

APPENDIX B

U.S. NUCLEAR REGULATORY COMMISSION
REGION IV

NRC Inspection Report: 50-382/88-11

Operating License: NPF-38

Docket: 50-382

Licensee: Louisiana Power & Light Company (LP&L)
N-80
317 Baronne Street
New Orleans, Louisiana 70160

Facility Name: Waterford 3 Steam Electric Station (WAT)

Inspection At: WAT, Taft, Louisiana

Inspection Conducted: April 18-22, 1988

Inspectors: *J. Barnes* 5-16-88
for L. D. Gilbert, Reactor Inspector, Materials and
Quality Programs Section, Division of Reactor
Safety Date

J. Barnes 5-16-88
for R. C. Stewart, Reactor Inspector, Materials and
Quality Programs Section, Division of Reactor
Safety Date

J. Barnes 5-16-88
I. Barnes, Chief, Materials and Quality Programs
Section, Division of Reactor Safety Date

Other Accompanying
Personnel: J. Guillen, Generic Communications Branch, Office of
Nuclear Reactor Regulation

Approved: *J. Barnes* 5-16-88
I. Barnes, Chief, Materials and Quality Programs
Section, Division of Reactor Safety Date

Inspection Summary

Inspection Conducted April 18-22, 1988 (Report 50-382/88-11)

Areas Inspected: Routine, unannounced inspection of licensee action on previously identified inspection findings, inservice inspection, and 10 CFR Part 21.

Results: Within the three areas inspected, one violation was identified (failure to follow procedures with respect to evaluation of Quality Notices for 10 CFR Part 21 reportability, paragraph 4).

DETAILS

1. Persons Contacted

LP&L

- *N. S. Carns, Plant Manager
- *T. F. Gerrets, Nuclear Services Manager
- *S. A. Alleman, Quality Assurance Manager
- *D. Vinci, Maintenance Manager
- *G. E. Wuller, Operational Licensing Supervisor
- *G. W. Robin, Nuclear Operations Engineering-Inservice Inspection
- *D. Gallodoro, Nuclear Operations Engineering-Procurement
- *C. Gaines, Event Analysis Review & Reporting
- *L. Bass, Nuclear Operations Engineering
- *M. Meyer, Nuclear Operations Engineering
- *R. G. Azzarello, Nuclear Operations Engineering
- J. G. Dickinson, Operations Quality Assurance

NRC

- *W. F. Smith, Senior Resident Inspector
- *D. D. Chamberlain, Chief, Project Section A
- *T. R. Staker, Resident Inspector

The NRC inspectors also interviewed other licensee and contractor employees during the inspection.

*Denotes those present at exit interview.

2. Licensee Act'on on Previously Identified Inspection Findings
(92701 and 92702)

- a. (Closed) Unresolved Item 382/8631-03: Technical Discrepancies in Westinghouse Procedure for Qualification and Certification of Visual Examination Personnel - The technical discrepancies in Westinghouse Procedure QA 2.4, Revision 0, have been resolved in Revision 1 and Addendum LP&L-1, Revision 0, to the procedure. Procedure QA 2.4 is now consistent with the provisions of Regulatory Guide 1.58 and ANSI N45.2.b for qualification of visual examination personnel. The NRC inspector reviewed the licensee's evaluation of the Westinghouse personnel used for performing visual examinations and discussed the evaluation reports with the licensee's Level III for nondestructive examinations. The NRC inspector determined that the Westinghouse visual examination personnel qualifications were consistent with the revised procedure. This item is considered resolved.

- b. (Closed) Violation (382/8721-01): Failure to Evaluate Out-of-Calibration Test Equipment in a Timely Manner - The licensee's Station Information Management System (SIMS) is now being utilized in tracking of M&TE nonconformances. Each user department is now responsible for planning the work authorization within that department. In addition, Procedure UNT-5-009, "Disposition of M&TE Nonconformances," has been revised (Revision 1 dated January 11, 1988) to include provisions for the nonconformance evaluator to request an extension in time for performance of the evaluation. During this inspection, the NRC inspector reviewed Revision 1 of Procedure UNT-5-009 and witnessed a demonstration of the SIMS computer tracking program for M&TE nonconformances. The NRC inspector had no further questions regarding this matter. This item is considered closed.
3. Inservice Inspection (73051, 73052, 73753 and 73755)

a. Review of Program and Procedures

The NRC inspectors reviewed the changes to the inservice inspection program and the NRC interim approval letter dated March 25, 1988, for Revisions 2 and 3 to the 10 year program.

