

U. S. NUCLEAR REGULATORY COMMISSION
REGION I

REPORT NOS. 50-277/92-17
50-278/92-17

DOCKET NOS. 50-277
50-278

LICENSE NOS. DPR-44
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LICENSEE: Philadelphia Electric Company
Nuclear Group Headquarters
Correspondence Control Des'ls:
P. O. Box 195
Wayne, Pennsylvania 19087-0195

FACILITY: Peach Bottom Units 2 & 3

INSPECTION AT: Delta, Pennsylvania

INSPECTION DATES: July 27-31, 1992

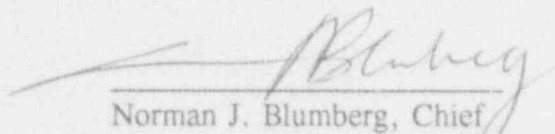
LEAD INSPECTOR:



A. Finkel, Senior Reactor Engineer
Performance Programs Section
Operations Branch, DRS

Aug 6, 1992
Date

Approved By:



Norman J. Blumberg, Chief
Performance Programs Section
Operations Branch, DRS

8/6/92
Date

INSPECTION SUMMARY: Inspection from July 27-31, 1992 (Inspection Report Nos. 50-277/92-17 and 50-278/92-17)

AREAS INSPECTED: Announced safety inspection by one region-based inspector to review the procurement program and the implementing documents associated with this program. The major areas of the procurement program that the inspector reviewed were the Vendor Program, Shelf Life Program, Classification of Procured Items, Control of Chemical-Based Material, Quality Procurement Audits and Nuclear Records Retention system.

RESULTS: No safety issues were identified during this inspection. The Procurement Program was implemented as described in their plant procedures and complied with their UFSAR. A Vendor Approved List is issued and maintained as specified in their site procedures. The procurement engineering group is providing detailed procurement data packages on new purchase orders. Warehouse personnel have had additional training for their task assignment which has improved the storage and cleanliness of items in the warehouse area. Quality Assurance audits of the procurement program are timely and findings are tracked and closed in a timely manner.

DETAILS

1.0 PERSONS CONTACTED

Attachment 1 provides a listing of persons contacted during the inspection.

2.0 INSPECTION SCOPE (38701)¹

The inspector evaluated the implementation of the procurement program for this site as described in the documentation listed in Attachment 2 of this report. In addition, the inspector reviewed the procurement plan for compliance with Section 17.2 of the Updated Final Safety Analysis Report (UFSAR), ANSI N45.2.13-1976, "QA Requirements for Control of Procurement and Services" and 10 CFR 21, "Reporting of Defects and Noncompliance."

2.1 Procurement Program

The Peach Bottom Atomic Power Station procurement program is described in Procedure A-129, Revision 2, August 1989, "Procurement and Control of Plant Items Including Off-Site Equipment Repair and Calibration." This procedure describes the licensee's program for the procurement and accountability of plant procured items (except Nuclear Fuel) including off-site equipment repair and calibration services for use at this site. During this inspection, the inspector used procedure A-129 and the documents listed in Attachment 2 to review and evaluate the implementation and effectiveness of the site procurement program. The following elements of the procurement program were inspected by the inspector:

- Vendor Audit Program
- Shelf Life Program
- Classification of Procured Items
- Control of Chemical-Based Material
- Quality Procurement Audits
- Nuclear Records Retention

2.2 Vendor Audit Program

The site Vendor Audit program is described in Nuclear Quality Procedure (NQA)-20, Revision 2, May 1991. This procedure describes the requirements for planning and conducting NQA vendor audits, establishing the approved vendors list (AVL), and initiation and follow-up of issued corrective action findings identified during the audit. The NQA Vendor Evaluation Section is responsible for establishing and implementing both the Peach Bottom and Limerick site programs. In addition to establishing the vendor approved program plan, which is used to perform vendor inspections, NQA also maintains the status of

¹The parenthetical notation following the paragraph title denotes the NRC inspection module that was used by the inspector in conducting this inspection. The module title is "Procurement Program."

the licensee's approved vendor listings. The NQA Vendor Audit Program consists of a combination of licensee's scheduled audits and audits that are issued from their participation in the industry wide utility program called NUPIC. The inspector verified that the approved vendors' listing is a computer-based program maintained on a regularly scheduled time frame and that updated information is added to the AVL on a daily bases, if required. During the review of the methods used to update the AVL, the inspector determined that trending type data is not used in selecting the vendors on the list. Developing a trending program to be used in evaluating vendors is an area that the NQA Vendor Evaluation Section is considering. As part of their AVL control, the NQA Vendor Evaluation Section controls the input to this data base. The licensee performs both a yearly and a triennial inspection schedule based on the site requirements. The audit personnel have been certified in accordance with the requirements of ANSI N45.2.12-1978, "Qualification of Quality Assurance Program Audit Programs for Nuclear Power Plants." The inspector verified that the vendors identified in the four Engineering Change Requests (ECRs) reviewed in paragraph 2.4 were selected from vendors on the AVL. The vendor data that was part of the four ECRs' documentation packages reviewed by the inspector verified that the vendors were selected from the site approved vendor list. (Also discussed in paragraph 2.4)

