

SEP 16 1983

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

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

SALP III

Gentlemen:

This refers to the NRC's Systematic Assessment of Licensee Performance (SALP) of the Midland Nuclear Plant, Units 1 and 2, and our meeting of August 12, 1983, to review the results of that assessment covering the period July 1, 1981, through March 31, 1983. A copy of the SALP 3 Report was provided for your review in advance of the meeting. Enclosed is the final SALP 3 Report that incorporates the SALP Board Chairman's letter to you and your letter of September 6, 1983.

From my perspective, your efforts to implement your Quality Assurance (QA) program at the Midland Nuclear Plant during the assessment period clearly were ineffective. This was exemplified by our rating the Soils and Foundations functional area as Category 3 and by our identification during the Diesel Generator Building inspection of numerous weaknesses in the implementation of your QA program. I am encouraged by your commitment to accomplish the improvements necessary to achieve the quality performance level that the NRC expects as addressed in your letter of September 6, 1983. However, until improved performance is demonstrated, the NRC will continue to require strong oversight through third party inspections as well as its own inspections. Furthermore, while it is my desire to move away from our role of literally approving day-to-day activities in the remedial soils work to implement the ASLB Board Order, I do not intend to seek relief from that Order until we have the needed confidence that work in that area will be carried out effectively.

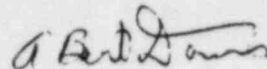
In accordance with Section 2.790 of the NRC's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter and the SALP Report will be placed in the NRC's Public Document Room.

~~89741768~~

SEP 16 1983

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

Sincerely,



for James G. Keppler
Regional Administrator

Enclosure: SALP 3 Report
No. 50-329/83-09; 50-330/83-09

cc w/encl:

DMB/Document Control Desk (RIDS)
Resident Inspector, RIII
The Honorable Charles Bechhoefer, ASLB
The Honorable Jerry Harbour, ASLB
The Honorable Frederick P. Cowan, ASLB
The Honorable Ralph S. Decker, ASLB
William Paton, ELD
Michael Miller
Ronald Callen, Michigan
Public Service Commission
Myron M. Cherry
Barbara Stamiris
Mary Sinclair
Wendell Marshall
Colonel Steve J. Gadler (P.E.)
Howard Levin (TERA)
Billie P. Garde, Government
Accountability Project
Lynne Bernabei, Government
Accountability Project
J. M. Taylor, IE

SALP 3

U. S. Nuclear Regulatory Commission

Region III

Systematic Assessment of Licensee Performance

Consumers Power Company

Midland Nuclear Generating Station, Units 1 and 2

Docket Nos. 50-329; 50-330

Report Nos. 50-329/83-09; 50-330/83-09

Assessment Period

July 1, 1981 through March 31, 1983

~~8309:100272~~

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I. INTRODUCTION

The NRC has established a program for the Systematic Assessment of Licensee Performance (SALP). The SALP is an integrated NRC Staff effort to collect available observations and data on a periodic basis and evaluate licensee performance based upon those observations. SALP is supplemental to normal regulatory processes used to insure compliance to the rules and regulations. SALP is intended, primarily from a historical point, to be sufficiently diagnostic to provide a rational basis for allocating future NRC resources and to provide meaningful guidance to the licensee's management to promote quality and safety of plant construction and operation.

An NRC SALP Board, composed of the staff members listed below, met on June 7, and July 11, 1983, to review the collection of performance observations and data to assess the licensee performance in accordance with the guidance in NRC Manual Chapter 0516, Systematic Assessment of Licensee Performance. A summary of the guidance and evaluation criteria is provided in Section II of this report.

This report is the SALP Board's assessment of the licensee safety performance at Midland Nuclear Station, Units 1 and 2, from July 1, 1981 through March 31, 1983.

Inspections were conducted in March and April 1982 to evaluate the significance of the quality control (QC) inspection deficiencies identified during the special team inspection of May 1981. These followup inspections indicated that QC inspections were not properly identifying deficiencies in the installation of equipment. As a result of these deficiencies and due to recurring problems in the licensee's remedial soils work activities, increased NRC inspection effort was initiated through the formation of a special Midland Section comprised of inspectors dedicated solely to the Midland plant. Additional inspection assistance was obtained through a special contract with a Department of Energy Laboratory.

To aid in the evaluation of the as-built condition of the plant, a special inspection of the Diesel Generator Building was conducted during the period of October 12 through November 25, 1982. This inspection identified significant violations which demonstrated a breakdown in the implementation of the licensee's Quality Assurance (QA) program. In addition, it resulted in the licensee's decision to suspend some safety-related work activities (December 3, 1982) and to formulate a construction completion program to provide assurance that safety-related structures and systems were constructed as designed. Due to the significant violations, the NRC imposed a civil penalty of \$120,000.

