

APPENDIX B

U.S. NUCLEAR REGULATORY COMMISSION
REGION IV

NRC Inspection Report: 50-482/88-15

Operating License: NPF-42

Docket: 50-482

Licensee: Wolf Creek Nuclear Operating Corporation (WCNOC)
P.O. Box 411
Burlington, Kansas 66839

Facility Name: Wolf Creek Generating Station (WCGS)

Inspection At: WCGS, Burlington, Kansas

Inspection Conducted: March 28 through April 1, 1988

Inspector: W. M. McNeill 5/6/88
Date
W. M. McNeill, Reactor Engineer, Materials
and Quality Programs Section, Division of
Reactor Safety

Approved: I. Barnes 5/6/88
Date
I. Barnes, Chief, Materials and Quality
Programs Section, Division of Reactor Safety

Inspection Summary

Inspection Conducted March 28 through April 1, 1988 (Report 50-482/88-15)

Areas Inspected: Routine and reactive, unannounced inspection of 10 CFR Part 21 and the procurement program.

Results: Within the two areas inspected, one violation was identified (three failures to identify requirements in purchase requisitions, paragraph 3).

DETAILS1. Persons ContactedWCNOC

- *G. D. Boyer, Plant Manager
- M. D. Charlton, Supervisor, Supplier Quality and Material Support
- *L. E. Cook, Supervisor, Supplier Surveillance
- T. B. Dougan, Quality Assurance (QA) Specialist
- *A. A. Freitag, Manager, Nuclear Plant Engineering
- *R. E. Gimple, Supervisor, Materials Quality
- *R. M. Grant, Vice President, Quality
- R. A. Hebler, Engineering Specialist
- *C. J. Hoch, QA Technician
- K. E. Hollon, Supervisor, Procurement Evaluation
- *W. M. Lindsay, Manager, Quality Evaluation
- *G. J. Pendergrass, Licensing Engineer
- K. R. Petersen, Supervisor, Licensing
- R. J. Potter, Manager, Material and Supplier Quality
- *F. T. Rhodes, Vice President, Nuclear Operations
- *M. G. Williams, Manager, Plant Support

*Denotes personnel attending exit meeting.

The NRC inspector also contacted other personnel including administrative and clerical personnel.

2. 10 CFR Part 21 (36100)

The objective of this inspection was to determine whether the licensee has established and was implementing procedures and controls to ensure the reporting of defects and noncompliances. In this regard, the NRC inspector reviewed the Updated Safety Analysis Report (USAR) and WCNOC Administrative Procedures 01-033, "Instructions Describing Reportability, Review, and Documentation of Licensee Event Reports (LERs), and Defect Deficiencies," Revision 16, dated October 27, 1987; and 01-085, "10 CFR Posting Requirements," Revision 1, dated December 31, 1986.

The NRC inspector found that the administrative procedures in place were being implemented. The posting requirements of 10 CFR Part 21 were satisfied at the security access point. A review of recent purchase orders (518200, 521701, 520403, 521603, 521606, 523707, 521208, 520009, 523312, 523212, 519313) found that the requirements of Part 21 were passed onto suppliers and their subsuppliers. Three recent problems were

reviewed in detail. Only one of these has resulted in a Part 21 report to the NRC which was made during the course of this inspection. The other two are still in the evaluation process.

No violations or deviations were identified in this area of the inspection.

3. Procurement Program (38701)

The objective of this inspection was to ascertain whether the licensee was implementing a QA program to control procurement activities that was in conformance with regulatory requirements, licensee commitments, and industry guides and standards. This inspection was performed as a result of the identification by WCNOG that pressure boundary parts which were not in compliance with applicable ASME Code requirements had been installed in two valves.

a. Program Review

The NRC inspector reviewed the USAR and the following procedures:

- QAP 4.1, "Processing of Procurement and Related Documents," Revision 1, dated December 16, 1987, with Procedure Change Notice (PCN) No. 1.
- QCP 7.1, "Receipt Inspection," Revision 5, dated March 30, 1987, with PCN Nos. 1-3.
- KP-2140, "Material and Services Procurement," Revision 1, dated March 14, 1988, with PCN Nos. 1-4.
- QAP W4.1, "QE Processing of Procurements Documents," Revision 0, dated June 22, 1984.

The NRC inspector found that controls were established in procedures to assure that documentation, quality, and technical requirements were identified in purchase orders. Review of the procurement process showed that a specific need is identified in a material requisition which in turn becomes a purchase requisition and that later in turn results in a purchase order. The documentation, quality, and technical requirements are identified in purchase requisitions by procurement evaluation specialists. The QA review is performed at the purchase requisition stage. In the case of Westinghouse Nuclear Services Integration Division (WNSID) renewal spare parts orders, the purchase orders reference a WNSID document, OPR 405-5, "Renewal Parts Procurement and Supply System." The WNSID purchase order and the referenced procurement documents are used to supplement the WCNOG procurement documents. For other procurement, WCNOG performs the qualification of suppliers and the establishment of an approved supplier list called a Supplier Information List. This activity is performed by WCNOG personnel located in the Wichita offices.

