

Docket No. 50-155
Docket No. 50-255

AUG - 2 1989

Consumers Power Company
ATTN: David P. Hoffman
Vice President
Nuclear Operations
1945 West Parnall Road
Jackson, MI 49201

Dear Mr. Hoffman:

SUBJECT: NRC ACCEPTANCE OF PROPOSED QUALITY ASSURANCE PROGRAM CHANGES

We have completed our review of your May 19, 1989 letter regarding changes to the Consumers Power quality assurance (QA) program as described in CPC-2A. The program applies to both the Big Rock Point Plant and the Palisades Plant. Our review included telephone discussions with personnel of your staff and a comparison of the proposed QA program with the previously accepted QA program description. Subject to the clarifications/understandings discussed below, we find the proposed QA program changes acceptable.

Your May 19, 1989 letter basically addresses five issues:

1. Training, qualification, and certification of personnel performing procurement-related QA functions formerly performed by personnel in the QA organization

The letter indicates that the QA Department provides training in QA principles to these people, while qualification, certification, and the remaining training is the responsibility of their line organization. We understand that audits/surveillances of this qualification, certification, and training will be made as part of the Consumers Power ongoing audit/surveillance program to ensure that personnel are properly trained, qualified, and certified to perform their assigned duties.

2. Nonconformance reviews

The commitment is that the QA Department will review "use as is" and "repair" dispositions, and we understand the review, per procedure, will include the review of the associated acceptance criteria.

3. Audit and surveillance schedule of procurement related QA functions formerly performed by personnel in the QA organization.

We understand that Consumers Power will perform audits/surveillances at least semiannually until the new organization's satisfactory performance is established.

AUG - 2 1989

4. Review of plant procedures

The commitment to review plant procedures no less frequently than every two years was clarified to allow these reviews to be accomplished by:

- (a) a documented step-by-step use of the procedure, or
- (b) a detailed scrutiny of the procedure as part of some other activity.

We understand that your implementing procedure(s) will require that documentation of activities a or b will clearly show whether the question of revising the procedure was considered during the activity, with appropriate recommendations being made and followed up.

5. Technical Specification audit schedules

This proposed change incorporates a previously accepted method of scheduling Technical Specification audits, with only the proposed time period being subject to our review. We understand that each element of the Technical Specification will be audited at no more than five year intervals. If an audit uncovers an area of concern or noncompliance, the audit team will make a recommendation as to the time interval (5 years or less) to the next audit of the element. These recommendations will be appropriately considered in the establishment of subsequent audit schedules.

We find, as discussed above, that CPC-2A continues to meet the requirements of 10 CFR 50, Appendix B; therefore the changes are acceptable. If there are changes to QA commitments existing in docketed correspondence outside CPC-2A, you are obligated to notify this office.

Any questions you may have concerning this review should be directed to Mr. Monte Phillips of my staff on 312/790-5530.

ORIGINAL SIGNED BY GEOFFREY C. WRIGHT

Geoffrey C. Wright, Chief
Operations Branch
Division of Reactor Safety
Region III

cc: Mr. Kenneth W. Berry, Director
Nuclear Licensing
Mr. Gerald B. Slade, General Manager
Mr. Thomas W. Elward, Plant Manager
Mr. Ronald Callen, Michigan PSC
Michigan Department of Public Health
H. Miller, RIII
G. Wright, RIII
M. Phillips, RIII

A. Gody, NRR
F. Hawkins, NRR
J. Spraul, NRR
L. Tremper, OC/LFMB
A. DeAgazio, LPM, Palisades Plant
E. Swanson, SRI, Palisades Plant
R. Pulsifer, LPM, Big Rock Plant
E. Plettner, SRI, Big Rock Plant
T. Vandel, RIII

PQEB:DLPO:NRR

PQEB:DLPRQ:NRR RIII

RIII

RIII

RIII

JSpraul:djh/cg

FHawkins

TVandel

MPhillips

WAXelson

GWright

07/28/89

07/28/89

08/2/89

08/2/89

08/2/89

08/2/89



Consumers
Power

**POWERING
MICHIGAN'S PROGRESS**

General Offices: 1945 West Parnall Road, Jackson, MI 49201 • (517) 788-0453

David P Hoffman
Vice President
Nuclear Operations

May 19, 1989

PRIORITY ROUTING	
First	Second
RA	HC
DRA	ETC
DPR	SSA
DHS	HL
DHS	OL
DRNA	OL
	PAW

FILE *Das*

H J Miller, Director
Division of Reactor Safety
Region III
799 Roosevelt Road
Glen Ellyn, IL 60137