In view of the suspension of portions of safety-related work activities and the licensee's proposed construction completion program, the Region III Regional Administrator determined that the SALP 3 appraisal for

Midland would address only areas where work activities continued; namely Remedial Soils (Soils and Foundations), the Nuclear Steam Supply System (Safety-Related Components and Piping Systems and Supports), the Heating, Ventilating, and Air Conditioning System (Support Systems), and Licensing Activities.

The results of the SALP Board assessments in the selected functional areas will be presented to the licensee at a meeting in the near future.

SALP Board for Midland Nuclear Station:

- J. A. Hind, Chairman, Director, Division of Radiological and Materials Safety Programs
- C. E. Norelius, Director, Division of Project and Resident Programs
- R. L. Spessard, Director, Division of Engineering
- T. N. Tambling, Chief, Program Support Section
- R. F. Warnick, Director, Office of Special Cases
- E. G. Adensam, Chief, Licensing Branch 4, NRR
- J. J. Harrison, Chief, Midland Section
- R. N. Gardner, Project Inspector
- R. B. Landsman, Reactor Inspector
- R. J. Cook, Senior Resident Inspector, Midland
- B. L. Burgess, Resident Inspector, Midland
- R. W. Defayette, Reactor Engineer

II. CRITERIA

The licensee performance is assessed in selected functional areas depending upon whether the facility is in a construction, pre-operational or operating phase. Each functional area normally represents areas significant to nuclear safety and the environment, and are normal programmatic areas. Some functional areas may not be assessed because of little or no licensee activities or lack of meaningful observations. Special areas may be added to highlight significant observations.

One or more of the following evaluation criteria were used to assess each functional area.

1. Management involvement in assuring quality
2. Approach to resolution of technical issues from safety standpoint
3. Responsiveness to NRC initiatives
4. Enforcement history
5. Reporting and analysis of reportable events
6. Staffing (including management)
7. Training effectiveness and qualification

However, the SALP Board is not limited to these criteria and others may have been used where appropriate.

Based upon the SALP Board assessment, each functional area evaluated is classified into one of three performance categories. The definition of these performance categories is:

Category 1: Reduced NRC attention may be appropriate. Licensee management attention and involvement are aggressive and oriented toward nuclear safety; licensee resources are ample and effectively used such that a high level of performance with respect to operational safety or construction is being achieved.

Category 2: NRC attention should be maintained at normal levels. Licensee management attention and involvement are evident and are concerned with nuclear safety; licensee resources are adequate and are reasonably effective such that satisfactory performance with respect to operational safety or construction is being achieved.

Category 3: Both NRC and licensee attention should be increased. Licensee management attention or involvement is acceptable and considers nuclear safety, but weaknesses are evident; licensee resources appear to be strained or not effectively used such that minimally satisfactory performance with respect to operational safety or construction is being achieved.

III. SUMMARY OF RESULTS

<u>Functional Area Assessment</u>	<u>Category 1</u>	<u>Category 2</u>	<u>Category 3</u>
1. Soils and Foundations			X
2. Containment and other Safety Related Structures		NOT ADDRESSED IN THIS REPORT*	
3. Piping Systems and Supports		X	
4. Safety Related Components		X	
5. Support Systems		X	
6. Electrical Power Supply and Distribution		NOT ADDRESSED IN THIS REPORT*	
7. Instrumentation and Control Systems		NOT ADDRESSED IN THIS REPORT*	
8. Licensing Activities		X	
9. Quality Assurance		NOT ADDRESSED IN THIS REPORT*	
10. Preoperational Testing		NOT ADDRESSED IN THIS REPORT*	

*For Functional Areas "Not Addressed In This Report" see Section I, Introduction.

