The Steam Generating Team

SGT

A URS-Washington Division / AREVA NP Company

M-09-0050

August 05, 2009

United States Nuclear Regulatory Commission
Washington, DC 20555-0001

Attention: Document Control Desk

Reference: Docket Number 99901334
NRC Inspection Report No. 99901334/2009-201

Subject: Reply to Notice of Violation
Reply to Notice of Nonconformance

To Whom It May Concern:

This letter is in response to the referenced NRC Inspection Report, dated July 8, 2009, signed by Mr. Patrick L. Hiland. The report pertains to an inspection performed by the NRC from May 19 through 22, 2009, at the Charlotte, NC office of the The Steam Generating Team, LLC (SGT).

The report identified two (2) Notices of Violation and three (3) Notices of Nonconformance. Each of these is addressed in individual supplements within this letter. Additional supporting information is also included as separate attachments, as listed on page 2 of this letter.

SGT is serious about addressing the issues identified in the NRC inspection report and improving our program. We also appreciate the thoroughness and professionalism demonstrated by the NRC inspectors during their visit to our offices.

Please contact me at 704-805-2885 if you have any questions.

Sincerely,

Richard B. Wilkerson

Richard B. Wilkerson
President
SGT, LLC

cc: United States Nuclear Regulatory Commission, Director, Division of Engineering, Office of Nuclear Reactor Regulation

Paul Helton, SGT Quality Assurance Director
Michael Gilman, Vice President Quality Assurance, URS Washington Division
Steve K. Hamilton, Vice President, SDCI & Quality, AREVA NP Inc.

IE09
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Supplements: Supplement 1 – SGT Reply to Violation 99901334/2009-201-01
Supplement 2 – SGT Reply to Violation 99901334/2009-201-02
Supplement 3 – SGT Reply to Nonconformance 99901334/2009-201-03
Supplement 4 – SGT Reply to Nonconformance 99901334/2009-201-04
Supplement 5 – SGT Reply to Nonconformance 99901334/2009-201-05

Attachments: SGT Procedures
CQP 01.01, Rev 6, 03-Aug-09, *Reporting of Defects and Noncompliance*
CQP 01.01-1, Rev 5, 03-Aug-09, *Determination Checklist for 10 CFR Part 21 Applicability* (Form)
CQP 18.01, Rev 4, 03-Aug-09, *Corrective Action Requests*
CQP 18.01-1, Rev 3, 03-Aug-09, *Corrective Action Request* (Form)
QEP 12.02, Rev 4, 03-Aug-09, *Conduct and Control of Inspection and Surveillance Activities*
QEP 12.02-2, Rev 1E3, 03-Aug-09, *Deficiency Report* (Form)
QEP 15.01, Rev 5, 03-Aug-09, *Identification and Control of Deviations*
QEP 18.01, Rev 5, 03-Aug-09, *Quality Assurance Audits*
QEP 18.01-2, Rev 2, 03-Aug-09, *Audit Finding Report* (Form)
QEP 18.01-4, Rev 1E1, 03-Aug-09, *Corrective Action Request* (Form)

Attachment 1 – Printout of e-mails from November 05, 2008 through November 07, 2008 (2 pages)
Attachment 2 – Memo 38241-PM-08-0042, dated November 6, 2008 (151 pages)
Attachment 3 – Memo 38241-PM-08-0044, dated November 21, 2008 (16 pages)
Attachment 4 – Memo 38241-PM-08-0045, dated November 21, 2008 (13 pages)
Attachment 5 – Memo 38241-PM-08-0046, dated December 2, 2008 (5 pages)

Supplement 1
SGT Reply to Violation 99901334/2009-201-01

NRC Statement of Violation

SGT's 10 CFR Part 21 Corporate Quality Procedure (CQP), CQP 01.01, "Reporting of Defects and Noncompliance," Revision 5, dated April 21, 2009, was not an appropriate procedure to evaluate deviations within 60 days of discovery. Specifically, the procedure allowed for 37 working days plus 60 calendar days from the point of discovery for an evaluation to be completed.

Reason for the Violation

SGT agrees that this is a violation of NRC requirements.

The reason for the Violation was an incorrect interpretation of the 10CFR21 requirements regarding the "discovery" date.

Corrective Steps that have been Taken and the Results Achieved

We have revised our CQP 01.01 (*Reporting of Defects and Noncompliance*) to define the "discovery date" as the "Date Issued" on our Nonconformance Report (NCR) form, Audit Finding Report (AFR) form, and Corrective Action Request (CAR) form. We have further specified that the value entered into this "Date Issued" block on the forms (which would be the time allowed to complete "the documentation first identifying the existence of a deviation") can be no more than five (5) working days from the date the deviation was identified for an NCR or CAR, or the date of the audit exit meeting for an AFR. The Screening, Review, and Evaluation phases of our procedure must now all be completed within 60 calendar days from the Date Issued on the initiating form. CQP 01.01 has been further revised to require an expanded distribution to upper management of deviation reports that have been screened as a 10CFR21 "Possible Potential" item.

Companion changes to our QEP 12.02 (*Conduct and Control of Inspection and Surveillance Activities*), QEP 15.01 (*Identification and Control of Deviations*), QEP 18.01 (*Quality Assurance Audits*), and CQP 18.01 (*Corrective Action Requests*) have also been made to synchronize with CQP 01.01.

These procedure revisions have just recently been issued, and some have to be approved by our utility Clients before they are implemented at their respective projects. Because we are between outages and have very limited field work, there has been little opportunity to determine the results of these actions.

Corrective Steps that will be Taken to Avoid Further Violations

We believe the changes already made to the procedures noted above will prevent a future "inappropriate procedure" violation regarding 10CFR21 reporting requirements.

Supplement 1 (Continued)
SGT Reply to Violation 99901334/2009-201-01

Date When Full Compliance will be Achieved

Our Standard procedures have already been revised and issued. These revised procedures are in the process of being submitted to our current Clients in accordance with each project's procedures. Full implementation at the projects will depend on the review/approval times taken by our Clients, but should be within four (4) to eight (8) weeks.

Supplement 2·
SGT Reply to Violation 99901334/2009-201-02

NRC Statement of Violation

SGT failed to perform a Part 21 evaluation for Nonconformance Report (NCR) 0084, dated November 3, 2009, despite being identified by the Project Quality Manager as potentially associated with the requirements of 10 CFR Part 21.

Reason for the Violation

SGT agrees that this is a violation of NRC requirements in that we did not follow our procedure for review of NCRs where the 10CFR21 "Possible Potential" box was checked.

This NCR 2-084 was generated as a result of the investigation supporting Deficiency Report (DR)-034 and Audit Finding Report (AFR)-02 of Diablo Canyon internal project audit 38421-P-08-02. The Project Quality Manager (PQM) checked the 10CFR21 "Possible Potential" box on the NCR form, in part because this box had been checked on the previously issued AFR-02 form.

The overall issue of these three (3) report forms relates to use of unapproved NDE service providers to radiograph welder performance qualification coupon welds. NCR 2-084 was issued to address two (2) specific cases, identified during the DR/AFR investigation, where the original test coupons could not be reradiographed because they could not be located.

Following our procedure CQP 01.01 (*Reporting of Defects and Noncompliance*), the Quality Assurance Director (QAD) documented a review of the AFR-02 10CFR21 "Possible Potential" condition. This review, issued under memo IO-QAD-08-014, included DR-034. The determination was that a 10CFR21 reportable condition did <u>not</u> exist. The following is the sequence of the various documents:

DR-034 – Issued 24-Sep-08, closed 21-Nov-08
AFR-02 – Issued 07-Oct-08, closed 04-Dec-08
Memo IO-QAD-08-014 – Issued 27-Oct-08
NCR 2-084 – Issued 03-Nov-08, closed 25-Nov-08 (Engineering disposition of "Use-As-Is completed 04-Nov-08)

Documentation of the Part 21 review of NCR 2-084 was inadvertently missed by the QAD in November, 2008. The QAD believes that the reason for the omission was that he knew the NCR was related to the same issue as the AFR and thought it was already adequately addressed by his memo issued a week before the NCR.

Supplement 2 (Continued)
SGT Reply to Violation 99901334/2009-201-02

Corrective Steps that have been Taken and the Results Achieved

A form CQP-01.01-1 (*Determination Checklist for 10 CFR Part 21 Applicability*) has been generated by the QAD to address NCR 2-084. The determination is that this condition was not reportable. The NCR 2-084 package is now on file in our Charlotte office with the package from AFR-02 / DR-034.

As noted in the NRC Inspection Report, adequate corrective actions regarding the actual conditions identified on the subject DR, AFR, and NCR had already been taken at the project in a timely manner.

Corrective Steps that will be Taken to Avoid Further Violations

This violation is an isolated case. We believe the procedure changes discussed in Supplement 1 will result in increased visibility of deviations that are screened as 10CFR 21 "Possible Potential" conditions with an increased awareness of the need to complete and document resulting reviews and evaluations.

Date When Full Compliance will be Achieved

Our Standard procedures have already been revised and issued. These revised procedures are in the process of being submitted to our current Clients in accordance with each project's procedures. Full implementation at the projects will depend on the review/approval times taken by our Clients, but should be within four (4) to eight (8) weeks.

Supplement 3
SGT Reply to Nonconformance 99901334/2009-201-03

NRC Statement of Nonconformance

SGT Quality Execution Procedure (QEP), 12.02, "Conduct and Control of Inspection and Surveillance Activities," dated August 23, 2005, for the Diablo Canyon Nuclear Power Plant Steam Generator Replacement Project failed to adequately indicate where independent verifications of inspections or checks should be performed by specified personnel other than those performing the work. As a result, SGT failed to provide sufficient independence for multiple Deficiency Reports (DRs). Of 30 DRs sampled:

1. The SGT Project Quality Manager (PQM) or Quality Assurance (QA) Supervisor signed both the "Quality Verified" and "Reviewed By" sections for 23 DRs.
2. The PQM initiated and approved the DR, approved the response, including corrective and preventative actions, and verified and reviewed the corrective action follow-up for 11 DRs.
3. The PQM completed all actions and reviews for three DRs
4. An individual who did not have adequate signature authority reviewed and signed off on one DR for the PQM.

Reason for the Nonconformance

Regarding Items 1 through 3 above:

SGT does not agree that the stated conditions are a violation of the requirements of our Quality Assurance Manual.

SGT Deficiency Reports (DRs) address programmatic issues, not inspection of hardware items. As such, a strict requirement for "independent verifications of inspections or checks by specified personnel other than those performing the work" does not apply. We do, however, agree that having the same person sign for multiple "approved", "verified", and "reviewed" activities is not good practice.

We have done a complete review of all of the Deficiency Reports generated at our Diablo Canyon project and arrive at slightly different counts than indicated above.

There were 57 DRs generated over the project. Two (2) of those were voided. Of the remaining 55, we identify only 19 that fall in your item 1 above, 15 that fall in Item 2, and concur with 3 in Item 3. It should be noted that all 3 of the Item 3 DRs are included in the Item 2 DR count, and all 15 of the Item 2 DRs are included in the Item 1 DR count. It should also be noted that 18 of the 19 "problem" DRs involve the same person. That individual was the SGT Project Quality Manager (PQM) at the time, which was during the Unit 2 steam generator replacement.

Supplement 3 (Continued)
SGT Reply to Nonconformance 99901334/2009-201-03

Regarding Item 4 above:

SGT agrees that the stated condition does not comply with the requirements of our Quality Assurance Manual.

The individual involved on this one (1) DR advises that he knew at the time that he did not have PQM signature authority and signed the "Reviewed By" block thinking that it was a broader "Quality" review block that he was authorized to sign. The individual did not refer to the procedure at that time to determine if there were any limitations regarding which Quality positions were permitted to sign this block. This is an isolated incident. This individual did have PQM signature authority on five (5) of the six (6) previous SGT projects he had worked and is well qualified to perform the final DR review.

Corrective Steps that have been Taken and the Results Achieved

No action will be taken to reopen any of the 19 DRs that are the subject of this Nonconformance. The Diablo Canyon project is completed.

Regarding Items 1 through 3 above:

Our QEP 12.02 (*Conduct and Control of Inspection and Surveillance Activities*) has been revised to include guidance regarding which signature blocks on the DR form can not be signed by the same individual.

Regarding Item 4 above:

The DR form (QEP 12.02-2) has been revised to change the existing "Approved By" and "Reviewed By" descriptions to "Approved By PQM" and "Reviewed By PQM", respectively. This will highlight the fact that only the one position is authorized to sign these blocks. In addition, procedures QEP 12.02 (*Conduct and Control of Inspection and Surveillance Activities*), QEP 15.01 (*Identification and Control of Deviations*), and QEP 18.01 (*Quality Assurance Audits*), have been revised to include the following requirement under the "Responsibilities" section: "Personnel signing the various signature blocks on the report forms referenced by this QEP shall confirm that they have the proper signature authority."

Corrective Steps that will be Taken to Avoid Further Nonconformances

We believe the changes already made to the procedures noted above will prevent a future noncompliance.

Date When Corrective Action will be Completed

Our Standard procedures have already been revised and issued. These revised procedures are in the process of being submitted to our current Clients in accordance with each project's procedures. Full implementation at the projects will depend on the review/approval times taken by our Clients, but should be within four (4) to eight (8) weeks.

Supplement 4
SGT Reply to Nonconformance 99901334/2009-201-04

NRC Statement of Nonconformance

SGT failed to determine the cause of the repetitive procurement issues and preclude repetition of a significant condition adverse to quality. Specifically, SGT failed to initiate a CAR after repeatedly purchasing safety-related services from unapproved suppliers for the Diablo Canyon Nuclear Power Plant Steam Generator Replacement Project.

Reason for the Nonconformance

SGT agrees that the stated conditions did not comply with the requirements of our Quality Assurance Manual.

The NRC inspection report identifies the following documents in support of this Nonconformance:

DR-034 – Issued 24-Sep-08, closed 21-Nov-08
NCR 2-084 – Issued 03-Nov-08, closed 25-Nov-08

DR-042 – Issued 19-Jan-09, closed 25-Feb-09
NCR 2-086 – Issued 22-Jan-09, closed 26-Jan-09

DR-043 – Issued 28-Jan-09, closed 25-Feb-09

SGT2009-01 – Issued 29-Jan-09 (Prompted by AFR-02)

DR-057 – Issued 08-Apr-09, closed 16-Apr-09

The Diablo Canyon Steam Generator Replacement Project was divided into two phases: the Unit 2 portion (approximately May, 2004 through June, 2008 – outage dates 03-Feb-08 through 12-Apr-08) and the Unit 1 portion (approximately July, 2008 through May, 2009 – outage dates 25-Jan-09 through 24-Mar-09).

Although all of the above documents were issued during the Unit 1 portion of the project, the reported conditions all occurred during the earlier Unit 2 portion of the project. SGT does agree that these could be categorized as "repetitive" conditions, but they were not seen as such as they were being discovered by the Unit 1 Quality personnel. No similar issues occurred during the Unit 1 part of the project.

The decision to not issue a CAR was a judgment call by the Unit 1 Project Quality Manager. Although the conditions were seen as repetitive, they were not deemed as significant conditions adverse to quality. In hindsight, SGT agrees that it would have been prudent to issue a CAR in January, 2009.

Supplement 4 (Continued)
SGT Reply to Nonconformance 99901334/2009-201-04

Corrective Steps that have been Taken and the Results Achieved

As noted in the NRC inspection report, SGT did perform a review of all Diablo Canyon Unit 2 safety related and/or permanent plant purchase orders and service agreements. Corrective actions for all of the documents identified above were taken and documented prior to the completion of the Unit 1 outage on 24-Mar-09. No action will be taken to reopen any of these items. The Diablo Canyon project is completed.

Corrective Steps that will be Taken to Avoid Further Nonconformances

After further consideration, SGT Management has decided to issue a Corrective Action Request (CAR 09-01) to do a more global review of safety related procurement issues. The CAR will address currently active projects (TMI Unit 1 SGRP and Waterford 3 SG/RVCH RP) and other recently completed projects (St. Lucie 2 CRP and Salem 2 SGRP).

Date When Corrective Action will be Completed

The initial response due date for CAR 09-01 is 18-Aug-09. Further actions and completion dates will depend on the results of the CAR investigation.

Supplement 5
SGT Reply to Nonconformance 99901334/2009-201-05

NRC Statement of Nonconformance

1. SGT failed to complete follow-up action for multiple audit findings and observations for the Diablo Canyon Nuclear Power Plant Steam Generator Replacement Project.

2. SGT failed to notify the responsible organization of overdue audit findings and observations for multiple audits.

3. SGT failed to initiate a CAR for four audit findings from Audit Report 38241-P-08-02, dated October 7, 2008, which were over 20 days overdue.

Reason for the Nonconformance

SGT does not agree with the magnitude and severity of the conditions stated in the Nonconformance. This is partially based on additional documentation that we have recovered which was not available during the NRC inspection.

We have done a complete review of all of the Audit Finding Reports (AFRs) and Audit Observation Reports (AORs) generated at our Diablo Canyon project and have determined that there was only one (1) audit that had a problem of overdue responses. A summary of our review is shown on page 13 of this letter.

Regarding Items 1 and 2 above:

Four (4) quality audits were conducted over the course of the Diablo Canyon project. One (P-06-01) had no Findings or Major Observations.

Audit P-08-01, the "problem" audit, resulted in no Findings and 5 Major Observations. These Observations were issued 18-Jan-08 with a response due date of 17-Feb-08. This was just prior to the start of the Unit 2 replacement outage. For reasons we cannot explain, there is no documentation of any near-term follow-up work on these observations. This condition was discovered by the Unit 1 Project Quality Manager and documented on Deficiency Report (DR)-032, dated 03-Sep-08. The 5 Major Observations were reassigned to individuals currently working the project, with a new due date of 01-Oct-08. As can be seen on the page 13 summary, these Observations were then resolved in a timely manner.

Regarding Items 3 above:

We have recovered additional documentation that shows that requests for due date extensions were made, granted, and documented. This additional documentation includes the following:

1) Printout of e-mails from November 05, 2008 through November 07, 2008 (2 pages)
2) Memo 38241-PM-08-0042, dated November 6, 2008 (151 pages)
3) Memo 38241-PM-08-0044, dated November 21, 2008 (16 pages)
4) Memo 38241-PM-08-0045, dated November 21, 2008 (13 pages)
5) Memo 38241-PM-08-0046, dated December 2, 2008 (5 pages)

Supplement 5 (Continued)
SGT Reply to Nonconformance 99901334/2009-201-05

Memos -0042, -0044, and -0045 were referenced in various other memos in the audit file, but were not themselves included in the file reviewed by and provided to the NRC during its inspection. The e-mails and memo -0046 are not mentioned in that audit file. A copy of each of these is included as separate attachments, as listed on page 2 of this letter.

Corrective Steps that have been Taken and the Results Achieved

Our QEP 18.01 (*Quality Assurance Audits*) has been revised to require that any overdue notifications and/or extensions of due dates shall be documented and included in the audit file. This should ensure that we will have all of the documentation needed to demonstrate that we complied with our procedures.

Regarding the situation where follow-up on the Audit P-08-01 Observations was apparently forgotten, this is an isolated case due to individual personnel error.

Corrective Steps that will be Taken to Avoid Further Nonconformances

We believe the changes already made to the procedures noted above will prevent a future noncompliance.

Date When Corrective Action will be Completed

Our Standard procedures have already been revised and issued. These revised procedures are in the process of being submitted to our current Clients in accordance with each project's procedures. Full implementation at the projects will depend on the review/approval times taken by our Clients, but should be within four (4) to eight (8) weeks.

