U.S. NUCLEAR REGULATORY COMMISSION

REGION III

Report No. 50-346/85-05(DRS)

Docket No. 50-346 License No. NPF-3

Licensee: Toledo Edison Company
Edison Plaza, 300 Madison Avenue
Toledo, Ohio 43652

Facility Name: Davis Besse Unit 1

Inspection At: Oak Harbor, Ohio

Inspection Conducted: January 22-25, February 4-8, and February 26 through March 1, 1985.

Inspectors: N. Choules — 3/18/85 Date

T. Taylor — 3/18/85 Date

Approved By: F. Hawkins, Chief
Quality Assurance Programs Section — 3/18/85 Date

Inspection Summary

Inspection on January 22-25, February 4-8, and February 26-March 1, 1985 (Report No. 50-356/85-05(DRS))

Areas Inspected: Special, announced inspection by two regional inspectors of licensee action on previous inspection findings and an in-depth review and evaluation of the corrective action program. The inspection involved a total of 86 inspector-hours on site.

Results: Of the two areas inspected, two items of noncompliance were identified in one area (failure to follow procedures with regard to overdue vendor audit finding reports-Paragraph 3.c.(1); failure to take timely corrective action for deviation requests - Paragraph 3.c.(2)).

DETAILS

1. Persons Contacted

Toledo Edison Company

R. P. Crouse, Vice President Nuclear
*T. D. Murray, Assistant Vice President - Nuclear Operations
*J. A. Faris, Administrative Coordinator
*S. M. Quennoz, Plant Manager
D. A. Lee, Maintenance Engineer
J. K. Wood, Facility Engineering Supervisor
*M. L. Stewart, Nuclear Training Manager
*R. A. Simpkins, Nuclear Operations Training Supervisor
*J. R. Lingenfelter, Technical Engineer
*W. T. O'Conner, Operations Engineer
*M. J. Derivan, Operations Technical Coordinator
*S. G. Wideman, Senior Licensing Engineer
*D. J. Stephenson, Compliance Coordinator
*C. J. Greer, Operation Quality Assurance Supervisor
*D. J. Mominee, Quality Engineering Supervisor
*J. C. Byrne, Senior Quality Assurance Auditor

USNRC

*F. C. Hawkins, Chief, Quality Assurance Programs Section
*W. G. Rogers, Senior Resident Inspector
*B. L. Burgess, Project Inspector

*Denotes those attending the exit interview on March 1, 1985.

The inspectors also contacted other licensee personnel during the inspection.

2. Action on Previous Inspection Findings

a. (Closed) Noncompliance (349/84-09-12): Failure of the Safety Review Board (SRB) to review temporary equipment changes. The inspector verified that the licensee had completed and implemented the corrective action stated in its August 17, 1984, response to this item. Instructions had been prepared to require an SRB subcommittee to review nonconformance reports (NCRs) and supplier deviation reports (SDRs) which are dispositioned use-as-is, use-as-is temporarily, or repair. Review of logs confirmed the reviews of NCRs are being accomplished.

b. (Closed) Unresolved Item (50-346/84-09-16): Quality control (QC) inspector certification tests were not available for review. The certification tests for QC inspectors were provided to the inspector for review. No items of concern were identified.

c. (Open) Noncompliance (50-346/84-09-17): Failure to complete temporary modifications, resulting from nonconformance reports (NCRs) and corrective action reports (CARs), in a timely fashion. The licensee indicated in its response to this item, dated August 17, 1984, that corrective action for the NCRs and CARs cited in the report would be completed by end of the 1984 refueling outage. The inspector verified that this corrective action had been completed; however, there is still a significant backlog of older NCRs. This item will remain open pending resolution of the backlog.

d. (Closed) Noncompliance (50-346/84-09-19): Control of measuring equipment used by Quality Control was inadequate. The inspector verified that the licensee had completed the corrective action as stated in its response to this item, dated August 17, 1984. This included revision of QC Instruction 3120, affixing calibration labels to instruments, calibrating instrument QC-3, completing action cards for instruments QCT-5 and QCT-6, and verification that calibration records for QC controlled instruments were available.

3. Corrective Action Program Review

a. Methodology

This report documents the first in a series of augmented inspections to assess the Davis Besse corrective action program and its implementation. The inspections are being conducted because of Region III concerns regarding Toledo Edison's ability to develop and implement a successful corrective action program.