IV. Performance Analyses

1. Soils and Foundations

a. Analysis

During this SALP period the licensee finalized the Remedial Soils program and initiated steps to implement the Remedial Soils measures necessary to correct previously identified soils deficiencies. The NRC's review and approval of the design of the Remedial Soils measures is documented in Supplement No. 2 to the Midland Safety Evaluation Report issued in October 1982. The steps taken by the licensee to implement the Remedial Soils measures during the SALP period include the following:

- . The excavation of the access shafts to elevation 609
- . The installation of six temporary underpinning piers
- . Preparatory work for the Service Water Pump Structure underpinning
- . Initiation of temporary dewatering system for the Service Water Pump Structure
- . Initiation of probing for buried utilities adjacent to the Service Water Pump Structure
- . The installation of the permanent dewatering system wells
- . The installation of the auxiliary building underpinning instrumentation system

Thirteen inspections (or portions of inspections) were performed in this area. During this SALP period a total of nine noncompliances and two deviations with NRC requirements were identified as follows:

- (1) Severity Level IV - examples of failure to follow procedures and failure to develop adequate procedures (329/82-03; 330/82-03)
 - (a) Failure to revise design drawings according to site procedural requirements
 - (b) Failure to develop an adequate excavation procedure
 - (c) Failure to assure design verification according to site procedural requirements

- (2) Severity Level IV - examples of failure to develop adequate procedures (329/82-05; 330/82-05)
 - (a) Access shaft work was initiated without having a reviewed and approved procedure
 - (b) Failure to develop adequate procedures to control specification design changes
 - (c) Failure to develop adequate specification for permanent dewatering wells
 - (d) Failure to develop an adequate procedure to prepare or implement overinspection plans
- (3) Deviation - failure to provide a qualified civil QA staff (329/82-05; 330/82-05)
- (4) Severity Level IV - failure to establish a QA program which provided controls over the underpinning monitoring system (329/82-06; 330/82-06). This finding resulted in the issuance of a Confirmatory Action Letter (CAL) on March 31, 1982
- (5) Severity Level V - failure to install anchor bolts in accordance with site procedures (329/82-11; 330/82-11)
- (6) Deviation - failure to use approved installation/coordination forms to document the installation of underpinning monitoring instrumentation (329/82-11; 330/82-11)
- (7) Severity Level IV - failure of specifications to identify the location of well sampling points (329/82-18; 330/82-18)
- (8) Severity Level IV - failure to assure that the slope layback at the Auxiliary Building access shaft was constructed in accordance with design (329/82-18; 330/82-18)
- (9) Severity Level IV - examples of failure to establish measures to control the issuance of documents (329/82-21; 330/82-21)
 - (a) failure to use a controlled copy of a Project Quality Control Instruction (PQCI) to prepare a QC recertification examination. This finding resulted in the issuance of a CAL on September 24, 1982
 - (b) Failure to control QC manuals
- (10) Severity Level III - failure to translate applicable regulatory requirements concerning the purchase of armor stone for a "Q" portion of the perimeter dike into appropriate specifications and design documents (329/82-22; 330/82-22)

(11) Severity Level III - failure to maintain current remedial soils drawings (329/83-03; 330/83-03)

The noncompliances identified during this rating period are evidence of the licensee's continued lack of attention to detail in assuring that the requirements of the Midland QA program were properly implemented. Furthermore, these noncompliances indicate the lack of management attention to quality in this area.

As a result of noncompliance item (4) an investigation was performed by NRC to determine whether material false statements had been made by the licensee's staff in regard to the installation status of the auxiliary building underpinning monitoring instrumentation. The investigation failed to provide conclusive evidence that a material false statement had been made.

An investigation by NRC was initiated during this evaluation period to determine whether the licensee violated the April 30, 1982, Atomic Safety and Licensing Board (ASLB) Order which suspended all remedial soils activities on "Q" soils for which the licensee did not have prior explicit NRC approval. This investigation, which is continuing, focuses on the licensee digging below the "deep Q duct bank" allegedly without NRC approval. A management meeting was held at the site on August 11, 1982, to discuss the potential violation of the Board Order. A CAL was issued on this matter on August 12, 1982.

Noncompliance items (10) and (11) are individual examples related to the soils area taken from much broader items of noncompliance not associated with this functional area. (Items 10 and 11 were part of two separate citations for failure to adequately implement a quality assurance program.) The two individual examples taken by themselves would not have been rated as severity level III.

In view of continuing deficiencies in the soils area, the ASLB issued an Order on April 30, 1982, suspending all remedial soils activities on safety-related (Q) soils for which the licensee did not have prior NRC approval. Subsequent to this order the licensee resumed remedial soils activities with NRC approval. During the following months numerous problems occurred due to miscommunication/misunderstanding between the licensee and the NRC. To resolve these issues a Work Authorization Procedure was developed. This procedure requires the licensee to request and obtain written NRC authorization prior to the initiation of each remedial soils work

activity. In addition, the scope of the Work Excavation Permit System was expanded to include all remedial soils work including underpinning. Due to the NRC's concerns with the licensee's ability to properly implement the quality program in the remedial soils area an independent third party overview was established. All the preceding actions occurred at the direction of the NRC, and were not a result of the licensee's initiative.