Supplement 5 (Continued)
SGT Reply to Nonconformance 99901334/2009-201-05

SGT DIABLO CANYON STEAM GENERATOR REPLACEMENT PROJECT
AUDIT FINDINGS AND MAJOR OBSERVATIONS

Audit No	Date Issued	Response Due	Response Letter No	Response Letter Date	CA Completion	PA Completion	Evaluation Complete	Verification (Closed)	Days Overdue
P-08-02									
AFR-01	07-Oct-08	06-Nov-08	0042	06-Nov-08	31-Oct-08	31-Oct-08	26-Nov-08	04-Dec-08	0
AFR-02	07-Oct-08	06-Nov-08	0042	06-Nov-08	15-Dec-08	15-Dec-08	26-Nov-08	04-Dec-08	0
AFR-03	07-Oct-08	06-Nov-08	0042	06-Nov-08	30-Oct-08	19-Nov-08	26-Nov-08	04-Dec-08	0
AFR-04	07-Oct-08	06-Nov-08							
Extension on 06-Nov-08		20-Nov-08	0044	21-Nov-08	14-Nov-08	14-Nov-08	26-Nov-08	04-Dec-08	1
AFR-05	07-Oct-08	06-Nov-08							
Extension on 06-Nov-08		20-Nov-08	0044	21-Nov-08	03-Dec-08	03-Dec-08	04-Dec-08	04-Dec-08	1
AFR-06	07-Oct-08	06-Nov-08							
Extension on 06-Nov-08		20-Nov-08	0044	21-Nov-08	14-Nov-08	14-Nov-08	26-Nov-08	26-Nov-08	1
AFR-07	07-Oct-08	06-Nov-08	0042	06-Nov-08	28-Oct-08	19-Nov-08	26-Nov-08	04-Dec-08	0
AFR-08	07-Oct-08	07-Nov-08	0042	06-Nov-08	28-Oct-08	19-Nov-08	02-Dec-08	02-Dec-08	-1
AFR-09	07-Oct-08	07-Nov-08	0042	06-Nov-08	28-Oct-08	19-Nov-08	26-Nov-08	26-Nov-08	-1
AFR-10	07-Oct-08	06-Nov-08	0042	06-Nov-08	28-Oct-08	19-Nov-08	26-Nov-08	04-Dec-08	0
AFR-11	07-Oct-08	06-Nov-08	0042	06-Nov-08	28-Oct-08	19-Nov-08	26-Nov-08	10-Dec-08	0
AFR-12	07-Oct-08	06-Nov-08							
Extension on 06-Nov-08		20-Nov-08	0044	21-Nov-08	11-Nov-08	19-Nov-08	26-Nov-08	10-Dec-08	1
AFR-13	07-Oct-08	06-Nov-08	0042	06-Nov-08	28-Oct-08	28-Oct-08	02-Dec-08	10-Dec-08	0
AFR-14	07-Oct-08	06-Nov-08	0042	06-Nov-08	06-Nov-08	Minor - N/A	27-Nov-08	04-Dec-08	0
AFR-15	07-Oct-08	06-Nov-08	0042	06-Nov-08	04-Nov-08	04-Nov-08	26-Nov-08	26-Nov-08	0
AFR-16	07-Oct-08	06-Nov-08							
Extension on 06-Nov-08		20-Nov-08	0044	21-Nov-08	11-Nov-08	Minor - N/A	26-Nov-08	04-Dec-08	1
AFR-17	07-Oct-08	06-Nov-08							
Extension on 06-Nov-08		20-Nov-08	0044	21-Nov-08	11-Nov-08	Minor - N/A	02-Dec-08	02-Dec-08	1
AFR-18	07-Oct-08	06-Nov-08							
Extension on 06-Nov-08		20-Nov-08	0046	02-Dec-08	19-Dec-08	02-Dec-08	04-Dec-08	09-Dec-08	12
AOR-01	07-Oct-08	06-Nov-08	0042	06-Nov-08	28-Oct-08	N/A	N/A	16-Dec-08	0
P-08-01					Actual				
AOR-01	18-Jan-08	17-Feb-08							
Reassigned on 03-Sep-08		01-Oct-08	None	09-Oct-08	09-Oct-08	N/A	N/A	N/A	8
AOR-02	18-Jan-08	17-Feb-08							
Reassigned on 03-Sep-08		01-Oct-08			15-Sep-08	N/A	N/A	N/A	-16
AOR-03	18-Jan-08	17-Feb-08							
Reassigned on 03-Sep-08		01-Oct-08	None	09-Oct-08	09-Oct-08	N/A	N/A	N/A	8
AOR-04	18-Jan-08	17-Feb-08							
Reassigned on 03-Sep-08		01-Oct-08			15-Sep-08	N/A	N/A	N/A	-16
AOR-06	18-Jan-08	17-Feb-08							
Reassigned on 03-Sep-08		01-Oct-08			09-Oct-08	N/A	N/A	N/A	8
P-07-01									
AFR-01	30-Apr-07	30-May-07	E-Mail	31-May-07	01-Jul-07	01-Jul-07	31-May-07	01-Aug-07	1
AFR-02	30-Apr-07	30-May-07	E-Mail	31-May-07	20-Aug-07	20-Aug-07	20-Aug-07	21-Aug-07	1
AFR-03	30-Apr-07	30-May-07	E-Mail	31-May-07	22-Jun-07	01-Jul-07	31-May-07	01-Aug-07	1
AFR-04	30-Apr-07	30-May-07	E-Mail	31-May-07	01-Jul-07	01-Jul-07	31-May-07	01-Aug-07	1
AFR-05	30-Apr-07	30-May-07	E-Mail	31-May-07	31-May-07	Minor - N/A	31-May-07	01-Aug-07	1
AOR-01	30-Apr-07	30-May-07	E-Mail	31-May-07	01-Jul-09	N/A	N/A	31-May-07	1
AOR-02	30-Apr-07	30-May-07	E-Mail	31-May-07	DR-004	N/A	N/A	20-Aug-07	1
P-06-01									
NONE									

SGT	Corporate Office Charlotte, NC	Procedure Type: CORPORATE QUALITY PROCEDURE	
Procedure Title: REPORTING OF DEFECTS AND NONCOMPLIANCE		Revision No / Status: 6 / AFU	Procedure No.: CQP 01.01
		Revision Date: 03-Aug-09	Page: 1 of 9

1.0 SCOPE

1.1 General

This Corporate Quality Procedure (CQP) describes the requirements for the screening, review, evaluation, and reporting of defects and noncompliance in accordance with Title 10 of the Code of Federal Regulations (10 CFR) Part 21 "Reporting of Defects and Noncompliance".

1.2 Applicability

This Corporate Quality Procedure applies to any facility, component, or service, including dedicated commercial grade, that has been supplied by SGT, LLC (SGT), to a facility or activity which is licensed or otherwise regulated pursuant to the Atomic Energy Act of 1954, as amended, or the Energy Reorganization Act of 1974.

2.0 RESPONSIBILITIES

2.1 Responsible Officer (RO)

A "Responsible Officer" for SGT has been designated in accordance with Part 21 requirements. Copies of this designation appear in the applicable Quality Program manuals. This "Responsible Officer" is responsible for utilizing the supplied information to notify the Nuclear Regulatory Commission (NRC) as required by 10 CFR Part 21.

2.2 Quality Assurance Director (QAD)

The Quality Assurance Director is responsible for reviewing all Audit Finding Reports and Corrective Action Requests generated at the Corporate level for Part 21 applicability. In addition, the QAD is responsible for reviewing all potentially reportable conditions identified at the Project level and determining whether or not a reportable Part 21 condition exists. In the event that a condition is determined to be reportable, the Quality Assurance Director shall notify the Responsible Officer and the NRC, as designated by the Responsible Officer.

2.3 Lead Auditor (LA)

A Lead Auditor is responsible for screening any Audit Finding Reports generated during an SGT Corporate level audit to determine if any could be considered potentially associated with the requirements of 10 CFR Part 21. The Lead Auditor is responsible for notifying the QAD of any conditions considered potentially associated with Part 21.

2.4 Project Quality Manager (PQM)

The Project Quality Manager is responsible for screening all Nonconformance Reports, Audit Finding Reports, and Corrective Action Requests generated at the Project level for Part 21 applicability. The PQM is responsible for notifying the QAD of any conditions considered potentially associated with Part 21.

3.0 DEFINITIONS

Definitions for key words or phrases applicable to this CQP (e.g., Basic Component, Defect, Deviation, Discovery, Evaluation, Noncompliance, Substantial Safety Hazard, Responsible Officer, etc.) are found in 10 CFR Part 21, Reporting of Defects and Noncompliance.

4.0 PROCEDURE

The 10CFR21 review and reporting process is shown graphically in the Attachment 1 flowchart on page 8 of this CQP.

4.1 General

4.1.1 10CFR21 specifies that an evaluation must be completed within 60 days from the "discovery" of a deviation. For SGT reporting forms, this "Discovery Date" is defined as the following:

a. For Nonconformance Reports (NCRs), the "Date Issued" at the top of the form. This date must be within five (5) working days of the actual identification of the hardware problem.

b. For Audit Finding Reports (AFRs), the "Date Issued" at the top of the form. This date must be no later than the completion date of the related audit (date of audit exit meeting), even if the final audit report has not been issued.

c. For Corrective Action Requests (CARs), the "Date Issued" at the top portion of the form. This date must be within five (5) working days of the identification of the problem or the decision to issue a CAR.

4.1.2 Although the QAD has primary responsibility for the review, evaluation, and reporting actions described in this procedure, such actions will rely on technical information and justifications provided by individual Project Engineering Managers and/or the Vice President Engineering.

4.2 Initial Screening of Deviations

4.2.1 Identified deviations are initially screened to determine whether or not the condition might meet the criteria for being potentially associated with the requirements of 10 CFR Part 21. Deviations identified at the Project level are initially screened by the PQM. Deviations identified during a Corporate level audit are initially screened by the Lead Auditor. Other deviations identified at the Corporate level are initially screened by the QAD. This screening process will take place **within five (5) working days** of the Discovery Date defined in paragraph 4.1.1 above.

4.2.1.1 For cases where a deviation report is written to document as-found plant conditions, the PQM will indicate such on the applicable deviation report form and forward that form to the Client for screening.

4.2.1.2 For all other cases, the following criteria shall be used when performing this initial screening.

a. Does the deviation relate to a basic component? A basic component includes:

(1) a safety-related structure, system, or component, or part thereof, and/or,

(2) safety-related design, analysis, inspection, testing, fabrication, replacement of parts, or consulting services that are associated with the component hardware whether these services are performed by the component supplier or others.

b. Has the item or activity been turned over to or submitted for acceptance to the purchaser or licensee, or is the item currently in the possession of the purchaser or licensee?

4.2.2 If the answer to either of these questions is NO, the condition does not relate to Part 21 and the screening process is complete.

4.2.3 If the answer to both of these questions is YES, the condition is potentially associated with the requirements of 10 CFR Part 21.

4.2.3.1 For deviations identified at the Corporate level, the process starting at Section 4.3 of this CQP shall be followed.

4.2.3.2 For deviations identified at the Project level or during a Corporate level audit, the PQM will forward a document package consisting of a copy of the deviation report and any supporting documentation to the QAD **within two (2) working days** for further review in accordance with Section 4.3 of this CQP. The PQM shall also forward to the QAD any pertinent followup information and Engineering input as it becomes available.

4.3 **Review of Potential Part 21-Related Conditions**

4.3.1 For any deviation screened as a "Possible Potential" Part 21 condition, the QAD shall notify the President, Vice President Engineering, Vice President Operations, the applicable Project Manager, and the applicable Project Engineering Manager.

4.3.2 "Possible Potential" Part 21 conditions are then further reviewed by the QAD to determine the need to perform an evaluation. The following additional factors are considered during this review:

a. Is the item Commercial Grade, and, if so, who performed the dedication? and,

b. Has the condition already been reported to the NRC by another organization? and,

c. Could the supplied facility, activity, or component contain a defect? A defect would include the following if they could create a substantial safety hazard:

(1) a deviation in a delivered component, or,
(2) installation, use, or operation of a defective component, or,
(3) a deviation in a portion of a facility offered for acceptance, or,
(4) a condition of a basic component that could contribute to the exceeding of a safety limit.

4.3.3 The review should be completed **within seven (7) working days** from the date the documentation package was submitted to the QAD. This review is documented in Section B of Form CQP 01.01-1, *Determination Checklist for 10 CFR Part 21 Applicability*.

4.3.4 Upon completion of Section B of the checklist, the QAD determines if the requirements of 10 CFR Part 21:

a. Do apply;
b. Do not apply; or,
c. Might possibly apply.

4.3.4.2 If it is determined that the requirements of 10 CFR Part 21 do not apply, the QAD checks the appropriate box, signs in the appropriate space, and files the original in accordance with CQP 17.01, *Quality Records*. If applicable, the QAD returns a copy of the Form CQP 01.01-1 to the PQM for the Project records.

4.3.4.3 If it is determined that the requirements of 10 CFR Part 21 do or might possibly apply, the QAD signs and dates the checklist and continues with Section 4.4 of this CQP.

4.4 **Evaluation**

4.4.1 For situations where the QAD believes that SGT is not capable of performing the evaluation, the QAD shall:

a. Indicate such by checking "Yes" in part C1 of the checklist and signing it;

b. Assemble a documentation package consisting of the completed checklist, a copy of the original deviation report, and any supporting documentation; and,

c. **Within 5 calendar days** of the "not capable" determination, forward this documentation package to the purchaser or licensee with a letter notifying them of the potentially reportable condition.

4.4.2 If the QAD believes that SGT is capable of conducting the evaluation (i.e., SGT is the dedicating entity of a commercial grade item or service), then the evaluation shall be performed as follows:

a. The QAD shall assure that the evaluation is completed as soon as practicable. In all cases, the evaluation shall be completed **within 60 calendar days** of the "Discovery Date", or an interim report shall be generated in accordance with the following paragraph.

b. If the evaluation cannot be completed within the 60 day time frame, the SGT Responsible Officer shall prepare an interim report and submit this report to the Nuclear Regulatory Commission (NRC) **within 60 calendar days** of the "Discovery Date". This interim report shall describe the deviation or failure to comply that is being evaluated. The report shall also provide a date when the evaluation will be completed.

NOTE: If it is subsequently determined that SGT cannot conduct or complete an evaluation, the purchaser or licensee shall be notified as indicated in paragraph 4.4.1 of this CQP.

4.4.3 Upon completion of the evaluation, the following apply:

a. If the answer to evaluation criteria C2, C3, and C4 of the checklist is "No", then no defect or noncompliance exists. The QAD checks the "does not exist" block in Section C of the checklist. The QAD signs the checklist in the appropriate space and files the original in accordance with CQP 17.01, *Quality Records*.

b. If the answer to any of the three evaluation criteria in Section C of the checklist is "Yes", the QAD shall notify the Responsible Officer **within five (5) working days** after completion of the evaluation. At this time, the Quality Assurance Director shall also notify all purchasers or licensees thought to be affected by the Part 21 condition being reported to the NRC.

NOTE: The date that the QAD signs Section C of the checklist is the date that the evaluation is considered complete.

4.4.4 Upon notification that a defect or noncompliance exists, the Responsible Officer shall do one of the following:

a. If the Responsible Officer has actual knowledge that the NRC has been notified in writing of the defect or failure to comply, NRC notification is not required. The checklist is completed and processed in accordance with CQP 17.01, *Quality Records*; or,

b. The Responsible Officer shall notify the NRC Operations Center by facsimile at (301) 816-5151 or by phone at (301) 816-5100. This notification shall be made **within two (2) calendar days** of receipt of information. When notification is made by facsimile, the Responsible Officer shall verify receipt by phoning the Operations Center at the number shown.

4.4.5 The Responsible Officer shall, **within 30 calendar days** of receipt of information, submit a written report to the NRC on the identification of the defect or failure to comply.

4.4.5.1 This report shall be prepared in accordance with 10 CFR Part 21.21(d)(4).

4.4.5.2 The report should address whether the condition is generic to work performed by SGT and could affect other SGT projects.

4.5 **Additional Requirements for Items Reaching the Review Stage (Section 4.3)**

4.5.1 A copy of the initial deviation report that identified the defect or failure to comply, along with any supporting documentation, shall be attached to the checklist for record purposes.

4.5.2 Copies of any closure paperwork shall be provided to the President, Vice President Engineering, Vice President Operations, the applicable Project Manager, and the applicable Project Engineering Manager.

4.6 **Procurement Documents**

The Project Quality Manager is responsible for assuring that each procurement or subcontract document generated invokes the requirements of 10 CFR Part 21 when applicable.

4.7 **Posting**

The following documents are to be posted and maintained in a conspicuous place within the SGT Corporate offices and at project locations where the regulations of 10 CFR Part 21 apply:

a. 10 CFR Part 21;

b. Section 206 of the Energy Reorganization Act of 1974; and,

c. notification of the existence of this CQP and any applicable site-specific procedure.

4.8 **Records**

4.8.1 Records generated as a result of implementation of this CQP are controlled in accordance with CQP 17.01, *Quality Records*. Records to be retained include:

a. A copy of any notification submitted to the NRC;

b. A copy of any notification submitted to a purchaser or affected licensee;

c. A copy of all *Determination Checklist for 10 CFR Part 21 Applicability* (Form CQP 01.01-1) forms with supporting documentation, whether or not a report was made to the NRC; and,

d. A record of SGT clients / projects for which the requirements of 10CFR21 are applicable.

4.8.2 The applicable Client(s) shall be notified of SGT's reportability determination, whether that determination is that the item is reportable or not reportable. If not already done through normal project reporting channels, this notification shall be made by the QAD within 30 days of the determination.

5.0 **REFERENCED FORMS**

a. CQP 01.01-1 – *Determination Checklist for 10 CFR Part 21 Applicability*

6.0 REFERENCES

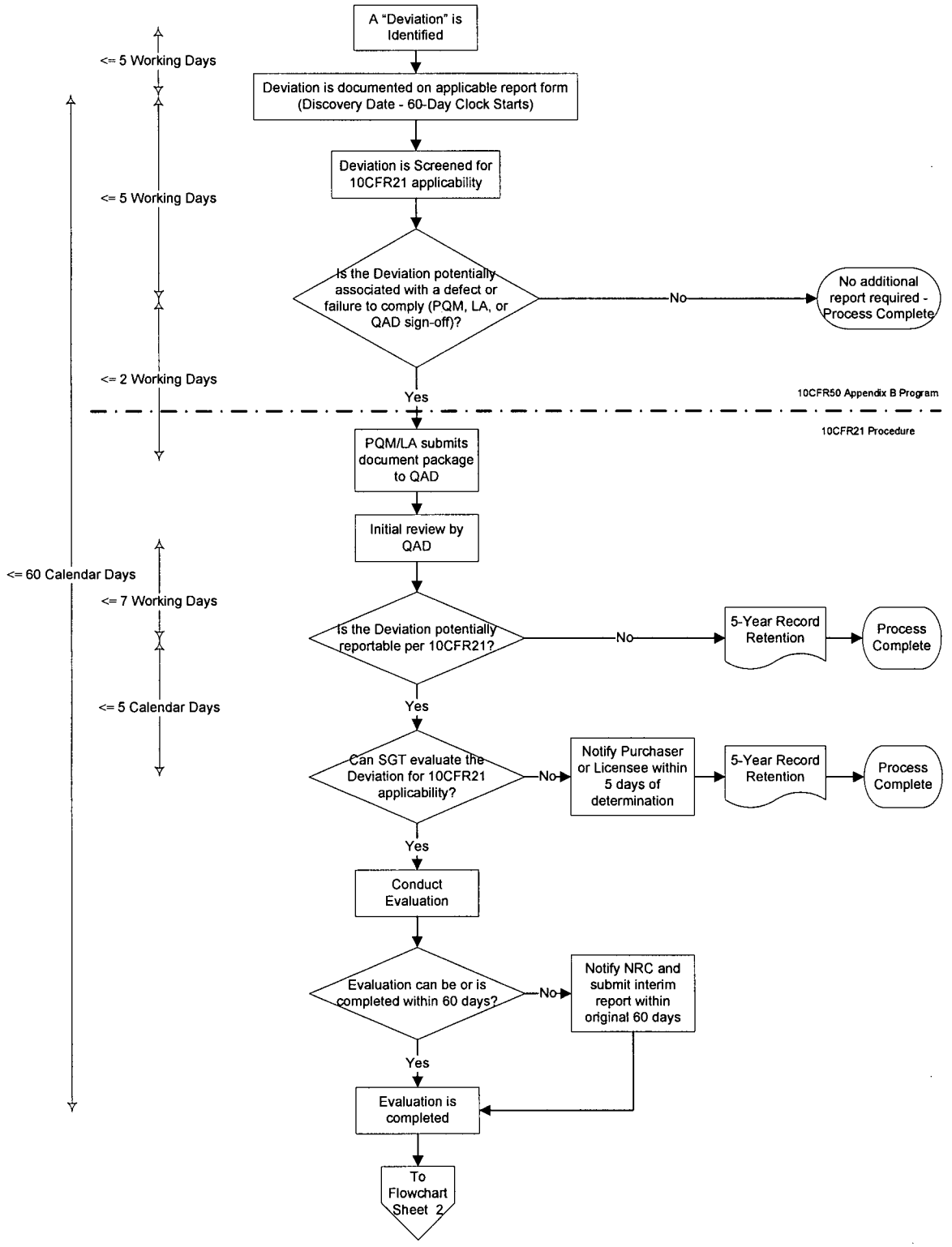
None

7.0 ATTACHMENTS

a. Attachment 1 – "Deviation" Screening, Review, and Evaluation Process

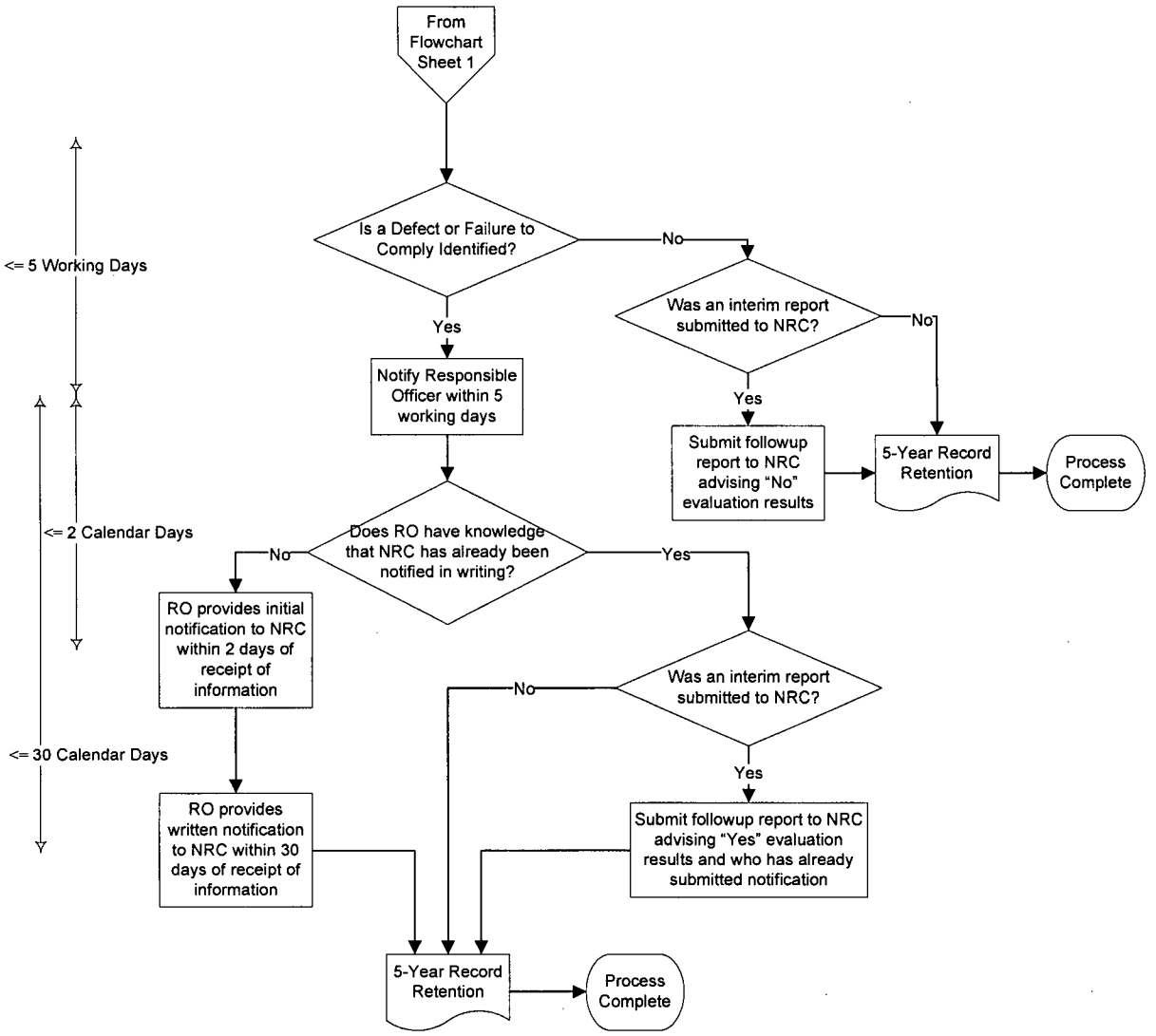
SGT	Corporate Office Charlotte, NC	Procedure Type: CORPORATE QUALITY PROCEDURE	
Procedure Title: REPORTING OF DEFECTS AND NONCOMPLIANCE		Revision No / Status: 6 / AFU	Procedure No.: CQP 01.01
		Revision Date: 03-Aug-09	Page: 8 of 9

ATTACHMENT 1
"DEVIATION" SCREENING, REVIEW, AND EVALUATION PROCESS



SGT	Corporate Office Charlotte, NC	Procedure Type: CORPORATE QUALITY PROCEDURE	
Procedure Title: REPORTING OF DEFECTS AND NONCOMPLIANCE		Revision No / Status: 6 / AFU	Procedure No.: CQP 01.01
		Revision Date: 03-Aug-09	Page: 9 of 9

ATTACHMENT 1 (Continued)
"DEVIATION" SCREENING, REVIEW, AND EVALUATION PROCESS



SGT	Corporate Office Charlotte, NC	Form Source: CORPORATE QUALITY PROCEDURE	
Form Title: **DETERMINATION CHECKLIST FOR 10 CFR PART 21 APPLICABILITY**		Revision No / Status: **5 / AFU**	Form No.: **CQP 01.01-1**
		Form Revision Date: **03-Aug-09**	Form Page: **1 of 1**

A. DESCRIPTION OF DEVIATION OR NONCOMPLIANCE (Deviation Report Number:)

B. REVIEW PHASE **Discovery Date:**

1. The facility, activity, or component:
   a. Is Safety Related (is or relates to a Basic Component)? ☐ Yes ☐ No
   b. Has been turned over to or is in the possession of the Purchaser / Licensee? ☐ Yes ☐ No

   If either "No" option above is checked, 10 CFR Part 21 reporting by SGT is not required. If both "Yes" options are checked, proceed with Item 2 of the Review Phase.

