UNITED STATES
NUCLEAR REGULATORY COMMISSION

IN THE MATTER OF: DOCKET NO:

INVESTIGATIVE INTERVIEW

LOCATION: ARLINGTON, TEXAS PAGES: 1 - 75

DATE: FRIDAY, JULY 25, 1986

ACE-FEDERAL REPORTERS, INC.

Official Reporters
444 North Capitol Street
Washington, D.C. 20001
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Attachment J

SWORN STATEMENT

of

IAN BARNES

July 25, 1986

NRC Region IV Headquarters

Arlington, Texas

10:40 a.m., C.D.T.

TAKEN BY: George Mulley

REPORTED BY: Trish Sims

MORNING SESSION

July 25, 1986

Thereupon,

IAN BARNES,

took the stand and, having been first duly cautioned and sworn, testified upon his oath as follows:

EXAMINATION

BY MR. MULLEY:

Q. The time is 10:40 a.m. on July the 25th, 1986. We're at the Region IV headquarters NRC in Arlington, Texas.

Present is Mr. Ian Barnes, a Region IV employee, myself George Mulley, assistant director from investigation office of Investigating Auditor of NRC, Steve Goldberg who is a technical advisor detailed to the office of Inspecting Auditor NRC, and the court reporter Trish Sims.

We're here today to discuss with Mr. Barnes his involvement with several inspections done by Region IV Comanche Peak Nuclear Power Plant and to obtain some information from Mr. Barnes concerning Region IV's regulation of the Comanche Peak project.

Before we begin, can you give us a brief resume of your background here at Region IV?

A. I joined the NRC in Region IV on November the 3rd, 1975. I was hired as a contracter inspector in the vendor inspection branch as it was called in those days.

From the time period that I joined the NRC up till July, 1980, I performed primarily inspections per the Manual Chapter 2700 program of various and assorted contracters, primarily in the arenas of fabrication of piping subassemblies, vessel manufacture, valve manufacture, pump manufacture, various diverse mechanical components.

In July of 1980, I was made section chief of what was called Component Section II. Actually it was the section I was inspectering.

In early '81, I inherited the other component section. They integrated both sections under my supervision. At that time period, I had about eleven or twelve inspectors assigned to me as section chief.

That kind of staffing remained until, I believe, probably late '83. I'm not quite sure. In the time period that I was a section chief in the vendor branch, the work load and various

manufacturing facilities were starting to decline because of the absence of new orders.

We started to change the thrust of the program in terms of my personal responsibilities to what we called reactive inspection. The thrust of this was to look at notifications to the Commission per 50.55(e) or Part 21 and to respond to allegations if they came up involving contractors and to try and assess why did these things happen, make sure that all potentially affected utilities had been appropriately informed.

So, we were reacting to a stimulus, a known deficient condition; and we were utilizing that trying to assess from a quality assurance and technical aspect what was the scenario and what were the contributing factors.

In June of '84, the vendor program branch was transferred to the office of Inspection and Enforcement; and I did not want to move to Washington for personal reasons.

I was offered a position in the region as a reactor inspector, which I accepted. My assignment in the region since that time period, I went to Wolf Creek on completion of the program inspection efforts there. I performed after that inspections

at River Bend and completion of the construction program there, primarily in the arena of the construction appraisal team, follow up and just some of the IE program modules.

Additionally, I was assigned the primary responsibility for inspecting the activity at Cooper Station relative to recirculation piping replacement.

In June, '85, I was informed that I had been assigned to the Region IV Comanche Peak group which was currently being performed. I was told that I would act as a group leader. That is an unofficial position. It is not defined anywhere.

One would have to ask management why they assigned me that function, but I believe it was primarily because they knew my performance in the vendor branch and reactor inspection and that I was used to dealing with multi-disciplined personnel and it was perceived that I had done a very credible job.

I remained in that position at Comanche Peak till, I guess it was, May when they announced that they selected me as the Comanche Peak group chief. It was not actually in process until sometime in June. That's where I am now.

Q. So, from June of '85 until currently, you've had some or a lot of involvement with Comanche Peak?

A. I have been at Comanche Peak virtually every week since sometime in July of '85.

Q. What I'd like to do, then, is to go over several recent inspection reports that were done at Comanche Peak in which there's been some differences between the inspector and what he felt should be in the inspection reports, how his inspection findings should be documented versus Region IV management's opinion as to how his inspection findings should be documented and ask if you can recall some of these issues and ask if you have any involvement or any knowledge concerning how these issues were resolved.

I'd like to have Steve go through them one at a time; and we can go from there, understanding that --

A. If I may say something before Steve and yourself start, I had no knowledge of what questions for sure you would be asking me.

I want it on the record that I'm speaking purely from recollection. I have had no opportunity to do any kind of research to try and refresh my memory.

Q. That's understood.

Q. (By Mr. Goldberg) That's understood. The first inspection report that we're going to focus on is 85-07-05. The period of inspection that was done by Mr. Phillips is during the period April 1st, 1985, through June 21, 1985.

I'm going to go down the issues. As I understand in discussion -- we've had discussions over the last few weeks.

The first one involves the reactor vessel; and, specifically, we're going to go into two specific issues. The first one is the instruction that was written for the installation design criteria.

There were some question about the construction operation traveler and changes that were made, if those changes were or were not included in the installation spec, as well as questions about the the clearance between the reactor vessel support bracket and the support shoes were not within the ranges stated within the instruction operation traveler and the condition was not reported as a non-conformance report.

Are you familiar with that issue?

A. Not very. Let me say this on that

particular report: I was asked by Tom Westerman to review it and make any technical comments. I have. I reviewed that report.

I performed what I would call a limited review. The reason I did that was I was not a supervisor. We're talking about a report that was already in existence.

I was a retained Grade 15, and I did not feel very comfortable about reviewing reports that involved other Region IV management inspectors.

I performed a limited review. Those subjects that stood out clearly to me as being questionable, I identified to Tom Westerman.

Q. (By Mr. Mulley) When did he ask you to to this review?

A. I don't really recall the day, George. It was somewhere about the time that we were moving on site. A group of reports were actually physically handed to me by the former division director here. That was one of them. I don't recall the exact time frame.

Q. When you stay the report was already in existence, you mean that the report had been signed out and finaled?

A. From memory, I don't think the report was

signed when I saw it.

Q. So, it was still in 'raft form?

A. Again, I'm not too sure.

Q. (By Mr. Goldberg) I'm going to go ahead with the issues. At this point you don't have anything specific to tell us on that particular report?

A. All I'll say about that particular issue, I do remember Tom discussing it with me. I looked at it from a purely technical prospective, knowing that the reactor vessel installation is a rather limited activity. In that particular plant, there are two vessels. I personally didn't see any need to write a formal procedure assuming that all of the NSSS guidance had been incorporated in that instruction.

Q. Okay. Let's go to the next one. It relates to the reactor vessel. It says there is no evidence that TUGCO had audited either Unit II reactor vessel installation specification, placement procedures, actual hardware placement, or as-built records.

The a question here is the scope of the audit program. What about that one, Mr. Barnes?

A. I don't know of any regulatory requirement that would specifically require a utility to audit a

discreet activity like that.

Q. Had you had any exposure to the audit plan of TUGCO? Did you have any opportunity to review their audit plan?

A. No, I did not.

Q. At this time, do you feel their audit plan is in compliance?

A. If I haven't reviewed the audit plan, I obviously have no opinion.

Q. We understood that you had some input into the audits themselves?

A. We're talking about a much later time frame.

Q. That's why I'm asking today. That was the question, today, as of today.

A. You're asking a question?

Q. As of today.

A. My involvement regards audits was a later report to do with a Brown & Root audit of their site activities, Brown & Root audits.

Q. Not TUGCO audits?

A. No.

Q. The next issue involves ASME Section 3, 1974 edition, spool piece 3-Q-1, drawing number BRP-CS-2-RB-76.

This spool piece had neither been marked with the material specifications ingrained nor heat number nor heat code of the material. The inspector made the finding in June of '85; but in August, the applicant found the identification number on the spool piece. The inspector rechecked the spool piece and found the number.

Now, I believe that issue was a section of the inspection report where there's an issue on spool pieces. Why don't I let you comment on that.

Do you remember that issue at all?

A. I remember it, yes. I remember informing Mr. Westerman that I thought the inspector was in error.

The reason I gave Mr. Westerman that information was based on a large part on my prior inspections of nuclear pipe fabricators which I inspected all of them when I was member of the vendor branch and also my prior working in the industry with the Babcock and Wilcox Company.

My knowledge of the code, there was no requirement at that point in time to maintain those specific numbers on a piping assembly. As I recall, there was a mark number identified on the spool in question.

Well, if one knows anything about the way piping fabricators and architect engineers do business, that mark number in itself provides total traceability.

The mark number is assigned by the purchaser to the fabricator. There's a code data report that reflects that mark number. There's an inspection sketch that shows the identity of each and every piece. That subassembly -- prior to shipment, that documentation has been reviewed and approved by an independent third party, i.e., the authorized nuclear inspector.

My reading of the ASME code does not indicate that one has to, ad nauseum, maintain heat numbers stamped on the item, and that is why I told Mr. Westerman that I believe the inspector in question was in error.

Q. According to the earlier draft -- I just want to review this one more time -- it says here in respect to material requiring a CMTR, which is certified material test report, "NA-3766 requires marking with the applicable spec and graded material and heat number or heat code. When material is divided, identification mark is required to be transferred to all pieces."

A. I would respond to that by saying you are quoting from an ASME code arena that pertains to material manufacturers and material suppliers. We're not talking about material. We're talking about a piping sub-assembly where the rules that apply would be the rules of NCA 4000.

Q. So, in your opinion, the traceability could be maintained in the plant by simply knowing the spool? I guess what was left on the spool piece was a marking.