DOCKET 50-155 - LICENSE DPR-6 - BIG ROCK POINT PLANT -
DOCKET 50-255 - LICENSE DPR-20 - PALISADES PLANT -
CPC-2A, RESPONSE TO NRC LETTER OF APRIL 28, 1989 AND
SUBMITTAL FOR REVIEW OF PROPOSED CHANGES

By letter dated October 21, 1988, Consumers Power Company submitted Revision 8 of its Quality Assurance Topical Report, CPC-2A, for NRC review in accordance with 10CFR50.54(A)(3). On February 14, 1989 the NRC reviewer of this submittal requested additional information concerning certain items in Revision 8. Consumers Power Company responded to these questions in a meeting on February 22 in the Region III offices, and by telephone discussions thereafter, including a discussion on April 19 during which the probable content of the NRC's April 28, 1989 letter was discussed.

The April 28, 1989 letter describes the changes made in Revision 8 of CPC-2A as affecting four broad areas, and indicates that two of the areas are acceptable, provided that the Quality Assurance organization continues its involvement at previous levels in the other two. One of these latter areas is the training, qualification, and certification of persons performing "quality related functions" related to procurement, whether they are part of the QA or plant organizations. The other is the review of procurement nonconformance dispositions to assure acceptability.

With regard to the training, qualification and certification of persons performing procurement quality assurance functions, Consumers Power Company has determined that it is not appropriate for the QA organization to retain complete control of the training, qualification or certification of persons not within that organization. Given that CPC-2A establishes the training, qualification and certification requirements that the line (plant) organization must meet, it is

OC0589-0016-NL02

MAY 22 1989

~~8905250471~~ 770

ACMS ENERGY COMPANY

more appropriate for that organization to control these activities. Consumers Power Company believes that the proper supervisory evaluation of initial qualifications and continued performance, especially as related to certification and recertification, can best be done by the organization within which each individual reports, and which has responsibility for successfully carrying out the procurement function. However, Consumers Power Company recognizes and shares the reviewer's concern that individuals performing procurement quality assurance functions, in whatever organization they reside, should be made aware of the quality assurance principles related to procurement that form the basis for their decisions and actions. Consequently, Consumers Power Company proposes that CPC-2A be revised to include a new section 2.2.9 i., that will require the QA organization to provide training in such principles to persons performing procurement QA functions as part of their initial qualification process. The control of the remaining training, qualification and certification of such individuals will be the responsibility of the organization of which they are part. Attachment 1 contains the proposed wording of this new section.

With regard to the QA Department review of the disposition of nonconformances, Consumers Power Company agrees that it is appropriate to retain the QA Department review when the disposition recommended is either "use as is" or "repair" and results in deviation from original design or specification requirements. Accordingly, section 15.2.1 e. of CPC-2A will be revised to provide for this review. Attachment 1 contains the proposed wording of this section.

Your April 28 letter also indicated that you feel auditing and surveillance of transferred activities should occur no less frequently than semiannually. Consumers Power Company agrees that such frequency is appropriate, at least until the new organization's satisfactory performance can be established. At that time, the audit and surveillance frequencies would be returned to normal. We have already performed the first of two audits scheduled for 1989, and will continue to perform surveillances of these activities at appropriate intervals. However, it is our position that CPC-2A need not be changed to require the recommended frequency, since section 18.2.5 already provides for performance of special audits under the conditions involved in these organizational changes.

In addition to the above changes, and in accordance with 10CFR50.54(A)(3), Consumers Power Company requests the approval of two additional changes, described in Attachment 2. These changes were presented in draft form to the NRC reviewer at the February 22 meeting. The first change concerns periodic procedure reviews, and is based on clarifications included in ANSI Standards published later than those to which Consumers Power Company is committed in CPC-2A. The second change concerns the frequency and scope of audits conducted to assure compliance with plant Technical Specifications, and is based on guidance

Nuclear Regulatory Commission
Palisades & Big Rock Point Plants
CPC-2A Response
May 19, 1989

3

contained in NRC correspondence. Attachment 2 presents each change, its reason, and the basis for concluding that the topical report will continue to meet 10CFR50, Appendix B.