2. a. If the item or service is Commercial Grade, was it dedicated by SGT? ☐ Yes ☐ No ☐ N/A
   b. The condition has NOT already been reported to the NRC by another organization? ☐ Yes ☐ No ☐ Unknown by SGT
   c. Does the supplied facility, activity, or component contain a deviation that might cause a substantial safety hazard? ☐ Yes ☐ No ☐ Unknown by SGT

   If B2c is checked "No", 10CFR21 does not apply. Proceed to Section C only if "Yes" or "Unknown" is checked in B2a, B2b, or B2c. In such instances, further research may be required to answer the questions in Section C.

INITIAL REVIEW OF PART 21 REPORTABILITY:

10 CFR 21: ☐ does not, or ☐ does, or ☐ might possibly ..... apply.

Comments:

Reviewed by: _____ _____
Quality Assurance Director Date

C. EVALUATION

1. SGT does not have the capability to conduct the evaluation. ☐ Yes ☐ No
2. A deviation exists in a facility, activity, or basic component subject to 10 CFR Part 21 regulations and, on the basis of evaluation, could create a substantial safety hazard and therefore is considered a "defect" or fails to comply with the Atomic Energy Act of 1954 as amended. ☐ Yes ☐ No ☐ Unknown by SGT
3. The facility, activity, or basic component containing a "defect" has been delivered by SGT for use by the Purchaser/Licensee. ☐ Yes ☐ No ☐ Unknown by SGT
4. The deviation involves a "basic component" and the deviation could contribute to the exceeding of a safety limit. ☐ Yes ☐ No ☐ Unknown by SGT

FINAL EVALUATION OF PART 21 REPORTABILITY:

☐ Condition turned over to Purchaser/Licensee for further evaluation;

OR, a 10 CFR 21 reportable condition: ☐ does not, or ☐ does ..... exist.

Comments:

Evaluated by: _____ _____
Quality Assurance Director Date

SGT	Corporate Office Charlotte, NC	Procedure Type: CORPORATE QUALITY PROCEDURE	
Procedure Title: CORRECTIVE ACTION REQUESTS		Revision No / Status: 4 / AFU	Procedure No.: CQP 18.01
		Revision Date: 03-Aug-09	Page: 1 of 5

1.0 SCOPE

This Corporate Quality Procedure (CQP) defines measures for identifying and documenting significant conditions adverse to quality that are identified at the corporate level. This CQP provides instructions for reviewing dispositions for Corrective Action Requests (CARs) and for verifying and documenting corrective actions. Significant conditions adverse to quality that are identified at a project level are processed in accordance with project procedures.

2.0 RESPONSIBILITIES

2.1 Quality Assurance Director (QAD)

The Quality Assurance Director is responsible for:

a. Preparing and issuing CARs generated at the Corporate level;
b. Accepting the disposition of CARs generated at the Corporate level;
c. Screening of CARs generated at the Corporate level for 10CFR Part 21 applicability, in accordance with Section 4.3 of this CQP;
d. Verifying completion of the corrective action for CARs generated at the Corporate level; and,
e. Assuring that CARs are closed out in a timely manner.

2.2 Quality Engineer

The Quality Engineer is responsible for issuing CAR numbers, maintaining a log of CARs, and maintaining CAR records.

2.3 Responsible Manager

The Responsible Manager is responsible for dispositioning a CAR, or obtaining a disposition for a CAR, and for assuring implementation of the disposition.

NOTE: Personnel signing the various signature blocks on the report form referenced by this CQP shall confirm that they have the proper signature authority.

3.0 DEFINITIONS

3.1 Corrective Action Request (CAR)

A Corrective Action Request is a document issued by the SGT Quality organization to report, initiate action on, and track a significant condition adverse to quality.

3.2 Significant Condition Adverse to Quality

A condition adverse to quality is an all-inclusive term used in reference to any of the following: failures, malfunctions, deficiencies, defective items, and nonconformances. A Significant Condition Adverse to Quality is one which, if uncorrected, could have serious effect on safety or operability.

3.3 **Responsible Manager**

The Responsible Manager is the Project Manager, department manager, supplier manager, or other management individual responsible for completion of the "Disposition" portion of the CAR form and for implementation of corrective action. The Responsible Manager is indicated by the QAD on the CAR form.

4.0 **PROCEDURE**

4.1 **Identifying Significant Conditions Adverse to Quality**

4.1.1 The following may be considered significant conditions adverse to quality:

a. Recurring quality problems;
b. Procedures which are found to be inadequate or not fully implemented;
c. Conflicts between Quality Program documents; or,
d. Failure to correct deficiencies documented on nonconformance reports or audit reports in a timely manner.

4.1.2 Conditions adverse to quality can be identified by any worker and through any of the following means:

a. During quality inspections;
b. During quality surveillance;
c. During quality audits;
d. During design or design related activities;
e. During installation activities;
f. Through Client identified concerns; or,
g. Through other methods, such as an Employee Concern Report.

4.2 **Corrective Action Request Preparation**

4.2.1 Quality Assurance personnel who identify a condition that they believe to be adverse to quality shall discuss the adverse condition with the QAD, who shall determine if a CAR is to be issued.

4.2.2 The QAD shall prepare a CAR (Form CQP 18.01-5), being careful to accurately identify the condition which is adverse to quality; and to state the specific regulation, code, standard, specification, drawing, or procedure to which the item or activity does not conform.

4.2.2.1 A CAR number shall be obtained from the Quality Engineer and indicated on the CAR form.

4.2.2.2 A Responsible Manager and a response due date shall be determined and shall also be indicated on the CAR. The response due date shall not exceed (10) ten working days following notification of issuance of the CAR.

4.2.2.3 The QAD shall sign and date the CAR.

4.2.3 The QAD shall notify the President and Project Manager.

4.2.4 The Quality Engineer shall assure that the CAR information is logged into the tracking system.

4.2.5 The QAD shall distribute the CAR to the Responsible Manager and, as applicable, the President, Vice President Operations, Vice President Engineering, Project Manager, Project Quality Manager, Charlotte Quality Engineer, and Client representative.

4.3 **Screening of CARs for 10CFR Part 21 Applicability**

4.3.1 Identified deviations documented on CARs are initially screened by the QAD to determine whether or not the condition might meet the criteria for being potentially associated with the requirements of 10CFR Part 21.

4.3.1.1 This screening shall take place within five (5) working days of the "Discovery Date", which is the "Date Issued" at the top portion of the CAR form. This date must be within five (5) working days of the identification of the problem or the decision to issue a CAR.

4.3.1.2 The following criteria shall be used when performing this initial screening:

a. Does the deviation relate to a basic component? A basic component includes:

   (1) a safety-related structure, system, or component, or part thereof, and/or,
   (2) safety-related design, analysis, inspection, testing, fabrication, replacement of parts, or consulting services that are associated with the component hardware whether these services are performed by the component supplier or others.

b. Has the item or activity been turned over to or submitted for acceptance to the purchaser or licensee, or is the item currently in the possession of the purchaser or licensee?

4.3.2 If the answer to either of the questions is "No", the condition does not relate to Part 21 and the screening process is complete.

4.3.3 If the answer to both of these questions is "Yes", the condition is potentially associated with the requirements of 10 CFR Part 21. The QAD shall further review the condition in accordance with CQP 01.01, *Reporting of Defects and Noncompliance*.

4.4 **Corrective Action Request Dispositions**

4.4.1 The Responsible Manager, as applicable, shall disposition or obtain a disposition for the CAR. The person or organization preparing the CAR disposition shall address the cause of the condition, proposed action to correct the condition, the action to prevent recurrence, and shall provide an anticipated completion date for the disposition.

4.4.2 Upon receipt of a dispositioned CAR, the QAD shall review the response to assure that:

a. A cause of the condition adverse to quality is identified;
b. Proposed corrective actions to prevent recurrence address the identified cause of the condition;
c. Proposed corrective actions comply with applicable codes, regulations, standards, drawings, and procedures, and adequately address the deficiency; and,
d. The anticipated completion date is reasonable and timely.

4.4.3 If the CAR disposition is found to be acceptable, the QAD shall sign the CAR and notify the Responsible Manager to proceed with the corrective action.

4.4.3.1 Copies of the dispositioned CAR shall be distributed to the same individuals from paragraph 4.2.5 who received the original notification.

4.4.3.2 The Quality Engineer shall note approval of the disposition in the CAR tracking log.

4.4.4 Unaccepted proposed corrective actions shall be documented on the CAR, and the CAR shall be returned for re-disposition. When a CAR disposition is returned, the reason for rejection shall be documented and sent to the individual(s) proposing the disposition. Extension of the response date may be granted at the discretion of the QAD. The revised disposition and acceptance of it shall be documented on the CAR or a continuation sheet.

4.4.5 If responses are not received by the due date, the QAD notifies the responsible organization that responses are overdue. If responses are not forthcoming, the QAD shall elevate overdue notifications to higher levels of SGT and/or supplier management. Any overdue notifications and/or extensions of due dates shall be documented and included in the CAR file.

4.5 **Verification of Corrective Action Implementation**

4.5.1 The corrective action, as stated in the CAR, shall be implemented by the responsible individual(s).

4.5.2 When the corrective action has been completed, the individual(s) responsible for the action shall notify the QAD of the completion and shall document the completion of action on the CAR.

4.5.3 The QAD shall follow up to assure the corrective actions have been implemented and have achieved the desired results. The follow up shall occur within 30 days of the schedule implementation date.

4.5.4 When it is verified that the corrective action is complete and acceptable, the QAD shall sign and date the CAR, signifying satisfactory completion of the disposition and closure of the CAR. If the corrective action is not acceptable, a notation shall be made on the CAR. When the unacceptable corrective action is made acceptable, the verification shall be documented on the CAR or on a continuation sheet.

4.5.4.1 Copies of the closed CAR shall be distributed to the same individuals from paragraph 4.2.5 who received the original notification.

4.5.4.2 The Quality Engineer shall note closure of the disposition in the CAR tracking log.

4.6 **Revision or Cancellation of a CAR**

4.6.1 A CAR may be revised due to additional review or investigation of the condition adverse to quality. When a CAR is revised, the record copy of the superseded CAR shall be marked "Superseded by Revision No.___" and signed by the QAD. The revised CAR shall retain the same CAR number as the superseded CAR. Revision levels shall be numbered sequentially starting with zero on the original CAR. The superseded CAR shall be retained in the file.

4.6.2 A CAR may be cancelled by the QAD if the CAR was written in error. In such cases, the record copy of the CAR shall be marked "cancelled" and signed and dated by the QAD.

4.7 **Records**

4.7.1 CARs shall be retained by the Quality Engineer in accordance with CQP 17.01, *Quality Records*, for the duration indicated in CQP Appendix 1, *Quality Assurance Records Index*.

4.7.2 Copies of CARs issued to a supplier shall be placed in the Project purchase order file.

5.0 REFERENCED FORMS

a. CQP 18.01-5, *Corrective Action Request*

6.0 REFERENCES

None

7.0 ATTACHMENTS

None

SGT	Corporate Office Charlotte, NC	Form Source: QUALITY EXECUTION PROCEDURE	
Form Title: **CORRECTIVE ACTION REQUEST**		Revision No / Status: **3 / AFU**	Form No.: **CQP 18.01-5**
		Form Revision Date: **03-Aug-09**	Form Page: **1** of **1**

GENERAL INFORMATION

Corrective Action Request Number:	Revision:	Contract Number:	Project Name:	
CAR -	**0**			Sheet **1** of
Issued to:		Department:		

Condition Description

RESPONSE DUE DATE:

INITIATED BY:	Signature:	Title:	Date Issued:

Results of QAD screening for potential association with 10CFR21:	☐ No Potential ☐ Possible Potential	Signature:	Date:

DISPOSITION OF CORRECTIVE ACTION REQUEST

Cause and Corrective Action

Extent of Condition

Preventative Action Taken to Eliminate Cause

ANTICIPATED COMPLETION DATE:

PREPARED BY:	Signature:	Title:	Date:

CORRECTIVE ACTION ACCEPTANCE

ACCEPTED BY:	Signature:	Title:	Date:

CORRECTIVE ACTION COMPLETION AND FOLLOW-UP

ACTION COMPLETE:	Signature:	Title:	Date:
VERIFIED BY:	Signature:	Title:	Date:

SGT Standard Procedures Engineering and Construction Projects	Procedure Type: QUALITY EXECUTION PROCEDURE	
Procedure Title: **CONDUCT AND CONTROL OF INSPECTION AND SURVEILLANCE ACTIVITIES**	Revision No / Status: **4 / AFU**	Procedure No.: **QEP 12.02**
	Revision Date: **03-Aug-09**	Page: **1 of 13**

1.0 SCOPE

This Quality Execution Procedure (QEP) establishes a standard method for conducting and reporting the results of inspections that are performed in support of project requirements. This QEP applies to all in-process and final inspections conducted by SGT. This QEP also addresses surveillance of both SGT and supplier quality affecting activities conducted at the project site.

2.0 RESPONSIBILITIES

2.1.1 The following individuals have duties and responsibilities in the implementation of this procedure:

a. Project Quality Manager (PQM)
b. Quality Assurance Supervisor (QAS)
c. Quality Control Supervisor (QCS)
d. Quality Engineer (QE)
e. Quality Control Inspector (QCI)
f. Quality Records Center (QRC)

2.1.2 Personnel signing the various signature blocks on the report forms referenced by this QEP shall confirm that they have the proper signature authority.

3.0 CONDUCT OF INSPECTIONS

3.1 Personnel Requirements

3.1.1 Quality Control Inspectors are qualified and certified in accordance with QEP 04.03, *Qualification and Certification of Quality Personnel*, or QEP 04.04, *Qualification and Certification of NDE Personnel*, as applicable. The QAS/QCS shall ensure that Quality Control Inspectors are certified to perform the inspections assigned to them.

3.1.2 Quality Control Inspectors are responsible for ensuring they are adequately prepared to perform inspections. This involves:

a. Continually monitoring work in progress to remain aware of current work status, upcoming Hold/Witness Points, surveillances, and outstanding deviations or open items;

b. Being aware of the current inspection and acceptance criteria;

c. Verifying that their qualification and certification is appropriate and current;

d. Verifying that the equipment needed to perform these inspections is ready for use (current calibration, required accuracy, etc.);

e. Verifying that any necessary documentation is available and that any prerequisites have been satisfied; and,

f. Being continuously aware of the current QEP requirements that may apply to the inspections that have to be performed.

3.2 **General**

3.2.1 There are three (3) basic types of Inspection, as follows:

a. **In-process (I):** The inspection of ongoing Process Control Document (PCD) activities. Such inspections are performed to assure the quality of the operation or final product.

b. **Partial (P):** An inspection that is not complete enough for acceptance or release of a Hold Point.

c. **Final (F):** An inspection that results in acceptance of an operation or product.

3.2.2 Required inspections will be indicated and described at the various instruction steps in the applicable Work Package (WP) or other Process Control Document (PCD).

3.2.3 Completed items shall be inspected for completeness, markings, calibration, adjustments, protection from damage, or other characteristics, as required, to verify the quality and conformance of the item to the specified requirements.

3.2.4 Inspection results shall be promptly evaluated against the applicable acceptance criteria. Final inspections shall include a review of the results and resolution of any deviations identified by prior inspections.

3.3 **Quality Hold Points / Witness Points**

3.3.1 Hold Points and Witness Points are established during the development/review and approval cycle of the applicable PCD and Work Packages.

NOTE: A Hold Point is a point in a work process where work stops until the inspection, examination, or test specified has been completed and signed off, or waived, by the designating party. A Hold Point would be considered "Bypassed" if subsequent operations preclude the ability to verify the activity required by the Hold Point.

A Witness Point requires notification that an activity (e.g., inspection, examination, or test) is about to be performed, but work does not need to stop pending arrival of the designating party.

3.3.2 When an external Hold or Witness Point (Client Quality (CQ), ANII, or ANI) is coming up, the QCS or QAS shall notify the responsible party.

3.3.2.1 For Hold Points, the QCI shall not release the related SGT Quality (QC) Hold Point until the applicable parties are present, or the QCI has been notified by the QCS or QAS that the Hold Point has been waived.

a. External Hold Point waivers may initially be verbal and, if such, are first documented on form QEP 12.02-3, *Quality Hold Point Waiver Log*, by SGT Quality.

b. The Quality Hold Point Waiver Log entry is not closed until the responsible party (i.e., Client Quality, ANII, or ANI) provides written documentation of the waiver at the applicable step on the PCD.

c. Waivers of SGT QC Hold Points are also documented at the applicable step on the PCD.

NOTE: The QCS and QAS have delegated authority from the PQM to document Hold Point waivers by other parties and to waive SGT QC Hold Points.

3.3.2.2 For Witness Points, the QCI shall provide sufficient advance notice to allow the Client representative reasonable opportunity to be present at the start of the operation. The QCI shall document the notification (date, time, and person notified) at the applicable step on the PCD. At this point, the related SGT Quality (QC) Hold Point may be released.

3.4 Documenting Inspections

3.4.1 All inspections are documented on the Work Package step or on the PCD, when applicable, and on the QCI's Form QEP 12.02-1, *Daily Inspection Log* (DIL). The DIL is used to collect inspection information for the purpose of updating the SGT inspection tracking database. Additional instructions for completing the DIL are found in Attachment 1 of this QEP. The DIL is turned in daily to the QAS/QCS.

3.4.2 Other QEPs may provide forms to document the details involved with a given inspection. When completed, such forms are processed with the DIL. The number of additional sheets associated with a given inspection is to be listed in the "Page Count" (Pg. Ct.) column of the DIL.

3.4.3 When more than one QCI participates in an inspection, the inspection is documented on the "lead" QCI's DIL. The "lead" QCI shall list the initials of all QCIs involved in the inspection in the "Remarks" block.

3.4.4 The Control Number of Measuring and Test Equipment (M&TE) and Calibration Due Date used to perform an inspection shall be indicated in the allotted block of the DIL for that particular inspection.

3.4.5 When performing weld inspections, the QCI shall verify that the welders are qualified to perform the work they are assigned. When this is done, the QCI shall verify that the welder's I.D. symbol is indicated in the allotted block of the Weld Card and DIL.

3.4.6 When performing installed material verifications, the QCI shall enter the Material ID (MID) portion of the SGT ID Number for the item/material actually used in the allotted block of the Material Data Sheet (MDS) or Weld Card, or confirm information that may already be entered.

3.4.7 "Inspection Code" numbers are also assigned to facilitate inspection result analysis. These codes are listed in QEP Appendix 3, *Inspection Codes*.

3.4.8 For acceptable inspections, an "A" is listed in the "A/R" column of the DIL. For Quality Hold Point inspections, inspection results are also documented on the PCD. When listing inspection results on a PCD, the following information shall be entered into provided spaces or in the "Releases Others" column of the Work Package:

a. QCI's initials, date, and the sequential "No." assigned from the QCI's DIL (Example: FBC/02-24-01/05);
b. "Control No." and "Cal. Due Date" of any M&TE used to record data; and,

c. If not already listed in the PCD, acceptance criteria and the source thereof, including the revision level of the source (Example: QEP 12.04 Rev. 1 Attachment 2).

3.5 **Processing Rejectable Inspections**

3.5.1 For rejectable inspections, an "R" or "N" is listed in the "A/R" column of the DIL, depending on whether a Form QEP 15.01-1, *Nonconformance Report*, is issued as described in QEP 15.01, *Identification and Control of Deviations*. In addition, a "Reject No." or "NCR No." and the applicable "Const Seq" code listed in QEP Appendix 4, *Trend Codes*, shall be entered in the "Reject Information" area of the DIL.

3.5.2 If the deviation requires issuance of an NCR, an NCR No. is obtained from the SGT Quality Records Center (QRC) and Form QEP 15.01-1, *Nonconformance Report*, shall be prepared and issued.

3.5.3 The DIL No. and Reject No./NCR No. are also indicated at the applicable step of the PCD. When an NCR is written, a hold tag shall be applied to the affected item when practical. Rejects and Nonconformances are tracked and processed in accordance with QEP 15.01, *Identification and Control of Deviations*.

4.0 CONDUCT OF SURVEILLANCES

4.1 **General**

4.1.1 A **Surveillance (S)** is a method of observation and review designed to evaluate adherence to established procedures in the field. QEP 12.01, *Inspection and Surveillance Planning*, provides a list of typical types of surveillance and the recommended frequencies.