b. Conclusions

The licensee is rated Category 3 in this area. Although this is the same rating as the previous assessment period, the licensee's overall performance in this functional area has continued to decline. NRC findings during this assessment period indicate a continued lack of attention to detail by the licensee and the continuing inability on the part of the licensee to implement properly the requirements of the Midland QA program. A rating of less than minimally acceptable (Not Rated) was considered by the Board; however, a Category 3 rating was assigned because of the stringent controls instituted to govern work in this area, i.e., the Work Authorization Procedure, the Work Excavation Permit System, the independent third party overview, and continued scrutiny by the NRC staff.

c. Board Recommendations

The Board recommends that the licensee thoroughly review the performance of construction, engineering, and Quality Assurance managers in the Remedial Soils area. The implementation of measures to provide closer attention to detail in remedial soils work activities and to provide assurance that future remedial soils work will conform to the requirements of the Midland QA program should be a continuing management goal. Based on information provided to the Board subsequent to the evaluation period, the Board notes that the licensee has continued to have performance problems in this area.

3&4. Safety-Related Components and Piping Systems and Supports

a. Analysis

Portions of ten inspections were performed in the Nuclear Steam Supply System area during the evaluation period. The inspections involved the observation of large and small bore hanger installations (including snubbers and restraints), receipt and installation records, modification of the reactor pressure vessel supports, auxiliary feedwater internal header modification, and containment structural steel welding. Within the scope of this effort one item of noncompliance was identified as follows:

- Severity Level V - Failure to follow procedures regarding the tagging of a valve located in the welding fabrication area (329/83-01; 330/83-01).

The licensee's resources appear to be adequate. The management controls being utilized, the records, and the records control system met requirements. The overall effectiveness and attitudes of licensee personnel in complying with requirements were considered acceptable.

b. Conclusion

The licensee is rated Category 2 in this area. This is the same rating as the previous assessment period.

c. Board Recommendations

The Board notes that subsequent to this evaluation period the NRC has indications that quality problems exist with installed components, piping, and piping supports. These indicators include the Independent Design and Construction Verification Program (TERA's Monthly Status Report dated May 27, 1983) and the licensee audit conducted February 23, 1983 through March 10, 1983 (including the R. Sember memo to D. Miller dated March 13, 1983).

NRC inspection activities should focus on assuring that installed items meet the design and regulatory requirements.

5. Support Systems

a. Analysis

Portions of four inspections were performed covering Heating, Ventilation, and Air Conditioning (HVAC) welder certifications, welder procedure qualification, and material traceability. No items of noncompliance or deviations were identified during these inspections.

As a result of a licensee audit of Photon Testing, Inc., the licensee suspended welding of safety-related HVAC work. Photon Testing, Inc. had previously been contracted by the licensee to qualify welding procedures and certify welders for HVAC fabrication and installation. The cumulative audit findings made the credibility of some of the certifications of previously certified welders, as well as the adequacy of some of the welding procedures, indeterminate. Due to the audit findings, the NRC imposed a hold point for the restart of safety-related HVAC welding.

An initial attempt by the licensee to demonstrate to the NRC that affected HVAC welding procedures had been qualified and were ready for implementation demonstrated that the welding procedures were still inadequate. As a result, the NRC did not authorize the licensee to restart safety-related HVAC welding.

No other problems in the HVAC area were identified.

b. Conclusion

The licensee is rated Category 2 in this area. This is a lower rating than the previous assessment due to the licensee's failure to initially take adequate corrective action to resolve the deficiencies identified in the Photon Testing, Inc. audit and the licensee managements failure to identify the inadequate initial corrective action.

c. Board Recommendations

Licensee management involvement should be increased in the area of ensuring proper and timely followup to correcting identified deficiencies. The board notes that subsequent to this evaluation period the licensee successfully demonstrated the adequacy of welding procedures and welders to perform to those procedures. Based on the demonstration, the NRC authorized the resumption of HVAC welding.

8. Licensing Activities

a. Analysis

The assessment was based on our evaluation of the following licensing activities:

- Soils and Structures
- Emergency Planning
- Equipment Qualification
- Quality Assurance Program
- Natural Gas Pipeline
- Auxiliary Feedwater System
- Instrumentation and Control Systems Review
- Seismic Spectra
- Fire Protection
- Implementation of NUREG-0737 Items

For the licensing activities evaluated, there appeared to be appropriate management attention with decision making taking place at adequate levels. During numerous audits conducted by NRR, including audits relating to the soils issue, emergency planning, instrumentation and control systems, fire protection and equipment qualification, the records maintained by the licensee were generally complete,

well maintained and available. In almost every area, the appropriate level of management participated in meetings with the NRC on safety, technical, and licensing issues and demonstrated knowledge on the meeting's subject matter. In the soils remedial areas, a reorganization provided an executive manager fully dedicated to this area; however, some difficulties occurred in the early phases of this reorganization.