David P Hoffman (Signed)

David P Hoffman
Vice President
Nuclear Operations

CC Administrator, Region III, USNRC
NRC Resident Inspector - Palisades & Big Rock Point
Document Control Deck, Washington

Attachment

ATTACHMENT 1
CPC-2A CHANGES
IN RESPONSE TO NRC APRIL 28, 1989 LETTER

The following changes or additions are proposed for Consumers Power Company's topical QA report, CPC-2A, to resolve concerns raised in the NRC letter of April 28, 1989 :

1. Add a new section 2.2.9i, as follows,

"2.2.9i The Quality Assurance Department provides training in quality assurance principles related to procurement for those personnel performing procurement quality assurance actions, including review of procurement documents, source verification, and receipt inspection."

2. Change section 15.2.1e, which currently reads:

"15.2.1e The Quality Assurance Department verifies through audit or surveillance that, when it is not the original inspection planning authority, the dispositions of 15.2.1b and the alternate acceptance criteria of 15.2.1c are being properly performed and reviewed."

to read:

"15.2.1e The Quality Assurance Department reviews "use as is" or "repair" dispositions which result in deviation from original design or specification requirements."

ATTACHMENT 2
CHANGES TO CPC-2A REQUIRING PRIOR NRC APPROVAL PER 10CFR50.54(A)(3)

<u>Proposed Change</u>	<u>Reason for Change</u>	<u>Basis for Continued Compliance with Appendix B</u>
In Appendix A, Part 2:		
1) Add a new item 2m., and re-number existing 2m through o 2m. Sec 5.2.15	The change is requested to allow greater flexibility in how the biennial review requirement can be met. It will allow for followup reviews to be done by persons most likely to notice procedural inadequacies.	The QA Program, as amended, will continue to comply with Criterion VI of Appendix B, which requires "...documents, including changes, are reviewed for adequacy..." Section 6.1 of CPC-2A has not been changed, and continues to reflect this requirement. The change proposed only provides clarification with respect to how a particular ANSI Standard requirement, committed to by reference in CPC-2A, can be met. Thus the QA Program represented by CPC-2A will continue to meet Appendix B.
Requirement Plant procedures shall be reviewed by an individual knowledgeable in the area affected by the procedure no less frequently than every two years to determine if changes are necessary or desirable.		
Exception/Interpretation Based on amplification provided in ANSI/ANS 3.2-1982, section 5.2.15, Consumers Power Company interprets that this requirement for routine followup review can be accomplished in several ways, including (but not limited to): documented step-by-step use of the procedure (such as occurs when the procedure has a step-by-step checkoff associated with it), or detailed scrutiny of the procedure as part of a documented training program, drill, simulator exercise, or other such activity.		
2) Add a new item 3b	The change is requested to establish scope and frequency controls for audits of plant Technical Specification requirements. It provides for the division of Tech Spec requirements into specific areas, and the complete coverage of the entire Tech Specs over a 5 year span (maximum). It is consistent with the NRC guidance referenced in the change.	The QA Program, as amended, will continue to meet Criterion XVIII of Appendix B in that a comprehensive system of planned and periodic audits will be carried out to verify compliance, not only with requirements of the QA program, but also with requirements of each plant's Technical Specifications.
3b. <u>RC 1.33</u> , Sec C4b		
Requirement The conformance of facility operations to provisions contained within the technical specifications and applicable license conditions - at least once per 12 months.		

Proposed Change

Reason for Change

Basis for Continued
Compliance with Appendix B

Exception/Interpretation

Consistent with guidance presented in NRC letters dated March 29, 1983 (RL Spessard to JMTaylor) and January 30, 1984 (JGPartlow to RLSpessard), Consumers Power Company interprets the commitment to audit technical specification/license conditions contained in 18.2.2(a) of this QAPD, and in section 6.5.2.8(a) of both Palisades and Big Rock Point technical specifications, as follows:

Consumers Power Company maintains a matrix that identifies all applicable Technical Specification line items to be audited. The matrix is updated annually to conform to approved Technical Specification changes. During each 12 month period, a selected sample of line items in each of the following elements is audited:

1. Limiting Conditions for Operation
2. Limiting Safety System Settings
3. Reactivity Control Systems
4. Power Distribution Limits
5. Instrumentation
6. Reactor Coolant System
7. Emergency Core Cooling System
8. Containment Systems
9. Plant Systems
10. Electrical Power Systems
11. Refueling Operations
12. Special Tests
13. Onsite Committee
14. Offsite Committee
15. Administrative Controls

Audits are scheduled so that all line items are covered

Proposed Change

Reason for Change

Basis for Continued
Compliance with Appendix B

within a maximum period of 5 years. The audit period for any of the above elements may be reduced depending on Technical Specification compliance history.