A. A mark number.

Q. A mark.

A. In my opinion, traceability was maintained -- not could be maintained, was.

Q. In other words, if that spool piece is changed out and needs to be reordered, it can be done and the pedigree would be found?

A. There would be no problem.

Q. Okay. Go to the next issue. This is a long one. I'm going to read it to you. I think it requires to be read to you. Your name keeps coming up as an important source of information on this one.

Its called Loop 3 reactor core and collate. I'm going to read you the whole thing. I

think it's helpful to do that. It would help in maybe recalling what you did.

"Requirements for this item are stated that in the ASME Section 3, 1974 edition through summer of 1974 addendum --

(Discussion off the record.)

Q. This is for the record, exactly. I'll give it to you if you want to reread it. I think it's hard to track when you answer without knowing what the issue is.

"This piping subassembly consists of 27.5 inch cast pipe with a 22-degree elbow on the reactor end, a 10 inch 45-degree nozzle, a 3 inch nozzle, and three 2 and a half inch thermowell installation bosses. The following records were reviewed for the subassembly."

I'm going to drop down to No. 3. "The code NPP-1 says that no hydrostatic test has been performed. In discussions with Westinghouse and Brown & Root personnel, the statement was made that it is normal practice to defer the partial hydrotest until whole system is hydrotested. B&R requirements CP-QAB-12.1 and CP-QAP-12.2 describe requirements for the test."

I'm going to drop all the way down. I'm

not going to read everything. "The above items are unresolved pending clarification of the code requirements by headquarters."

That's the key point.

MR. MULLEY: Why don't you let him look at it.

(Discussion off the record.)

A. You want me to respond to that?

Q. (By Mr. Goldberg) Yes.

A. With regard to what you've just asked me, I again considered the inspector was in error, that he did not understand the ASME code.

I felt there was no need to go to NRC headquarters. I was conversant with the subject. I believe I understood the code. It's been subsequently verified that my understanding of the ASME code was correct.

I have pulled out some documents out of the '74 edition. I didn't have the time to go research it again, but I can assure you the code in 1974 and the code in 1983 are identical in terms of basic requirements. The text has dramatically changed over the years, but they're identical.

The inspector I believe -- and this is surmisal -- I believe that the inspector got

somewhat confused about the terminology in the code talking about the testing of components prior to installation and that since there was no hydrotest done a piping subassembly, he felt there was some potential violation of Section 3 of the ASME code.

What I believe that he failed to grasp is a pipe subassembly is not a component as defined by Section 3 of the ASME code. A piping system is a component. It is a rather unique arena. This is the only one I can readily or the only one I can think of -- never mind readily -- when, in fact, you do not have a component, per se, until it is -- until there's a piping system.

In other words, you cannot test the thing as a component until it's built. The reason I had this position is this: From the '74 code, I'm going to hand you some documents.

The first document I'm going to ask you to read Section NA-1210, and I think you'll see there that the example of a component includes piping systems.

MR. MULLEY: I'll read for the record the first sentence of the document. This is from NA-1210, Components, "The components of a nuclear power plant include

items such as vessels, piping systems, pumps, valves and storage tanks."

What I would like to do is mark this document, which page four from NA-1140, as Exhibit 1.

(Exhibit No. 1 was marked for identification and is attached hereto.)

A. The second document I'm going to hand you is the same code section, NA-1232, entitled "Piping Subassemblies," which defines a subassembly as a section of a piping system.

MR. MULLEY: For the record, I will read Section NA-1232, Piping Subassemblies, "Piping subassemblies are defined as sections of a piping system consisting of fittings and pipes or tubes which are fabricated as subassemblies in a shop or in the field before they are installed in a nuclear power system."

I'm going to mark this document as Exhibit 2.

(Exhibit No. 2 was marked for identification and is attached hereto.)

A. The third document I'm going to hand you, I want you to look at two references on the page. The

first one is Section NB-6111.1, Subparagraph (a). The second reference on that page is Section NB-6114 pertaining to time of hydrostatic tests of the parts, piping subassemblies.

My interpretation of that document shows that ASME code requires that all pressure bound components be hydrostatically tested.

Secondly, it states that components serve as tests for piping subassemblies, which to me clearly indicates recognition by the ASME code that a piping system is the component and the subassembly is just a section of the component.

MR. MULLEY: I'll read for the record Section NB-6111.1, Hydrostatic Testing, "All components and appurtenances constructed under the rules of this subsection shall be hyrdrostatically tested in the presence of the inspector."

In the sectioning NB-6114, "The component or appurtenance hydrostatic test when conducted in accordance with the requirements of NB-6221(a) shall be acceptable as a test for parts and piping subassemblies."

This document I will mark as

Exhibit 3.

(Exhibit No. 3 was marked for identification and is attached hereto.)

A. The fourth documents I'm going to hand you -- by the way, I should have said earlier what "NB" represents. The acronym "NB" denotes a Class I component of Section 3. It's the most critical component. I'll go on.

The fourth document I hand you, there's two areas that I would wish people to look at. Section NB-6221(a) requires completed components to be subjected to hydrostatic test at a pressure not less than 1.25 times the system design pressure prior to installation in the system.

This is what I believe the inspector in question was led and said they didn't test, failing to recognize there wasn't a component to test prior to installation.

The second and rather important reference is NB-6221(c) permits the system hydrostatic tests to be substituted for a component hydrostatic test of provided that certain things can be done, meaning if you do that, you've got to be able to do a repair weld on the system if it proves necessary. You've got to be able to do post-weld heat treatment of

that repair, or whatever, if deemed necessary. You've got to be able to non-constructively examine and also got to test after any repairs.

MR. MULLEY: Okay. For the record I will read Section NB-6221(a). I'll read the highlighted portion, "Completed components shall be subject to a hydrostatic test at a pressure not less than 1.25 times the system design pressure prior to installation in the system."

I'll read (c), "The system hydrostatic test of NB-6221(b) may be substituted for a component hydrostatic test of NB-6221(a), provided." Underneath is listed the various requirements to have to be complied with. I'll mark this document as Exhibit 4.

(Exhibit No. 4 was marked for identification and is attached hereto.)

A. I'd like to make one other comment. One of the things I recall that disturbed me a little bit at the time was the text was written in a fashion that you could not ascertain why this hydrostatic test was not done, other than to say, "Hey, it's required."

In my judgment, an inspection report should have referenced the inspector's knowledge of the procurement document. The procurement specification itself waived this hydrostatic test requirement on the subassemblies. That didn't come out.

I felt that it was inappropriate and should have been referenced that we're not talking about some possible omission of a contractual requirement or code requirement. It was a clear, up front, "We do not require you to test the subassemblies."

That should have been in there.

Q. (By Mr. Goldberg) I understood, though, notwithstanding your point, the issue did go to NRC headquarters.

Can you explain what happened then?

A. As best as I can. I personally did not speak to the inspector in question with regards to Mr. Westerman.

At some point after I had given this advice to Mr. Westerman and it became apparent that the inspector was dissatisfied, there was a meeting in this office with the inspector,) Present were Mr. Eric Johnson, I believe Mr. Hale, and ,) Mr. Westerman and myself.

The inspector did not seem to want to grasp

what I was trying to tell him. I forget the exact words that were said. I believe that meeting may have been documented in some fashion, but I don't think I ever saw any records of that.

During that meeting, I recommended to the group that if anyone had any reason to question my knowledge or were not assured of the accuracy of my statements, the appropriate party in my judgment to communicate with was Robert J. Boznick, branch chief of mechanical engineering, branch NRR.

The reason I recommended Mr. Boznick was that I was well conversant that he was NRC's representative on the main committee of Section 3 of the ASME code, and I felt he was the most qualified, knowledgeable person to give as an individual.

No one can speak for the ASME code, per se. He was an experienced person. He could give an independent evaluation. agreed to contact Mr. Boznick.

To my knowledge, he never contacted him. Later on -- I don't know how many weeks -- I and Tom -- I forget who initiated it -- "Would it help you if were on site to talk to Mr. Boznick?"

I contact Mr. Boznick. I told him what the

inspector's concerns were and asked would he speak to him. He said yes. was put on the phone with Mr. Boznick. I left the room. I do not know the exact conversation, but I believe I was told that Mr. Boznick had indicated to the inspector that there was no code requirement to test a piping subassembly.

So, since I wasn't present, that's what I was told I believe from That's about all I can tell you about Mr. Boznick.

Q. One last question. Going back to the write up that was in the original draft report, there's a statement made here. I just want to make sure I understand your point here.

It says, "It's not evident that the system test substitution was permitted for pipe subassembly since NA-1200 make a distinction in the definition between component and piping subassemblies."

I guess I need to get your comment on that statement.

A. I'll have to read it first because I think I already answered that question.

Q. You might have, but just for the record I would like you to repeat it.

A. For the record, NA-1200 clearly makes a

distinction; and that is why I took the posture that there was no need under code requirements to perform a hydrostatic test on a piping subassembly. Yes, I agree, there is a distinction between them; and that distinction is the pivotal key to understanding the subject.

Q. That's all I wanted to do.

Q. (By Mr. Mulley) To the best of your knowledge, did Mr. Westerman show the documents that we've marked as Exhibits 1 through 4 to Mr. Phillips?

A. I was not present in any discussions with Mr. Phillips. So, I cannot comment on that. I do not know what Mr. Westerman showed to Mr. Phillips.

Q. Okay.

A. I don't know if he showed him any documents.

Q. (By Mr. Goldberg) okay. The last issue on that report that we're looking at involves the concrete mixer blades, and I'll just quickly summarize it and see if you have any knowledge or want to add to it. "A violation was written as a result of applicant's failure to provide record evidence that the concrete mixing blades had been inspected quarterly since 1977; and what turned out

to be violation was maintained, but there was no letter asking the licensee for corrective action."

Do you have any comment you want to make on that one?