Clear lines of responsibility were established in support of the staff's safety evaluation and subsequent issuance of the Safety Evaluation Report. Priorities established by the licensee management were generally consistent with and supportive of those priorities established by the staff. Commitments made to incorporate resolutions into FSAR revisions were kept and were generally timely. The licensee also made an objective and extensive effort to track open issues related to the safety evaluation. One issue which involved implementation of a TMI Action Plan Item (Item I.B.1.2) reached an apparent impasse between the staff and applicant. However, when the proper level of NRC and licensee management attention was focused on the issue, both sides were able to reach an acceptable resolution. On the other hand, licensee's management failed to recognize the safety significance of constructing a high pressure gas facility in close proximity to safety structures until after construction completion.

Generally, licensee personnel involved in resolution of technical questions were knowledgeable and clearly understood the issues. During the appraisal period, the technical submittals by the licensee to the NRC were usually complete and conservative. Resolution of two technical issues during the safety evaluation required elevation to the Division Director appeals level. In one of these issues, relief was given to the licensee. In the other, the licensee was required to commit to installation of a third auxiliary feedwater pump. In both cases, however, the licensee prepared reasonable technical justification for their position. In addition, the licensee's response once the appeals decision on the auxiliary feedwater pump had been made was excellent.

The licensing area of soils and structures needs improvement insofar as the approach to technical issues. There was reluctance by the licensee to perform certain soils remedial work utilizing accepted quality assurance procedures until required by the NRC. In regard to the buried piping issue, the licensee appeared to lack a thorough understanding of the safety issues involved resulting in the submission of additional information several times before acceptable resolution was

achieved. Improvement in the soils area over the appraisal period has been evidenced by more specific and clearer submittals to the NRC.

Responses to the NRC were generally timely and thorough. The licensee was particularly responsive in the area of instrumentation and control systems. Additionally, in questions concerning the natural gas pipeline, the licensee demonstrated a willingness to address NRC concerns effectively and responsiveness increased accordingly. Responsiveness was rated poorly for those licensing issues which remained unresolved for a long period of time such as resolution of the buried piping problem.

With respect to licensing staff, positions appear to be well defined and responsibilities identified. Staff is adequate and at levels consistent with the activity for the licensing activities evaluated. The licensee effected reorganizations and personnel replacements within a reasonable time insofar as key positions are concerned. In some cases, however, the staff considers that too much reliance was placed upon representation by consultants and by the architect/engineer.

b. Conclusion

The licensee is rated Category 2 in this area.

Generally, in licensing activities, the licensee expressed a willingness to respond to NRC initiatives. Submittals were usually timely and thorough. Especially notable is the degree of management attention directed toward licensing activities as evidenced by meeting participation and the level at which decisions occur. Areas of above average performance in all criteria include instrumentation and control systems reviews. Conversely, although improvement in the soils area has been seen during this appraisal period, it is imperative for the licensee to continue to focus a high level of management attention in the soils area in order to maintain an acceptable level of performance insofar as licensing activities are concerned.

c. Board Recommendations

A high level of licensee management attention should be continued in resolving the adequacy of responses to technical issues and improvement of management controls in the area of remedial soils and underpinning activities.

B. Report Data

1. Construction Deficiency Reports (CDR)

During this SALP period, 19 CDR's were submitted by the licensee under the requirements of 10 CFR 50.55(e).

- a. Operating procedures must be modified to require at least one reactor cavity cooling fan in service during normal plant operation.
- b. For certain control circuits, a voltage below the limits for proper operation of the motor control center starter coils was calculated. This line voltage drop is a direct result of currents passing through long control cables.
- c. The design of electrical components associated with the main steam isolation valves does not conform to the channel separation criteria in Reg. Guide 1.75; also, satisfactory seismic qualification reports have not been submitted.
- d. Rodent damage has occurred in electrical penetration wiring and cables.
- e. The auxiliary feedwater level control valves are fed from Class 1E instrument control power instead of Class 1E preferred power supplies as specified in the FSAR.
- f. The existing design of the auxiliary feedwater system pump turbine driver steam admission valve interlock system would block steam entry and prevent proper operation.
- g. It has been determined that instrument string error in the steam generator level circuits, under accident conditions, exceeds that allowed to establish steam generator ECCS control setpoints.
- h. Recent inspections at three operating B&W plants indicated damage to the internal auxiliary feedwater header assemblies. New external headers will provide all functional requirements.
- i. During an engineering review it was discovered that some Q-related equipment is located in the auxiliary building that is cooled by a non-safety grade HVAC system. During an accident, this could result in some Q-equipment being lost.
- j. B&W supplied non-seismically qualified transmitter mounting brackets for transmitters forming part of the reactor coolant pressure boundary.