This inspection series is structured to ensure that a complete and accurate assessment is conducted. To that end, specific inspection attributes have been selected to provide insight into (1) program adequacy, (2) program awareness, (3) program implementation adequacy, and (4) the extent and effectiveness of management oversight.

This report identifies strengths and weaknesses within the corrective action program. Identified weaknesses which do not violate either regulatory requirements or commitments are dealt with in light of their relative significance. Weaknesses which are within the scope of the NRC enforcement policy are dealt with accordingly: unresolved and noncompliance items.

Upon completion, the inspection series will collectively represent a total assessment of corrective action performance. Each report of the series will present a summary of Region III conclusions, and a diagnosis of problem areas.

b. Details

This inspection consisted of interviews with plant and support personnel review of corrective action program procedures, review of selected corrective action reports from the different corrective action systems, and review of various corrective action system action status records.

The corrective action program is made up of several systems, each of which is listed and briefly described as follows:

(1) Corrective Action Request (CAR)

This is the highest level of the corrective action system and is normally used when other system fail to obtain results. CARs are issued by the QA department.

(2) Audit Finding Report (AFR)

AFRs are issued by the QA department as a result of a Quality Assurance audit finding.

(3) Nonconformance Report (NCR)

NCRs are issued by Quality Control and Quality Engineering for nonconforming components, parts, and material, which have been installed or may be installed.

(4) Supplier Deviation Request (SDR)

SDRs are issued by Quality Engineering for nonconforming material found during receipt inspection, material found to be improperly handled or stored, or to track open purchase order concerns.

(5) Deviation Request (DVR)

DVRs are used by plant personnel to report and control conditions adverse to quality: equipment failures, malfunctions,deficiencies, deviations, defective material, and errors.

(6) Surveillance Report (SR)

SRs are used by Quality Control and other support personnel to report and control conditions adverse to quality. An SR may result in either a DVR or an NCR.

(7) Maintenance Work Order (MWO)

MWOs may be used to implement corrective action resulting from one of the above systems or to initiate specific corrective actions for malfunctioning equipment.

(8) Facility Change Request (FCR)

FCRs may be used to implement corrective action if changes in design are required. FCRs are also used to implement other changes in design not identified by a formal corrective action system.

(9) Commitment Tracking System

This is a tracking system to status commitments made to organizations such as the NRC, INPO, and vendors.

The inspector determined the status of the various corrective action systems from a review of computer information and other reports. The results are presented as follows:

(a) CARs, AFRs, NCRs, DVRs, SDRs, and SRs (Status as of January 1985)

Corrective Action System	Items Identified in 1984	Items Open Identified Prior to 1984	Items Remaining Open
CAR	2	0	2
AFR	259	10	119
NCR	238	28	95
DVR	192	43	121
SDR	288	23	93
SR	103	0	26

(b) FCRs (Status as of December 1984)

Awaiting Engineering Approval	462
Issued for Implementation	261
Field Work Complete	221
FCRs Initiated in 1984	227
FCRs Closed in 1984	274

(c) MWOs (Status as of February 1985)

Type MWO:	Corrective	Preventative	FCR
Backlogged:	651	332	67
Open:	285	122	47
Suspended:	325	28	19
In Closeout:	239	62	20

(d) Commitment Tracking System (Status as of January 1985)

There were 132 identified open items of which 24 were open prior to 1984.

c. Findings

Two items of noncompliance were identified as follows:

(1) Procedure QAI 4184 ("Audit Activities", Revision 5) requires that if the audited organization does not respond to an AFR within 30 days, the QA staff member shall contact the responsible organization by letter, memorandum, or verbally to elicit a response to the AFR. Verbal conversations are required to be documented.

For 32 audits of vendors performed in 1984, responses to AFRs for eight audits were more than two months late, and followup to obtain responses was not timely. Examples are as follows:

(a) The AFR response for vendor Audit 1181 was received two months after the due date. There was no documented evidence of contact with the vendor during this time.

(b) The AFR response for vendor Audit 1309 was due December 3, 1984; no response had been received as of January 23, 1985. There was no documented evidence of contact with the vendor.

(c) The AFR response for Audit 1187 was due July 9, 1984. Telephone contact was made July 31, 1984. A letter requesting a response was sent October 3, 1984. A response had not been received as of January 23, 1985.