A. I would not have any professional disagreement with that approach in that the blades were established to show no wear, that there was concrete testing throughout the life of the batch plant. There was no problems. If we're talking about historically, then, I have no professional reservations about what Mr. Westerman recommended in instituting.

Q. Going to the next inspection report which involves records and the weld rod issue. It's 85-14-16. Let me just get my folder.

It may be that your major involvement in this was the last issue. That's why I'm going to go through it fairly quick. Maybe you have other things you want to add.

The first issue involves the requirement for record storage in 45.29 in the FSAR an QA manual.

Do you have any comment on that one?

A. I only had moderate involvement in that particular subject in that I relied quite heavily on

Mr. Hale's input on that. He was my QA/QC leader. He was the deputy QA/QC leader of TRT.

I was aware of what SSER 11 stated. Again, I had moderate involvement. I did believe in reading the report, I thought that the way it was structured, in my judgment at least, was not consistent with the guidance given by Manual Chapter 0610.

I did not think it was appropriate, what I considered an iteration of basically the same information; and I felt it was creating an impression or could create an impression in an uninvolved and unbiased reader that the scenario seemed to be far worse than reality indicated.

Q. From what I understand, Mr. Hale was your key person.

A. I relied heavily on Mr. Hale's judgment, yes.

Q. These issues -- I'm just going to quickly tick them off -- are issues on Stone & Webster's records in terms of its storage and shipment off site, CB&I records, the condition at the storage facility, the auditing of CB&I's records and the commingling of final records and in-process records. Those are a number of issues.

If you want to give me anything on any of those, you're welcome to.

A. I would prefer that you ask me some specific questions.

Q. I will do that. I'll give you the first one. I'll go step by step here. TUGCO failed to have or use procedures to control shipment of original records to Stone & Webster in New York.

A. I believe that that scenario was adequately reflected in the issue report relative to the notice of violation showing that scenario.

Q. Original design records shipped in cardboard boxes without making a back-up copy.

A. As I recall -- first of all, I believe the citation addresses the core issue of this practice. I did not personally consider it prudent to ship sole source design documents off site. I don't think it prudent at all.

In fact, I was somewhat appalled that an organization would do that. I believe the citation addressed the basic core issue of what was the problem.

As regards cardboard boxes, I don't know whether records were shipped off site in cardboard boxes. I do recall they had conversations with QA

branch about this; and the best of my recollection, we were told there was no clear regulatory requirement.

Q. When say address the core issue, the core issue in your mind was the procedural issue as opposed to the 45.29 issue? Is that what you're saying?

A. I believe that's what I'm saying, yes.

Q. Okay. Next issue is failure to control and account for QA design records transferred from the site to Stone & Webster.

A. I think that is an iteration of the prior issue and I think was adequately addressed by the citation that was issued.

Q. The prior issue was the shipment in cardboard boxes.

A. I'm sorry. Two issues before. We're really talking about shipment of the sole source design records to Stone & Webster. I believe that we have already touched on that subject in another form.

Q. (By Mr. Mulley) With the notice of violation?

A. And the fact that we're talking about a variant of the same theme.

Q. In other words, you feel that we're -- not we -- the inspector took one incident which we cited them with notice of violation and took that same incident and broke it up into component parts and then recited them?

Do I have that correct?

A. I believe you have it basically correct, George, the concern I had was were we really concisely, factually reporting things; or were we just making variations on the same subject? I do not think if you do that latter posture that it's consistent with the guidance I have been given by senior management of this region.

I do not think it is consistent with IE manual chapter guidance. I don't think that's the way we do business.

Q. (By Mr. Goldberg) If we get to practicality of the situation, the first issue in my mind talks about procedures and failure to follow procedures and have adequate procedures, and the next two issues involve practices.

Is it conceivable that TUGCO could establish the procedure but still continue to ship out in cardboard boxes and not do the accountability correctly? There are three things that are

involved: Establishing an adequate procedure, the actual shipment, the preservation of the records that are in shipment, and accountability of the records.

Do you cover all three bases with the way the citation was written?

A. In my judgment, yes.

Q. I would expect there would be corrective action to address all of the ramifications of that particular scenario.

Q. Notwithstanding the fact you don't mention the other two issues in the citation?

A. I think we did.

Q. Unfortunately I don't have the final document. So, I don't know.

You're assuming that they did mention both of the other issues in the citation?

A. I believe the way the citation was structured addressed the issues. I learned somewhat to my chagrine when we got a response to that citation that all along that had been a procedure and they hadn't been complying with their own procedure.

I did not feel very happy about that particular facit of the response because it reflects

somewhat adversely on us and our inspection performance.

Q. Okay. Go on to the next set of issues which involves CG&I. Site records of Chicago Bridge & Iron were shipped to Houston in cardboard boxes, originals subject to little protection without retaining back-up copy at site.

A. Well, first of all, I'd like to say, it is like a rerun of the Stone & Webster scenario. The second point I'd like to make, we were informed by the utility -- Mr. Phillips was present -- we were informed by the site QC manager, Mr. Hale said that TUGCO had never taken possession at that time of those records and the reason the records were being shipped off site was for duplication prior to turn over to the owner.

That sounded like it was probably factual and that I would expect that to be a normal event, to duplicate records CB&I would expect to retain records for their own purposes and provide copies to the owner of the original records and copies for themselves.

That was never reflected in the inspection report.

Q. It gets back to who has control of the

records. You're saying they're CB&I's records at this point?

A. I have no reason to disbelieve other than that or believe other than that. It was never demonstrated to my satisfaction that TUGCO had ever taken possession of those records.

Q. There's words in Criterion I of Appendix B involving the retention of responsibility on the part of the utility.

In this area, do you think that the utility retained -- has any grounds to retain responsibility under Criterion I?

A. I would be highly surprised if any utility in this country acted in that accord. If you hire a major contractor to do a specific work activity, and you give him virtual total responsibility to accomplish that task, I do not think the utility is required by anything to be officially in charge of that contractor's records. When the task is completed, they have to turn over contractually required records.

It's my understanding in this particular case that for whatever reason they had not officially turned them over and were in the process.

Q. I understand that the records were

associated with the containment liner.

A. Correct.

Q. And the consequence of loss of these records would be rather significant?

A. I would imagine the utility would have one heck of a problem to establish the containment of those liners if those records were lost.

Q. You think that the issue of retention of responsibility can be looked at a little more carefully in this area?

A. I think what we're talking about is prudency as opposed to regulation, prudency. If that plant prior to fuel load does not have an operating license from the NRC, we're talking about prudency of management.

We're not talking about anything also. It would be the utility's responsibility to come up with a position or to regenerate records if records were lost. I think it's purely a matter of determination of prudency.

Q. (By Mr. Mulley) CB&I in their involvement out at Comanche Peak -- I don't know if you know the answer to this or not -- did they operate under just one contract or did they have various contracts or various systems out there?

A. I couldn't speak unequivocally on that, George. To my knowledge, CB&I was under one contract purely for the containment liner; but I may be wrong in that. I've never had reason to ascertain did they have other contracts.

Q. The records under question right now are only records dealing with the containment liner?

A. Uh-huh.

Q. Okay. So, for example, the George Washington Bridge records, I don't know if CB&I was involved.

A. I'm afraid I can't answer that. My involvement with Comanche Peak started in June, 1985. I have no prior involvement.

Q. (By Mr. Goldberg) Okay. Let me go on to the next issue. We got your point. It's fairly clear. TUGCO failed to inventory CB&I records sent to Houston and, therefore, cannot determine records that must be returned.

A. I think we are talking about the chicken and egg syndrome. If TUGCO was correct in what the information they gave us, that they had not taken possession of the records, they couldn't very well be in a position to be performing an inventory.

A. I'm going to go to the next group of issues

involving the condition of the storage facility.

There is one issue involving failure to preclude rain from entering the QA records vault over several years time. I guess it has to do with water leakage somewhere in the roof area in the ventilation duct and also related to slope of the floor and the ability for it to drain properly.

A. I considered a violation relative to rain entering the vault a highly subjective judgment. My reading of 45.29 showed me that the facilities have got to be constructed to protect contents from possible deterioration by a combination of extreme variations in temperature and humidity conditions.

The issue regarding the facility in question had to do with air conditioning. I find it rather stretching the point to say that any records had ever been subjected to an extreme combination of extreme variation of temperature and humidity.

I felt the inspector was somewhat out in left field.

Q. What about the matter of the roof not being repaired for a significant amount of time?

A. I personally didn't get into that. All I can remember is here that the utility had made various efforts over a period of time to fix this

roof; but I, personally, didn't get into the specifics on that or sloping floors.

Q. Next one is failure to preclude food from the copy parts of the QA records vault area.

A. If I had been the inspector in question on that particular subject -- certainly one shouldn't have food crumbs or whatever in a records area -- I would have informed the utility management to please correct the scenario.

I do not think a violation is appropriate for that particular scenario.

Q. The last record oriented issue is failure to provide temporary or permanent storage facilities for records, co-mingled with in-process records and the paper flow group.

As I understand it, records were taken from one part of the facility where there was storage, mechanical and electrical calculations, and brought back into the paper flow group.

A. That particular subject, I relied totally on Mr. Hale's judgment and the fact that the NRC had in a publicly issued document, SSER 11, basically addressed this scenario.

It was Mr. Hale's continued assertion or belief that there were no longer a record. A

document was re-issued to be be incorporated into another entity. It was no longer a record.

I relied totally on his position; and in terms of Mr. Westerman's actions, I would consider he exercised good judgment in that case. If one has NRC people internally in disagreement, it is not the time for writing violations. It is time to be getting information and further advice from headquarters, if warranted.

Q. You said public public forum, are you referring to SSER?

A. Yes.

Q. As I understand -- we talked to Mr. Hale yesterday -- circumstances involving that issue and the answer to that allegation was different than the one involving this issue. That was involving records -- I'm sorry -- documents.