The NRC inspectors determined that Westinghouse has not revised the inservice inspection procedures since the last outage. However, LP&L has issued several new procedures. The following new LP&L procedures were reviewed:

- Administrative Procedure MD-1-022, Revision 0, "Section XI Repairs and Replacements";
- Procedure NOEP-251, Revision 0, "Control of Inservice Inspection"; and
- Quality Assurance Procedure QAP-353, Revision 1, "Visual Examination."

In the areas reviewed, the inservice inspection program and procedures were consistent with the requirements of ASME Section XI, 1980 Edition through Winter 1981 Addenda.

b. Observation of Work

The NRC inspectors observed the manual ultrasonic examination of two welds, weld Nos. 41-001 and 41-022, on main steam header A of steam generator No. 1. The examinations were consistent with the program plan and examination Procedure WTR-ISI-206, Revision 0, Field Change 1. The personnel performing the examinations were certified to the level required in Procedure WTR-ISI-206. The ultrasonic equipment, search units, and couplant used in performing the examination were certified as required by Procedure WTR-ISI-206.

c. Record Review

The NRC inspectors reviewed the First Outage Inservice Inspection Summary Report, Revision 0 and selected two repairs and two replacements for a review of the documentation records. The repair and replacement record packages reviewed are identified below:

- ° Repair of leaking pipe flange on Line 2BD4-2 which was documented in Condition Identification Work Authorization (CIWA) No. 025974.
- ° Replacement of valve IA-910 which was documented in CIWA No. 027970.
- ° Repair of cracked weld in line 2CHI-28 which was documented in CIWA No. 031192.
- ° Replacement of valve CVC-103 which was documented in CIWA Nos. 020552 and 020553.

The NRC inspectors also reviewed the nondestructive examination records of the most recent inservice examinations listed below:

- ° Surface and volumetric examination data sheets for eight reactor coolant system welds, six safety injection system welds, and one feedwater system pressure retaining weld.
- ° Pressure test with visual examination data reports for the fuel pool cooling system and the low pressure safety injection system.
- ° Visual examination data sheets for ten piping supports.

In the areas inspected, the records were complete, the data was being compared to the preservice inspection data, and the licensee was utilizing the services of a third party inspection agency in the inservice inspection program.

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

4. 10 CFR Part 21 Inspection (36100)

The purpose of this inspection was to determine whether the licensee had established and implemented procedures and controls which provide for evaluating of deviations, assuring that defects or failures to comply are reported to the NRC and that records applicable to these activities are established and maintained.

a. Posting

The NRC inspector examined notice boards in the Administration and Site Support Buildings and verified that a notice which complied with the posting requirements of 10 CFR Part 21 was present.

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

b. Review of Procedures

In order to assess 10 CFR Part 21 procedural controls with respect to evaluation and tracking of potentially reportable conditions, the NRC inspector reviewed the following documents:

- Nuclear Services Procedure NSP-105, "Compliance with 10 CFR 21 Reporting of Defects and Noncompliances," Revision 0, effective date January 16, 1985, and Revision 1, effective date February 24, 1987;
- Nuclear Operations Procedure NOP-005, "Corrective Action," Revision 1, effective date October 26, 1987;
- Nuclear Services Procedure NSP-106, "Commitments Management System," Revision 3, effective date November 11, 1986; and
- QA Procedure QAP-007, "Reportability Screening of Documents Identifying Conditions Adverse to Quality," Revision 1, effective date February 26, 1988.