4.1.2 On-site surveillances are planned in accordance with QEP 12.01, *Inspection and Surveillance Planning*. Unplanned surveillances shall supplement scheduled surveillances.

4.2 **Personnel Requirements**

4.2.1 Surveillance personnel shall be qualified in accordance with QEP 04.02, *Qualification and Certification of Audit Personnel*, QEP 04.03, *Qualification and Certification of Quality Personnel*, or QEP 04.04, *Qualification and Certification of NDE Personnel*. Alternatively, individuals meeting the URS-WD or AREVA Quality Engineer or Quality Specialist job descriptions may be designated by the PQM as surveillance personnel. Such designations shall be documented. Both the QAS and QCS are responsible for assigning Quality Department personnel to perform surveillances.

4.2.2 Surveillance personnel are responsible for ensuring that they are adequately prepared to perform assigned surveillances. This involves:

a. Continually monitoring work in progress to remain aware of current work status, upcoming Hold/Witness Points, surveillances, and outstanding deviations or open items;

b. Being aware of the current inspection and acceptance criteria;

c. Verifying that their qualification and certification is appropriate and current;

d. Being continuously aware of the current QEP requirements that may apply to the surveillances that have to be performed.

4.3 **Documenting Surveillance Results**

4.3.1 All surveillances are documented on Form QEP 12.02-1, *Daily Inspection Log.* Instructions for completing the DIL are found in Attachment 1 of this QEP. The DIL is turned in daily to the QAS or QCS.

4.3.2 Surveillance checklists are normally used to identify those activities or items that should be checked during the course of a surveillance. "N/A" is entered for any checklist items not verified.

4.3.3 If a number of Work Package specific operations are being surveyed, only one (1) checklist is to be generated. Each Work Package Number shall be listed on the same DIL entry. Acceptable surveillances are not documented on PCDs.

4.3.4 For acceptable surveillances, an "A" is listed in the "A/R" column of the DIL.

4.4 **Processing Rejectable Surveillances**

4.4.1 For rejectable surveillances, the DIL entry depends on the following:

a. For hardware-related items, an "R" or "N" is listed in the "A/R" column of the DIL, depending on whether a Form QEP 15.01-1, *Nonconformance Report*, is issued as described in QEP 15.01, *Identification and Control of Deviations*, and the results are processed as described in Section 3.5, with the exception that these results are not documented on the PCD unless the surveillance identifies a deviation related to an item at a specific PCD step.

b. For non-hardware-related items, an "R" is listed in the "A/R" column of the DIL and the item is tracked until corrected and verified to be closed by a subsequent surveillance.

c. For deficient conditions that require a longer term follow-up and for programmatic deviations, as determined by the QAS or QCS, a "DR" is listed in the "A/R" column of the DIL and a Form QEP 12.02-2, *Deficiency Report* (DR), is generated in accordance with Section 4.5 of this QEP. Instructions for completing the DR are found in Attachment 2 of this QEP.

4.5 **Deficiency Reports**

4.5.1 For surveillances documented on a Form QEP 12.02-2, *Deficiency Report*, in accordance with paragraph 4.4.1c, or for DRs generated in conjunction with a Nonconformance Report, the originator of the report shall contact QRC for the next sequential DR number. The DR number and the applicable "Const Seq" code listed in QEP Appendix 4, *Trend Codes*, shall be entered in the "Reject Information" area of the DIL.

4.5.2 All Deficiency Reports are reviewed by the PQM. Upon acceptable review, the PQM shall sign the "Approved By" block of the "Condition Description." and assign a "Reply Due Date". This date is normally within thirty days of date of the DR, depending on the phase of the project (e.g., it will be much shorter during the outage).

a. The PQM forwards the original Deficiency Report to the individual responsible for providing the corrective action. Copies may be distributed to additional individuals, as determined by the PQM.

b. At this time, copies are forwarded to QRC where an open suspense file is maintained until such time that acceptable corrective action has been implemented and verification has occurred.

4.5.3 The responsible individual shall complete the response section of the Deficiency Report and sign and date the "Response By" block of the form. The response shall also take into consideration the extent of condition of the deficiency. The completed report is then returned to the PQM.

4.5.4 The PQM shall review the response provided and if acceptable sign the "Approved By" block of the form. The PQM shall resolve any discrepancies in the response with the responsible individual. The PQM then forwards the approved report to the QA/QC Supervisor for follow up verification.

4.5.5 Upon completion of corrective actions, either a Quality Engineer or Quality Control Inspector performs a "Corrective Action Follow-up" to verify adequate implementation of the corrective actions. Upon acceptable verification, the Quality Personnel responsible for verifying the implementation signs the "Verified By" block of the form and forwards the form to the PQM. A DIL entry is made referencing the Deficiency Report number and the Deficiency Report is closed. If verification is unacceptable, the Deficiency Report remains open until all corrective actions are acceptable.

4.5.6 The PQM shall evaluate the completed Deficiency Report and if acceptable signs and dates the "Reviewed By" block of the form. The PQM shall resolve any discrepancies with the QA/QC Supervisor. The completed report is then forwarded to QRC for retention and the "suspense" copy is deleted.

5.0 ADDITIONAL REQUIREMENTS

5.1 Processing Inspection and Surveillance Results

5.1.1 For DILs that close out a previously unaccepted DIL, the QCI shall complete the fourth row of the DIL entry, indicating the original DIL number (Inspector's initials, date of inspection, sequential number), the type of deviation, and any pertinent comments.

5.1.1.1 The QCS, QAS, or QE shall confirm that a Cause code, Corrective Action Taken code, and Deviation Impact code, as listed in QEP Appendix 4, *Trend Codes*, have been assigned for the original DIL entry, or shall make such assignments if they have not.

5.1.2 The assembled "Daily Inspection Log" package, which consists of the DIL and any inspection reports/checklists generated as the result of individual inspections or surveillance, is to be submitted to the QCS/QAS on a daily basis.

5.1.3 The QCS/QAS shall review the DIL to ensure that it provides the information required by this QEP. When the QCS/QAS finds the DIL to be acceptable, the QCS/QAS shall sign below the last entry on the DIL.

5.1.4 The DIL, and any attached documentation, is then sent to QRC.

5.1.5 QRC updates the SGT inspection tracking database.

5.1.6 QRC processes DILs in accordance with QEP 17.01, *Quality Assurance Records*, and QEP Appendix 1, *Index of Quality Documents*.

5.2 Records

5.2.1 The following documents generated by use of this procedure shall be processed in accordance with QEP 17.01, *Quality Assurance Records*, and QEP Appendix 1, *Index of Quality Documents:*

a. Daily Inspection Log (DIL) (includes any Surveillance Checklists)
b. Deficiency Report (DR)
c. Quality Hold Point Waiver Log

6.0 REFERENCED FORMS

a. QEP 12.02-1, *Daily Inspection Log*
b. QEP 12.02-2, *Deficiency Report*
c. QEP 12.02-3, *Quality Hold Point Waiver Log*
d. QEP 15.01-1, *Nonconformance Report*

7.0 REFERENCES

7.1 References Subject to Impact Review

None

7.2 References Not Subject to Impact Review

None

7.3 QEP References

a. QEP 04.02, *Qualification and Certification of Audit Personnel*
b. QEP 04.03, *Qualification and Certification of Quality Personnel*
c. QEP 04.04, *Qualification and Certification of NDE Personnel*
d. QEP 11.01, *Work Packages*
e. QEP 12.01, *Inspection and Surveillance Planning*
f. QEP 15.01, *Identification and Control of Deviations*
g. QEP 17.01, *Quality Assurance Records*
h. QEP Appendix 1, *Index of Quality Documents*
i. QEP Appendix 3, *Inspection Codes*
j. QEP Appendix 4, *Trend Codes*

8.0 ATTACHMENTS

a. Attachment 1 – Instructions for Completion of the "Daily Inspection Log"
b. Attachment 2 – Instructions for Completion of the "Deficiency Report"

ATTACHMENT 1

A1.0 INSTRUCTIONS FOR COMPLETION OF THE "DAILY INSPECTION LOG"

The following instructions refer to the entries to be made by Quality personnel when filling out the Form QEP 12.02-1, *Daily Inspection Log*:

A1.1 Header Information

(1) Inspector's Initials -- Indicate the initials of the Quality Control Inspector (QCI), Quality Engineer (QE), or other individual (all referred to as Inspector in these instructions) generating the DIL.

(2) Date -- Indicate the date the Inspector started the inspections listed on the DIL.

(3) Inspector's Signature -- Signature of the Inspector generating the DIL.

(4) Sheet __ of __ -- Enter the appropriate sheet number and, when inspections for the shift are completed, the total number of DIL sheets.

A1.2 Inspection Information

(1) Insp No -- List a sequential 2-digit "DIL" number, with the first inspection of the shift being 01.

(2) WP No, PO/SC No, Sur No -- Indicate the Work Package number (or Purchase Order/Subcontract No) that contained the operation that was inspected. For surveillances, indicate the appropriate surveillance checklist number or the applicable QEP number.

(3) PCD Type & No -- If the PCD is the Work Package (or if there is no Work Package), line through this block. If the PCD is other than the Work Package, indicate the PCD type and number in this block (e.g., WDC-003). For surveillances, this block will normally be lined through.

(4) Step No -- If there is a PCD, this step is the PCD step number: otherwise, it is the Work Package step number. If there is no Work Package or other PCD, this block will normally be lined through.

(5) Inspection Type -- For an inspection, enter the type (I, P, or F); for a surveillance, enter an S; for a vendor surveillance, enter a V.

(6) Inspection Code -- Inspection Codes are normally tied to Inspection Checklists. A complete listing of these codes is given in QEP Appendix 3, *Inspection Codes*.

(7) Inspected Company -- Indicate the 3-digit Contractor Code of the company being inspected.

(8) Quantity & Units -- Indicate the quantity of items inspected and the appropriate unit, such as 3 welds.

(9) M&TE Used & Cal Due Date -- Indicate the assigned Control Number of any device used and the next calibration due date.

ATTACHMENT 1 (Continued)
INSTRUCTIONS FOR COMPLETION OF THE "DAILY INSPECTION LOG"

(10) Welder(s) Inspected -- Indicate the Welder ID Symbol for any welders whose welding was inspected.

(11) Pg. Ct. (Page count) -- List the number of pages attached to the DIL **for that inspection**.

(12) A/R -- Enter "A" to indicate accept. For an unacceptable result, enter "R" to indicate Reject, "N" to indicate Nonconformance, or "DR" to indicate Deficiency Report.

(13) HP -- Indicate the type of Hold Point, if any, being closed. This will normally be "QC". Hold Point and Witness Point designators are provided in QEP 11.01, *Work Packages*. For surveillances, or if the inspection is not a Hold Point, this block will normally be lined through.

(14) Inspection Description / Remarks -- Briefly describe the inspection being performed. This space can be used to note any other information the Inspector considers important.

(15) Material ID Number(s) -- Indicate the SGT ID Number for any materials that are being verified for installation.

A1.3 **Closing Deviation Information**

The last row of information for each DIL entry is used for closing previously rejected inspections. If an open deviation is not being closed, this entire row is lined through.

(1) Referenced DIL – Indicate the DIL number that originated the deviation.

(2) R / DR / NCR -- Indicate the type of unacceptable inspection ("Reject" or a "Nonconformance" or a "Deficiency Report") and the number (e.g., NCR Number).

(3) Cause Code -- Enter the applicable Probable Cause Code from those listed in QEP Appendix 4, *Trend Codes*.

(4) Action Taken -- Enter the applicable Corrective Action Taken code from those listed in QEP Appendix 4, *Trend Codes*.

(5) Impact Level – To be entered by the QCS or QAS only. The Deviation Impact code numbers are listed in QEP Appendix 4, *Trend Codes*.

(6) Closing Comments – Any comments regarding closure of the deviation.

A1.4 **Reject Information**

(1) Insp No / Rej No -- Carry down the DIL No for any inspections resulting in a rejection and assign a sequential number for each "Reject" of a given DIL. Start with a Reject No 01 for each DIL. For Nonconformances, indicate the NCR number assigned by QRC. For Deficiency Reports, indicate the DR number assigned by QRC.

ATTACHMENT 1 (Continued)
INSTRUCTIONS FOR COMPLETION OF THE "DAILY INSPECTION LOG"

(2) R/DR/N -- Indicate if the unacceptable inspection is a "Reject" or a "Deficiency Report" or a "Nonconformance".

(3) Qty Reject & Units -- Indicate the quantity of items rejected and the appropriate unit.

(4) Const Seq -- Enter the appropriate Construction Sequence code from those listed in QEP Appendix 4, *Trend Codes*.

(5) Reject Description -- Enter a brief description of the reason for the unacceptable condition of the item or activity.

ATTACHMENT 2

A2.0 INSTRUCTIONS FOR COMPLETION OF THE "DEFICIENCY REPORT"

The following instructions refer to the entries to be made by Quality Personnel when filling out Form QEP 12.02-2, *Deficiency Report*.

A2.1 General Information

(1) Activity -- Enter the activity which was the subject of the surveillance.

(2) Deficiency Report Number – Next sequential number assigned by QRC.

(3) Sheet 1 of __ -- Fill in total sheet count **when report is closed**. A page count should appear on each attached page.

(4) ASSIGNED TO -- The individual to whom the condition is addressed. Assigned by the PQM.

(5) Department -- The department to which the condition is addressed. To be filled in by the PQM.

(6) If Initiated, Reference NCR – If an NCR was also generated to address a related hardware issue, enter that NCR number.

(7) REPLY DUE DATE -- The date that the response from the Assigned To person is due back to the PQM. Determined by the PQM.

(8) CONDITION DESCRIPTION -- A detailed description of the discrepant condition is given. Supporting documents may be attached.

(9) INITIATED BY -- The signature and title of the Quality representative writing the report; the date that the report is issued; and the 2-digit DIL number.

(10) APPROVED BY -- The signature and title of the PQM or designee, as well as the date the report was approved. This should be a different person than the INITIATED BY person from paragraph A2.1(9) above.

A2.2 Response to Deficiency Report

(1) CAUSE AND CORRECTIVE ACTION -- A suspected cause and proposed corrective action are given by the Assigned To person, or designee.

(2) EXTENT OF CONDITION – An analysis of where else the problem might exist (e.g., other items or activities at the project, another project, another supplier) and how this was addressed.

(3) PREVENTATIVE ACTION TAKEN TO ELIMINATE CAUSE -- Whatever preventative action that has been or will be taken to ensure that the discrepant condition will not reoccur is listed. An ANTICIPATED COMPLETION DATE shall also be provided as to when the preventative action will be complete.

(4) RESPONSE BY: The signature and title of the individual responding to the report, and the date.

ATTACHMENT 2 (Continued)
INSTRUCTIONS FOR COMPLETION OF THE "DEFICIENCY REPORT"

A2.3 **Completed by SGT Quality**

(1) PQM Approval: The PQM signs in approval of the proposed corrective action and preventative action provided. This shall be a different person than the RESPONSE BY person from paragraph A2.2(4) above.

A2.4 **Corrective Action Follow-up**

(1) Const Seq -- A Construction Sequence code is obtained from QEP Appendix 4, *Trend Codes.*

(2) Cause Code -- A Cause code is obtained from QEP Appendix 4, *Trend Codes.*

(3) Action Taken -- A Corrective Action Taken code is obtained from QEP Appendix 4, *Trend Codes.*

(4) Impact Level -- A Deviation Impact code is obtained from QEP Appendix 4, *Trend Codes.*

(5) Closing Comments: Closing comments, if any, are listed.

(6) QUALITY VERIFIED -- The signature and title of the Quality representative that verifies that all corrective action and preventive action have been satisfactorily completed, the date that the report is issued; and the 2-digit DIL number. This shall be a different person than the RESPONSE BY person from paragraph A2.2(4) above.

(7) REVIEWED BY -- PQM reviews and approves the corrective and preventative actions. This shall be a different person than the RESPONSE BY person from paragraph A2.2(4) above and should be a different person than the QUALITY VERIFIED person from paragraph A2.4(6) above.

SGT	Standard Procedures Engineering and Construction Projects	Form Source QUALITY EXECUTION PROCEDURE	
Form Title **DEFICIENCY REPORT**		Revision No / Status **1E3 / AFU**	Form No. **QEP 12.02-2**
		Form Revision Date **03-Aug-09**	Form Page **1 of 1**

GENERAL INFORMATION

Activity:	**DEFICIENCY REPORT NO. ( )**		Deficiency Report: Sheet 1 of
ASSIGNED TO:	Department:	If Initiated, Reference NCR:	**REPLY DUE DATE:**

CONDITION DESCRIPTION

INITIATED BY:	Signature:	Title:	Date:	DIL No
APPROVED BY PQM:	Signature:	Title:	Date:	

RESPONSE TO DEFICIENCY REPORT

CAUSE AND CORRECTIVE ACTION

EXTENT OF CONDITION

PREVENTATIVE ACTION TAKEN TO ELIMINATE CAUSE

ANTICIPATED COMPLETION DATE:

RESPONSE BY:	Signature:	Title:	Date:

COMPLETED BY SGT QUALITY

APPROVED BY PQM:	Signature:	Title:	Date:

CORRECTIVE ACTION FOLLOW-UP

Const Seq	Cause Code	Action Taken	Impact Level	Closing Comments

QUALITY VERIFIED:	Signature:	Title:	Date:	DIL No
REVIEWED BY PQM:	Signature:	Title:	Date:	

SGT Standard Procedures Engineering and Construction Projects	Procedure Type: QUALITY EXECUTION PROCEDURE	
Procedure Title: IDENTIFICATION AND CONTROL OF DEVIATIONS	Revision No / Status: 5 / AFU	Procedure No.: QEP 15.01
	Revision Date: 03-Aug-09	Page: 1 of 19

1.0 SCOPE

This Quality Execution Procedure (QEP) describes SGT's process for ensuring the identification and resolution of deviations. This QEP also addresses identification of programmatic conditions that are adverse to Quality.

2.0 RESPONSIBILITIES

2.1.1 The following individuals have duties and responsibilities in the implementation of this procedure:

a. Project Manager (PM)
b. Project Engineering Manager (PEM)
c. Site Manager (SM)
d. Craft Superintendent
e. Project Quality Manager (PQM)
f. Quality Assurance Director (QAD)
g. Quality Engineer (QE)
h. Quality Assurance Supervisor (QAS)
i. Quality Control Supervisor (QCS)
j. Quality Control Inspector (QCI)
k. Quality Records Center (QRC)
l. Project Welding Engineer (PWE)
m. Cognizant Engineer (CE)
n. Warehouse Manager (WM)
o. All SGT Personnel

2.1.2 Personnel signing the various signature blocks on the report forms referenced by this QEP shall confirm that they have the proper signature authority.

3.0 PROCESSING OF DEVIATIONS

3.1 Identification of Deviations

3.1.1 All SGT personnel are responsible for reporting deviations that they identify. This may be accomplished by notifying their supervisor, contacting a SGT Quality Control Inspector, or notifying a Quality Engineer, Quality Supervisor, Design Engineer, or Client representative.

3.1.2 Deviations can be identified by any worker and through any of the following means:

a. During quality inspections;

b. During quality surveillance;

c. During quality audits;

d. During design or design related activities;

e. During disassembly, removal, or installation activities;

f. Through Client identified concerns; or,

g. Through other methods, such as an Employee Concern Report.

3.1.3 The Quality Control Supervisor (QCS) initially reviews deviations identified during routine inspections and surveillances. Deviations identified by other means are initially reviewed by the Project Quality Manager (PQM).

3.1.4 Processing of identified deviations depends on the type of deviation as follows:

a. If the deviation does or could impact hardware, the steps starting with Section 3.3 shall be followed;

b. If the deviation does or could impact design or design activities, the steps in Section 3.4 shall be followed;

c. If the deviation does not or could not impact design, design activities, or hardware, the steps in Section 3.5 shall be followed.

3.2 Classification of Deviations

3.2.1 Deviations are divided into two (2) classifications: "Reject" and "Nonconformance."

a. A Reject (R) is a Deviation that has not yet been offered to the Client for acceptance. Rejects are deviations that can be corrected through the performance of existing approved procedures or work instructions. Such Rejects are documented on the applicable Process Control Document. Rejects involving programmatic issues that require a longer term follow-up are documented using Form QEP 12.02-2, *Deficiency Report*.

b. A Nonconformance (N) is any Deviation that can not be classified as a Reject. Nonconformances are typically hardware related and require review and disposition by Engineering. Nonconformances are reported and dispositioned using Form QEP 15.01-1, *Nonconformance Report* (NCR).

3.3 Processing of Hardware Related Deviations

3.3.1 The Quality Control Supervisor and the Cognizant Engineer determine if correction of the deviation that does or could impact hardware requires an engineering review.

3.3.2 Deviations affecting work in progress, which can be corrected by reperforming a sequence of operations previously specified by an approved Work Package or procedure, will not require an engineering review. These deviations are recorded and tracked as "Rejects." Examples include torquing out of sequence necessitates retorquing; and noncompliance with cleanness standards necessitates additional cleaning. Further processing of "Rejects" shall be done using the steps starting with Section 3.9.

3.3.3 Deviations that are determined to require engineering evaluation prior to correction are recorded and tracked as a "Nonconformance" (N). Further processing of Nonconformances shall be done using the steps starting with Section 4.0.

3.3.4 Nonconforming hardware may be conditionally released utilizing the process described in Section 5.1 of this QEP.

3.4 **Processing of Design Deviations**

3.4.1 Deviations identified in approved Design outputs shall be brought to the attention of the PEM.

3.4.2 All users of Design related computer software shall report problems or errors to the PEM for resolution.

3.4.3 The PEM shall notify the PQM concerning Nonconformances identified during design or design activities.

3.4.3.1 The PQM generates a Daily Inspection Log (DIL) entry and provides the PEM the next sequential SGT NCR Number.

3.4.3.2 The PEM generates a Form QEP 15.01-1, *Nonconformance Report*, filling in the "Condition Description" portion of the form and forwards it to QRC.

3.4.3.3 The process continues from paragraph 4.1.7.

3.5 **Processing of Non-Hardware and Programmatic Related Deviations**

3.5.1 Non-hardware and programmatic related deviations are normally identified during quality audits, quality surveillances, or quality inspection activities.