We had a discussion on what was a record and what was a document, documents that had not made it to the records file, they were still in process. Where the issue was documents that became records that came back into the process position. So, they were different.

So, when you say public forum, why do you make that point when the issues were different?

A. It was my recollection of SSER 11 that the subject was touched on. Perhaps my recollection is faulty. I would have to go back and reread SSER 11.

Q. The next issue involves weld rods. I guess there's a memo or something. I don't think I have it, but it has to do with a weld rod not identified at the main distribution or distribution station.

Could you comment on that?

A. I believe you are in possession of a memo I wrote which Mr. Westerman brought this to me, this particular subject. Again, I don't have a copy of that document I wrote; but as I recall in my review of that inspection report, I was reading the construction appendix and I noted that there was an unresolved item relative -- I should say a previous unresolved item which addressed applicant's action previous inspection findings which was being closed and a subject of weld rod control.

In essence, Mr. Phillips said he was closing it because of the exhaustive review of this subject by TRT and also based on a current inspection in this arena which had found or had no findings, no violations or deviations.

As I continued to read the report, I

finally came to the arena that ( ) I believe, had written that addressed the subject of weld material control.

To my chagrine, I found there was a violation indicated, which I couldn't understand what was going on in the same appendix of the report. I went next door to see Mr. Phillips.

My recollection of the conversation, I told him or I asked him how could he be closing out an unresolved item on weld rod control saying there was no findings and in his own appendix later on in the report was an indicated violation.

I said that was unacceptable and that either the unresolved item remained open if the inspector truly believed there was a violation or the unresolved item would remained closed and there would not be a violation.

Reading the text that ( ) had written did raise some questions in my mind in that he stated that they had not lost traceability.

I had not made a final determination. I said, "Plese discuss this with and reach an acceptable resolution of this matter."

Mr. Phillips informed me some days later that he had discussed this matter with

and they had decided to drop the violation. I told Mr. Phillips at that time that labels, vendor labels, on cannisters shouldn't be coming off and that I definitely wanted the subject followed up anyway.

So, I believe I wrote the actual words were put in the report about the referral to Brown & Root welding engineering to look into the matter. I then checked at the time the report was going out, or shortly thereafter, to confirm that he had, in fact, contacted Brown & Root's welding engineering.

Mr. Phillips answered in the affirmative.

Q. Why was this not continued as a violation? The technical issue was a violation identified as loose and missing labels on cannisters of Satvick electrodes. Was that condition corrected?

A. I haven't personally checked it.

Q. That seems to be the nub of the whole thing, was the condition at the plant.

A. Not the condition in the plant. You're talking about a condition that was at a weld rod issue station.

Q. Facility or whatever. What I'm questioning is what was the condition at the time and was it, in fact, a situation where there's still an issue

here.

A. I cannot tell you that. I responded to that. I believe I acted appropriately. I mean, one can look at things in a broader picture, true, about how a weld rod is issued.

I could maintain to you that it was virtually impossible for them ever to have effectively lost traceability.

The ASME code certainly requires control identity of weld material to the point of consumption, but weld issue stations at Comanche Peak do not issue cannisters of electrodes to welders.

It's my understanding of the procedure -- and it's been quite awhile since I read it -- welders are all issued portable rod ovens. They come to an issue station with the appropriate traveler type paperwork given to them by their supervisor.

The man that records the identity of the consummables is actually the issue clerk. The welder has nothing to do with that. They do not issue cannisters of electrodes. They follow normal industrial practice of issuing rods sufficient to weld up to a maximum of four hours, and that is a

return criteria.

The moment an issue clerk opens a cannister of electrodes, the balance goes into a rod oven with the identity of the electrodes.

I would further say that the only electrodes in that issue station are approved electrodes that have been released by Brown & Root welding engineering based on the vendor testing or their own testing. There is no unapproved.

It's a requirement of Section 2(c) of the ASME code of welding material that the coding on a stick electrode at least show electrode type.

So, I think from memory, ( ) was talking about some E-309 electrodes, rather rarely used electrodes. Be that as it may, the electrode would always be identifiable as an E-309 electrode.

The only thing that probably was not on the coding stenciled on was the lot number. It's not a manditory requirement. Some companies actually put the lot number right on the coding.

I don't know for sure whether this company does it or doesn't. We are talking about a code requirement, maintenance of identity up to the point of consumption. That is the one potential area.

I'll say again, if one has a carton of

cannisters of electrodes and that carton is clearly identified as to lot number, type of electrode, the fact that a particular cannister in that carton has a label that is starting to come loose, the probabilities of losing traceability are very low.

Q. Rather than getting into the issue or debating the point of traceability -- this is an issue that's very debatable -- let me go back to a sentence.

It says here, "I told Shannon at that time I did not want the subject dropped and that the labels should not be coming loose from electrode cannisters. I recommended the matter be referred to Brown & Root welding engineering for follow-up."

The thing that strikes me here is that if we had issued a violation before we're expecting corrective action -- I don't understand the word follow up.

A. First of all, I did not make or make the decision that a violation should not be issued. It was my understanding from Mr. Phillips that conversations between himself and made that determination.

I did have a question about the validity of the violation. Our role here is not simply just to

issue violations. Our inspection role also is structured at getting inspected organizations to demonstrate compliance to regulatory requirements and commitments.

I believe I acted appropriately.

Q. Okay.

A. We're not hiding anything. I put it in the report, the referral. I'm not making some kind of private phone call and saying take care of this matter. I'm putting it in the report for the public record.

Q. The issue gets back to if corrective action was required previously by the utility. The question is: Did they fulfill completion of that corrective action? That's the only question I have.

A. I believe that as a senior resident inspector of construction, that's his responsibility. That's his appendix. That is his report. I believe, yes, we should follow up to verify corrective action has been taken; but that is his lead responsibility.

I mean, I think he should have established whether they had done anything with Sam Vick to change the adhesive or do something since we're

talking about a Sam Vick label that was peeling. We're not talking about a label put on by Brown & Root. We're talking about the actual manufacturer.

Q. Okay. I'm going to go onto the next inspection report.

Q. (By Mr. Mulley) Let me just ask one question before you go to the next inspection report.

Did you discuss the conclusions that we had just talked about with Shannon Phillips?

A. What conclusions specifically are you referencing, George?

Q. Your opinions concerning your review of this inspection report that we just outlined, the various topics we just went through.

A. No. I did not, and I will give you a reason why I did not. I had a title as group leader. I was a retained Grade 15; but in reality, I was not a supervisor. I was a peer in terms of formal paperwork.

I did not feel it appropriate that I should start critiquing with the individual his report. Any concerns I had, I passed onto Mr. Westerman who did the necessary coordination.

Q. Good.

Q. (By Mr. Goldberg) Next set of issues involve inspection report 85/16-13, and this was an inspection which occurred during the period of November 1st through 30th of 1985.

I will put these into three sections. One is actions on 50.55(e); second, bulletins; and third section is Bisco seals.

The first one involves, I guess, a series of inspections that were done by Mr. Phillips assisted by consultants McCleskey and Young on the issue of action on 50.55(e).

I'm going to group them together. If you want to, I can put them separately or together. They seem to come together in a group.

A. Be my guest.

Q. TUGCO failed to develop or implement a procedure to show a reference of subjective evidence that deficiencies were corrected. TUGCO failed to revise implementing procedures before corporate NEO procedures, resulting in conflict with five other procedures.

TUGCO failed to maintain 50.55(e) files which were QA records that were retrieveable and that these records were not produced for almost a month.

Finally, TUGCO failed to report to NRC the corrective action actually taken and changes to commitment regarding corrective action reported to NRC.

I understand these issues involve a series of hardware items that were needed to be checked out throughout the plant and it was difficult in getting out to the plant to check the hardware items.

A. I think for me to respond effectively, that you're going to have to provide me a little more specificity about the issues than just general characterizations.

Q. I'll be glad to do so. There were several variations of these inspection reports. I'm going to try to get the best one that we can talk from because they do change quite a bit.

Here's one I'll give you. Procedures do not address 50.55(e) file content or provide a method for completion/sign-off of corrective deficiency. Five procedures were reviewed during the October, 1985, inspection period; and this item in this version was unresolved because TUGCO management informed the NRC Comanche Peak group leader that a new procedure had been developed and would be implemented.

TUGCO management thought the procedure would take care of procedural weakness. This item was left unresolved pending the review of this issue.

Does that ring a bell?

A. A little. This area Mr. Westerman acted fairly individually. He kept me informed of where he was at, what his positions were and his thought process. I didn't have any particular reservations about Mr. Westerman's position.

Q. Let me give you another issue. 50.55(e) deficiency files do not contain sufficient information of documentation. The NRC inspector reviewed 20 construction files which showed licensee's action complete.

TUGCO QC supervisor stated that reports had been made to NRC and had nothing to do with ensuring that corrective action was implemented; however these files do not contain sufficient documents or reference documentation that would show that the deficiencies had been corrected or sufficient information to show how the evaluation had allowed TUGCO to conclude the deficiency was not reportable.

What about that?

A. Again, we're talking about prudency rather than regulatory requirements. I don't know of any regulatory requirement that required an organization to maintain those files. They have complied that I'm aware of.

Q. Again, did you rely on Mr. Westerman on this issue as well?

A. Essentially, yes.

Q. I'll go on to the next issue, a series of IE bulletins, IE Bulletins 79-14 and 79-28. Let me go through them in a group.

TUGCO never responded to all aspects of IE Bulletin 79-14. TUGCO's IEB files for 1982 and 1985 do not contain sufficient records or reference to records which allow IEB action, corrective action. TUGCO had replaced NAMCO switches per IE Bulletin 79-28, but two of the fourteen that were field inspected were not properly identified.

A. Regarding 79-14, I felt it was somewhat a moot issue in that the utility had hired Stone & Webster to essentially verify all of the analysis that had been performed with respect to 79-14; and that was and is an ongoing endeavor.