2.3 Shelf Life Program

The site Shelf Life Program is described in the Material Section Procedure (MSP)-55, Revision 2, December 1989, "Procedure for The Evaluation and Control of Shelf Life Items." This procedure provides guidance to the Material Section personnel to procure, identify, evaluate, store, track and disposition shelf life requirements on limited life items. The inspector toured both the warehouse and the limited access temperature/humidity controlled area. The shelf life items were marked with required information on their tags and stored in sealed material as required by the purchase information. In the temperature/humidity controlled area, the inspector verified that the environmental recording readings were within their specification requirements and the general area was clean. The equipment cabinets in this area were grounded to prevent shocks on the stored equipment in the cabinets. The inspector identified some electronic boards that had parts bent apparently from the way they were stored in the cabinet bins. The procurement engineer, with the aid of the warehouse supervisor, took immediate action to protect these boards while in the bin. The inspector had no safety concern with these boards since they will be tested before they can be used. The storage procedure will be revised to provide additional guidance in this area. Overall, the warehouse and stored procurement items were maintained as required by their site procedures for this area.

2.4 Classification of Procured Items

The method for identifying and classifying hardware is described in procedure A-129.2, Revision 4, June 1991, "Classification and Review/Evaluation of Plant Items Including Off-Site Equipment Repair, Testing and Calibration." The procedure provides the requirements and guidelines for determining the safety classification, procurement level, procurement

requirements and inspection and testing requirements for site procured items. This procedure also addresses evaluation of alternate replacement items for site use. To determine the effectiveness of this procedure, the inspector selected four Engineering Change Requests (ECR) packages associated with replacement site items. The ECR packages reviewed by the inspector are listed in Attachment 2 of this report. The inspector's evaluation consisted of a review of the engineering justification to change the item, the selection data to support the replacement item, the safety evaluation, seismic and environmental report, shelf life requirements, and installation requirements listed in the vendor manual. Not all ECR packages require this depth of data documentation; however, the packages reviewed by the inspector were required to consider the environmental and seismic requirements as part of their replacement criteria. The inspector determined that the four ECR evaluations were well documented and supported the use of the replacement items.

2.5 Control of Chemical-Based Materials

The procurement and control of chemical-based materials such as solvents, hydraulic fluids, lubricants, paints, and oils are described in administrative procedures series A-96. The procedure titles are listed in Attachment 2 of this report. The warehouse and receiving personnel have been given special training on the storage and handling of these material and have an understanding of the critical requirements of the various types of materials they receive. During the inspection of the warehouse area, the inspector noted that new storage cabinets have been installed to store these materials. The inspector determined, in discussions with the warehouse personnel, that they have had recent training in the handling of chemical-based materials and that they understood the storage requirements for these materials.

2.6 Quality Procurement Audits

The yearly quality audit of the procurement function was conducted between October 7, 1991, and November 1, 1991, with the final audit exit meeting conducted on December 11, 1991. The scope of the audit was to evaluate the adequacy and effectiveness of the procurement and materials handling functions in support of the Peach Bottom site. The audit was well documented with the findings supported with detailed evaluations. The audit findings were listed in the NQA tracking system as required by site procedures. The inspector reviewed the six corrective action request (CAR's) documented in the audit report and verified that each was closed with adequate corrective actions implemented in a timely manner.

2.7 Nuclear Records Retention

Nuclear records are maintained in accordance with procedure A-46, Revision 8, January 1992, "Nuclear Records Management." This procedure describes the record management system for collecting, filing, storage, maintenance, and disposing of records

that are required to be maintained by the licensee's Technical Specifications and their UFSAR Section 17.2. The inspector retrieved the procurement records, of the selected ECRs described in paragraph 2.4 in a timely manner; the data packages were complete and legible.

3.0 CONCLUSION

The inspector determined that the procurement program for this site is implemented as described in their procedures and is meeting the requirements of their Technical Specifications, Updated Final Safety Analysis Report (UFSAR) and 10 CFR 50, Appendix B, Quality Assurance Criteria for Nuclear Power Plants and Fuel Reprocessing Plants. The engineering reviews associated with the Engineering Change Request system were well documented and supported the use of the replacement items. The improvement in the warehouse facility and the increased training of the warehouse personnel are proceeding on schedule. No safety issues were identified during this inspection.