3.5.1.1 Such items identified during an audit, such as on a Form QEP 18.01-2, *Audit Finding Report*, shall be processed in accordance with QEP 18.01, *Quality Assurance Audits*.

3.5.1.2 Such items identified during a surveillance or inspection shall be processed in accordance with QEP 12.02, *Conduct and Control of Inspection and Surveillance Activities*.

3.6 **Client Identified Concerns**

3.6.1 Quality concerns or deviations identified by the Client shall be brought to the attention of the PQM.

3.6.2 The PQM shall review the item and determine the appropriate method to ensure resolution of the concern. The methods may include SGT's surveillance reporting process, deviation identification and control process, quality audit program, or the Client's condition / issue reporting process.

3.7 **Client Related Deviations**

3.7.1 For any item(s) identified as not meeting the as-built dimension (within tolerances) or configurations as shown on Client reference drawings, for damaged Client components (e.g., loose bolts, leaking hydraulic fluid, bent steel members, etc.), or for instances of Client documents with missing, conflicting, or erroneous information, the following shall apply:

a. The PEM or SM shall notify the PQM and the designated Client representative;

b. When required by the Client, the item shall be reported using the Client's condition / issue reporting process;

c. The QCI/PQM shall initiate an NCR, using a "By Client" disposition, to track the deviation. The process continues from paragraph 4.1.2.

3.8 **Supplier Related Deviations / Exception Requests**

3.8.1 Deviations identified by a supplier will be submitted to SGT by use of a Form QEP 09.01-7, *Supplier Exception Request / Deviation Notice* (SERDN).

3.8.1.1 This form may also be used by a supplier to request exceptions to the technical requirements of the purchase order, such as a material substitution. Though such a request for a technical change is not really a deviation, it is processed using this QEP for tracking purposes.

3.8.1.2 When received, these forms will be routed to the PQM.

3.8.2 The PQM generates a Daily Inspection Log (DIL) "R" entry, obtains the next sequential SGT SERDN Number from QRC, and enters both of these numbers on the SERDN form.

3.8.3 QRC enters the SERDN information into the tracking system, retains a file copy of the SERDN, and forwards the SERDN to the PEM.

3.8.4 The PEM reviews the supplier's proposed disposition and completes the "SGT Justification and Comment" portion of the form (approval of the proposed disposition or issuance of an alternate or revised disposition).

3.8.4.1 10 CFR 50.59 licensing issues are considered at this time, in accordance with QEP 07.12, *10 CFR 50.59 Reviews*.

3.8.4.2 The PEM completes the processing of any necessary design change documentation required for the work to proceed in accordance with the applicable design QEP. Repair, Substitute, and Use-As-Is dispositions (see paragraph 4.2.1 for disposition descriptions) require an engineering evaluation and will require processing of an engineering change notice in accordance with QEP 07.09, *Design Change Control*.

3.8.4.3 If the SERDN is closed prior to completion of any required design change documentation, the open documentation changes shall be added to and tracked on the SGT Action Item List.

3.8.4.4 The PEM shall sign and date the form in the designated block and return the form to the PQM.

3.8.5 The PQM shall review the form and, if acceptable, sign in the designated block, enter a closing DIL number, and return the SERDN to QRC for updating of the tracking system.

3.8.6 QRC submits the SERDN to the Client for approval if the proposed disposition is Repair, Use-As-Is, or Substitute. The Client shall obtain concurrence from the Client's ANII, if required, prior to implementation.

3.8.7 Upon receipt of Client approval, if required, of the proposed disposition, QRC updates the tracking system.

3.8.8 A copy of the approved SERDN is next forwarded to the supplier for implementation of the disposition.

3.8.9 Items received on a Purchase Order associated with a SERDN shall not be accepted until the deviations identified on the SERDN have been dispositioned and resolved.

3.9 **Processing of "Rejects"**

3.9.1 Rejects are recorded by the QCI by indicating an "R" and the rejecting DIL/Reject Number at the appropriate step on the applicable Work Package (WP) or Process Control Document (PCD). The Reject is also recorded on Form QEP 12.02-1, *Daily Inspection Log* (DIL), with an "R" being indicated in the A/R column. The DIL is submitted to QRC on a daily basis.

3.9.2 The QCI advises the applicable Craft Superintendent or responsible management personnel of the Reject.

3.9.2.1 If the Reject involves a weld, the QCI/Craft Superintendent also advises the Project Welding Engineer (PWE).

3.9.2.2 The PWE and Craft Superintendent appraise the Reject and decide if a Form QEP 20.01-4, *Weld Repair Data Card* (WRDC), is needed in accordance with QEP 20.01, *Control and Documentation of Welding*.

a. If a WRDC is not needed, the steps starting with paragraph 3.9.3 shall be followed; or,

b. If a WRDC is needed, the steps starting with Section 3.10 shall be followed.

3.9.3 The Craft Superintendent has the item reworked or scrapped, as applicable, and then notifies the QCI for a re-inspection.

3.9.4 The QCI then re-inspects the item using the same inspection requirements that resulted in the original rejection.

3.9.5 If the re-inspection is acceptable, the QCI lines through the original "R" on the PCD and adds an "A" and the accepting DIL number at the appropriate step.

3.9.5.1 The QCI also adds a new entry on the DIL, indicates an "A" in the A/R column, references the original "R" DIL number in the inspection description/remarks space, and identifies the original "R" condition as acceptable and closed.

3.9.6 If the re-inspection is not acceptable, the process shall resume at Section 3.3.

3.10 **Processing of Deviations Involving Weld Repair Data Cards**

3.10.1 WRDC is prepared by the PWE in accordance with QEP 20.07, *Weld and Base Metal Repairs*, and routed for approval in accordance with QEP 20.01, *Control and Documentation of Welding.*

3.10.2 The PQM reviews the WRDC as part of the approval process, and:

a. Includes applicable Inspection/Hold points; and,
b. Closes out the original Reject record using the WRDC number as the "Close Reference."

3.10.3 Approved WRDCs are issued for use in accordance with QEP 20.01, *Control and Documentation of Welding.*

4.0 PROCESSING OF "NONCONFORMANCES"

4.1 **Issuance of an NCR**

4.1.1 As noted in paragraph 3.1.2, Nonconformances may be identified through many means. A Form QEP 15.01-1, *Nonconformance Report*, is used to document a Nonconformance and may be written against a drawing (e.g., identification of an as-found condition); Work Package; Purchase Order, Subcontract, or Service Agreement; other document type; or may be a stand-alone document.

4.1.2 Nonconformances are recorded on Form QEP 12.02-1, *Daily Inspection Log*, with an "N" being indicated in the A/R column, and are documented on other forms, as follows.

4.1.2.1 For Nonconformances identified during inspections or surveillances, the QCI enters an "N" and the NCR number at the appropriate step on the applicable WP/PCD. The QCI also enters the NCR number and a brief description of the condition in the "Nonconformance Reports" section of the applicable Work Package Master Index.

4.1.2.2 For Nonconformances identified at Receipt Inspection, the QCI enters the NCR number at the receiving record in the material management database (or on Form QEP 10.01-1, *Receipt Inspection Report*), in accordance with QEP 10.01, *Receipt Inspection.*

4.1.2.3 For Nonconformances identified through other means (by staff or craft personnel or when an inspector is not involved, such as audits, software validation, etc.), the QCI/PQM generates an "N" entry on the QCI/PQM's DIL.

NOTE: Attachment 1, *Routing of NCRs*, provides a flowchart of the typical NCR processes.

4.1.3 The QCI/PQM also initiates a Form QEP 15.01-1, *Nonconformance Report*, filling in the "Condition Description" portion of the form. The originator of the report shall contact QRC for the next sequential NCR number.

4.1.4 When appropriate, as determined by the QCS/PQM, the QCI/PQM attaches a "Quality Control Hold Tag", (a sample of the tag is shown as Exhibit 1) to the affected item. Hold Tags are numbered using the NCR number and a sequential number if multiple tags are used. The "Prohibited Work" and the "Permissible Work" are to be described on the Hold Tag(s). The number of Hold Tags used is noted on the NCR form.

4.1.5 The QCI/PQM is responsible for assuring that nonconforming items are segregated, when practical, by placing them in a clearly identified and designated hold area until they are properly dispositioned. When segregation is impractical or impossible due to physical conditions, such as size, weight, or access limitations, other precautions shall be employed to preclude inadvertent use of a nonconforming item.

4.1.6 An "Information" copy of the NCR form, as thus far completed, is then placed into the NCR section of the applicable Master Work Package. The original of the NCR form is forwarded to the PQM.

4.1.7 The PQM reviews the NCR, verifies proper form completion, and performs a screening for potential 10 CFR 21 applicability in accordance with Section 5.5 of this QEP.

4.1.8 QRC enters the NCR information into the tracking system, forwards a copy to the Client representative for information (if required), and retains a file copy of the NCR.

4.2 **NCR Disposition**

4.2.1 QRC forwards the NCR to the PEM for disposition. Nonconformance disposition, or combination of dispositions, shall be any of the following:

a. **Rework** – A Rework disposition does not require an engineering evaluation and indicates that the condition can be corrected in process by reperforming a series of steps already specified by a PCD. Rework is the process by which a nonconforming condition is corrected by remachining, reassembling, or other corrective means.

b. **Repair** – A Repair disposition requires an engineering evaluation and is the process of restoring a nonconforming characteristic to a condition such that the capability of an item to function reliably and safely is unimpaired, even though that item still may not conform to the original requirement.

c. **Scrap/Return** – A Scrap/Return disposition does not require an engineering evaluation and requires that discrepant items or material be removed, replaced, returned to the supplier, or otherwise not used at all. Where an item to be scrapped is already installed or partially installed, a Scrap disposition may require generation of work instructions in accordance with paragraph 4.2.3.1 in order to remove and replace the item.

d. **Substitute** – An option for a Supplier Exception Request, a Substitute disposition requires an engineering evaluation and may be imposed for a nonconformance when it can be established that the subject will satisfy all engineering functional requirements including those of performance, maintainability, fit, and safety.

e. **Use-As-Is** – A Use-As-Is disposition requires an engineering evaluation and may be imposed for a nonconformance when it can be established that no adverse conditions will exist and that the subject will satisfy all engineering functional requirements including those of performance, maintainability, fit, and safety.

f. **By Client** – This disposition would be used, for example, for an as-found plant condition where SGT is not responsible for the proposed disposition.

4.2.2 For "By Client" dispositions, the PEM checks the appropriate box, signs and dates the "Dispositioned By" area of the NCR form, and forwards the form to QRC. QRC updates the tracking system and forwards the NCR to the Client for disposition.

4.2.3 For other dispositions, the PEM completes the "Proposed Disposition" section of the NCR.

4.2.3.1 Any necessary work instructions are prepared and included. Form QEP 15.01-2, *Nonconformance Report Instruction Sheet*, may be used for this purpose.

4.2.3.2 Requirements for any required plant permits or work orders are considered at this time.

4.2.3.3 The disposition may include a consideration of potential actions to prevent recurrence. A brief statement documenting the basis/conclusion of the consideration should be included in the disposition.

4.2.3.4 In the disposition process, the PEM shall also take into consideration the extent of condition of the nonconforming item.

4.2.4 The PEM completes the "Approval of Proposed Disposition" portion of the form (approval of the proposed disposition or issuance of an alternate or revised disposition).

4.2.4.1 10 CFR 50.59 licensing issues are considered at this time, in accordance with QEP 07.12, *10 CFR 50.59 Reviews*.

4.2.4.2 If the nonconforming item is to be conditionally released, the requirements of Section 5.1 also apply.

4.2.4.3 The PEM completes the processing of any necessary design change documentation required for the work to proceed in accordance with the applicable design QEP. Repair and Use-As-Is dispositions require an engineering evaluation and will require processing of an engineering change notice in accordance with QEP 07.09, *Design Change Control*.

4.2.4.4 Upon completion of the "Approval of Proposed Disposition" section, the PEM shall sign and date the "SGT" column of the form and return the form to QRC for further processing.

4.2.5 QRC updates the tracking system and forwards the NCR package to the SM.

4.2.6 The SM reviews the approved disposition and signs and dates the "SGT" approval column of the form, and returns the form to QRC.

4.2.7 The PQM reviews and approves the NCR disposition.

a. Inspection and Hold Points are indicated at this time; and,

b. The PQM determines if a cause analysis is required, as follows:

(1) If the condition warrants a more thorough review, a Form QEP 12.02-2, *Deficiency Report*, shall be initiated in accordance with QEP 12.02, *Conduct and Control of Inspection and Surveillance Activities*,

(2) If a repetitive condition exists or the significance warrants a higher level of management attention, a Corrective Action Request shall be initiated in accordance with Section 5.2 of this QEP.

c. Upon acceptable review, the PQM shall sign and date the "SGT" column of the form and return the NCR to QRC for updating of the tracking system. For a scrap/return disposition for hardware that has not been installed, the PQM signs and dates the "Approval of Proposed Disposition" section of the original NCR and indicates "N/A" in the ANII and Client review blocks of this section.

4.2.8 QRC submits the NCR to the Client for approval of the proposed disposition for Repair or Use-As-Is dispositions. The Client shall obtain concurrence from the Client's ANII, as required, prior to implementation.

4.2.8.1 Upon receipt of Client approval of the proposed disposition, QRC updates the tracking system. Implementation of the disposition may now proceed in accordance with Section 4.5.

4.2.9 If the NCR involves a supplier, a copy of the NCR is forwarded to that supplier.

4.3 **Return of Client Dispositions**

4.3.1 Upon return of a "By Client" NCR form (paragraph 4.2.2), the PQM reviews the Client's disposition.

4.3.1.1 For cases where the Client's disposition does not involve action by SGT (e.g., the Client will correct an existing plant condition):

a. The QCS/PQM shall generate a new DIL entry, indicating an "A" in the A/R column, reference the original "N" DIL number in the inspection description / remarks space, and identify the original "N" condition as closed;

b. The QCS/PQM shall close the NCR by noting the Client's disposition and accepting DIL number in the "Re-Inspection" area of the NCR form; and,

c. The QCS/PQM shall coordinate with the Client's quality representative as needed regarding items such as replacement of any SGT hold tags with Client tags, annotation of any entries at Work Package or PCD steps, and transfer of necessary documentation.

4.3.1.2 For cases where the Client's disposition indicates action by SGT:

a. The NCR form is routed to the SM/PEM for preparation of any necessary work instructions and SGT "Approval of Proposed Disposition", using the process starting at paragraph 4.2.3.1, as applicable. The steps described in paragraphs 4.2.3.3 and 4.2.7b are not necessary.

b. The PQM shall determine if the SGT approved disposition needs to be resubmitted to the Client for concurrence in accordance with paragraph 4.2.8.

4.4 **Changes to NCRs**

4.4.1 When significant changes to an NCR are required, such as when a disposition is disapproved by the Client, form QEP 15.01-3, *Nonconformance Report Addendum*, may be used to document and resubmit a revised NCR description and/or proposed disposition.

4.4.2 When a form QEP 15.01-3, *Nonconformance Report Addendum*, is used, the Re-Inspection information shall be documented on the original NCR form.

4.5 **Implementation of Approved NCR Disposition**

4.5.1 Depending on the approved NCR disposition, the process continues as follows:

4.5.1.1 Rework or Repair disposition;

a. The QCS obtains a stamped "duplicate original" of the dispositioned NCR from QRC, replaces the "Info" copy of the NCR with the duplicate in the Master Work Package, and updates the "Nonconformance Reports" section of the Work Package Master Index.

b. QRC maintains the original in a suspense file until the NCR is ready for closure.

c. The QCS notifies the Site Manager that an NCR has been posted to the Work Package and is ready for implementation of the disposition.

d. The process continues from Paragraph 4.5.2.

4.5.1.2 Use-As-Is disposition;

a. The QCS shall:

(1) Add a new entry to the DIL, indicating an "A" in the A/R column, reference the original "N" DIL number in the inspection description / remarks space, and identify the original "N" condition as acceptable and closed;

(2) At the applicable PCD work step, line through the original "N" and enter an "A" with the new accepting DIL number;

(3) Remove the "Info" copy from the Master Work Package and update the "Nonconformance Reports" section of the Work Package Master Index to show the NCR as "removed";

(4) Remove any Hold Tags;

(5) Sign and date the "Closure Section" of the original NCR and indicate "N/A" in the ANII and Client Review blocks of the Closure Section; and,

(6) Upon final closure review, place a completed "Info" copy into the Work Package.

b. QRC updates the tracking system and prepares the original NCR for closure in accordance with paragraph 4.6.

4.5.1.3 Scrap or Return disposition (items that have not been installed);

a. The QCS notifies the Warehouse Manager and any other affected organization of the disposition.

b. The QCI verifies removal of nonconforming item(s) and removal of all Hold Tags.

c. The QCI adds a new entry to the DIL, indicating an "A" in the A/R column, reference the original "N" DIL number in the inspection description / remarks space, and identify the original "N" condition as acceptable and closed;

d. The QCI signs and dates the "Closure Section" of the original NCR and indicates "N/A" in the ANII and Client Review blocks of the Closure Section.

e. The QCS takes the closed NCR to QRC.

f. QRC updates the tracking system and prepares the original NCR for closure in accordance with paragraph 4.6.

4.5.1.4 Scrap or Return disposition (items related to a Work Package that have been installed);

a. The QCI shall verify that the originally rejected item has been removed;

b. The QCI shall reinspect the installation of the replacement item in accordance with the original work steps or in accordance with supplemental work steps prepared for this purpose;

c. If the results of the inspection are acceptable:

(1) The QCI generates a new DIL entry indicating an "A" in the A/R column, references the original "N" DIL number in the inspection description/ remarks space, and identifies the original "N" condition as acceptable and closed.

(2) At the applicable PCD work step, the QCI lines through the original "N" and enters an "A" with the new accepting DIL number.

(3) The QCI removes the "Info" copy from the Master Work Package and updates the "Nonconformance Reports" section of the Work Package Master Index to show the NCR as "removed", and removes any Hold Tags;

(4) The QCI signs and dates the "Closure Section" of the original NCR and indicates "N/A" in the ANII and Client Review blocks of the Closure Section.

(5) The QCS takes the closed NCR to QRC.

(6) QRC updates the tracking system and prepares the original NCR for closure in accordance with paragraph 4.6.

d. If the results of the inspection are unacceptable, the QCI notifies the SM. The QCI shall make a new DIL entry noting the reject and referencing the NCR. The process resumes with Section 3.3.

4.5.2 For Rework and Repair dispositions, the SM ensures that corrective work is conducted in accordance with the approved disposition. The SM notifies SGT QCS when Hold Points are reached and when corrective work is completed.

4.5.3 Upon notification that corrective work has been competed, Quality Control performs an inspection.

4.5.3.1 If the results of the inspection are acceptable:

a. A new DIL entry is made indicating an "A" in the A/R column, references the original "N" DIL number in the inspection description/ remarks space and identifies the original "N" condition as acceptable and closed.

b. At the applicable PCD work step, the QCI lines through the original "N" and enters an "A" with the new accepting DIL number.

c. The QCS obtains the original NCR from QRC.

d. The QCI signs and dates the "Closure Section" of the original NCR, removes all Hold Tags, and notifies the QCS of this closure.

e. The QCS removes the duplicate original NCR from the Work Package and updates the "Nonconformance Reports" section of the Work Package Master Index to show the NCR as "removed".

f. The QCS delivers the signed original and the duplicate original NCR to QRC. QRC updates the tracking system and prepares the original NCR for closure in accordance with paragraph 4.6.

g. QRC updates the tracking system and prepares the NCR for closure in accordance with Section 4.6.

4.5.3.2 If the results of the inspection are unacceptable, the QCI notifies the SM. The QCI shall make a new DIL entry noting the reject and referencing the NCR. The process resumes with Section 3.3.

4.6 **NCR Closure**

4.6.1 QRC reviews the completed NCR and performs the following:

a. Assures that all required signatures have been obtained and any reinspection has been properly documented;

b. Removes any completed instruction sheets from the duplicate original and attaches them to the original NCR;

c. Obtains QE review and signature at the Quality Review block;

d. Obtains Client Quality signature, if required (i.e., Repair dispositions);

e. Obtains ANII signature, if applicable;

f. Processes and files NCRs as follows in accordance with QEP 17.01, *Quality Assurance Records*:

(1) Originals of NCRs are filed in a sequential file.

(2) Copies of Work Package related NCRs are also filed with the applicable Work Package.

(3) Copies of Purchase Order related NCRs are also filed with the applicable Purchase Order Package.

4.6.2 Following closure, an information copy of the completed NCR with all signatures is provided to the Client. The record copy is submitted in accordance with QEP 17.01, *Quality Assurance Records*.

5.0 ADDITIONAL REQUIREMENTS

5.1 **Conditional Release**

5.1.1 Nonconforming items may be conditionally released for installation, test, or use if the conditional release will not adversely affect nor preclude identification and correction of the nonconforming condition.

5.1.2 Conditionally released items will be documented on form QEP 15.01-1, *Nonconformance Report*, and processed and tracked in accordance with Section 4.0 of this QEP.

5.1.3 A conditional release requires an evaluation that is documented, reviewed, and approved prior to implementation. This evaluation is documented on the NCR form, and/or continuation sheets, in addition to the information normally included on the form.

5.1.3.1 The initiator of the conditional release shall complete the Condition Description section of the NCR form. This section shall include:

a. A description of the nonconforming condition;
b. A description of the immediate need for the use of the nonconforming item;
c. The risks involved in use of the nonconforming item; and,
d. The justification for conditional use of the nonconforming item.

5.1.3.2 The initiator of the conditional release and/or the PEM shall complete the Proposed Disposition section and shall indicate a "YES" in the Conditional Release block of the NCR form. This section shall include:

a. A description of the work that IS permitted with or on the nonconforming item;
b. A description of the work that IS NOT permitted with or on the nonconforming item;
c. A description of what is needed to bring the nonconforming item into compliance; and,
d. A description of what actions are needed if the nonconforming item can NOT subsequently be brought into compliance. This would include:
   (1) Removal of the material,
   (2) Correction or replacement of affected documentation (e.g., weld cards, Material Data Sheets),
   (3) Deletion of assigned SGT ID Numbers.

5.1.4 In addition to the usual SGT PEM, SM, and PQM approvals, an NCR involving a conditional release shall be approved by the PM.

