

U. S. NUCLEAR REGULATORY COMMISSION
OFFICE OF INSPECTION AND ENFORCEMENT

REGION V

Report No. 50-522/78-02
50-523/78-02

Docket No. 50-522 License No. None Safeguards Group _____
50-523

Licensee: Puget Sound Power and Light Company
Puget Power Building
Bellevue, Washington 98009

Facility Name: Skagit Units 1 and 2

Inspection at: Corporate Office (Bellevue) and Warehouse

Inspection Conducted: September 25-28, 1978

Inspectors: W. G. Albert 10/6/78
W. G. Albert, Reactor Inspector Date Signed

Date Signed

Approved By: R. C. Haynes 10/6/78
R. C. Haynes, Chief, Project Section, Reactor Construction and Engineering Support Branch Date Signed

Summary:

Inspection on September 25-28, 1978 (Report Nos. 50-522/78-02 and 50-523/78-02)

Areas Inspected: Routine, unannounced inspection of open items, QA audits, QA procedures, engineering review, and controls over reports to be provided NRC following issuance of a C.P., including Bulletins.

Results: Of the areas inspected, no deviations from commitments by the applicant were noted. An item of concern was noted in the procedures area as discussed in Paragraph 5.

DETAILS

1. Persons Contacted

a. Puget Sound Power & Light Co. (PSP&L)

- *W. J. Ferguson, Vice President
- *E. V. Padgett, Manager, Quality Assurance
- *R. N. Hettiner, QA Specialist
- *J. R. Fishbaugher, Project Engineer
- *W. J. Miller, Nuclear Licensing Engineer
- J. E. Mecca, Manager, Nuclear Licensing
- D. J. Murphy, Manager, Security
- J. K. Simpson, Security Supervisor
- J. F. Helle, Manager, Mechanical Engineering
- J. F. Watkins, Acting Manager, Electrical Engineering
- G. R. Reid, Mechanical Engineer
- S. Martsolf, Construction Engineer

*Denotes those present at exit interview.

b. Bechtel Power Corporation (Bechtel)

- R. A. Nuttall, Materials Control Supervisor
- J. W. Allison, Field Engineer

c. Snelson Company

- D. W. Roo, Warehouseman

2. Project Status

The applicant reported that engineering on the project was over 60% complete. They further noted that licensing delays were resulting in curtailment of Bechtel engineering activity and sharp reductions in engineering personnel assigned to the project by Bechtel.

PSP&L review of Bechtel drawings and specification has been expanded from an original sampling of 10% to 20%. In addition, selected aspects of other design disclosure documents are being examined.

The warehouse in Burlington, Washington, is routinely receiving quality class components from the NSSS Vendor (GE).

Since sufficient meteorological data had been obtained at the time the meteorological tower was vandalized in May 1978, no attempt has been made to restore this facility to service. The investigation of the incident is continuing.

3. Applicable Actions on Previous Inspection Findings

- a. (Closed) Open Item (50-522/78-01): Warehouse concerns regarding stainless steel marking, colors of tape, indication of desiccant quantity and procedures for corrective action on nonconformances were satisfactorily resolved.
- b. (Closed) Open Item (no previous report): RIV-VIB referred to RV a concern regarding GE diesel-generator heat exchanger design criteria. This was discussed with licensee.
- c. (Open) Open Item (50-522/78-01): During the previous NRC inspection and also during audits, it had been found that specifications and the PSAR did not always reference codes and standards with the same date. A comprehensive audit of this concern remains to be completed. Upon completion, the applicant will submit an amendment to his PSAR or require changes in specifications, as appropriate.
- d. (Closed) Open Item (50-522/78-01): Corrective action on audits not readily available. An examination of audit files did not indicate that this was a current problem.

4. QA Audits

Schedules, planning and reports for QA audits conducted since the previous inspection were examined for conformance to procedures. No deviations from commitments were found.

5. QA Procedures

- a. Changes to QA procedures since the last inspection were examined for conformance to 10 CFR 50, Appendix B. All changes conformed to regulation.
- b. QA procedures for handling corrective action and nonconforming materials were examined for conformance to 10 CFR 50, accepted practices and consistency between Bechtel and PSP&L procedures.

Inconsistencies between Bechtel and PSP&L procedures were noted. For instance, PSP&L procedures have provisions for PSP&L reinspection of nonconforming items (2.5 QAP 10), Bechtel final accounting of nonconforming items (4.0 QAP 17), and PSP&L approval of certain Bechtel nonconformances (2.2a QAP 17). However, implementation of such provisions is not provided for in either the Bechtel QA Manual or the Bechtel Field Inspection Manual. Further, Bechtel procedures provide for installation (under certain conditions) of some nonconforming items without PSP&L review or approval.

The inspector found that QAP-10 on corrective action utilized nonconformance reports as the vehicle for identifying significant conditions adverse to quality, whereas, the nonconformance report itself appeared to be confusing corrective action on "conditions adverse to quality" with the "disposition" of a particular nonconforming item.

The inspector's concerns were discussed at the exit interview, see below.

6. Engineering Review Activities

The review and subsequent resolution of comments from the PSP&L engineering review of design disclosure documents was examined with particular emphasis on consideration of PSAR commitments. From the sample of activities in the mechanical section, the inspector had no questions regarding this activity which was examined against PSP&L Procedure BE-1.

Discussions with the licensing engineers indicated that an internal PSAR deviation control system would be activated when a CP is issued. The "TERA" program which identifies all PSAR commitments by component or system was described and demonstrated.

7. IE Circular and Bulletin Follow Up

The inspector discussed with the applicant the IE Bulletin and Circular system. Selected bulletins and circulars issued during the past year were provided and discussed with the applicant. The applicant stated that a procedure for the handling of bulletins and circulars would be developed.

8. Part 21 Procedure

The applicant's procedures for reporting nonconformances to the NRC in accordance with 10 CFR 50.55(e) and 10 CFR 21 were

examined. The inspector had no questions regarding the 10 CFR 50.55(e) procedure. The 10 CFR 21 posting in one building was verified and a copy of Procedure G-11 was obtained for in-office examination. This examination, conducted in-office, showed the Skagit document to be in conformance to the requirements of 10 CFR 21. The one question raised by the inspector was whether a delay permitted in the start of the mandatory 2 day NRC reporting time limit, until completion of evaluation of the submitted Quality Deficiency Report (QDR), was within the intent of the regulation. The time limit for this evaluation being undefined.

This was resolved by telephone conversation with Mr. E. V. Padgett, Skagit QA Manager, and reference to Item 7, Page 21.21(b)(2)-3 of NUREG-0302, Revision 1. The resolution was also discussed with IE:HQ.

9. Management Interview

The status of open items, as discussed in Paragraph 2 above, was reviewed.

Problems pertaining to the QA procedures discussed in Paragraph 5 above were explained by the inspector. The applicant stated that the system would be reexamined and conflicts with Bechtel procedures resolved.