So, I think it's a somewhat academic issue in reality. It's a matter of knowledge and the NRC

stated in public meetings what they are doing in this particular arena.

79-28, all I can say to you is I believe I was present at a time that I think there was an issue about records or something, records were requested of a QC supervisor. Lots of those things in the records were produced in very short order.

I believe there was no problem as regards to one of these things at all. The one was in a safety-related system. They did finally produce records showing what was there was what was correctly indicated should be.

I believe the other one was in a non-safety related system as best I can recall.

Q. There's one issue I wanted to touch on. It's related to the 79-14. I guess the inspector found an internal letter, CPA No. 84-163, dated October 22, 1982, that the engineering manager stated that "reporting of non-conformance areas of the IE bulletin which we must take exception and we will not identify nonconforming conditions to NRC."

Is that an appropriate memo to be in the utility's file?

A. If I was a utility executive, I would not have a memo like that in my file. I don't know that

that's a very prudent statement.

Q. Would that give an inspector an indication that they may not be complying?

A. No, not necessarily. They would have an obligation to report under 50.55(e) if they had a problem that met the criteria of 50.55(e).

Q. Going to the last issue, that's the Bisco matter. I guess you might have more knowledge since this is sort of vendor related issued.

MR. MULLEY: I just have one more question on the records retrievable.

Q. (By Mr. Mulley) From what I understand, although the inspector couldn't get a record over a period of a couple of months, apparently either Tom or somebody was able to go to an individual like you and get the record within a couple of hours.

Do we know whether the individual that he went to was able to retrieve the record from the system or was this a record that he may have had on his own?

For example, draft reports, we have certain inspectors in the region that maintain draft reports in their desk drawer although these draft reports should be filed away in a system.

Do we have any knowledge that the report

that we were actually given came from the system or came from, you know, a report that he maintained on the site on his own?

A. I think your question, George, is quite philosophical. The probability of an individual having or knowing where to go for some private records when he has no knowledge in advance what the NRC is going to ask for is so slim that I can reject it out of hand.

Q. You feel there's enough assurance based on what's going on that if this man got the records, he had to get it out of the system?

A. The gentleman's name is Thomas Brant. I have no reason whatsoever to believe that he wasn't able to go anywhere other than the TUGCO record system.

Q. What is his title?

A. He's a quality engineering supervisor. I think he's been there about six years or so. He happens to be very conversant with the way that TUGCO structures its records.

I think that is why he is able to rapidly identify in part.

Q. What happens if Thomas Brant decides to get a job up in Connecticut? Would we still be able to

get records?

A. I obviously couldn't answer that question. That would be their ultimate dilemma if they couldn't produce records that we requested legitimately in any inspection process. They're going to have a major problem.

Q. (By Mr. Goldberg) To follow up, do you view the retrievability issue as more of a prudency issue?

A. To answer you as candidly as possible, Mr. Phillips is not the only individual that has had trouble from time to time retrieving copies of records.

All of my people from time to time have had some problem or other. The records have always been retrieved. I don't know what the full scope is. I don't know whether part of the problem is our lack of understanding of how their records are structured, whether they're relying pretty much on a word-of-mouth system. Maybe we asked for a record in the wrong way because of our ignorance.

I think there's probably a lot of contributory factors. I'm not about to sit here and say TUGCO has the finest records retrieval system I've ever seem because that would be a blatant

falsehood.

They have at time to time difficulty retrieving records. In essence, they have retrieved the record when asked for. Sometimes it took in my judgment overly long to retrieve. I have never personally seen it take a month for anything I was actively personally involved trying to retrieve the record. No, it's much faster than that.

Only arena I have been involved with difficulty retrieving records was the electric penetration assembly inspection when I was preparing the reports with the possibility of escalated information action; but in that case, some of those records I don't think existed and we properly reflected that in the report?

A. (By Mr. Goldberg) The last issue in this inspection report covers Bisco seals. I think I can read you generally what it is.

The certification of Bisco A1 penetration seals is under review as a result of the questionable testing. It was first found by Mr. Young who was a consultant and I believe that has been put on the unresolved status until all the facts have been determined. It's still unresolved. It goes back to the testing that was done in the

70's by the company and these, as I understand, involved a three-hour test for safe-guarding certain pieces of equipment.

Do you want to comment on this one?

A. I don't really think so. I wasn't actively involved. I saw a vendor problem. I knew that we should be referring it to the vendor branch. The primary concern was with the vendor.

Q. The last inspection has to do with the current inspection report that has not been finalized.

One issue that we're focusing, we understood that there was a finding that Mr. Ellershaw had picked up on involving a welding issue. It's some clips that were put on in which there was some problem; and in the exit interview, Mr. Counsil mentioned something like, "That's a violation."

Are you familiar with this one?

A. I recall the exit meeting; and I recall the subject, yes.

Q. Do you have a comment to give us on that?

A. In the course of the inspections, one of our consultants went out to either witness this third-party evaluation or was doing an independent

inspection relative to the activity of those people.

While he was out there, in what whatever particular arena, he noted some really cruddy -- perhaps I should be a little more precise. He noticed some welds attaching brackets to an actuator barrel on some, I believe, it was auxillary field boiler system valves and the man was a mechanical inspector and very experienced in welding. He could see no fusion associated with these welds because who had ever done the welding had went and placed these brackets on top of where there was some casting letters.

There were raised letters on the surface, and they had went and located these brackets right on top in the arena where these raised letters were. It was impossible to make a totally sound weld because of that stupidity, and he came back an informed us of what he had seen.

We in our follow-up of that came to learn -- I really don't recall exactly how we came to learn. We came to learn that particular subject had been addressed in a 50.55(e) report to Region IV in the past and the 50.55(e) report informed us they're going to remove those brackets and they're

going to replace them with new brackets correctly welded.

As a result of learning this, I went and located the file relative to that 50.55(e) report. The document they used to determine reportability, I believe, is called a significant deficiency analysis report, SDAR.

In this file was a couple of versions or there was -- there was an SDAR and then a couple of versions of NCRs and then there was this 50.55(e) submittal.

I saw a document -- I forgot if it was NCR or SDAR -- but after they had informed the Commission that they were going to remove these things, they changed their mind.

Apparently, they revised the -- I think it was the NCR and said use "as-is" and the basis given for this new disposition was, hey, the vendor is Fisher Controls, and ASME certificate holder, that they had used their ASME QA program, the welding had been done by qualified welders using qualified welding procedures, specifications, qualified filler materials, et cetera.

Now, I'm looking at a document in full knowledge that there are welds attaching these

brackets that have got non-fusion and rejectable castings by any standard you want to apply.

I was not very happy with this document. A question came into my mind that there was at least a potential for wrongdoing, a potential. We learned right in the same time frame that TUGCO had taken a statistical sample of NCR with use "as is", that type of category disposition, 300 of them; and we learned that one of these valves -- by the way, I think it was something like 62 valves were reflected by this problem.

We only saw it on the one, but we learned by checking it was 62 of these valves. We decided that we would lay back in the weeds and see what they did about the NCR disposition. We wanted to see if they themselves would relook at this thing and say "This is totally non-acceptable."

We wanted to get the thing addressed as rapidly as possible. We made, hopefully, a pragmatic decision and we would go ahead with the deviation made to us in 50.55(e) and we would hold back on the violation to determine our actions after we'd seen what they were doing.

Once we had the thing up front, we didn't have any problem. The subject is disappearing, I

believe. We were in full cognizance.

Unfortunately, Mr. Counsil kind of preempted us. First time it's ever happened to me. I've never heard an executive in any organization turn to a regulatory board and say, "That should be a violation."

It kind of stunned us a little bit, but he preempted us. We went ahead and pulled out the violation and I believe we have a report in process right now that has both the deviation and the violation, but I'm still reserving judgment on action until I've seen what they've done on this particular disposition.

MR. MULLEY: I have one more question.

A. Excuse me a moment. I don't want to interrupt, but this subject was fully discussed in the regional management, who knew exactly where we were coming from. It was not something we were keeping as a little sleuth endeavor.

Q. (By Mr. Mulley) There's another area in the draft inspection report that apparently has to do with a violation is concerning Brown & Root audit program?

A. Uh-huh.

MR. MULLEY: I don't want to get into that because that's draft inspection. I don't want to get into the issue other than to ask there's a again ask, okay. Maybe it's too general for you to answer. It's a draft report; but apparently initially when these findings were written up they were, written up as a violation when the inspector was told to make them unresolved. You got involved and apparently you replaced Mr. Westerman as Phillips' immediate supervisor?

A. I may have been in an acting capacity at that time, George; but, yes,.

Q. You told Phillips these things should be violations, and you think they should be violations instead of unresolved items. Did that, in fact, happen?

A. Let me think about that before I respond to that. I don't believe that that actually happened that way.

A. We had a scenario where he had established in 1979 Brown & Root had clearly not live up to its ASME code. We would quite a bit of discussion about that.

I believe I was the one that, thinking about this issue and the merits, said to Shannon, "It would be much more meaningful from an assessment point of view to look at the performance of this audit program up-to-date."

I didn't want to have a citation issued saying Brown & Root didn't live up to their responsibilities in 1979; and it could have been a valid citation and in terms of, yeah, they didn't do it and then have a utility write back saying, "Yes, you're right; but here's all the wonderful things we did. Just look at this program from 1981 onward," something like this; and it would kind of make a useless citation; however, I don't know how well Brown & Root had been auditing in the '80. So, I did request Shannon.

Q. Let me just ask a general question not connected to any inspection reports. Have you ever noticed a tendency on the part of Region IV to try and resolve issues with TUGCO on an informal basis where, you know, Region IV gets together with TUGCO Management, discusses the issues, gets a commitment from TUGCO, and corrects the problems without going the violation route?