- k. Approximately 80% of the radiation monitoring modules, manufactured by Victoreen, Inc. were found to be nonconforming. This was due to a significant QA breakdown at the supplier.
- l. During field modifications of 460V Class 1E motor control centers supplied by ITE-Gould it was discovered that some of the control power transformers were undersized.
- m. The incorrect size class 1E power cables were pulled and installed.
- n. ACI 349, Appendix B, issued August 1979 specifies that shear lugs in embedment designs shall be considered effective only in compression zones. Some Midland embedment designs, which were completed and installed prior to this date, do not meet this new criterion.
- o. No specific features to mitigate frazil ice formation on the service water intake structure are contained in the design of the service water intake structure.
- p. The design of the suction piping for the auxiliary feed-water system did not include overpressurization protection.
- q. Unacceptable workmanship conditions have been identified on electrical control panels and cabinets supplied by various suppliers.
- r. Bailey Controls Company NI/RPS and ECCAS cabinets have terminal blocks which are fastened to the termination panels by Tinnerman Nuts. These nuts could become loose.
- s. Class 1E electrical control cabinets appear to have insufficient clearances from adjacent equipment or walls.

The licensee's threshold for reporting is considered to be appropriate and the total number of items reported is not considered to be excessive.

2. Part 21 Reports

The licensee issued no Part 21 reports during the reporting period.

C. Licensee Activities

The main construction areas during the evaluation period were NSSS work, electrical equipment, conduits, cable trays, cables, HVAC, remedial coils work, small and large bore piping, pipe hangers and snubbers. As a result of the diesel generator building inspection, the licensee halted on December 3, 1982, safety-related work with the exception of the following: system layup, hanger and cable reinspections, post system

turnover work, HVAC work, NSSS work, remedial soils work, and design engineering. Preoperational testing was conducted on the Component Cooling Water System, the Decay Heat Removal System, and the Fuel Transfer System.

Units 1 and 2 were reported by the licensee to be 79% complete per the licensee's letter to Hatfield (NRC) dated May 6, 1983. Fuel load dates are estimated by the licensee to be February 1985 and October 1984, respectively.

D. Inspection Activities

The routine inspection effort by the NRC consisted of 39 inspections during the evaluation period.

In addition, a special team inspection (329/82-22; 330/82-22) was conducted to assess the adequacy of implementation of the quality assurance program. This assessment was done for the most part in the diesel generator building where the majority of work was performed subsequent to 1980. This inspection resulted in the licensee suspending some safety-related work on December 3, 1982.

E. Investigations and Allegations Review

1. An investigation was conducted to determine whether material false statements had been made by the licensee's staff in regards to the installation status of the auxiliary building monitoring instrumentation. The investigation report (329/82-13; 330/82-13) failed to provide conclusive evidence that a material false statement had been made.
2. An investigation was being conducted during this SALP period to determine whether the licensee violated the April 30, 1982, ASLB order which suspended all remedial soils activities on "Q" soils for which the licensee did not have prior explicit NRC approval. The report was not issued during this SALP period.
3. A number of allegations were received during this SALP period regarding HVAC work by Zack, welding, electrical work, and deficiencies in the implementation of the CPCo QA/QC program. Investigations or special inspections to resolve some of the issues identified within these allegations were initiated during this SALP period.

F. Escalated Enforcement Action

1. Civil Penalties

A Civil Penalty for \$120,000 was issued during this evaluation period in regard to the adverse findings identified during the diesel generator building inspection (329/82-22; 330/82-22). The licensee's request for mitigation of the amount is under review by the NRC staff.

2. Orders

The ASLB issued an order on April 30, 1982, which suspended all remedial soils activities on "Q" soils for which the licensee did not have prior explicit NRC approval. The ASLB issued a subsequent clarifying order on May 7, 1982.

