

APPENDIX

U.S. NUCLEAR REGULATORY COMMISSION
REGION IV

NRC Inspection Report: 50-498/88-53
50-499/88-53

Operating License: NPF-76
Construction Permit: CPPR-129

Dockets: 50-498
50-499

Licensee: Houston Lighting & Power Company (HL&P)
P.O. Box 1700
Houston, Texas 77001

Facility Name: South Texas Project, Units 1 and 2 (STP)

Inspection At: STP, Matagorda County, Texas

Inspection Conducted: July 25-29, 1988

Inspector: Claude E. Johnson
C. E. Johnson, Reactor Inspector, Plant
Systems Section, Division of Reactor Safety

8-17-88
Date

Approved: C. E. Johnson for
T. F. Stetka, Chief, Plant Systems Section
Division of Reactor Safety

8-31-88
Date

Inspection Summary

Inspection Conducted July 25-29, 1988 (Report 50-498/88-53; 50-499/88-53)

Areas Inspected: Routine, unannounced inspection including followup of previously identified findings, review of the onsite and offsite safety review committees, and review of the licensee's program for audits and implementation.

Results: Within the three areas inspected, no violations or deviations were identified.

DETAILS1. Persons ContactedHL&P

- *J. T. Westermeier, Project General Manager
- R. J. Rehkugler, Audit Supervisor
- *M. Polishak, Project Compliance Supervisor
- *K. O'Gara, Project Compliance Engineer
- M. E. Powell, Project Compliance/Licensing Supervisor
- *M. Wisenburg, Plant Superintendent, Unit 1
- *S. M. Head, Supervising Project Engineer
- *A. W. Harrison, Supervising Project Engineer
- *J. Bailey, Manager, Engineering and Licensing
- *G. L. Parkey, Plant Superintendent, Unit 2
- *S. L. Rosen, General Manager, Operations Support
- *J. E. Geiger, General Manager, Nuclear Assurance
- *T. J. Jordan, Project Quality Assurance (QA) Manager, Unit 2
- *J. A. Slabinski, Operations Quality Control (QC) Supervisor
- *M. Duke, Staff Engineer
- *A. R. Mikus, General Supervisor, Construction
- *W. G. Wellborn, Supervising Project Engineer
- *D. Parker, Startup Engineer
- T. Millsap, Auditor

Bechtel Power Corporation (Bechtel)

- *L. W. Hurst, Assistant Project Manager
- *K. P. McNeal, Project QA Engineer

Ebasco Service Inc. (Ebasco)

- *E. P. Rosol, Site Manager
- *R. A. Moore, Assistant QC Site Supervisor
- *R. C. Sisson, Site Resident Engineer
- *P. E. Phelon, QC Supervisor

NRC

- *J. E. Bess, Resident Inspector, Operations
- *D. L. Garrison, Resident Inspector, Construction

*Denotes those attending the exit interview.

2. Licensee Action on Previously Identified Inspection Findings

(Closed) Unresolved Item (499/8826-01) - Revision of paragraph 5.6.6.8 of Standard Site Procedure (SSP) 9, Revision 4, "Pipe Support Installation,"

by Interim Change Notice (ICN) No. 31, dated April 7, 1988. This revision changed the requirements for travel stop installation from "shall be installed to should be installed."

Based upon the NRC inspector concerns that failure to add travel stops might cause additional piping system stresses, the licensee revised SSP 9 with ICN No. 34 on May 23, 1988, to return to the original wording. Review of this issue indicated that ICN No. 31 was only in effect for a few days which resulted in no change in QC inspections. This item is considered closed.

(Closed) Violation (498/8740-01; 499/8740-01) - Failure to maintain the cold position of spring hangers after balancing of the piping system by not assuring the line was filled with water prior to verifying the cold load position. The licensee's corrective actions as documented in a letter dated October 16, 1988, were reviewed and found to be adequate. This item is considered closed.

3. Audit Program (40702, 40704)

The purpose of this inspection was to ascertain whether the licensee has developed a quality assurance (QA) program relating to audits and if qualified personnel are conducting routine audits to ensure that activities are in conformance with Technical Specifications (TSs), regulatory requirements, licensee commitments, and industry guides and standards.

a. Procedures

The NRC inspector reviewed the documents listed below which established the following:

- ° Requirements for planning, preparation, performance, reporting, followup and closeout of the plant and vendor audits.
- ° Methods for training, qualifying and certifying Nuclear Assurance audit personnel.
- ° Requirements and responsibilities for documenting and resolving deficiencies identified by Nuclear Assurance personnel. This review indicates that administrative controls exist, provide measures to assure that audits are performed by qualified personnel, and scheduled as required by TS. This review verified that mechanisms required for correcting deficiencies identified during the audits are established and that responsibilities for implementing the audit program are delineated in writing.