A. I can obviously only speak in the time

frame June and July, '85, to date. I can tell you, though, unequivocally, in the time frame I have been there, no, I have never seen Region IV personnel trying to get informal resolutions of findings, never.

That would be personally unacceptable to me as an individual. I pride myself in trying to be a professional. I am proud of my personal inspection history to this organization. I think anyone that knows anything about me would find it unbelievable that I would accept that kind of scenario.

Q. (By Mr. Mulley) So, based on your experience at Comanche Peak if a situation is found to be a violation of some requirement, then it is written as such.

A. That is correct. I have one qualified statement to that. I do not believe it is in the NRC's or public's interest to take one isolated piece of information where technically one could make some kind of citation and act that way. I think one should look at things thoroughly, look at the implications and assess the situation and determine how to structure the citation.

What should be the scope of the citation? That might mean that I would the request inspector

to do further work before we follow the citation route. It does not mean that I would ever condone sweeping anything under the rug or doing something informal. That's not the way I think or act.

Q. Have you seen any indication on the part of Mr. Westerman with his review of the reports to indicate that he is trying to, you know, downgrade violations, make them unresolved items, trying to, you know, get rid of issues?

A. No. I believe to the best of his ability he was trying to get factual reports that did not contain subjective opinions. You've got to be factual. I do not think it's in the agency's interest to write any kind of citation which is subjective debate, no matter by whom.

You do not achieve anything. We have to be objective and factual at all times. That's my position. It will always be my position. I believe that's fairness, due process, everything you want to say.

Q. So, in your opinion, if there's an issue that is debatable or that we can perceive with a licensee to come back and successfully rebut the violation, do you feel it is encumbant on the NRC to get their act together before we issue the violation

versus issuing the violation and having the licensee respond why they did what they did?

For example, let me just throw out the in-process records or records being co-mingled.

A. Uh-huh.

Q. Where apparently an argument could be made that they're not records but documents that are in process. We have had debates in the NRC whether or not these are records of documents.

Do you feel that it's a good practice for NRC to issue the violation and have the licensee come back and make that argument to us that these are, in fact, in-process documents and not records?

A. I'll respond as an individual, which is all I can do. I do not speak for NRC. Only the commissioners can do that.

I would say to issue a violation being full aware that there was debatable aspects would be inexcusable and in violation of my understanding of the enforcement policy of this agency.

I would expect Jane Axlerod and her staff to jump on us with both feet. We do not write opinions as citations. I think it would be totally and utterly inexcusable.

Q. So, something like this, you feel it would

be acceptable to write an item as unresolved until we came across a consensus within ourselves as to whether or not --

A. What is an unresolved item? The official terminology today which, by the way, has altered historically is an issue where the NRC needs more information to determine whether a violation or deviation exists historically which isn't clearly shown by the manual chapter. I don't know if it ever was.

Most inspectors look at an unresolved item as a subject where they believe a violation or deviation exists, but because of circumstances -- be it the records are not at the site or they're at some other location -- they can't make the final determination to prove that there's a violation or deviation. There's really not that much difference.

I believe an unresolved item is the prescribed vehicle where there are issues that you might need input or information from others before you make a determination.

Q. One question having to do with Shannon Phillips. You have not been present when Mr. Westerman has discussed inspection findings with Shannon and witness Mr. Phillips and/or Mr. Phillips

and Mr. Westerman, you know, debate these issues? Were you present during these discussions?

A. I will say it would be correct for me to say in general I was not present. I would not preclude that there might have been some conversation about a particular issue at some point; but in general, I was not present.

Q. Okay. That's all I have now. If you would like to add something before we close out the record --

Q. (By Mr. Goldberg) I have one last issue. This might have been before your time of your involvement at Comanche Peak as to what modules were or were not covered over a period of time, particularly QA modules such as the inspection of the QA at TUGCO, for example.

Did you want to comment on that at all in terms of, you know -- first of all, we were told that you're filling out 766 information for your people. As I understand, this is what we were told.

We're trying to look at 766's to determine if certain modules were completed, how they were completed, and whether they were B modules or C modules, that kind of thing?

A. Obviously I wasn't at Comanche Peak prior to June of 1985. So, obviously I cannot speak with any specification. All I can say is that the 766 vehicle is a somewhat flawed vehicle.

I don't think there's been correct understanding by inspectors and I can give you a story about my current difficulties in completing these forms but I would not personally make any judgment about what was done or what wasn't done without really analyzing where was the inspection program on a given point in time.

The IE 25-12 program has not exactly been cast in concrete for many, many years. It has been a dynamic program and thing in constant change. Well, logic tells you that if you keep making changes in programs this will obviously impact on what has been done in the past.

I don't have any specific judgment, but I wouldn't make a judgment until I had looked at programs at a point in time, what was required and all that scenario.

Q. Getting to today's time frame, when you fill out a 766 when something is completed, is it based upon the inspector's coverage of the inspection requirements of that module or based on

some other criteria?

A. Let me try and explain my involvement currently with 766. Through the January report, 1986, we were issuing -- I'll call it an integrated inspection report in that there were appendices addressing operations inspection, construction inspection, Comanch Peak response team inspections; and I learned that the system really wasn't designed to handle all of these diversities in a 766.

It was never dreamed of at the time the program developed that that kind of approach would go on; but, in essence, the operations and construction inspections, the senior resident completes that information including status, presents it to me. It's a judgments call.

That's his responsibility to determine how far along he perceives they are on a given inspection module.

I handle the Comanche Peak response team totally differently in that the Comanche Peak response team inspection to my knowledge ia a unique endeavor from an NRC point of view.

To my knowledge, the NRC has never devoted resources of the magnitude they do at Comanche Peak to do this ongoing massive surveillance and

reinspecting program.

There's nothing in our guidance that even addresses something, nor would you expect to have guidance. We're talking about something unique. We are looking at a program prepared by a utility because of ongoing questions, including the SLB questions, to assess how well the plant is built, does it comply with the Committee's code and standards is it safety significant.

In a nutshell, we're looking at something that's unique. I found no way readily of addressing that in a 766. I also found that a 766 was kind of useless less to me if you place any credence at all in the significance of hours of inspection.

I couldn't use it accurately. Actually, in the absence of any guidance, I decided I would use a particular inspection module with a number 92705; and that, in essence, is a number that all it means is regionally requested inspection.

It's a reactive inspection. We are certainly doing reactive inspection now. Unfortunately, the hours we have invested every month is usually in excess of 2,000 man-hours of effort by consultants and the permanent NRC staff.

The form only allows me to charge 999 hours

maximum. So the system is forcing me to log in a fraction of what we're actually doing. So what is the value of that. Make your own determination. I tried to enter the same number multiple times so I can get the hours. I got it thrown back at me. You can only enter it once.

We've done so much work, so much inspection, an order of magnitude certainly much greater than the order of magnitude to relative to IE inspection modules.

We've done physically so much more work than traditionally NRC would ever do at a site. I wonder how can I use the work and take credit and how can I reflect this inspection report in our regular program.

I'm going to look at can I legitimately just add hours into given inspection modules, not changing the status of them necessarily; but I want our official records to reflect this efforts.

I still have not reached a final determination on how I'm going to do it.

Q. (By Mr. Mulley) On the 766, just one comment, if you put down an inspection module, is it reasonable for a reviewer to go back to that inspection report and see the inspection activities

on that module documented in the reports?

A. Is it reasonable to expect that?

Q. It is reasonable to hope?

A. I obviously cannot speak for actual performance of all reviews in this region or in this agency. I think that a supervisor certainly should look at 766 via or versus the reports; but I could think of several scenarios where the two could get separated or the 766 got generated later.

I personally think the situation where I've been involved in the last year where, since I was the guy that put this package together, that sometimes I'm somewhat late putting that thing together. I was the 766 preparer.

It is reasonable to hope that someone would check a 766 against the report. It is also not unreasonable to expect that from time to time -- and I wouldn't speculate on frequency -- that perhaps it doesn't get done.

Q. So, if I were going to try to make an assessment of the status of various inspection modules and procedures, 766 wouldn't be a trustworthy place to go? I would have to go beyond that to get an accurate --

A. I think the 766 is probably the only real

vehicle one would have. See, George, you have to put in other factors into the equation. We do not separate inspection programs with locked in assigned people over a historical time span. You get different individuals for whatever reason. There's all kinds of reasons one could get assigned to pick up on a given module. You gets errors created in that sometimes.

I think some inspectors have said, "You have given me the module. Was there any work ever done on the thing before?" They started from ground zero again.

So, you get all these strange anomalies that cloud the issue; but in terms of what other vehicle is there, the only other vehicle is called personal communication.

Inspectors it wouldn't be reasonable to have the time to start doing historical reviews of reports, collective reports of periods of years.

We really, I think, place a great onus of responsibilities on the senior resident to know where the inspection program is at. He's the only person that can over a period of time go through the whole thing and learn, "Hey, this hasn't been addressed" or "This is still shown at some

percentage."

Probably the only viable mechanism we have to date is to rely heavily on the senior resident. Since the senior resident program was created, I think, in 1979 or so and I was assigned to the plant that broke ground in, say, early '75, I'm afraid I can't say much more than that.

Q. If you have anything that you would like to add before we close out the record, you may.

A. Yeah, I think I would like to say a few words. I find it regrettable that there's a need for you gentlemen to be here.

I find that personally regrettable and sad. I wish that if an individual or individuals had had real concerns or have real concerns, that they had followed the prescribed oute. There has been agency policy -- I forget the exact year -- for several years about different professional opinions; and I know that Chairman Hollis Dean is a proponent of of this.

I can remember from my vendor days of a gentleman who had a differing professional opinion. He followed the prescribed route. His concerns were reviewed by an independent panel of his peers.

It came out of the IE and NRR, and they

disagreed with his particular concerns; but it was handled while they told him why they had reached the conclusion they did; and that was the end of the matter.

