U.S. NUCLEAR REGULATORY COMMISSION
REGION I

Report No. 50-220/84-26

Docket No. 50-220

License No. DPR-63

Licensee: Niagara Mohawk Power Corporation

300 Erie Boulevard West

Syracuse, New York 13202

Facility Name: Nine Mile Point 1

Inspection At: Oswego, New York

Inspection Conducted: November 26-29, 1984

Inspectors: J. Prell for
for T. Cheung, Reactor Engineer — 1-3-85 date

J. Prell
J. Prell, Reactor Engineer — 1-3-85 date

Approved by: P. K. Eapen
P. K. Eapen, Acting Chief, MPS — 1-3-85 date

Inspection Summary: Unannounced special safety inspection of the licensee's procurement, receipt, storage and handling activities of safety-related material. The procurement inspection was limited to procurement of spare parts. The inspection involved 49 hours onsite by two region based inspectors.

Results: No violations were observed. Three unresolved items were identified.

DETAILS

1. Persons Contacted

Niagara Mohawk Power Corporation

*W. Connolly	Supervisor, QA Nuclear Operations
*M. Meehan	Project Manager, Nuclear Spare Parts
*D. Palmer	Manager, Nuclear QA
*T. Roman	Station Superintendent, Nine Mile Point 1 (NMP-1)
*W. Ryder	Manager, Systems Material Management
K. Shea	Group Leader, Quality Control
*C. Tonkin	Supervisor, Material Management
W. Williams	Corporate Audit Supervisor, QA

U.S. Nuclear Regulatory Commission

*S. Hudson	Senior Resident Inspector
*A. Luptak	Reactor Engineer

*Denotes those present at the exit meeting on November 29, 1984.

The inspectors also interviewed other personnel during the inspection.

2. Procurement Activities

2.1 References/Requirements

-- Administrative Procedure Nuclear (APN)-14, Revision 5, "Procedure for Control of Material and Service"

-- Niagara Mohawk Purchasing Policies and Procedures, Part III, dated March 1, 1976, "Nuclear Purchases"

-- Quality Assurance Procedure (QAP) No. 4.10, Revision 3, "Review of Procurement Document for Quality Content"

-- Niagara Mohawk Power Corporation Quality Control Qualified Contractor List (Computer Printout) dated June 1, 1984

-- Regulatory Guide 1.123, "Quality Assurance Requirements for Control of Procurement of Items and Service for Nuclear Power Plants", which endorses ANSI Standard N45.2.13-1976

-- QAP No. 18.10, Revision 5, "Internal Audit"

-- QAP No. 10.21, Revision 1, "Performance Reporting and Follow-up of Surveillance activities for Operations"

2.2 Program

The inspector reviewed the documents listed in Section 2.1 and determined that the licensee had established a procurement program of safety-related replacement items which included the following:

-- Only approved and qualified suppliers were used for supplying safety-related items.

-- Procurement procedures were developed in accordance with Regulatory Guide 1.123.

-- Procurement activities were in accordance with established procedures.

-- Purchase and receipt records for safety-related items were retained and maintained in accordance with established requirements.

-- QA/QC performed an overview of the above activities.

2.3 Implementation

The inspectors selected the following purchase requisitions and orders for safety-related items to ascertain whether procurement activities were conducted in accordance with programmatic and QA/QC requirements.

-- Purchase Order (PO) No. 15693 dated April 16, 1984 for two ASCO solenoid valves (Model No. 206-380-2-G) and Change Order No. 1 dated May 18, 1984

-- PO No. 86870 dated August 4, 1983 for two Agastat Auxiliary Relays and Change Order No. 1, dated October 17, 1983

-- PO No. 81926 dated May 15, 1983 for two G.E. connectors and one G.E. Plug Assembly

-- PO No. 84003 dated July 15, 1983 for a large quantity (several hundred) of pipe fittings

-- PO No. 79120 dated April 8, 1983 for a large quantity of pipe bushings and couplings

-- Procurement requisition (PR) No. 334888 for electrical cable

-- PR No. 337162 for swagelok flexible metal fitting;

-- PR No. 318619 for replacement parts for the reactor head safety valves.