5.1.5 Use of QC Hold Tags (see Exhibit 1) on the conditionally released item is required.

5.1.6 The quantity of material conditionally released shall be limited to only the amount required for the immediate need documented in paragraph 5.1.3.1b. Following assignment of a Material ID number in accordance with QEP 10.01, *Receipt Inspection*, the NCR form shall be amended to include the SGT ID Number(s) for the conditionally released material.

5.1.7 Closure of the NCR and removal of Hold Tags can not be done until applicable actions from paragraph 5.1.3.2 have been completed and verified by the QCI.

5.2 **Corrective Action Request**

Repetitive or significant conditions adverse to quality are documented on a Form QEP 18.01-4, *Corrective Action Request* (CAR). CARs are issued and processed in accordance with QEP 18.01, *Quality Assurance Audits*, and tracked in accordance with Section 5.4 of this QEP.

5.3 **Stop Work**

5.3.1 The PQM is vested with the authority to Stop Work by the Quality Assurance Director. This authority is to be used when necessary to ensure that quality requirements are met. The need for a Stop Work Order (SWO) would imply that there was a systematic failure to achieve quality objectives.

5.3.2 A SWO may be issued verbally to the PM, but shall be followed up immediately by a memo to the PM and QAD. The Client shall be notified immediately upon issuance of a SWO.

5.3.3 A CAR shall be generated whenever a SWO is issued.

5.3.4 A SWO may be lifted by either a memo, if the CAR is still in the process of being resolved but the PQM believes that the conditions that caused the SWO are sufficiently under control, or closing of the related CAR. If a memo is issued, it shall provide the rationale / justification for lifting the SWO. The Client representative shall be on distribution of the memo.

5.4 **Deviation Tracking and Follow-up**

5.4.1 Identification of deviations, the corrective action taken, and the impact on the project is documented and reported. The inspection and deviation codes found in QEP Appendix 3, *Inspection Codes*, and QEP Appendix 4, *Trend Codes*, are used for trending deviations as required by QEP 16.01, *Trend Analysis*.

5.4.2 To ensure that open Rejects, Nonconformance Reports, Deficiency Reports, Audit Finding Reports, or Corrective Action Requests generated by SGT or sent to SGT for resolution are not inadvertently overlooked during an outage; QRC generates a weekly listing of open deviations.

5.5 **Screening of NCRs and CARs for 10 CFR Part 21 Applicability**

5.5.1 Identified deviations documented on a Nonconformance Report or Corrective Action Request are initially screened to determine whether or not the condition might meet the criteria for being potentially associated with the requirements of 10 CFR Part 21. This screening process is performed by the PQM. The PEM will provide technical input, as necessary.

5.5.1.1 This screening process shall take place within five (5) working days of the "Discovery Date", as defined below:

a. For NCRs, the Discovery Date is the "Date Issued" at the top of the form. This date must be within five (5) working days of the actual identification of the hardware problem.

b. For CARs, the Discovery Date is the "Date Issued" at the top portion of the form. This date must be within five (5) working days of the identification of the problem or the decision to issue a CAR.

5.5.1.2 For cases where an NCR is written to document as-found plant conditions, the PQM will check the "Client Determination" block on the form and forward the form to the Client.

5.5.1.3 For other NCRs or CARs, the following criteria is used when performing this initial screening:

a. Does the deviation relate to a basic component? A basic component includes:

(1) a safety-related structure, system, or component, or part thereof, and/or,

(2) safety-related design, analysis, inspection, testing, fabrication, replacement of parts, or consulting services that are associated with the component hardware whether these services are performed by the component supplier or others.

b. Has the item or activity been turned over to or submitted for acceptance to the purchaser or licensee, or is the item currently in the possession of the purchaser or licensee?

5.5.2 If the answer to either of the questions is "No", the condition does not relate to Part 21 and the screening process is complete.

5.5.3 If the answer to both of these questions is "Yes", the condition is potentially associated with the requirements of 10 CFR Part 21. The PQM shall check the "Possible Potential" box on the form and forward a document package consisting of a copy of the deviation report and any supporting documentation to the QAD within two (2) working days for further review. In addition, the PQM shall promptly notify the Client.

5.5.3.1 For additional tracking purposes, the PQM will include the 10CFR21 "Possible Potential" information in the monthly QA update to the project controls department.

5.5.3.2 The PQM shall forward to the QAD any pertinent followup information as it becomes available.

5.5.3.3 The PEM shall ensure that the subsequent disposition of an NCR provides adequate information to allow a thorough QAD review.

5.5.4 A copy of the final results of the QAD review shall be provided to the Client by the PQM.

5.6 **Records**

5.6.1 The following records generated by use of this procedure shall be processed in accordance with QEP 17.01, *Quality Assurance Records*, and QEP Appendix 1, *Index of Quality Documents*:

a. Nonconformance Report
b. Nonconformance Instruction Sheet;
c. Audit Finding Report;
d. Corrective Action Request; and,
e. Deficiency Report.

6.0 REFERENCED FORMS

a. QEP 09.01-7, *Supplier Exception Request / Deviation Notice*
b. QEP 10.01-1, *Receipt Inspection Report*
c. QEP 12.02-1, *Daily Inspection Log*
d. QEP 12.02-2, *Deficiency Report*
e. QEP 15.01-1, *Nonconformance Report*
f. QEP 15.01-2, *Nonconformance Report Instruction Sheet*
g. QEP 15.01-3, *Nonconformance Report Addendum*
h. QEP 18.01-2, *Audit Finding Report*
i. QEP 18.01-4, *Corrective Action Request*
j. QEP 20.01-4, *Weld Repair Data Card*

7.0 REFERENCES

7.1 References Subject to Impact Review

None

7.2 References Not Subject to Impact Review

a. 10 CFR 21 – "Reporting of Defects and Noncompliance"

7.3 QEP References

a. QEP 07.09, *Design Change Control*
b. QEP 07.12, *10 CFR 50.59 Reviews*
c. QEP 10.01, *Receipt Inspection*
d. QEP 12.02, *Conduct and Control of Inspection and Surveillance Activities*
e. QEP 16.01, *Trend Analysis*
f. QEP 17.01, *Quality Assurance Records*
g. QEP 18.01, *Quality Assurance Audits*
h. QEP 20.01, *Control and Documentation of Welding*
i. QEP 20.07, *Weld and Base Metal Repairs*
j. QEP Appendix 1, *Index of Quality Documents*
k. QEP Appendix 3, *Inspection Codes*
l. QEP Appendix 4, *Trend Codes*

8.0 ATTACHMENTS

a. Exhibit 1 – Sample Quality Control Hold Tag
b. Attachment 1 – Routing of NCRs

EXHIBIT 1
SAMPLE QUALITY CONTROL HOLD TAG

(Front)

O

SGT

Deviation No.

Tag No.

QUALITY CONTROL HOLD

Unauthorized Removal May Result In Immediate Dismissal

Item Description:

Deviation Description:

Continued On Back

(Back)

O

SGT

Prohibited Work:

Permissible Work:

QC HOLD

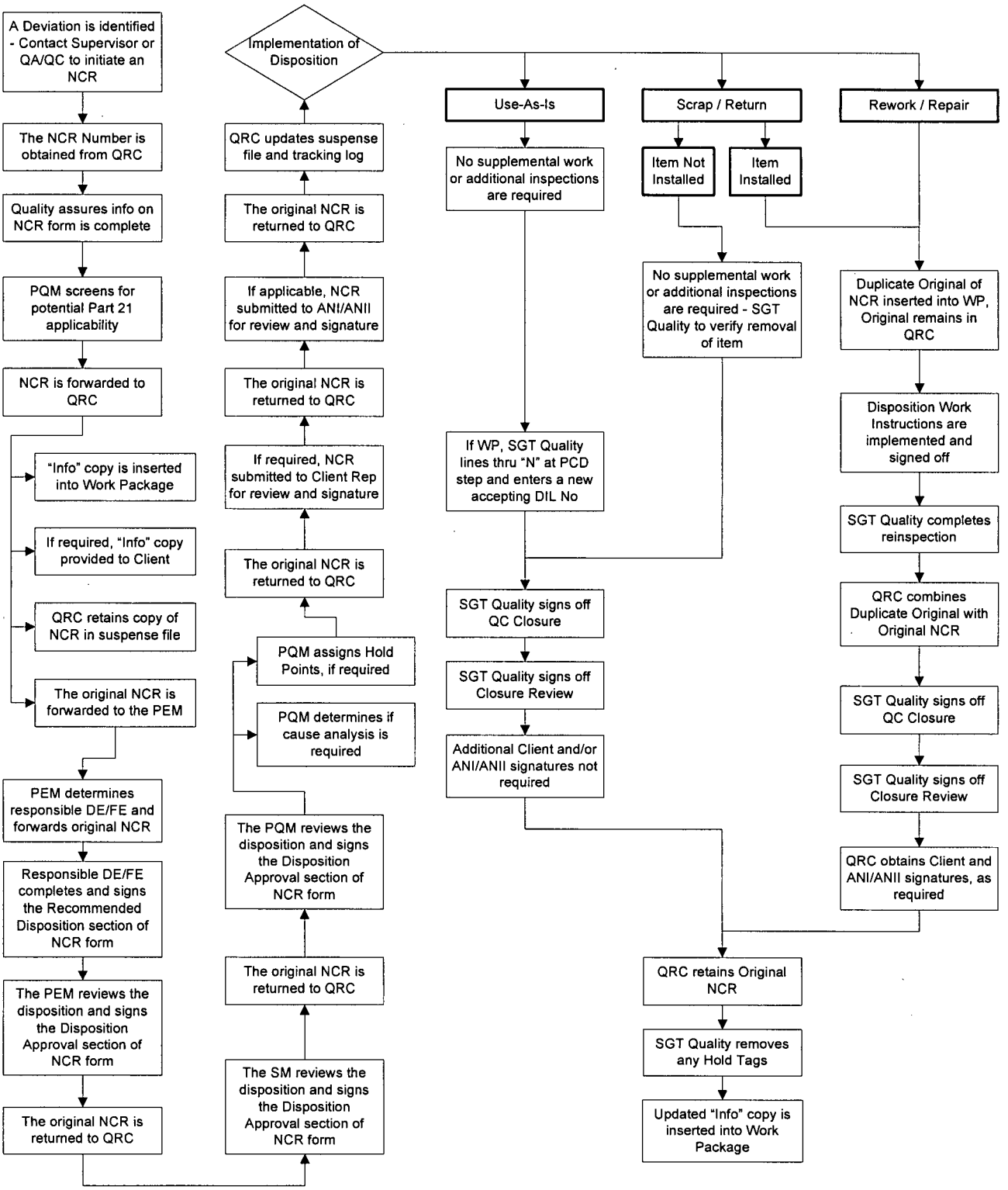
Issued By: Date:

Unauthorized Removal May Result In Immediate Dismissal

(Tag Background Color is Red and White Stripe)

SGT	Standard Procedures Engineering and Construction Projects	Procedure Type QUALITY EXECUTION PROCEDURE	
Procedure Title IDENTIFICATION AND CONTROL OF DEVIATIONS		Revision No / Status 5 / AFU	Procedure No. QEP 15.01
		Revision Date 03-Aug-09	Page 19 of 19

ATTACHMENT 1
ROUTING OF NCRs



SGT	Standard Procedures Engineering and Construction Projects	Procedure Type QUALITY EXECUTION PROCEDURE	
Procedure Title QUALITY ASSURANCE AUDITS		Revision No / Status 5 / AFU	Procedure No. QEP 18.01
		Revision Date 03-Aug-09	Page 1 of 9

1.0 SCOPE

This Quality Execution Procedure (QEP) establishes the responsibilities and methods for planning, scheduling, and performing audits of quality program implementation for project level activities and for audits of suppliers of nuclear safety-related material, items, and services.

Initial audits of potential suppliers are performed in accordance with URS Washington Division (URS-WD) procedures that are accepted by SGT. URS-WD or SGT personnel not assigned to the project conduct independent audits of the Project's Quality organization in accordance with project or URS-WD procedures accepted by SGT.

2.0 RESPONSIBILITIES

2.1.1 The following individuals have duties and responsibilities outlined in this procedure:

a. Quality Assurance Director (QAD)
b. Project Quality Manager (PQM)
c. Project Engineering Manager (PEM)
d. Lead Auditor
e. Auditor

2.1.2 Personnel signing the various signature blocks on the report forms referenced by this QEP shall confirm that they have the proper signature authority.

3.0 AUDIT REPORTING TERMS

3.1 Audit Finding

An Audit Finding is the documented identification of a deficient condition in characteristic, documentation, or procedure that renders the quality of an item or activity unacceptable or indeterminate. Findings are reported using Form QEP 18.01-2, *Audit Finding Report*, and are classified as:

3.1.1 Major Finding - A deficient condition which requires an investigation for cause determination and generic corrective action to prevent recurrence.

3.1.2 Minor Finding - A deficient condition which has been determined to be an isolated event which does not require a determination of cause or generic corrective action to prevent a recurrence. Action to correct the condition is required.

3.2 Audit Observation

An Audit Observation is the documented identification of a condition which is not a deficiency but could be improved by additional procedures, instructions, and/or training. Observations are reported using Form QEP 18.01-5, *Audit Observation Report*, and are classified as:

3.2.1 Major Observation - A condition which, if no action is taken, is deemed by the Lead Auditor to be a potential quality problem. Major Observations require a response.

3.2.2 Minor Observation - A condition requiring consideration for change by the audited organization in order to improve quality. Minor Observations do not require a response.

4.0 AUDIT SCHEDULING AND PLANNING

4.1 Audit Scheduling

4.1.1 The PQM develops a schedule for the performance of project audits on an annual basis. This schedule also serves as a log of completed audit activities and is updated by the PQM as necessary. The audit schedule/log is used to track all types of audits conducted by the Project.

4.1.1.1 At the project level, each of the elements addressed in the 18 sections of the SGT 10CFR50 Appendix B and ASME NQA-1 Quality Assurance Program Manual, for which there is work activity, shall be audited at least annually or at least once within the life of the activity pertaining to an element, whichever is shorter.

4.1.1.2 The schedule/log indicates the audit type, the audit location, and designates the scope of the audit. The applicable time frame for scheduled audits is broken down by month.

4.1.2 The audit schedule/log shall be updated as needed to indicate schedule changes and to include actual date information for audits as they are conducted.

4.1.3 Unscheduled audits shall supplement scheduled audits when conditions warrant.

4.2 Audit Teams

4.2.1 The PQM shall designate a Lead Auditor for each audit to be conducted. The Lead Auditor shall be selected such that this individual is independent of the activity being audited and shall have no responsibility for resolving deviations or concerns noted during the course of the audit.

4.2.2 The Lead Auditor selects and assigns Auditors who are independent of any direct responsibility for performing the activities to be audited.

4.2.3 Personnel performing audits shall be qualified and certified in accordance with QEP 04.02, *Qualification and Certification of Audit Personnel.*

4.2.4 For audits of Engineering, the PQM and PEM shall determine if technical specialists should be added to the Audit Team to assist in review of the technical aspects of engineering documents. It is recommended that this be done at least once during the life of the project and if the project experiences problems with engineering deliverables. It is not required that such individuals have Auditor or Lead Auditor certifications.

4.2.5 The Lead Auditor orients the Audit Team and coordinates the audit to assure communications within and between the team and the organization being audited.

4.3 Audit Planning and Preparation

4.3.1 The Lead Auditor assures the Audit Team is prepared prior to the performance of the audit.

4.3.2 The Lead Auditor generates or delegates generation of a Form QEP 18.01-1, *Audit Plan*, which identifies the following information, as a minimum:

a. Audit Number;
b. Organization or Supplier to be audited and the location;
c. Audit Team members;
d. Audit scope/activities to be audited;
e. Reference documents (including procedures or checklists);
f. Audit schedule information;
g. Any follow-up items or corrective actions from previous audits; and,
h. Identification of organizations to be notified regarding the audit.

4.3.3 Audit Plans are reviewed and approved by the Lead Auditor prior to the performance of the audit.

4.3.4 The format of the audit number consists of the SGT project number, a letter code indicating the type of audit ("S" for Supplier, "P" for internal Project, "E" for External audits [by organizations other than SGT - the number is used for internal tracking purposes]), a number indicating the year, and a sequential number for all types of audits. The following is an example:

xxxxx-P-03-02
xxxxx (SGT Project Number)
P (Signifies Project audit)
03 (Year Performed)
02 (Sequential Number)

4.3.5 The Lead Auditor makes available to the Audit Team for review the pertinent policies, procedures, standards, instructions, codes, regulations, and results of any prior audits. Each member of the Audit Team shall be provided a copy of the Audit Plan.

4.3.6 Supplier audits shall include a program review and verification that the program is implemented. Such audits shall be performed at the supplier's facility.

4.3.7 The Audit Team shall also get copies of, or develop if necessary, checklists to be used during the audit and review these documents as part of the preparation.

4.3.8 The Lead Auditor coordinates in advance with the organization/supplier to be audited and provides written notification of the scheduled audit date(s) and time.

5.0 AUDIT PERFORMANCE

5.1 Conduct of the Audit

5.1.1 The Lead Auditor conducts a brief pre-audit meeting with the cognizant organization/supplier management to confirm the audit scope, introduce the Audit Team, discuss the audit sequence, and establish a tentative time for the post-audit meeting.

5.1.2 Audits are performed in accordance with written procedures or checklists.

5.1.3 The Auditor(s) assures that the audit covers a representative selection of procedures, records, and interviews with personnel.

5.1.4 The Auditor(s) discusses audit findings with the organization/supplier being audited as soon as possible so that findings and comments are stated accurately.

5.1.5 The Lead Auditor shall, at the conclusion of the audit, conduct a post-audit meeting with the management of the audited organization/supplier to present and clarify the audit findings and comments.

5.1.5.1 If an Audit Finding is identified, an interim Form QEP 18.01-2, *Audit Finding Report*, shall be prepared and provided to the audited organization. This interim AFR shall be completed to include the finding description and the 10CFR21 screening portion of the form.

5.2 Reporting of Audit Results

5.2.1 Upon completion of the audit, the Lead Auditor documents the results of the audit using the format of Form QEP 18.01-3, *Quality Audit Report*. The Quality Audit Report shall contain the following information:

a. Audit Number;
b. Audited organization/supplier;
c. Location of audit;
d. Scope of audit;
e. Audit personnel;
f. Audit date(s) and report date;
g. Personnel contacted during audit;
h. Summary of audit results, including a statement on the effectiveness of the quality program elements which were audited;
i. A statement regarding the effectiveness of corrective action taken for any previous Audit Findings;
j. Summary of any new Audit Findings and Observations; and,
k. A closing statement, including any comments or recommendations.

5.2.2 The Lead Auditor shall issue the audit report within thirty calendar days of audit completion to the management of the audited organization/supplier.

5.2.3 The report shall include copies of any Forms QEP 18.01-2, *Audit Finding Report*, that were issued for any items that were found to not meet the applicable requirements. Any AFRs shall be screened for 10CFR Part 21 applicability by the Lead Auditor in accordance with Section 5.5.

5.2.3.1 Procedural noncompliances shall, as a minimum, be classified as minor findings.

5.2.4 The report shall also include copies of any Forms QEP 18.01-5, *Audit Observation Report*, that were issued for any items that were found that could be improved.

5.2.5 A response due date is established for AFRs and Major AORs. This date is normally within thirty days of date of the AFR or AOR, depending on the phase of the project (e.g., it will be much shorter during an outage).

5.2.6 AFRs and AORs are numbered sequentially, starting with one (1), for each audit.

5.2.7 A copy of the audit report shall be submitted to the PQM, including:

a. The "original" copies of any Forms QEP 18.01-2, *Audit Finding Report*, or QEP 18.01-5, *Audit Observation Report*; and,
b. The completed checklists used to conduct the audit.

5.2.8 A copy of the audit report, including any AFRs and AORs, shall be provided to the Client.

5.2.9 The Lead Auditor shall notify the PQM of any significant concerns related to supplier audits. The PQM shall determine if immediate action is required (i.e., notification to Procurement for pending or existing orders with supplier).

5.3 **Audit Follow-Up**

5.3.1 The PQM generates a Form QEP 12.02-1, *Daily Inspection Log*, entry for each AFR and Major AOR for tracking purposes and maintains outstanding AFRs and AORs in an "Action Pending" file to facilitate follow-up.

5.3.1.1 When a Major AFR is written, the management of the audited organization/supplier shall submit to the PQM a written explanation of each AFR. This response shall address the following:

a. The steps which have been or will be taken to correct the condition reported in the finding;
b. The cause that led to the condition reported in the finding;
c. The extent of the condition (where else might the problem exist; e.g., other items or activities at the project, another project, another supplier);
d. The steps which have been or will be taken to preclude recurrence (if appropriate); and,
e. The dates when the indicated actions were or will be completed.

5.3.1.2 When a Minor AFR is written, the management of the audited organization/supplier shall be requested to submit to the PQM a written explanation of the AFR identifying;

a. The steps which have been or will be taken to correct the condition reported in the finding; and,
b. The dates when the indicated actions were or will be completed.

5.3.1.3 When a Major AOR is written, the management of the audited organization/supplier shall be requested to submit to the PQM a written explanation of the AOR identifying;

a. The steps that have been or will be taken to address the condition identified in the observation; and,
b. The dates when the indicated actions were or will be completed.

5.3.2 If responses are not received by the due date, the PQM notifies the responsible organization that responses are overdue. If responses are not forthcoming, the PQM shall elevate overdue notifications to higher levels of SGT and/or supplier management. Any overdue notifications and/or extensions of due dates shall be documented and included in the audit file.

5.3.3 Upon receipt of response to AFRs and Major AORs, the PQM shall coordinate the evaluation of responses with the Lead Auditor/Quality staff.

5.3.4 The results of evaluation of the response are documented on the record copy of the AFR or AOR, or on supplemental sheets.

5.3.4.1 Unacceptable responses shall be noted with the specific reason for rejection. An AFR or AOR is then re-issued to the responsible organization, delineating a new response due date and including a copy of the original document with evaluation comments. Review and distribution of the re-issued document shall be the same as for the original.

5.3.4.2 For acceptable responses, the responsible organization shall be notified.

5.3.5 Acceptable responses shall be verified by one or a combination of the following:

a. Sufficient documented evidence provided by the audited organization to satisfactorily show that the corrective action has been carried out;
b. Brief follow-up visit to verify accomplishment of corrective actions concerning the identified conditions;
c. Re-audit of the areas where the conditions were found.