I just find it totally regrettable that this scenario had to come to pass. I don't understand why it came to pass, to be honest with you.

With regards to Mr. Westerman, I will have to say -- I believe my personal judgment is that he tried at all times to communicate and to do the job as a prudent manager should. It doesn't mean that he was perfect. I'm not perfect. We're all flawed in some respect or other.

I would personally never accept any contention that Mr. Westerman was trying to suppress a citation in any way. That's my personal belief.

If I felt he was trying to suppress information, be it a citation or whatever, I can assure you I would have taken violent exception to him and gone the prescribed route personally.

I just will never accept any contention that he acted improperly in any way. I believe he tried to live up totally to his responsibilities as an NRC supervisor. I think his interests was that

the reports be totally factual, that we can stand totally behind them.

I certainly did not want personally to be associated with any report that's going to be submitted to the ASLB to become part of the hearing process if I couldn't stand behind the report. I did not think that would be right.

The stand of ethics have is such that no matter whether there was and ASLB or not, I will not accept writing subjective citations as a correct practice, nor do I believe the IE guidance would allow us to do that.

That's about all I have to say.

(Statement concluded at 12:50 a.m. C.D.T.)

STATE OF TEXAS *

COUNTY OF HARRIS *

I, Trisha Sims, a certified shorthand reporter and notary public, in Harris County for the State of Texas, certify that the facts stated in the caption hereto are true; that the witness named herein personally appeared before me and, after being by me first carefully cautioned and sworn to tell the truth, was examined by counsel for the respective parties hereto; that the testimony of said witness was taken down in shorthand by me, later reduced to typewriting under my direction as a true and correct record of the testimony.

I further certify that I am neither attorney or counsel for, nor related to or employed by, any of the parties to the action in which this statement is taken and, further, that I am not a relative or employee of any counsel employed by the parties hereto, or financially interested in the action.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this the 26th day of July, 1986.

Trisha Sims

Notary Public in and for
Harris County, T E X A S

Certification Number: 2035
Date of Expiration of
Current Certification: 12/31/86

1974 Edition, General Requirements

Exhibit 1

NA-1140 EFFECTIVE DATES OF CODE EDITIONS, ADDENDA, AND CASES

(a) Code Editions become mandatory on July 1 of the publication year printed on the cover. Addenda may be used on and after the date of issue and become mandatory six months after the date of issue.

(b) Code Cases may be used beginning with the date of approval by the ASME Council and, being permissive, do not become mandatory. Only Code Cases that are specifically identified as being applicable to Section III may be used for construction in accordance with this Section.

(c) The Code Edition, including Addenda, which is mandatory on the contract date for a component shall determine the mandatory rules for the manufacture and installation of that component, including its materials, parts, and appurtenances. Earlier editions shall not be used except to meet the requirements of Section XI for alteration, modification, renewal, replacement, or spare components, parts, or appurtenances.
the mandatory rules for manufacture and installation of core support structures and component supports including their materials. Earlier editions shall not be used.

(e) The contract date for an entire nuclear power system does not govern the Code Edition, Addenda, and Cases applicable to the components, core support structures, and component supports.

(f) Code Editions, Addenda, and Cases which have not become mandatory on the contract date for a component may be used by mutual consent of the Owner[1] or his agent and Manufacturer[2] or Installer[3] on or after the dates permitted by (a) through (d) above. It is permitted to use specific provisions within an Edition or Addenda provided that all related requirements are met.

(g) Caution is advised when using Addenda or Cases that are less restrictive than former requirements without having assurance that they are acceptable to the enforcement authorities having jurisdiction at the nuclear plant site.

(h) The Owner or his agent shall obtain a Certificate of Authorization (NA-3230 and NA-8240) prior to the field installation (NA-1250) of any item of the nuclear power plant to be constructed in accordance with this Section.

NA-1200 GENERAL REQUIREMENTS FOR AND DEFINITIONS OF ITEMS AND INSTALLATION

NA-1210 COMPONENTS

The [redacted] of a nuclear power plant include items such as, vessels, [redacted] pumps, valves, and storage tanks. Each component shall bear the required Code N-type Symbol[4] and Manufacturer's Data Reports shall be prepared for them (NA-3370 and NA-8400). The Installer of such components or any associated appurtenances shall complete Data Report Form N-5 which serves to indicate that each component or appurtenance assembled into the nuclear power plant and the installation meet the requirements of this Section.

NA-1220 MATERIALS

Materials are manufactured to an SA, SB, or SFA Specification[5] or any other material specification permitted by this Section. Such material shall be manufactured and certified in accordance with the requirements of this Section. Materials produced under an ASTM designation may be accepted as complying with the corresponding ASME specification provided the ASME specification is designated as being identical with the ASTM specification for the grade, class, or type produced and provided that the material is confirmed as complying with the ASTM specification by a Certified Materials Test Report or Certification from the Material Manufacturer. Welding material produced under an AWS designation may be accepted as complying with the corresponding ASME specification provided the latter specification is indicated to be identical with the AWS specification and provided the welding material is confirmed as complying with the AWS specification by a Certified Material Test Report or Certification from the Materials Manufacturer.

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[1]See NA-3210 for definition of Owner.

[2]See NA-3310 for definition of Manufacturer.

[3]See NA-3410 for definition of Installer.

[4]The term *N-type symbol* means any one of the symbols shown in Figure NA-8220-1.

[5]SA or SB Specifications listed under the heading *Bars, Rods, Shapes, Forgings* may be used as material for any of those product forms even though not all product forms are listed in the SA or SB Specification.

1974 Edition, General Requirements

Exhibit 2

NA-1231 Parts

Parts have work performed on them requiring the presence of or verification by an Inspector[1] and are furnished to a component Manufacturer by other Manufacturers, or by the same component Manufacturer under a different Certificate of Authorization (NA-8113) than that applying to the component. By definition, a part is attached to or becomes a part of a component before completion and stamping of the component. The Design Specifications (NA-3250) and Stress Report (NA-3350) for components shall apply to the parts of such components. Data reports and stamping shall be as required in NA-8000.

NA-1232 Piping Subassemblies

Piping subassemblies are defined as a portion of a piping system consisting of fittings and pipes or tubes which are fabricated as subassemblies in a shop or in the field and then installed in a nuclear power system. The Design Specifications (NA-3250) and Stress Report (NA-3350) for the piping system shall apply to the piping subassemblies of that system. Data reports and stamping shall be as required in NA-8000.

NA-1240 CORE SUPPORT STRUCTURES

Core Support Structures are those structures or parts of structures which are designed to provide direct support or restraint of the core (fuel assemblies) within the reactor vessel. Core Support Structures require Design Specifications (NA-3250) and Stress Report (NA-3350). Data Reports and Stamping shall be as required in NA-8000.

NA-1250 COMPONENT SUPPORTS

Component supports are those metal supports which are designed to transmit loads from the pressure-retaining barrier of the component to the load-carrying building structure. The design conditions for component supports shall be included in either the component Design Specifications (NA-3250) or in a separate Design Specification. A Stress Report or Load Capacity Data Sheet (NA-3352) for each component support or group of component supports for each component shall be furnished by the Manufacturer of the component or the component support. Data Reports and stamping shall be as required in NA-8000.

each component support or group of component supports for each component shall be furnished by the Manufacturer. Data Reports and Stamping shall be as required in NA-8000.

NA-1260 APPURTENANCES AND PENETRATION ASSEMBLIES

NA-1261 Appurtenances

An appurtenance is an item similar to a part (NA-1230) which is attached to a completed and stamped component. The design conditions for appurtenances shall be included in either the component Design Specification (NA-3250) or in a separate Design Specification. A Stress Report (NA-3352) for each appurtenance or group of identical appurtenances for each component shall be furnished by the appurtenance Manufacturer if not included in the component Stress Report. The Owner, directly or through his agent, shall be responsible for the overall correlation of the component and appurtenance Stress Reports (NA-3260). Data reports and stamping shall be as required by NA-8000.

NA-1262 Penetration Assemblies

Penetration assemblies are defined as electrical or mechanical parts or appurtenances required to permit piping, mechanical devices, or electrical connections, to pass through the pressure retaining boundary of a component.

NA-1270 MISCELLANEOUS ITEMS

NA-1271 Control Rod Drive Housings

Control rod drive housings attached to a reactor vessel shall be considered in the Design Specifications as a vessel part or appurtenance or as a separate vessel. The rules of Subsection NB shall apply to those portions of the housings forming a pressure retaining boundary.

NA-1272 Heater Elements

That portion of heater elements forming a pressure retaining boundary of a nuclear power system shall be considered in the Design Specification either as a part or an appurtenance.

NA-1273 Fluid Conditioner Devices

That portion of a fluid conditioner device such as a filter, demineralizer, trap, or strainer which forms the

1974 Edition, Class 1 Components

Exhibit 3

ARTICLE NB-6000
TESTING

NB-6100 GENERAL REQUIREMENTS

NB-6110 TESTING OF COMPONENTS, APPURTENANCES, AND SYSTEMS

NB-6111 Components and Appurtenances

NB-6111.1 Hydrostatic Testing

(a) [redacted] hydrostatically tested in the presence of the Inspector. Nuts, bolts, studs, and gaskets are exempt from hydrostatic testing.

(b) The hydrostatic test of each line valve and pump with inlet connections over 4 in. nominal pipe size shall be witnessed by the Inspector and a data report completed for each (NA-8400).

(c) A hydrostatic test of each line valve and pump with inlet piping connections of 4 in. nominal pipe size and smaller shall be performed by the Manufacturer and so noted on the data report form (NA-8400); however, this hydrostatic test need not be witnessed by the Inspector. The Inspector's review of the Manufacturer's test records will be his authority to sign the report and takes precedence over NA-5280.

NB-6111.2 Pneumatic Testing. When a hydrostatic test is not practical (NB-6112), a pneumatic test, in accordance with NB-6300, may be substituted.