The inspectors verified that the purchase requisitions contained the necessary quality control review and station superintendent signatures, referenced the appropriate codes, standards, Part 21 and Certificate of Conformance requirements, and used only approved vendors. The inspectors also verified that the PO packages contained the required documentation such as Certificates of Conformance from the suppliers, QC review checklist attributes and receipt inspection reports.

2.4 QA/QC Interface

The inspectors discussed and verified with QC personnel the Niagara Mohawk program for QC review of procurement procedures, purchase requisitions, purchase orders and receipt inspection. The following QA audit and surveillance reports were reviewed for program effectiveness.

-- Audit No. RG-IN-SY-N1-84002 dated September 7, 1984. This report identified four nonconformances (RG-IN-SY-N1-84002-01 through -04) which were resolved within the specified time limit.

-- Audit No. 83-03 dated December 20, 1983. One nonconformance (not related to component quality) was identified.

-- Audit No. 2, dated January 5, 1983. This report identified twenty two nonconformances (NCR 82-01 through 82-22). All these except NCR 82-20 were resolved within the specified time limit. NCR 82-20 was resolved on September 17, 1984. Time extension was granted by QA for the resolution of this item.

-- Audit No. 3 dated November 16, 1983. This audit is the follow up of Audit No. 2 above. No additional nonconformances were identified.

-- Surveillance report SR82-025 dated March 15, 1983. This report identified deficiencies on Procurement procedure APN-14, Revision 5 which were resolved within the specified time limit.

-- Surveillance report SR83-067, dated December 30, 1983. No nonconformances were identified.

-- Surveillance report SR 81-005 dated May 29, 1981. This report identified some deficiencies with procedure APN-14, Revision 3, which were resolved on time.

QA/QC involvement with Procurement activities was found to be adequate.

2.5 Findings

APN-14, paragraph 3.1.2.2 d, requires that the writer of a PR for replacement parts consult the original specification, FSAR design commitments, and current applicable codes and standards. When stores personnel initiate a PR however, they only occasionally review the previous PR and they never review FSAR commitments, codes, or standards. Per the procedure, the user organization is not required to (and therefore does not) review the purchase requisition or order. As a consequence purchase orders may be issued which do not accurately reflect current information.

The licensee has previously recognized this weakness and has begun implementing a new automated Materials Management System (MMS) to address it. One feature of the MMS is that it requires the user organization of replacement parts to review all PRs. This item is unresolved awaiting NRC verification that the user organization reviews all replacement parts PR's for inclusion of current requirements and standards under the new MMS (220/84-26-01).

3. Receipt, Storage and Handling

3.1 References/Requirements

-- Final Safety Analysis Report (FSAR) for Nine Mile Point Nuclear Station Unit 1, Section 13

-- Niagara Mohawk Quality Assurance Program Manual, June 10, 1984, Sections I, IV, VII, VIII, XIII, XV and XVI

-- Materials Management Procedure (MMP) - B, January 1, 1984, "Administrative Controls"

-- MMP-4, December 15, 1977, "Material Transfer"

-- MMP-5, December 15, 1977, "Received Report"

-- Administrative Procedure Nuclear (APN) -14, May 1982, "Procedure for Control of Material and Service"

-- General Physics Corporation proposal to NMPC, August 20, 1984, "Proposal to Prepare a Materials Handling, Processing and Storage Course"

-- Nonconformance Report (NCR) 84-02, January 30, 1984, "Quality Assurance Program for NMP #1"

-- Quality Assurance Procedure (QAP) 7.30, Revision 1, "Receiving Inspection"

-- QAP 16.40, Revision 2, "Control and Use of the Nonconformance Report"

-- Surveillance Report 82-025, March 16, 1983, "APN-14 (Revision 5) Procedure for Control of Material and Services"

-- Surveillance Report 83-067, January 4, 1984, "APN-14 (Revision 5) Procedure for Control of Material and Services"

-- Audit Report RG-IN-SY-N1-84002, "Materials Management Audit for Nine Mile Point Unit 1"

-- Regulatory Guide 1.38, "Packaging, Shipping, Receiving, Storage and Handling of .tems for Nuclear Power Plants", which endorses ANSI N45.2.2 - 1972