5.3.6 Unacceptable verification of stated corrective actions shall be handled in accordance with paragraph 5.3.4.1. Unacceptable verification of supplier stated corrective actions may be cause for removal of the supplier from the SGT ASL.

5.3.7 Upon completion (closeout) of all AFRs and AORs, the PQM notifies the audited organization, by letter, that all actions are complete and have been approved. The PQM also generates another Form QEP 12.02-1, *Daily Inspection Log*, entry to close out the original entry (reference paragraph 5.3.1).

5.4 **Corrective Action Request (CAR)**

5.4.1 Repetitive or significant conditions adverse to quality are documented on a Form QEP 18.01-4, *Corrective Action Request*. At the project level, significant conditions adverse to quality are usually identified during the course of an audit or during trend analysis. Nonetheless, a single occurrence of some types of deviations may be considered significantly adverse to quality to warrant the issuance of a CAR.

5.4.2 The PQM shall make the determination of significance and the need to issue a CAR at the project level.

5.4.3 When a CAR is issued, the PQM shall perform the following:

a. Obtain a CAR number from the Quality Assurance Director (the project number shall also be indicated in the "Contract Number" block of the CAR form);

b. Indicate the Responsible Manager and response due date on the CAR. The response due date shall not exceed ten (10) working days following notification of issuance of the CAR;

c. At a minimum, distribute the CAR to the Responsible Manager, Project Manager, Charlotte Quality Engineer, President, Engineering Director, Vice President Operations, and Client representative;

d. Generate a Form QEP 12.02-1, *Daily Inspection Log*, entry for tracking purposes;

e. Review the responses to the CAR and evaluate their adequacy and timeliness of implementation prior to accepting the responses; and,

f. Verify that the specified corrective action is taken.

5.4.4 To ensure that the next higher level of Quality management remains fully aware of significant conditions adverse to quality, the Quality Assurance Director shall be copied on the initial issue of the CAR and shall be kept informed regarding all subsequent actions taken to resolve the CAR.

5.4.5 The PQM shall determine the adequacy of proposed corrective actions and the adequacy of the schedule for implementation. The PQM shall follow up to assure the corrective actions have been implemented and have achieved the desired results. The follow up shall occur within 30 days of the scheduled implementation date. Should Quality management and Project management not be able to agree, they may ask the successively higher levels of management to become involved, up to the President of SGT, who shall make a final decision, if necessary.

5.4.6 The PQM shall ensure that the cause of the condition for which the CAR was generated has been identified and documented. The extent of the condition (where else might the problem exist; e.g., other items or activities at the project, another project, another supplier) shall also be identified and documented.

5.4.7 If responses are not received by the due date, the PQM notifies the responsible organization that responses are overdue. If responses are not forthcoming, the PQM shall elevate overdue notifications to higher levels of SGT and/or supplier management. Any overdue notifications and/or extensions of due dates shall be documented and included in the CAR file.

5.4.8 When the CAR is closed, the PQM also generates another Form QEP 12.02-1, *Daily Inspection Log*, entry to close out the original entry (reference paragraph 5.4.3d).

5.4.9 Copies of any CAR follow-up and closeout documentation shall be distributed to the same individuals as indicated in paragraph 5.4.3c above.

5.5 **Screening of AFRs and CARs for 10CFR Part 21 Applicability**

5.5.1 Identified deviations documented on AFRs and CARs are initially screened to determine whether or not the condition might meet the criteria for being potentially associated with the requirements of 10CFR Part 21. AFRs generated during an audit are initially screened by the Lead Auditor. All other AFRs and all CARs are initially screened by the PQM. The PEM will provide technical input, as necessary.

5.5.1.1 This screening process shall take place within five (5) working days of the "Discovery Date", as defined below:

a. For AFRs, the Discovery Date is the "Date Issued" at the top of the form. This date must be no later than the completion date of the related audit (date of audit exit meeting), even if the final audit report has not been issued.

b. For CARs, the Discovery Date is the "Date Issued" at the top portion of the form. This date must be within five (5) working days of the identification of the problem or the decision to issue a CAR.

5.5.1.2 The following criteria shall be used when performing this initial screening:

a. Does the deviation relate to a basic component? A basic component includes:

(1) a safety-related structure, system, or component, or part thereof, and/or,

(2) safety-related design, analysis, inspection, testing, fabrication, replacement of parts, or consulting services that are associated with the component hardware whether these services are performed by the component supplier or others.

b. Has the item or activity been turned over to or submitted for acceptance to the purchaser or licensee, or is the item currently in the possession of the purchaser or licensee?

5.5.2 If the answer to either of the questions is "No", the condition does not relate to Part 21 and the screening process is complete.

5.5.3 If the answer to both of these questions is "Yes", the condition is potentially associated with the requirements of 10 CFR Part 21. The PQM shall forward a document package consisting of a copy of the deviation report and any supporting documentation to the QAD within two (2) working days for further review. In addition, the PQM shall promptly notify the Client.

5.5.3.1 For additional tracking purposes, the PQM will include the 10CFR21 "Possible Potential" information in the monthly QA update to the project controls department.

5.5.3.2 The PQM shall forward to the QAD any pertinent followup information as it becomes available.

5.5.3.3 The PEM shall provide additional technical input, as necessary, to allow a thorough QAD review.

5.6 Status Reporting

5.6.1 The PQM shall provide a quarterly status report to the Quality Assurance Director covering open CARs, AFRs, and AORs and those items that were closed during the period being reported on.

5.7 Administrative Closure

5.7.1 In cases where identified deficiencies subsequently result in issuance of a higher-tier document (e.g., a CAR is issued following an AFR), or multiple documents covering similar issues are combined into one, the lower-tier or "duplicate" documents may be administratively closed, with such action being documented on the closed documents. Any incomplete corrective action shall be tracked to completion using the higher-tier or combined document.

5.8 **Records**

5.8.1 The following records generated by use of this procedure shall be processed in accordance with QEP 17.01, *Quality Assurance Records*, and QEP Appendix 1, *Index of Quality Documents*:

a. Audit Plan
b. Audit Finding Report
c. Audit Observation Report
d. Quality Audit Report
e. Corrective Action Request

6.0 REFERENCED FORMS

a. QEP 12.02-1, *Daily Inspection Log*
b. QEP 18.01-1, *Audit Plan*
c. QEP 18.01-2, *Audit Finding Report*
d. QEP 18.01-3, *Quality Audit Report*
e. QEP 18.01-4, *Corrective Action Request*
f. QEP 18.01-5, *Audit Observation Report*

7.0 REFERENCES

7.1 References Subject to Impact Review

None

7.2 References Not Subject to Impact Review

None

7.3 QEP References

a. QEP 04.02, *Qualification and Certification of Audit Personnel*
b. QEP 17.01, *Quality Assurance Records*
c. QEP Appendix 1, *Index of Quality Documents*

8.0 ATTACHMENTS

None

SGT Standard Procedures Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE	
Form Title: **AUDIT FINDING REPORT**	Revision No / Status: **2 / AFU**	Form No.: **QEP 18.01-2**
	Form Revision Date: **03-Aug-09**	Form Page: **1** of **2**

Audit Number:	AFR Number:	Date Issued:
-P- -	**AFR -**	

COMPLETED BY AUDITOR

Organization / Supplier:	Person Contacted:

Referenced Requirements (Section Number, Paragraph Number, etc.):

FINDING – Include Specific Requirement(s) Violated:

Classification: **Major** ☐ **Minor** ☐

For a Major Finding, you are requested to identify the action taken to correct the identified condition. You are further requested to investigate the cause and effect of the condition in order to determine the extent of preventative action required. The results of this review are to be considered in your reply.

For a Minor Finding, you are requested only to identify the action taken to correct the identified condition.

Response DUE DATE:	Auditor's Signature:

Results of Lead Auditor / PQM screening for potential association with 10CFR21:	☐ NO Potential ☐ Possible Potential	Signature	Date

SGT Standard Procedures Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE	
Form Title: **AUDIT FINDING REPORT**	Revision No / Status: **2 / AFU**	Form No.: **QEP 18.01-2**
	Form Revision Date: **03-Aug-09**	Form Page: **2** of **2**

Audit Number:	AFR Number:	Date Issued:
-P- -	**AFR -**	

COMPLETED BY ORGANIZATION AUDITED

Corrective Action Taken or Proposed to Correct Discrepancy:

Corrective Action Completion Date:	Actual ☐ Projected ☐

Cause of Discrepancy:

Extent of Condition

Preventative Action Taken to Eliminate Cause of Discrepancy:

Preventative Action Completion Date:	Actual ☐ Projected ☐
Actions Taken / Proposed Submitted by (Signature and Title):	Submitted Date:

COMPLETED BY AUDITOR

Corrective / Preventative Action Evaluation		Verification of Implementation of Corrective / Preventative Action		
Acceptable ☐	**Unacceptable** ☐	**Acceptable** ☐	**Unacceptable** ☐	**Not Required** ☐
Reason:		Reason:		
Evaluated by:	Date:	Verified by:		Date:

SGT Standard Procedures Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE	
Form Title: **CORRECTIVE ACTION REQUEST**	Revision No / Status: **1E1 / AFU**	Form No.: **QEP 18.01-4**
	Form Revision Date: **03-Aug-09**	Form Page: **1** of **1**

GENERAL INFORMATION

Corrective Action Request Number:	Revision:	Contract Number:	Project Name:	
CAR -	**0**			Sheet **1** of
Issued to:			Department:	

Condition Description

RESPONSE DUE DATE:

INITIATED BY:	Signature:	Title:	Date Issued:

Results of PQM screening for potential association with 10CFR21:	☐ No Potential ☐ Possible Potential	Signature:	Date:

DISPOSITION OF CORRECTIVE ACTION REQUEST

Cause and Corrective Action

Extent of Condition

Preventative Action Taken to Eliminate Cause

ANTICIPATED COMPLETION DATE:

PREPARED BY:	Signature:	Title:	Date:

CORRECTIVE ACTION ACCEPTANCE

ACCEPTED BY:	Signature:	Title:	Date:

CORRECTIVE ACTION COMPLETION AND FOLLOW-UP

ACTION COMPLETE:	Signature:	Title:	Date:
VERIFIED BY:	Signature:	Title:	Date:

Kovacs, Bruce

From: McDonald, David
Sent: Friday, July 31, 2009 10:03 AM
To: Kovacs, Bruce
Subject: FW: Audit 38241-P-08-02

From: McDonald, David
Sent: Friday, November 07, 2008 5:51 AM
To: Nichols, Charlie
Cc: Helton, Paul; Scott, Barry; Stuckey, Bill
Subject: RE: Audit 38241-P-08-02

Charlie

I am out of the office today. As you mentioned in your phone message last night, you can send the response both by email and US mail. The sooner I receive the information the sooner we can start working on getting the findings closed.

The extension to 11-20-08 is granted for AFRs 3, 4, 5, 6, 12, 16, 17 and 18.

David E. McDonald
Lead Quality Engineer
Quality Programs
Princeton, NJ 08540
(609) 720-2412

From: Nichols, Charlie
Sent: Thu 11/6/2008 4:04 PM
To: McDonald, David
Cc: Nichols, Charlie; Helton, Paul
Subject: RE: Audit 38241-P-08-02

David –

As per my voice mail to you earlier today, the extension request (below) should have included AFR's 06, 16 and 17. Response to AFR-03 will be issued today. As below, response to all AFR's will be provided no later than 11-20-08.

Sorry for the inconvenience!

Charlie Nichols

From: McDonald, David
Sent: Thursday, November 06, 2008 5:33 AM
To: Nichols, Charlie
Cc: Helton, Paul; Bourque, Hugh; Flodman, Richard; Strupp, Kenny; OMalley, Kathy; Bill Taylor; Bruce Emmons; Scott, Barry; Stuckey, Bill
Subject: RE: Audit 38241-P-08-02

Charlie,

Your request for a time extension to 11-20-08 to provide a corrective action response to AFR-03, -04, -05, -12 and -18 is granted.

Thank you for the update on the status of the AFR's.

David McDonald
Lead Quality Auditor
Quality Programs
Princeton, NJ
(609) 720-2412

From: Nichols, Charlie
Sent: Wednesday, November 05, 2008 5:21 PM
To: McDonald, David
Cc: Helton, Paul; Bourque, Hugh; Flodman, Richard; Strupp, Kenny; OMalley, Kathy; Bill Taylor; Bruce Emmons
Subject: Audit 38241-P-08-02

David;

Our responses to 14 of the 19 subject audit findings, or observations requiring a response, will be issued tomorrow (11/6). After a review of progress on the remaining 5 items, I would like to request a time extension to 11-20-08. We will expedite response to the final 5 items to the extent possible.

Those items which require additional effort and time are:

- AFR-03, -04, and -05 dealing with elements of the training program
- AFR-12 regarding document references in DMS
- AFR-18 relative to provision of un-priced copies of purchase orders to Document Control Center

Please don't hesitate to call if you have any questions or concerns.

Thanks very much for your consideration.

Best Regards,

Charlie Nichols
805.545.6770

The Steam Generating Team

SGT

A URS-Washington Division : AREVA NP Company

38241-PM-08-0042

INTER-OFFICE CORRESPONDENCE

Action Required: Yes ☒ No ☐

To: David MacDonald

From: Charlie Nichols

Date: November 6, 2008

Subject: Audit Number 38241-P-08-02

Please find attached for you review, consideration, and approval, responses to the following audit findings: AFR -01 through -03; AFR-07 through 11, AFR-13 through 15, and AOR-01.

Response to AFR-03, -04, -05, -12, and -16, -17, -18 will be forthcoming as soon as possible, but not later than 11-20-08.

Please don't hesitate to contact me at 805.545.6770 with any questions.

cc: (w attachment) H. Bourque, B. Scott
(w/o attachment) P. Helton, L. Dietrich, R. Flodman, W. Taylor, K. Strupp, K. O'Malley

File: Project File: 11.0393.f Subject File: 17.082.f
Quality Records File: 18.1.2

Audit Number 38241-P-08-02

AFR Number: AFR - 01

S:\Common\QUALITY Audit 38421-P-08-002 D a o Canyon AFR-01-RLD RESPONSE.doc

SGT Standard Procedures Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE	
Form Title: **AUDIT FINDING REPORT**	Revision No / Status: **0E2 / AFU**	Form No.: **QEP 18.01-2**
	Form Revision Date: **04-May-05**	Form Page: **1 of 2**

Audit Number:	AFR Number:	Date Issued:
38241-P-08-02	**AFR - 01**	October 7, 2008

COMPLETED BY AUDITOR

Organization / Supplier:	Person Contacted:
Project Cost; Project Administration; Project Quality	Chris Good, CiCi Schulz, Ray Fink, Jack VanDyke, Paul Helton

Referenced Requirements (Section Number, Paragraph Number, etc.):

Quality Assurance Program 10CFR50 / NQA-1, A1.0 Order Entry, A1.2 Client Order Changes, "Changes to the client order are received at the project level by the PM. Change Orders are reviewed by the PM and Project Quality Manager (PQM). The PQM assures that SGT has the necessary QA Program controls in place to perform the work associated with the change. Any comments are submitted to the PM for resolution. This review is documented by the PQM. Approval of the Change Order is by the PM. A copy of the Change Order is retained in the project files."

FINDING – Include Specific Requirement(s) Violated: Classification: **Major** ☐ **Minor** ☒

After reviews of the prepared change orders, several could not be located either in project physical files or in electronic files when requested of the Project Cost Department. Along with the missing files, it was discovered that five of the change orders had not been presented to the PQM for review. It also was very difficult to retrieve the PQM's documented review for those which had been presented as required. Below is an itemization of the Client Change Orders to date:

Unit 2 Change Order No.

No's.: 1, 2, 3, 4, 5, and 9 have documented PQM reviews in the DCPP QRC Center.

No's.: 7 and 8 have not been presented to the PQM for review.

Unit 1 Change Order No.

No's.:1, 2, 3 and 4 have not been presented to the PQM for review.

For a Major Finding, you are requested to identify the action taken to correct the identified condition. You are further requested to investigate the cause and effect of the condition in order to determine the extent of preventative action required. The results of this review are to be considered in your reply.
For a Minor Finding, you are requested only to identify the action taken to correct the identified condition.

Response DUE DATE:	Auditor's Signature:
November 6, 2008	

Results of Lead Auditor PQM screening for potential association with 10CFR21:	☒ NO Potential ☐ Possible Potential	Signature	Date: 10/07/08

The Steam Generating Team

SGT

38241-PM-08-0041

INTER-OFFICE CORRESPONDENCE

Action Required: No

To: Hugh Bourque

From: Raymond P. Fink

Date: October 31, 2008

Subject: Response to Audit Number: 38241-P-08-08, AFR Number: 01

In response to the above Auditing Finding, the following action has been taken to correct the identified condition:

1. The Diablo Canyon Unit 1 and 2 Change Orders identified in AFR-01 have been reviewed by the PQM.

2. A complete set of Diablo Canyon Unit 1 and 2 Change Orders will be provided to the Site Quality Assurance Group for their project records.

3. Pursuant to SGT's "Corporate Directive" concerning utilization of Share Point for management of documentation, the Quality Assurance Group has been made of aware of the file locations to retrieve Diablo Canyon Unit 1 and 2 Change Orders.
   https://collaborationext.us.arevagroup.com/sites/SGT/DCPP/DCPP/10.035.1 and 10.35.2.

4. The current process for completing the review and approval of Diablo Canyon Change Orders incorporates a routing transmittal reflecting signatory review/approval by SGT Site Project Management, SGT Quality Assurance and SGT Senior Management prior to submittal to PG&E for approval.

5. The Quality Assurance Group has been added to the distribution list for all future Diablo Canyon Change Orders.

Action Required:

Attachment: 1) Share Point Screen prints of Diablo Canyon Project Folders -- Issue Change Orders Files 10.035.1 and 10.035.2
2) Change Order 9 Unit 2 Diablo Canyon

Cc: R. Flodman, C. Nichols, P. Helton and Project File: 11.020F, Subject File: 15.321 F

SGT Standard Procedures Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE	
Form Title: **AUDIT FINDING REPORT**	Revision No / Status: **0E2 / AFU**	Form No.: **QEP 18.01-2**
	Form Revision Date: **04-May-05**	Form Page: **2 of 2**
Audit Number: **38241-P-08-02**	AFR Number: **AFR - 01**	Date Issued: October 7, 2008

COMPLETED BY ORGANIZATION AUDITED

Corrective Action Taken or Proposed to Correct Discrepancy:

Unit 1 Change Order No's. 1, 2, 3 and 4 and Unit 2 Change Order No's. 7 and 8 have been presented to the PQM, and have been reviewed.

A complete set of Unit 1 and Unit 2 change orders have been provided to site PQM, and have been uploaded into Sharepoint in accordance with corporate direction.

Corrective Action Taken by (Signature and Title):	Corrective Action Completion Date:
[signature] MANAGER CONTRACTS	10-31-08

Cause of Discrepancy:
Inadequate knowledge of the requirements by previous project staff, and inadequate job tools to reinforce the requirement.

Preventative Action Taken to Eliminate Cause of Discrepancy:
Project staff has reviewed requirements for approval and understand the process. Further a 'routing slip' has been implemented to physically verify routing and approval of contracts prior to completion.

See attached IOC dated 10/31/08 from R Fink to H Bourque outlining the audit finding resolution.

Preventative Action Taken by (Signature and Title):	Date:
[signature] MANAGER CONTRACTS	10-31-08

COMPLETED BY AUDITOR

Corrective / Preventative Action Evaluation		Verification of Implementation of Corrective / Preventative Action		
Acceptable ☐	Unacceptable ☐	Acceptable ☐	Unacceptable ☐	Not Required ☐
Reason:		Reason:		
Evaluated by:	Date	Verified by:		Date:

The Steam Generating Team
SGT

38241-PM-08-0041

INTER-OFFICE CORRESPONDENCE

Action Required: No

To: Hugh Bourque

From: Raymond P. Fink

Date: October 31, 2008

Subject: Response to Audit Number: 38241-P-08-08, AFR Number: 01

In response to the above Auditing Finding, the following action has been taken to correct the identified condition:

1. The Diablo Canyon Unit 1 and 2 Change Orders identified in AFR-01 have been reviewed by the PQM.

2. A complete set of Diablo Canyon Unit 1 and 2 Change Orders will be provided to the Site Quality Assurance Group for their project records.

3. Pursuant to SGT's "Corporate Directive" concerning utilization of Share Point for management of documentation, the Quality Assurance Group has been made of aware of the file locations to retrieve Diablo Canyon Unit 1 and 2 Change Orders.
   https://collaborationext.us.areva.group.com/sites/SGT/DCPP/DCPP/10.035.1 and 10.35.2.

4. The current process for completing the review and approval of Diablo Canyon Change Orders incorporates a routing transmittal reflecting signatory review/approval by SGT Site Project Management, SGT Quality Assurance and SGT Senior Management prior to submittal to PG&E for approval.

5. The Quality Assurance Group has been added to the distribution list for all future Diablo Canyon Change Orders.

Action Required:

Attachment: 1) Share Point Screen prints of Diablo Canyon Project Folders – Issue Change Orders Files 10.035.1 and 10.035.2
2) Change Order 9 Unit 2 Diablo Canyon

Cc: R. Hodman, C. Nichols, P. Helton and Project File: 11.020F, Subject File: 15.321 F

Nichols, Charlie

From: Fink, Raymond
Sent: Friday, October 31, 2008 11:27 AM
To: Bourque, Hugh; Flodman, Richard; Nichols, Charlie; Helton, Paul
Cc: Schulz, Cecelia
Subject: Audit Finding AFR -01
Attachments: Interoffice Correspondence Template.doc; rfinksharepoit.PDF; rfinkco9.PDF

Hugh, please see attached my response to Audit Finding AFR -01 including supporting documentation. Ray

Raymond P. Fink
Contract Administration Manager
Diablo Canyon
SGT
The Steam Generator Team
A URS - Washington Division/AREVA NP Company
805-545-6774 Office
856-628-6963 Cell
raymond.fink@wgint.com

The Steam Generating Team

SGT

A JRS-Washington Division AREVA NP Company

PG&E 08 0176

August 22, 2008

Action Required Yes ☒ No ☐

Diablo Canyon Power Plant
P.O. Box 56
Avila Beach, CA 93424

Attention: Mr. Bob Exner, Mail Code Trailer 250

Subject: RSG Installation - Unit 2 Agreement Change Order No. 9

Reference: 1) Agreement Number 3500621110

Dear Mr. Phillips:

Please find enclosed a copy of Change Order Number 9 to above referenced Agreement reflecting SGT's acceptance and corresponding signature authority. The two (2) originals of this Agreement Change Order Number 9 are provided to Mr. Phillips for PG&E's signature.