Documents Reviewed:

- QAP-2.1, "Training, Qualification and Certification of Audit Personnel," Revision 0, dated November 30, 1987;
- QAP-1.5, "Deficiency Reporting," Revision 2, dated April 3, 1988;
- QAP-2.8, "Plant and Vendor Audits," Revision 1, dated April 6, 1988; and
- TS Section 6.5.

b. Responsibility

The NRC inspector verified that responsibilities have been assigned in writing for the overall management of the audit program, which include the following:

- Determining independence of audit personnel;
- Determining the adequacy of the qualifications of audit personnel;
- Preparing short and long-range audit plans and schedules;
- Issuing audit reports to management;
- Ensuring corrective actions are taken for deficiencies identified during audits; and
- Determining the need for special training of audit personnel and inclusion of special expertise.

c. Qualification

The NRC inspector reviewed the qualifications of seven auditors. The records indicated that the seven auditors were qualified and certified in accordance with Quality Assurance Procedure (QAP) 2.1, American National Standards Institute (ANSI) N45.2.23-1978, and Regulatory Guide 1.146. The NRC inspector also witnessed portions of a security audit conducted by a QA auditor. It was verified that this QA auditor met the minimum education, experience, and qualification requirements for the audited activity. The auditor was knowledgeable, professional, and conducted verification to ensure that items examined were in conformance with TS requirements and commitments in implementing procedures.

d. Audit Plan/Audit Reports

The NRC inspector reviewed the licensee's Nuclear Assurance 1988 Audit Plan (long-range), and the Nuclear Assurance, 3rd Quarter 1988 Plans (short-range).

The NRC inspector reviewed audit reports (listed below) for Units 1 and 2. Unit 2 does not have a large number of audits performed as of yet because of the construction phase; however, the areas of personnel training, corrective action, and organization and staffing were audited.

Review of the audit reports indicated the following:

- ° The audit frequency is commensurate with the safety significance of the related activity.
- ° The content of the audit report clearly defined the scope of the audit and results.
- ° Appropriate followup actions were taken or scheduled for implementation.
- ° Corrective action, preventive action, and root cause were stated on the majority of responses to deficiencies.
- ° Checklists were comprehensive, relevant, and contained significant items and inspection criteria.
- ° Checklists were prepared, used, and covered the areas designated in the audit schedule.
- ° The long-term audit schedule and frequency of audits is in conformance with TS and the approved QA program.
- ° The audit organization's response to the audit findings was in writing, and adequately addressed the findings and recommendations.

Audit Reports/Audit Plans Reviewed:

- ° 88-06(D8) "STPEG Startup Prerequisite/Preoperational Test Controls" (February 15-26, 1988)
- ° 88-05(C) "Nonconformance Control/Corrective Action" (February 8-12, 1988)

- ° 87-11(K2) "Physical Security" (May 11-15, 1987)
- ° 87-18(C1) "Corrective Actions" (August 10-14, 1987)
- ° 88-13(D10) "Special Nuclear Material" (March 17-29, 1988)
- ° 88-11(I) "Process Control Program/Radwaste" (March 7-11, 1988)
- ° 88-23(A) "Compliance to Technical Specifications and License Conditions" (May 2-22, 1988)
- ° 88-28(D6) "Instructions and Procedures" (May 31 through June 9, 1988)
- ° 88-21(B2) "Personnel Training and Qualifications" (April 25 through May 9, 1988)
- ° 88-14(B1) "Organization and Staffing" (February 15-26, 1988)
- ° 88-36(K) "Physical Security Program" (in-process audit)
- ° Nuclear Assurance 1988 Audit Plan, dated July 22, 1988, Revision 2
- ° Nuclear Assurance, 3rd Quarter 1988

No violations or deviations were identified.

e. Conclusion

The NRC inspector concluded that the licensee has established a comprehensive audit program utilizing qualified personnel to implement and perform the audits. It is also concluded that the Unit 2 audit program will be essentially the same as Unit 1.

4. Safety Committee Activity (40301B)

The purpose of this inspection was to verify that the onsite and offsite safety review committees or their equivalents have been established and are functioning in conformance with Technical Specifications, requirements and commitments in the application.

a. Program Review

The onsite review group is the Plant Operations Review Committee (PORC). This committee is composed of plant personnel whose function is to provide onsite review of matters related to nuclear safety and advise the plant manager accordingly.

The Nuclear Safety Review Board (NSRB) is considered the offsite safety review committee. It is composed of corporate management,

plant management, and other personnel whose function is to provide independent review and audit of significant activities related to nuclear safety. The Independent Safety Engineering Group (ISEG) is another review group which reports to NSRB. The principle function of the ISEG is to examine plant operating characteristics, NRC issuances, and other sources of experience information that may indicate areas for improving plant safety.

The NRC inspector determined by review of the site manuals and procedures, listed below, that a written program and/or charter has been prepared for the safety review committees and contain the following:

- Meeting frequency;
- Review group membership;
- Responsibility and authority for conducting independent reviews;
- Quorum;
- Method for designating alternate members; and
- Requirements for maintaining and distributing minutes and records of review group activities.

Implementation of these committees were not verified during this inspection. Implementation will be verified on a subsequent inspection.

Site Manuals/Procedures Reviewed:

- Nuclear Safety Review Board (NSRB)
- NSRB Training Program
- Independent Safety Engineering Group (ISEG)
- Organization Chart, dated June 1, 1988
- Nuclear Group Policies (NGP)-820, Revision 4, dated April 25, 1988

No violations or deviations were identified.

5. Exit Interview

The NRC inspector met with the licensee personnel denoted in paragraph 1 on July 29, 1988, and summarized the scope and findings of this inspection. No information was identified as proprietary.