4.0 MANAGEMENT MEETINGS

Licensee management was informed of the scope and purpose of the inspection at an entrance meeting conducted on July 27, 1992. The findings of the inspection were periodically discussed with the licensee personnel during the course of the inspection. The inspector met with the licensee representatives (denoted in Attachment 1) at the conclusion of the inspection on July 31, 1992. The inspector summarized the scope and findings of the inspection as described in this report.

Attachments:

1. Persons Contacted
2. Documentation Reviewed

ATTACHMENT 1PERSONS CONTACTEDPHILADELPHIA ELECTRIC COMPANY

- *H. Abendroth, Senior Staff Engineer
- *H. Bowler, Jr., Materials Engineering
- *O. Brown, Materials Manager
- *A. Dycus, ISEG Superintendent
- *W. Eckman, Nuclear Quality Assurance
- *D. Foss, Regulatory Engineer
- *G. Gellrich, Shift Operations Manager
- *D. Hitchens, Procurement Engineering
- *R. Knieriem, Delmarva Power Company
- *V. Nilekani, Procurement Engineering
- *J. Pratt, Manager Nuclear Quality Assurance
- *B. Raftovich, Materials Engineer
- *C. Thacker, Warehouse Supervisor
- *J. Toon, Maintenance/I&C Engineer

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- *J. Lyash, Senior Resident Inspector

*Denotes those present at the exit meeting held on July 31, 1992.

During the course of this inspection, the inspector contacted others members of the licensee's Technical, Operations, Maintenance, Quality and Training staff.

ATTACHMENT 2DOCUMENTATION REVIEWEDADMINISTRATIVE PROCEDURES

A-129 "Procurement and Control of Plant Items Including Off-Site Equipment Repair and Calibration," Revision 2, August 1989

A-129.1 "Preparation and Processing Preliminary Purchase Requisitions," Revision 2, August 1989

A-129.2 "Classification and Review/Evaluation of Plant Items Including Off Site Equipment Repair and Calibration," Revision 4, June 1991

A-129.4 "Purchasing of Items and Services," Revision 1, August 1989

A-129.5 "Receipt of Items."

A-129.6 "Storage of Items," Revision 3, July 1992

A-129.7 "Issue of Items," Revision 3, March 1992

A-46 "Nuclear Records Management," Revision 8, January 1992

ENGINEERING CHANGE REQUESTS (ECRS)

ECR No. 92-107, "Model 6N-AA3 Pressure Switch"

ECD No. 92-184, "GE Control Switch Model 10AY764"

ECR No. 92-004, "Rosemount 510DV Master Trip Unit Replacement With Rosemount 710 DU"

ECR No. 91-045, "Fisher Porter Flow Indicator Model 101336 Replaced With Model 10A6130"

QC AUDIT AND CORRECTIVE ACTION REQUEST

Audit Report No. A0005478, "Procurement, Handling and Storage," October 7, 1991, through November 1, 1991, and listed Corrective Action Requests (CAR'S):

CAR-Q0001710, "Storage Conditions In The PBAPS Warehouse"
CAR-Q0001711, "Nonconformance Control Via The Stores Request for Action"

CAR-Q0001712, "Failure to Identify All Nonconforming Items In QC Hold"
CAR-Q0001713, "Clarification of Process for Bulk Items With Q-Tags"
CAR-Q0001714, "Failure to Maintain and Distribute Material Traceability Logs"
CAR-Q0001715, "Clarify Interface Requirements of MSR-04"

VENDOR AUDIT PROGRAM

NQA-20, "Vendor Audits," Revision 2, April 1991
A-C-902, Common Nuclear Procedure, "Corrective Action," Revision 0
NQA-19, "Evaluated Vendors List,"
EPRI 6630, "Guide Lines for Performance Based Supplier Audits"
NUPIC, "Audit Checklist," Revision 2, January 1992
Guideline #8, "Evaluated Vendors List"
P-C-9, "Common Evaluated Vendors List"

CHEMICAL BASED PROCUREMENT PROGRAM

A-96, "Chemical/Material Control," Revision 1, November 1991
A-96:1, "Controlled Chemical/Material List," Revision 3, October 1991
A-94:4, "Controlled Chemical/Material Permit," Revision 1, October 1991
A-96:5, "Locations for Chemical/Material Storage," Revision 1, October 1991
A-96:6, "Chemical/Material Review Form," Revision 1, October 1991

MATERIAL SECTION PROCEDURES

MSP-55, "Procedure for The Evaluation and Control of Shelf Life Items," Revision 2,
December 1989