G. Administrative Actions

1. Corrective Action Letters

- a. A letter of understanding was issued by the licensee on March 31, 1982, in response to deficiencies observed during the inspection of the auxiliary building monitoring instrumentation. (329/82-06; 330/82-06). This matter is also discussed in Section V.E.1. of this report.
- b. A Confirmatory Action Letter (CAL) was issued on August 12, 1982, in response to a potential ASLB order violation (329/82-18; 330/82-18). This matter is also discussed in Sections IV.1.a and V.E.2 of this report. Resolution of these concerns was still under investigation at the end of the SALP period.
- c. A CAL was issued on September 24, 1982, in response to deficiencies observed during the inspection of remedial soils QC inspectors recertifications (329/82-21; 330/82-21).
- d. A letter of understanding was issued on December 30, 1982, in response to deficiencies observed during the diesel generator building inspection (329/82-22; 330/82-22). This matter is also discussed in Sections V.C and V.F.1 of this report.

2. Management Conferences

During this SALP period eighteen conferences were held between NRC and licensee management:

- a. On July 24, 1981, a management meeting was held to discuss inspection findings pertaining to irregularities in control and review of small bore piping system design packages.
- b. On January 12, 1982, a management meeting was held to review and discuss recent changes to the Midland QA organization and the QA program for the remedial soils work.
- c. On March 30, 1982, a management meeting was held to discuss NRC findings in the installation of underpinning monitoring instrumentation.
- d. On April 26, 1982, a meeting was held to present to CPCo management the SALP 2 findings.

- e. On May 14, 1982, a meeting was held during which the licensee presented a preliminary report of the results of the electrical cable reinspections.
- f. On June 21, 1982, a meeting was held to discuss CPCo's response to SALP 2.
- g. On August 5, 1982, a meeting was held to further discuss CPCo's responses to SALP 2.
- h. On August 11, 1982, a management meeting was held to discuss a potential violation of the ASLB order of April 30, 1982.
- i. On August 26, 1982, a management meeting was held to discuss Midland QA problems.
- j. On September 2, 1982, a management meeting was held to discuss the Quality Improvement Plan.
- k. On September 29, 1982, a management meeting was held to discuss the integration of QC activities into Midland Project Quality Assurance Department (MPQAD).
- l. On October 5, 1982, a meeting was held to discuss the CPCo-TERA proposal concerning the Independent Design Verification Program (IDVP).
- m. On October 29, 1982, a meeting was held to discuss Bechtel performance/problems.
- n. On November 5, 1982, a meeting was held to discuss Stone and Webster (S&W) qualifications for performance of remedial soils third party overview.
- o. On January 18, 1983, an enforcement conference was held to discuss the diesel generator building findings.
- p. On February 8, 1983, a management meeting was held to discuss the CCP and the IDCVP as well as CPCo and Bechtel performance and desire to take proper corrective action. In addition, the NRC announced the imposition of a \$120,000 fine due to diesel generator building findings.
- q. On March 7, 1983, a meeting was held to further discuss the CCP.
- r. On March 15, 1983, a meeting was held to discuss the INPO Self Imposed Evaluation results.

3. Construction Permit Amendment

On May 26, 1982, the NRC amended the Construction Permits, CPPR-81 and CPPR-82, to implement the ASLB April 30, 1982, Order suspending all remedial soils activities on "Q" soils without prior explicit NRC approval.

VI. ENCLOSURES



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

JUL 21 1983

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

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

Gentlemen:

This refers to the NRC's Systematic Assessment of Licensee Performance (SALP) for the Midland Nuclear Plant, Units 1 and 2, for the period July 1, 1981 through March 31, 1983.

A meeting will be scheduled with you in the near future in which Mr. James G. Keppler and members of the NRC staff will present the observations and findings of the SALP Board. The more significant SALP Board findings are summarized in Enclosure 1. The enclosed SALP Report which documents the analyses, conclusions and recommendations of the SALP Board is for your review prior to the meeting.

Since this meeting is intended to be a forum for the mutual understanding of the issues and findings, you are encouraged to have appropriate representation at the meeting. As a minimum we would suggest you, the Site Manager, Site QA Manager, and managers for the various functional areas where problems have been identified attend the meeting. Any comments you may have regarding the SALP Report, as well as the SALP process, may be discussed at the meeting. Additionally, you may provide written comments within 20 days after the meeting.

Following our meeting and receipt of your written response, if any, the enclosed report will be issued. The letter issuing the report will provide you a characterization of your overall safety performance along with any appropriate supplemental information regarding the report.

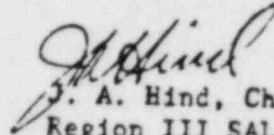
In accordance with Section 2.790 of the NRC's "Rules of Practice" Part 2, Title 10, Code of Federal Regulations, a copy of this letter, the SALP Report, and your comments, if any, will be placed in the NRC's Public Document Room when the SALP Report is issued.