(d) The AFR response for Audit 1183 was due July 3, 1984. A letter requesting a response was sent to the vendor on September 24, 1984. The response was received on October 30, 1984.

These examples of failures to actively pursue AFR responses from vendors as required by Procedure QAI 4184 are considered to be an item of noncompliance with 10 CFR 50, Appendix B, Criterion V (346/85-05-01).

(2) The review of DVR status on January 23, 1985, indicated that of 192 DVRs written in 1984, 78 remained open. Additionally, 43 DVRs identified prior to 1984 also remained open as of January 1985. Review of the 43 DVRs showed that 14 were associated with Licensee Events Report (LERs).

These failures to ensure that DVRs are initiated and addressed in a timely manner are considered to be an item of noncompliance with 10 CFR 50, Appendix B, Criterion XVI (346/85-05-02).

d. Observations

(1) AFR System: The backlog of outstanding AFRs have been decreasing. The licensee has established a goal that 80% of the open AFRs will be less than 120 days old. In December 1984, this goal was met. For AFRs which are open for more than 120 days, upper management is informed and becomes involved in their resolution.

(2) NCR System: The backlog of NCRs initiated prior to 1984 has decreased. The licensee has established a goal that 60% of the open NCRs will be less than 90 days old. As of the date of this inspection, the goal has not been met: the average for 1984 was approximately 32%. As a result of personnel interviews, it appeared that neither appropriate responsibilities nor authorities had been established to ensure timely completion of corrective

action for NCRs. It appears that a system of upper management involvement similiar to that used for AFRs may be appropriate for NCRs.

(3) SDR System: The licensee has established a goal that 80% of the open SDRs will be less than 90 days old. As of the date of the inspection, the goal has not been met: the average for 1984 was approximately 50%. Increased management involvement and support appears to be appropriate.

(4) SR System: This system was initiated in 1984 and appears to be working well.

(5) DVR System: Improvement is needed in the closeout of items in this system due to the rather large backlog. Interviews with personnel responsible for administering this system revealed that they did not have the means to ensure that corrective action is accomplished in a timely manner. Management personnel are aware of this matter. Accordingly, a subcommittee to the SRB was recently formed to develop corrective action commitments for DVRs.

(6) FCR System:There is presently a significant backlog of FCRs. Some progress was made in 1984, when 227 FCRs were initiated and 274 were closed. The licensee has developed the Integrated Living Schedule Program to schedule and prioritize FCRs according to their capital costs. Because this program was recently implemented, additional time is required to assess its effectiveness.

(7) MWO System: A review of trend analysis graphs for the individual maintenance shops showed that for each shop, except the mechanical shop, the number of MWOs initiated was greater than the number closed. The backlog of MWOs is significant. The licensee is developing a new system to prioritize and provide better control of MWOs.

(8) Commitment Tracking System: This system was initiated in 1984. The licensee has entered current commitments into the computer for tracking purposes and is working on the backlog of older commitments to input them into the tracking system.

e. Conclusions/Recommendations

The inspectors concluded that adequate systems have been established for identifying items that require corrective actions; however, the backlog of items which require corrective action indicates there have been problems completing them in a timely manner. Possible contributing causes are as follows:

(1) Clear assignment of responsibility and authority to effect completion of corrective action appears to be lacking. Continued management support in this regard is warranted.

(2) There appears to be a lack of aggressiveness in completing corrective actions. For example, a large percentage of the corrective action backlogs were assigned to the facility engineering department. This is to be expected; however, given appropriate attention, more timely completion of corrective actions assigned to engineering could be accomplished.

(3) There has been limited training on the corrective action systems; particularly for new engineers and specialists in the maintenance, facility engineering, and technical engineering departments.

(4) Upper management was not receiving certain status reports regarding FCRs and MWOs. Available status information should be assessed by management to ensure that they are receiving appropriate information.

The above items were discussed with licensee management. Management personnel agreed to review the inspector's conclusions and recommendations and take corrective action where appropriate.

4. Exit Interview

The inspector met with licensee representatives (denoted in Paragraph 1) on March 1, 1985, and summarized the purpose, scope and findings of the inspection. The inspector discussed the likely informational content of the inspection report with regard to documents or processes reviewed by the inspector during the inspection. The licensee did not identify any such documents/processes as proprietary.