b. Review of Valve Procurement Documents

The procurement activities associated with the valves identified in WCNOG letter ET 88-0043 dated March 22, 1988, were reviewed in detail. This letter was a request for relief from ASME Code requirements for two valves that had been installed and subsequently found not to have proper ASME Code documentation. The valves in question were a pressurizer spray valve and a reactor coolant pump seal water injection throttle valve. The material requisitions, purchase requisitions, purchase orders, and associated procurement documents were reviewed by the NRC inspector. The receiving inspection reports, document deficiency notices, nonconformance reports, and supplier documentation were also reviewed by the NRC inspector. In the case of the pressurizer spray valves, they were procured under the WNSID renewal parts program indirectly from Fisher Controls. The reactor pump seal water injection throttle valves were procured directly from Yarway Corporation.

(1) Pressurizer Spray Valves

In regard to the WNSID-Fisher order, the WCNOG purchase requisition failed to identify that ASME Code pressure boundary parts were being ordered for which ASME Code Data Reports were required. This was identified as a violation (482/8815-01). The procedure in question (QAP 4.1) does have some conflicting instructions. Paragraph 7.1.1 references a checklist to be used, and paragraph 7.1.3.C requires the Supplier Information List to be used in part. However, the checklist requires all of the Supplier Information List to be used. The Supplier Information List applicable to WNSID also required that ASME Code parts be identified in purchase orders. It should be noted that the parts being ordered were somewhat mislabeled in that the parts were described as a packing box assembly, a non-pressure boundary part; however, they were indeed the valve bonnet, a pressure boundary part. In addition to the WCNOG failure to identify the parts as pressure boundary, WNSID also failed in their review of the purchase order to identify that the parts were pressure boundary parts. The parts were classified as code D in lieu of the applicable code A for pressure boundary parts. Subsequently, WNSID subcontracted the order to a non-ASME Fisher Controls shop. Fisher Controls also failed to recognize that they were to supply the same as original equipment as was identified in the purchase order from WNSID by reference to the original Westinghouse E-Specification and purchase order.

(2) Reactor Pump Seal Water Injection Throttle Valves

In regard to the Yarway order, similar errors occurred. This order likewise failed to identify that ASME Code Data Reports were required. This was identified as a second example of a

violation (482/8815-01). In a purchase order attachment, the requirement for ASME Code Data Reports was marked "NA." The parts in question were identified as for a code assembly; however, because the design specified for a welded stem disk assembly the parts then required an ASME Code Data Report. Yarway also failed to respond to the requirements to supply the same as original equipment. This was identified by reference to the Bechtel specification and purchase order.

c. Additional Review of WNSID Procurement

The procurement of renewal spare parts under the WNSID program was reviewed in further depth by the NRC inspector. A sample of 12 recent purchase orders were reviewed. The equipment ordered varied in system applications from reactivity to electrical systems. Most of the orders were for safety-related parts; however, some were for important-to-safety parts. In this review, it was noted that Westinghouse E-Specifications were not referenced in purchase orders or requisitions by their revision status. This was identified as another example of a violation (482/8815-01). The licensee considered that a purchase order which contained the Westinghouse Standard Plant Identification Number or SPIN and a part number was sufficient information for procurement. It should be noted that Westinghouse E-Specifications do identify more than one project on occasion. Exact information in orders it would seem, based on the above referenced problems, is necessary. The supplier trend information for WNSID was reviewed and it was found by the NRC inspector that about 2400 safety-related orders are issued on an annual basis. WNSID orders are 75-100 annually, however, WNSID is responsible for 130-160 document deficiency reports, nonconformance reports, or corrective action work requests.

d. Corrective Actions

In regard to the problems identified with the failure to have ASME Code Data Reports which have been identified recently, it is planned to document these problems on Programmatic Deficiency Reports. The specific nonconformances are presently documented on Nonconformance Reports M-1116 and M-1117 and corrective action work requests 1261-88 and 1285-88. The licensee has planned to move the ASME Section XI review of replacement activities from after installation to prior to installation; this is so that the absence of ASME Code Data Reports can be identified earlier. The NRC inspector could not evaluate the generic corrective action in that it was still in the planning stages and was not documented. This was identified as an unresolved item (482/8815-02). It would seem that some steps should be taken such as review of other Yarway orders, other stem disk assembly orders, other orders reviewed by the same personnel or other orders in general. Some WNSID orders have been reviewed and more are planned to assure

that misclassification or mishandling has not occurred on other such orders. All of the above, it would seem, are necessary to assure that there are no materials in storage which fail to have applicable ASME Code Data Reports or other required documentation.

4. Unresolved Item

Unresolved items are matters about which more information is required in order to ascertain whether or not the items are acceptable, violations, or deviations. The following unresolved item was discussed in this report:

<u>Paragraph</u>	<u>Item</u>	<u>Subject</u>
3	482/8815-02	Generic Corrective Action

5. Exit Meeting

The NRC inspector conducted an exit meeting on April 1, 1988, with the licensee personnel denoted in paragraph 1. The NRC senior resident inspector also attended. At this meeting, the scope and findings of the inspection were summarized.