NB-6112 When Pneumatic Testing may be Used

(a) Pneumatic tests may be used in lieu of the hydrostatic test required by NB-6111.1 and NB-6113 except as permitted in (b) below, only when the following conditions exist:

(1) When components, appurtenances or systems are so designed or supported that they cannot be safely filled with water;[1]

(2) When components, appurtenances, or systems, which are not readily dried, are to be used in services where traces of the testing medium cannot be tolerated and, whenever possible, the parts of the components, appurtenances, or systems have been previously hydrostatically tested to the pressure required in NB-6220.

(b) A pneumatic test at a pressure not to exceed 25 psi may be applied, preliminary to either a hydrostatic or a pneumatic test, as a means of locating major leaks. If used, the preliminary pneumatic test shall be carried out in accordance with the requirements of NB-6300.

NB-6112.1 Precautions to be Employed in Pneumatic Testing. Compressed gas is hazardous when used as a testing medium. It is therefore recommended that special precautions for protection of personnel be taken when a gas under pressure is used as test medium.

NB-6113 Testing of Systems

NB-6113.1 Hydrostatic Testing. Prior to initial operation, the installed nuclear energy system shall be hydrostatically tested except as permitted in NB-6113.2 in the presence of the Inspector. The test shall be conducted in accordance with the requirements of NB-6200.

NB-6113.2 Pneumatic Testing. When a hydrostatic test (NB-6112) is not practical, a pneumatic test, in accordance with NB-6300, may be substituted.

NB-6114 Time of Hydrostatic Tests of Parts, Piping Subassemblies, and Materials

(a) [redacted] test when conducted in accordance with the requirements of NB-6221(a) shall be acceptable as a test for parts and piping subassemblies.

(b) The component or appurtenance hydrostatic test when conducted in accordance with the requirements of NB-6221 may be used in lieu of any

[1] These tests may be made with the item being tested partially filled with water, if desired.

1974 Edition, Class 1 Components

Exhibit 4

(c) For the vessel hydrostatic test before installation, it is recommended that the test be made at a temperature not lower than RT_{NDT} + 60 F (see NB-2331).

NB-6213 Check of Test Equipment Before Applying Pressure

The test equipment shall be examined before pressure is applied to ensure that it is tight and that all low pressure filling lines and other appurtenances that should not be subjected to the test pressures have been disconnected or isolated by valves or other suitable means.

NB-6215 Examination for Leakage After Application of Pressure

Following the application of the hydrostatic test pressure for a minimum of 10 min. (NB-6224), examination for leakage shall be made of all joints, connections, and of all regions of high stress such as regions around openings and thickness transition sections. Except in the case of pumps and valves, which shall be examined while at test pressure, this examination shall be made at a pressure equal to the greater of the design pressure or ¾ of the test pressure, and it shall be witnessed by the Inspector. Leakage of temporary gaskets and seals, installed for the purpose of conducting the hydrostatic test and which will be replaced later, may be permitted unless the leakage exceeds the capacity to maintain system test pressure for the required amount of time. Other leaks, such as from permanent seals, seats, and gasketed joints in components, may be permitted when specifically allowed by the Design Specifications. Leakage from temporary seals or leakage permitted by the Design Specification shall be directed away from the surface of the component to avoid masking leaks from other joints.

NB-6220 HYDROSTATIC TEST PRESSURE REQUIREMENTS

NB-6221 Minimum Required Hydrostatic Test Pressure

(a) Except as may be otherwise required by material specifications (NB-6114), [redacted] and appurtenances except those containing brazed joints, pumps, and valves shall be subjected to a hydrostatic test at a pressure not less than 1.25 times the

[redacted] The system design pressure shall be established in accordance with the rules of NB-7411.

(b) All pressure retaining components of the completed system that are within the boundary protected by the overpressure protection devices which satisfy the requirements of NB-7000 shall be subjected to a system hydrostatic test at a pressure not less than 1.25 times the system design pressure. The system design pressure for the protected boundary shall be established in accordance with the rules of NB-7411.

(c) [redacted]

(1) The component can be repaired by welding, if required as a result of the system hydrostatic test, in accordance with the rules of NB-2500;

(2) The component repair can be postweld heat treated, if required and nondestructively examined in accordance with rules of NB-2500, and NB-5100 as applicable, subsequent to the system hydrostatic test;

(3) The component is subjected to minimum required system hydrostatic test following the completion of repair and examination.

NB-6222 Maximum Permissible Hydrostatic Test Pressure

(a) The stress limits specified in NB-3226 shall be used in determining the permissible hydrostatic test pressure. In multichamber components, pressure may be simultaneously applied to the appropriate adjacent chamber to meet these stress limits. The number of test sequences for which the above provisions may be considered applicable shall not exceed ten.

(b) When hydrostatically testing a system, the test pressure shall not exceed the maximum test pressure of any component in the system.

NB-6223 Hydrostatic Test Pressure for Pumps and Valves, and for Components and Appurtenances Containing Brazed Joints

Prior to installation, pumps and valves and other components and appurtenances containing brazed joints shall be hydrostatically tested at a pressure 1.5 times the system design pressure as determined by the rule of NB-6221(b), except that in the case of valves designed in accordance with NB-3531, the rules of NB-3531.2 shall apply.

MATRIX OF DRAFTS FOR RDT 85-14/11 (APPENDIX D)

Documents

1.0 Draft Handwritten
2.a. Draft typed. Mgt. reviewed and directed changes.
2.b. First Draft revised to implement changes.
3.a. Second Draft to add information
3.b. Final report submitted i.e. Appendix D
4.a. Final report Appendices A - F.
4.b. Final report issued.

IDENTIFIED DIFFERENCE

* Original finding
** Difference
*** Violation dropped per direction.
**** Someone other than inspectors dropped finding & advised inspector(s) after dropped.

Subject/Para. (Inspector)	1.0	2.a.	2.b	3.a.	3.b.	4.a.	4.b.	
QA Records System / 5.0								
• Introduction (Inspector Phillips) FSAR does not describe TUGCO Records System Para. 5.a. of draft report.	*	**	***					Violation downgraded.
• QA Manual does not address ANSI N45.2.9 requirements/Commitments Violation of Criterion II (Phillips).	*	**	***					Violation downgraded.
• Para. 5.b. TUGCO failed to have/use procedures to control shipment of original records to Stone & Webster N.Y etc. violation of Criterion V. (T. Young)	*	*	*	*	**	****		Violation downgraded.
• Para. 5.b. Original design records shipped in cardboard boxes without making back up copy. violation of Criterion XVII (T. Young)	*	**	***			****		*** Violation dropped. **** Unresolved item dropped.

Attachment K

Subject/Para. (Inspector)	1	2a.	2b.	3a.	3.b	4.a.	4.b	
Para 5b. Failure to control & account for QA/design records transferred site to SWEC, NY. Violation of Criterion ~~XVII~~ (T. Young)	*	*	*	*	*	***		Changed from Criterion XVII to X but do not recall being coordinated
Para. 5.b TUGCO stated design record shipped without ~~af~~ making backup copy because cost too much. This relates to the cause of violation. Also stated it was company policy to proceed at own risk. (T. Young; S. Phillips)	*	**	***			****		Whole matter deleted out of report.
Para. 5.c. Site records of Chicago Bridge work shipped to Houston Tx in cardboard boxes. Originals subjected to little protection without retaining backup copy at site. Violation Crit XVII (T. Young)	*	**	***					Violation dropped.
Para. 5.c. TUGCO failed to inventory CB&I records sent to Houston, Tx. Therefore cannot determine records that must be returned. Violation Criterion XVI (T. Young)	*	**	*	*	*	****		Did not realize this was dropped from the report until this matrix was made.

Subject/Para. (Inspector)	1	2.a	2.b	3.a	3.b	4.a	4.b	
Para. 5.c. TUGCO audited CBI Houston and in scope of report stated it included Criterion XVII, QA Records, but did not document the audit of records. Violation of Criterion XVIII.	*	*	*	* *	***			Violation downgraded.
Para. 5.d.(2) & (3) Violations Failure to preclude rain from entering QA records vault over several years time (Young; Phillips)	*	*	*	*	*	****		Violation downgraded to open item
Failure to preclude food, coffee pot (fire hazard) from QA records vault (Young; Phillips)	*	*	*	*	*	****		Violation dropped.
Para. 5.d.(4) Failure to provide temporary or permanent storage ~~facility for records~~ commingled with in process documents in ~~the paper flow group.~~ (Young)	*	*	*	*	*	****		Violation dropped in final report I will fold
Para. 7.c.(5) Weld rod not identified.								
a. Main Distribution	*	*	*	*	*	****		Violation dropped in final report.
b. Distribution station Violation	*	*	*	*	*	****		

Speed Letter

To D L Anderson

From D. W. Leigh

Subject: Clarification To C-BET Audit TCB-1e Criterion ~~XVII~~ Record

MESSAGE

Date 1/9/ 1986

The following area of review was conducted thru the course of the audit: The audit team verified written quality procedures NRP-1 R/7 "Nuclear Records Procedure" and NRV-1 R/4 "Operation and maintence of Nuclear Records Vault". The implementation of the referenced procedures was verified by review of NDE records, CMTR's, CAR's, NCR's Inspector and Level III Training etc.

The verification was performed by review of the following sequence:

1.) Receipt of the records in Houston as documented by transmittal letters

Signed

REPLY and receipt acknowledgement.

2) Review of the records by a Quality Coordinator to the contract requirements.

3) Transmittal for microfilming

4) Storage and control of the records once they were microfilmed.

The audit team found all records were retrievable and well maintained.

Danny Leigh

cc: TCB-1e

Signed

Wilson Jones Company

Attachment L

SENDER—DETACH AND RETAIN YELLOW COPY. SEND WHITE AND PINK COPIES WITH CARBON INTACT.