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JUL 21 1983

If you have any questions concerning the SALP Report we will be happy to discuss them with you.

Sincerely,



J. A. Hind, Chairman
Region III SALP Board
Director, Division of Radiological
and Materials Safety Program

Enclosures:

1. Summary of Significant Findings (5 cys)
2. Preliminary SALP Report (5 cys)

cc w/encls:

Director, OIE
Resident Inspector, RIII
Project Manager, NRR
PAO, Region III

Enclosure 1

Significant SALP Report Findings for the Midland Nuclear Generating Station Units 1 and 2

General Observations

Inspections were conducted in March and April 1982 to evaluate the significance of the quality control (QC) inspection deficiencies identified during the special team inspection of May 1981. These followup inspections indicated that QC inspections were not properly identifying deficiencies in the installation of equipment. As a result of these deficiencies and due to recurring problems in the licensee's remedial soils work activities, increased NRC inspection effort was initiated through the formation of a special Midland Section comprised of inspectors dedicated solely to the Midland plant. Additional inspection assistance was obtained through a special contract with a Department of Energy Laboratory.

To aid in the evaluation of the as-built condition of the plant, a special inspection of the Diesel Generator Building was conducted during the period of October 12 through November 25, 1982. This inspection identified significant violations which demonstrated a breakdown in the implementation of the licensee's Quality Assurance (QA) program. In addition, it resulted in the licensee's decision to suspend some safety-related work activities (December 3, 1982) and to formulate a construction completion program to provide assurance that safety-related structures and systems were constructed as designed. Due to the significant violations, the NRC imposed a civil penalty of \$120,000.

In view of the suspension of portions of safety-related work activities and the licensee's proposed construction completion program, the Region III Regional Administrator determined that the SALP 3 appraisal for Midland would address only areas where work activities continued; namely, remedial soils (Soils and Foundations), the Nuclear Steam Supply System (Safety-Related Components and Piping Systems and Supports), the Heating, Ventilating, and Air Conditioning System (Support Systems), and licensing activities.

Functional Areas

1. Soils and Foundations

Overall performance in this functional area has continued to indicate a declining trend and remains an area of concern. The decline was due to the continued lack of attention to detail and the continuing inability on the part of the licensee to implement properly the requirements of the Midland QA program.

3.&4. Safety-Related Components and Piping Systems and Supports

Performance in this functional area remains adequate. However, the NRC plans to conduct a special inspection to evaluate this area in the near future.

5. Support Systems

Performance in this functional area has declined from category 1 to category 2. The decline was due to the lack of management attention to identified problems and the lack of timely corrective action to resolve these problems.

8. Licensing Activities

Performance in this functional area remains adequate. Generally, responses are timely and technically correct. However, while the licensing aspect of the soils issue has shown improvement over the appraisal period, the licensee should continue to focus a high level of management attention on this area.



Consumers
Power
Company

James W Cook
Vice President - Projects, Engineering
and Construction

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

September 6, 1983

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

MIDLAND PROJECT
RESPONSE TO DRAFT SALP REPORT
FILE 0.6.1 SERIAL 25682

Consumers Power Company has received and reviewed the NRC's Systematic Assessment of Licensee Performance (SALP Report) for the Midland Nuclear Plant, Units 1 and 2, for the period July 1, 1981 through March 31, 1983 and acknowledges the NRC's comments.

Consumers Power Company recognizes the purpose of the SALP Report and is committed to accomplish the improvements necessary to achieve the quality performance level that both the NRC and the Company desire.

The Company is particularly concerned about the SALP evaluation in the Remedial Soils work and will devote the management attention necessary to establish improved overall performance in this area. Efforts will be focused on addressing the NRC's concern regarding attention to detail and implementation of the Quality Assurance Program. Our management team is dedicated to assuring that future Remedial Soils work will conform to the requirements of the Midland QA Program.

The Company believes that the elements of the CCP Program are sound and that it will result in a well controlled process by which to both verify the quality of past completed construction and ensure the quality of construction work yet to go.

The CCP may need some refinement as we gain experience with it, but as a management team we are dedicated to give it the attention and support needed. We will modify it, as change is needed, to ensure that it works. The successful implementation of this program will clearly support the Company's goal of meeting the requirements of the Midland QA Program.

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In conclusion the Compar has evaluated the contents of the SALP III Report and the management team will take whatever steps are necessary to achieve the quality performance level that both the NRC and the Company desire.

James W. Cook

CC DSHood, US NRC
RJCook, Midland Resident Inspector

OM/OL SERVICE LIST

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