-- Quality Assurance Instruction NO-14.10, Revision 0, "Use and control of QA/QC Status Tags"

3.2 Program

The inspector reviewed the documents listed in Section 3.1 and determined that the licensee had established a receipt, storage, and handling program for safety-related material which:

-- Provided for receipt inspection of all incoming safety-related materials and supplies

-- Identified qualified vendors who may supply safety-related items which are supported solely by a certificate of conformance

-- Required that received materials be examined for conformance with requirements specified in the PO

-- Provided for documentation of receipt inspection and storage of receipt inspection records

-- Provided controls for tagging/marking of acceptable and nonconforming items

-- Established controls for the disposition and documentation of nonconforming items

-- Established controls for the conditional release of nonconforming items

-- Established responsibilities for each aspect of the program

3.3 Implementation

Implementation of the program was verified by the following:

-- A tour of the warehouse. Segregation of safety-related items from non-safety related items was accomplished through the use

of certification numbers issued by the warehouse and marked or tagged on each item. The warehouse is a storage level B facility. All items are stored in the warehouse. All items inspected were properly identified.

-- Inspection of acceptance tags. It was found that the acceptance tags or certification numbers allow tracing the item to the purchase order.

-- Verification that access controls exist which limit entrance to the warehouse

-- Verification that hazardous material was stored away from safety-related items.

-- Verification that safety-related items were stored at their proper storage level or better.

-- Verification that a preventive maintenance program existed for handling equipment and rigging.

-- Verification of the existence and proper use of the Niagara Mohawk Power Corporation Quality Assurance Qualified Contractors List.

In addition the inspector reviewed the MMS, which is now in the process of being implemented. The MMS will not only identify each item of equipment in the plant but will also provide for a master parts file, spare parts file, purchase order tracking file, and a purchase order history file. When fully implemented, this system will control the procurement, receipt, and storage of all safety-related material.

3.4 QA/QC Involvement

Among its other responsibilities, the site QA/QC department has responsibility for performing surveillances of site activities, receipt inspections, review of purchase requisitions, and tagging of safety-related material. The inspector reviewed the surveillance schedules for 1983 and 1984 and verified that procurement, receipt, and storage surveillances had been adequately scheduled and conducted. Surveillance reports and audits (identified in Section 3.1) related to procurement and receipt activities were also reviewed for adequacy.

The inspector reviewed the QA/QC status tag log and verified that items with hold tags 4050, 4174, 4178 and 4196 were properly dispositioned before being released for use.

QA/QC involvement with Receipt, Storage and Handling activities was found to be adequate.

3.5 Findings

The inspectors found that QA surveillances were conducted against APN-14 only and not against the appropriate standards, such as ANSI N45.2.2. APN-14 does not address shelf life or preventive maintenance considerations for items in the warehouse. As a consequence no program currently exists which addresses these two areas. This is exemplified by Nonconformance Report (NCR) No. 84-02. This NCR was issued as a result of the NRC's Senior Resident Inspector identifying an occasion where BUNA-N O-rings, which had exceeded their shelf life by 15 months, were issued by the storeroom to the Maintenance Department. Licensee management has recognized this problems and, as a consequence, a shelf life and preventive maintenance program has been incorporated into the new MMS discussed earlier. This is an unresolved item pending NRC review of the shelf life and preventive maintenance program as fully implemented by MMS (full implementation schedule for March 1985) and review of the program established for evaluating and dispositioning existing items in the warehouse (220/84-26-02).

During a tour of the warehouse, the inspector found water leakage in the lower level. The licensee had removed items from the affected area and initiated corrective action. This is an unresolved item awaiting completion of the licensee's corrective action program to eliminate the water leakage problem in the warehouse (220/84-26-03).

4. Unresolved Item

Unresolved items are matters about which more information is required in order to ascertain whether they are acceptable items, items of noncompliance, or deviations. Three unresolved items which were identified during the inspection are discussed in sections 2.5 and 3.5.

5. Exit Meeting

The inspectors met with those licensee representatives identified in paragraph 1, on November 29, 1984 to discuss the scope and findings as detailed in this report. The licensee representatives acknowledged the inspectors' findings.

At no time during this inspection was written material provided to the licensee by the inspector.