From this review, it was ascertained that the lead responsibility for review and coordination of potentially reportable 10 CFR Part 21 items is currently assigned to the onsite licensing function. The NRC inspector was informed by LP&L personnel that this review activity was planned to be transferred to the Event Analysis Reporting and Response group. The NRC inspector reviewed the tracking of potential 10 CFR Part 21 items which had been received from external sources and examined the review logs maintained by the site licensing supervisor for Quality Notices (QNs) and Deficiency Notices (DNs).

As a result of review of the QN log, the NRC inspector noted that there was no entry to indicate that a review had been performed of 31 QNs which had been generated during 1986 and 1987. Paragraph 5.1.5 of Procedure NOP-005, Revision 1, requires that a copy of each QN be sent to licensing for 10 CFR Part 21 review. The NRC inspector obtained a printout of valid QNs from QA and ascertained that 14 of the 31 QNs had been invalidated subsequent to issue. From review of records, QA personnel established that receipt had been acknowledged by licensing for 10 of the 17 unreviewed valid

QNs; i.e., QA 86-124, QA 86-134, QA 86-054, QA 86-027, QA 86-005, QA 86-009, QA 87-116, QA 87-077, QA 87-066, and QA 87-007. Receipt had not been acknowledged by licensing for the remaining seven valid QNs; i.e., QA 86-137, QA 86-090, QA 87-123, QA 87-113, QA 87-069, QA 87-028, and QA 87-001. Paragraph 5.1.3 of Procedure NSP-105, Revisions 0 and 1, requires licensing to review QNs for 10 CFR Part 21 reportability and document the reviews on a review sheet. The failure to implement procedural commitments with respect to transmittal and review of QNs for 10 CFR Part 21 reportability is an apparent violation (382/8811-01).

c. Specification of Applicability of 10 CFR Part 21 in Procurement Documents

The NRC inspector selected seven purchase orders (POs) (i.e., WP 015245, WP 017960, WP 017941, WP 017330, WP 017178, WP 016713, and WP 016707) for safety-related materials and components in order to determine whether the requirements of 10 CFR Part 21 were being appropriately imposed on LP&L vendors. Each PO was found to impose 10 CFR Part 21 on the vendor.

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

d. Review of 10 CFR Part 21 Evaluations

- (1) Heinemann Circuit Breakers: During an audit performed in March 1988 at Systems Control, Iron Mountain, Michigan, the LP&L auditors identified that commercial grade Heinemann 30 amp circuit breakers had been utilized by Systems Control for two LP&L POs for safety-related equipment. PO L-105967-P was issued by LP&L for one Heinemann 30 amp circuit breaker and PO L-85177-K was issued for one 120 VAC isolation panel. The isolation panel contained two 30 amp circuit breakers. Both POs imposed 10 CFR Part 21 on the vendor and contained equipment qualification requirements that had been applied to original equipment. The NRC resident inspector was informed of these findings by LP&L.

The NRC inspector ascertained that a final determination of reportability had not been completed as of this inspection. The circuit breaker received on PO L-105967-P was established by LP&L to be in a warehouse and had been downgraded by DN to nonsafety-related applications. The NRC inspector was informed by LP&L personnel that the circuit breakers in the isolation panel had been damaged during installation of the panel and had been replaced with qualified circuit breakers. This replacement activity is considered an open item pending NRC review of the applicable documentation (382/8811-02). Examinations were in progress of installed safety-related circuit breakers which had

been received from Systems Control subsequent to the last date that LP&L had data to substantiate that safety-related Heinemann circuit breakers had been procured by Systems Control (i.e., November 1983). As of this inspection, 6 of 11 installed circuit breakers in this category had been inspected, with manufacturing date codes from 1978 to 1983 being found. The NRC inspector will perform a review of the completed evaluation during followup of the above open item.

- (2) Other Evaluations: Insufficient time was available during this inspection to review completed 10 CFR Part 21 evaluations. Inspection of this activity will be performed during followup of the above open item.

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

5. Exit Interview

The NRC inspectors summarized the inspection scope and findings on April 22, 1988, with those persons identified in paragraph 1.