For purposes of clarification, it is understood by parties the language in this Change Order Number 9 in Section II. CONSIDERATION, Subsection A. stating "Delete Section 6.9 in its entirety" shall be incorporated in the next the Agreement Change Order to Unit 1 Agreement Number 3500621158.

After the appropriate PG&E individual has countersigned this Agreement Change Order No. 9, please provide one (1) fully-executed original to SGT for its records.

If you have any questions in this regard, please contact me at (805) 545-6180 or (805) 458-7803.

Action Required: PG&E to provide on fully-executed original of Agreement Change Order No. 9 to SGT.

Sincerely,

Hugh Bourque
Project General Manager
Diablo Canyon SGRP
SGT West

Attachments 1 Agreement Change Order No. 9 - Two (2) Originals

cc B. Brannan, R. Phillips two original Change Order Documents Project File 11.320 F, Subject File 15.321 F

Pacific Gas and Electric Company

Agreement Change Order

Washington Group International, Inc.
720 Park Blvd
Boise, ID 83729

Agreement No. 3500621110
Change Order No. 9
Page 1 of 4

AREVA NP, Inc.
7207 IBM Dr., MC CLT-3-A
Charlotte, NC 28262

FOR RSG Installation Agreement – Unit No. 2

The following changes are hereby authorized subject to the terms and conditions in the agreement referred above ("Agreement"):

I. SPECIFIC CONDITIONS

A. PURPOSE

The purpose of this Change Order is to add numerous Contract Change Orders, Estimates (CCOEs), set Reimburse Cost maximum and finalize Contractor's Fee.

B. SCOPE OF WORK AND ADMINISTRATIVE TARGET COST CHANGES

Contractor shall provide and/or perform:

1. Old Steam Generator Storage Facility (OSGFS) Roadway Soil Remediation (COOE 056) -Soil remediation and replacement was required due to unsatisfactory pumping conditions experienced during road construction at the Old Steam Generator Storage Facility.
2. SGT Corporate Overhead Allocations (CCOE 060) - 2005 adjustment from estimated to actual cost.
3. Additional engineering and construction for Outside Lift System (OLS) Foundation (COOE 094).
4. Containment Access Facility (CAF) Flooring (CCOE 165) - Installation of carpet flooring tiles in the Containment Access Facility.
5. Added storage container construction for manway and inspection ports Scope (CCOE 166) – This CCOE will not be added to Target Cost. PG&E will not pay for SGT Overhead and Fee for this CCOE.
6. Outage Delays Prior to Replacement Steam Generator (RSG) Window (CCOE 171)

CONTRACTOR	FIRM NAME Washington Group International, Inc.	PG&E	NAME Des Bell
	NAME Richard B. Wilkerson		SIGNATURE
	SIGNATURE [signature]		TITLE Vice President, Shared Services & Chief Procurement Officer
	TITLE President, SGT		DATE EXECUTED
	DATE ACCEPTED 08/20/2008		PG&E NEGOTIATOR B R Phillips PHONE (415) [illegible] PR No [illegible]

7. Support for RSG (CCOE 173) - Unload, scaffold support, and removal of sludge collector blowdown pipe fittings.

8. Main Steam/Feedwater (MS/FW) Rupture Restraint Bumper Removal (CCOE 174) - Grind down and remove crushable bumper welds.

9. Additional manpower required for crane walkers and housekeeping in Containment.(CCOE 176).

10. Insulator and pipefitter additional support for instrument tubing relocation (CCOE 179).

11. Upper Lateral Support RSG Window Delay (CCOE 180) - As-found conditions at the Upper Lateral Supports differed from those shown on drawings provided.

12. Additional busing (CCOE 182) - Busing encountered when employees were laid off, but unable to leave site due to unavailability of transportation.

13. Various Non-Conformance Reports (NCRs) and As-found Conditions (CCOE 183) - Several conditions resulted in NCRs and actions to rectify the problems.

14. Human Performance (HU) Training (CCOE 184) – Additional human performance training.

15. Extra Banding at Sump (CCOE 187) - Additional scope to the double banding work.

16. Plant Scaffold Rework (CCOE 188) - Modifications, rework, and rebuilds due to changes and miscommunication between the Parties.

17. Manway Access Platform Modifications (CCOE 190) - Miscommunication between Parties resulted in rework.

18. Heat-up Delays (CCOE 192) - Delay in DCPP heat-up resulting in personnel being held on site for an additional period of time.

19. 2007 Escalation Adjustment (CCOE 194).

20. 2008 Escalation Adjustment (CCOE 195).

21 Additional Smoke-eaters (CCOE 196) - Smoke-eaters at selected locations were modified by PG&E.

22 Non-Manual Performance Incentive Plan (PIP) (CCOE 199) - This CCOE and pending CCOE 200 (Unit 1) supersede CCOE 130

C QUALITY ASSURANCE

The Work supplied in Sections I.B.13 and I.B.17 are nuclear safety related and are subject to the reporting requirements for defects and noncompliance under the provisions of Part 21 of Title 10 of the Code of Federal Regulations (10CFR21).

Should the Contractor provide any information to the Nuclear Regulatory Commission (NRC) resulting from the above reporting requirements, this information shall be provided immediately to

PG&E - Diablo Canyon Power Plant
Manager, Quality Verification Department
P. O. Box 56
Avila Beach, CA 93424

The Contractor's Quality Assurance Program shall comply with the applicable portions of Title 10, Code of Federal Regulations, Part 50 (10CFR50), "Domestic Licensing of Production and Utilization Facilities," Appendix B, "Quality Assurance Criteria for Nuclear Power Plants and Fuel Reprocessing Plants," as implemented by the Contractor's Quality Assurance Manual Issue 2, Revision 9 dated 7/16/07 or latest PG&E approved revision, and approved by PG&E to provide steam generator products and services.

PG&E shall have the right of access (1) to enter the premises of the Contractor to witness inspection/test activities and/or (2) to conduct surveillance or quality assurance audits. This right shall extend to all Subcontractors and shall be coordinated through the Contractor.

Contractor shall comply with PG&E's QSL restriction: The provisions of ASME Section III, Subsection NX-2610 Paragraph (B) shall not be utilized for ASME Section III material. ASME Subsuppliers shall be prohibited from utilizing the provisions of NX-2610 (B), unless the quality of such material is verified by the Supplier.

PG&E reserves the right to review, comment, and approve Contractor documents.

Contractor shall submit all non-conformance notices to PG&E.

Documents shall be maintained in accordance with the QA documentation requirements in PG&E Specification 10047-N-NPG, Section 2.6.2.4. QA documentation supporting Certified Material Test Reports (CMTRs) shall include CMTRs for the starting material, results of any testing needed to upgrade the material if it is not qualified source material, and results of all tests and inspections required by Specification 10047-N-NPG and ASME code.

All remaining items in Section I.B are not safety related.

II. CONSIDERATION

The Parties have agreed to the following settlement for the DCPP Unit 2 Work as follows.

A Contractor's Fee: [redacted] final, fixed fee

This fee is the final total fee amount and supersedes Base Fee and any and all Fee Adjustments

Delete Section 6.9 in its entirety

B. The Contract Target Cost shall be increased by [redacted] (Exhibit I, Section 1)

CCOE 166 will not be added to Target Cost and SGT Overhead and Fee will not be paid

Target Cost (except for CCOE 166) for CCOEs are shown in this Change Order, however Target Cost escalation adjustments and all other Target Cost monetary considerations (e.g. Fee Adjustment for Cost) are not applicable due to the final, fixed

amount of Contractor's Fee at [redacted] For the avoidance of doubt, this paragraph takes priority over any other conflicting Target Cost terms

The amount of the CCOEs are:		[redacted]
056	OSGSF Roadway Soil Remediation	
060	SGT Corporate Overhead Allocations	
094	Additional Eng and Construction due to unknowns at OLS foundation	
165	CAF Flooring	
166	Added Manway & Inspection Port Scope (not in Target cost)	
171	Outage Delays Prior to RSG Window	
173	Plant Support for RSG	
174	MS/FW Rupture Restraint Bumper Removal	
176	Additional Plant Support	
179	Insulator & Pipefitter Support	
180	Upper Lateral Support RSG Window Delay	
182	Additional Busing Costs	
183	Various NCR and As-found Conditions	
184	HU Training Adjustment	
187	Extra Banding at Sump	
188	Plant Scaffold Rework	
190	Manway Access Platform Modifications	
192	Heat-up Delays	
194	2007 Escalation	
195	2008 Escalation	
196	Additional Smoke-eaters	
199	Actual Non-Manual PIP	
	Total	

C Reimbursable Costs shall paid by PG&E to a maximum [redacted]

The settlement of Target Cost not being applicable as stated in Section II B, Contractor's Fee and maximum Reimbursable Cost in no way reduces, waives or supersedes the requirements of Contractor or rights of PG&E

ALL OTHER TERMS AND CONDITIONS SHALL REMAIN THE SAME

ROUTING FOR SIGNATURE

Diablo Canyon Unit 2 – Contract Change Order #9

Name	Signature	Date
Chris Good		8/13/08
George Krauss		8-12-08 7-10-08
Paul Helton	Paul J. Helton	12 AUG 08
Hugh Bourque		12 AUG 08
Geoff Wilde		18 AUG 08
Ruth Willingham		12 Aug 08

SIGNATURE:

Dick Wilkerson

Please return both executed copies to Cici Schulz at Diablo Canyon

Audit Number 38241-P-08-02

AFR Number: AFR - 02

SGT | Standard Procedures Engineering and Construction Projects | Form Source: QUALITY EXECUTION PROCEDURE

Form Title: **AUDIT FINDING REPORT**

Revision No / Status	Form No.
0E2 / AFU	QEP 18.01-2
Form Revision Date	Form Page
04-May-05	2 of 2

Audit Number	AFR Number	Date Issued
38241-P-08-02	AFR – 02	October 7, 2008

COMPLETED BY ORGANIZATION AUDITED

Corrective Action Taken or Proposed to Correct Discrepancy:

This condition was documented on SGT Deficiency Report Number 034 on 24 September 2008. The Cause, Corrective Action and Preventive Measures Taken to Eliminate Cause of this deficiency have been proposed and approved by the SGT DCPP PQM.

As a result of the investigation supporting DR-034, SGT Nonconformance Report Number 2-084 has been generated. Attached is a copy of NCR 2-084 with supportive documentation. The corrective actions associated with these reports will be verified as completed.

See attached NCR 2-084.

Corrective Action Taken by (Signature and Title):	Corrective Action Completion Date:
Paul J. Helton	15 December 08

Cause of Discrepancy:

See attached NCR 2-084.

Preventative Action Taken to Eliminate Cause of Discrepancy:

See attached NCR 2-084.

Preventative Action Taken by (Signature and Title)	Date
Paul J. Helton	15 December 08

COMPLETED BY AUDITOR

Corrective / Preventative Action Evaluation

Acceptable ☐ Unacceptable ☐

Reason

Verification of Implementation of Corrective / Preventative Action

Acceptable ☐ Unacceptable ☐ Not Required ☐

Reason

Deficiency Report No (38241) 034

ORIGINAL

INFORMATION ONLY

SGT Standard Procedures for Engineering and Construction Projects — QUALITY EXECUTION PROCEDURE

Form Title	Revision No. / Status	Form No
DEFICIENCY REPORT	1E1 / AFU	QEP 12.02-2
	Form Revision Date: 28-Mar-05	Form Page: 1 of 1

GENERAL INFORMATION

Activity	DEFICIENCY REPORT NO. (38241) 034	Deficiency Report Sheet 1 of
NDE of Welder Performance Qualification		

ASSIGNED TO:	Department	If Initiated, Reference NCR	REPLY DUE DATE:
Paul Helton	Quality	N/A	16-Oct-08

CONDITION DESCRIPTION

QEP 20.04 *Welder Performance Qualification*, paragraph 5.2.1 states, in part, "Radiography may be used in lieu of mechanical testing for evaluating the welders performance qualification...". In addition, paragraph 5.2.2 states, in part, "Radiography shall be performed in accordance with QEP 12.06, Radiographic Examination (ASME)...".

Contrary to these requirements, no objective evidence exists to document that Valley Industrial X-Ray and Inspection Services, Inc. performed radiography and film review of SGT welder performance qualification coupon welds in accordance with QEP 12.06.

Update: Refer to Sheet 2 for revisions to the Condition Description. MH 10/2/08

	Signature:	Title:	Date:	DIL No
INITIATED BY:	K. Lucy Dietrich	QA Supervisor	24-Sep-08	01
APPROVED BY:	Paul J. Helton	Project Quality Manager	24-Sep-08	

RESPONSE TO DEFICIENCY REPORT

CAUSE AND CORRECTIVE ACTION

See attached.

PREVENTATIVE ACTION TAKEN TO ELIMINATE CAUSE

See attached

ANTICIPATED COMPLETION DATE: 12/31/08

RESPONSE By: [illegible] Date: [illegible]

COMPLETED BY SGT QUALITY

APPROVED By: [illegible]

CORRECTIVE ACTION FOLLOW-UP

DR-034
Sheet 2 of _____

This updated description (Revision 1) is based on the discovery of the scope of this condition.

To further describe this condition, the following items have been identified:

a. No radiographs, reader sheets or RT reports were reviewed and approved by SGT as required per QEP 20.04.
b. Additional vendor has been identified as Conam, Inc. who performed RT services for the qualification of Wachs welders.
c. Conam does not appear on any SGT Parent Company Approved Suppliers List (ASL).

K. Lucy Quetrick — 10/02/08
Initiated by — Date
QA Supervisor

[signature] — 10-2-08
Approved by — Date
PQM

DR-034

SUMMARY

Prior to 2R14, SGT utilized the services of a subcontractor to perform and interpret radiography testing of the welder qualification coupons in accordance with the requirements of ASME Section IX for weld test coupons fabricated onsite at DCPP. The subcontractor was Valley Industrial X-Ray & Inspection Services, Inc. of Bakersfield, CA. Also, SGT subcontracted E.H. Wachs Co. to provide qualified welders for the DCPP Unit 2 SGRP when local union resources were depleted. (SGT Welding Engineering implemented SGT's QA Program at the Wachs facility during welder qualification performance). Conam Inspection and Engineering Services, Inc. was subcontracted by Wachs to perform and interpret radiography of the qualification coupons for the welder performance qualification performed at their North Carolina facility. Neither of the providers of radiography services appeared on the Areva, URS-Washington Division (SGT, LLC), or PG&E's approved supplier/vendor lists (ASL/AVL) and therefore, would be required to perform work under SGT's QA Program, as stated on the Form QEP 09.01-1, Purchase Order.

The results from a review of these radiographs and a review of the bend test of the welder whose weld test coupon radiograph could not be located, indicates all 148 welders are qualified to ASME Section IX requirements.

The following sections contain a summary of the results of the review of radiographs for the qualification welds at DCPP before and during 2R14. Subsequent sections cover the programmatic deficiencies identified.

REVIEW OF RADIOGRAPHS

To validate the qualification of the welders, and the quality of the welds performed, SGT's Level III Radiographer, Bob Scholes, interpreted the performance qualification test (PQT) radiographs for 147 of 148 welders qualified by RT and as performed by the two non-ASL subcontractors. This review of the qualification radiographs determined that the Unit 2 welders satisfied the qualification requirements were acceptable as previously evaluated at the Conam and Valley facilities. Mr. Scholes' review is contained in Attachment 1 of this report. Therefore, 147 welders met the ASME Section IX qualification requirements.

The qualification radiograph for PQT 409, performed by Mark Keith (welder ID/symbol K1243) could not be located. This PQT was rejected according to weld history records maintained by SGT's Project Welding Engineer (PWE). However, Mr. Keith also performed SGT PQT test number SGT 001 which required qualification by an acceptable bend test. This bend test was performed by SGT and qualified Mr. Keith to perform [illegible]

APPARENT CAUSE (Programmatic Issues)

The SGT QA Program procedures contained adequate and appropriate guidance to ensure compliance with ASME Section IX requirements for the qualification of welders. However, project personnel responsible for the management and supervision of the procedure implementation failed to ensure execution of the instructions. As a result, the following conditions were identified:

1. Ineffective implementation of the SGT QA Program by the responsible quality project management and supervision.
    a. Interviews with quality personnel active on the project at the time of occurrence indicate that the SGT QA Manager provided direction to the staff and supervision that he would take responsibility for the implementation of the requirements associated with the vendors of the welder qualification radiography testing.
    b. PQM/Quality Engineers did not scheduled surveillance of radiography activities at the subcontractor facilities.
    c. Lack of surveillance/reviews of documentation of welder qualification activities by Quality Engineers.
2. Requirements of QEP 9.01, *Procurement*, not met:
    a. Purchase Requisition submitted however, not all required forms were included from the requisition stage to issue of the Purchase Order.
    b. Purchase Order was never reviewed and signed by Project Quality Manager or designee.
    c. Supplemental Exhibit DD to PO not implemented as issued:
        i. Correct requirements as stated were not invoked (i.e. Subcontractor performs work in accordance with SGT's QA Program;
        ii. Incorrect requirements stated not applicable to this type of PO (see Attachment 3, Item Nos. 2, 3, and 4)
        iii. Contradiction in terms on Exhibit DD concerning QEPs. One time it says any QEP can be obtained by requesting to SGT; later it states Subcontractor to work to SGT's QA Program and QEPs.
        iv. Subcontractor working to SGT QA Program shall work to a *controlled copy* of the applicable QEP(s) issued by SGT Document Control Center (DCC). None provided to the Subcontractor.
3. Requirements of QEP 12.06, *Radiographic Examination (ASME)*, not met:
    a. Personnel performing radiography shall be certified in accordance with QEP 04.04, Qualification and Certification of NDE Personnel (para. 3.1.1).
    b. Procedure qualification shall be documented on Form QEP 12.06-1 with record of procedure demonstration and approval maintained in accordance with QEP Appendix 1, *Index of Quality Documents* (para. 3.2.3).
    c. [illegible] (para. 4.1.3.2).
    d. [illegible]
    e. [illegible]

CORRECTIVE ACTIONS

A. Welder Qualifications

1. Retrieved documents and test coupon radiographs to validate original welder qualification results from 2R14.
2. Review of documents and test coupon radiographs by SGT RT Level III for acceptance.
3. SGT's Project Welding Engineer performed additional review of welder test qualifications (WQT) to verify acceptability.
4. SGT's RT Level III review and acceptance has been documented on a master Form QEP 12.06-1 (reader sheet see Attachment 1).
5. Client RT Level III performed a review of radiographs at random to determine WQT welder qualification coupon acceptability.
6. Randomly, select a minimum of six (6) WQT coupons for radiography re-shoot and subsequent comparison to the original radiograph. This is to provide assurance that original radiographs are as identified on the film.

PREVENTIVE ACTIONS

A. Amended the Wachs Technical Services, Ltd. subcontract requirements to reflect correct SGT Quality Program requirements as follows:

EXHIBIT DD
QUALITY CONTROL PROGRAM

1. Contractor's work is controlled by Contractor's NQA-1 Quality Assurance Program in full compliance with the requirements of 10 CFR 50, Appendix B, "Quality Assurance Criteria for Nuclear Power Plants." Execution of the work is procedurally governed by Contractor's project specific Quality Execution Procedures (QEPs).

2. Subcontractor shall perform all work in accordance with the QEPs specified in the Purchase Order.

3. All radiography shall be performed under the Contractor's QA Program.

4. Contractor shall provide direct control of any subcontracted radiography of welder qualification test coupons.

5. Subcontracted radiography of welder qualification test coupons will require that a Contractor Level II or III radiographer(s) perform set-up and supervise during all radiography evolutions.

6. The Contractor's Quality Engineer(s) shall have access to the Subcontractor's Radiography supplier and shall have the right to perform surveillance of the RT activities or audit any and all records pertaining to the Purchase Order.

7. Subcontractor shall ensure radiographer supplier double loads all cassettes in order to supply Contractor a copy of the film.

8. The Contractor's radiographer shall take possession of one copy of all weld test coupon radiographs for submittal to a Contractor Level III radiographer for interpretation and acceptance.

9. All radiography will be performed using a mutually agreed upon technique in accordance with QEP 12.06, prior to exposure.

10. All weld test coupons shall be returned to the Contractor facility at the DCPP site. Method of shipment to be coordinated with the Contract Administrator.

B. Amended the Valley Industrial X-Ray and Inspection Services, Inc. subcontract requirements to reflect correct SGT Quality Program requirements as follows:

EXHIBIT DD
QUALITY CONTROL PROGRAM

1. Contractor's work is controlled by Contractor's NQA-1 Quality Assurance Program in full compliance with the requirements of 10 CFR 50, Appendix B, "Quality Assurance Criteria for Nuclear Power Plants." Execution of the work is procedurally governed by Contractor's project specific Quality Execution Procedures (QEPs).

2. Radiography shall be performed under Contractor's QA Program.

3. Subcontracted radiography of welder qualification test coupons will require a Contractor Level II or III radiographer perform set-up and supervise during all radiography evolutions.

4. The Contractor's Quality Engineer(s) shall have access to the Subcontractor's radiography facility and shall have the right to perform surveillance of the RT activities or audit any and all records pertaining to the Purchase Order.

5. Subcontractor shall double load all film cassettes.

6. The Contractor's radiographer shall take possession of all weld test coupon radiographs for submittal of one copy to a Contractor's Level III radiographer for interpretation and acceptance. The other copy shall be maintained at SGT Document Control Center or in the Quality Records Center at the DCPP site.

7. All radiography will be performed using a mutually agreed upon technique in accordance with QEP 12.06, prior to exposure.

8. All weld test coupons shall be returned to the Contractor facility at the DCPP site. Method of shipment to be coordinated with the Contract Administrator.

C. Assign SGT certified RT Level II at each location (one at Valley facility in Bakersfield, CA, and one at Conam Inspection facility in Monroe, NC - Wachs Technical Services, Ltd. subcontracted supplier for radiography services).

D. Provide Quality Engineers to perform surveillance activities during radiography processes at both Conam and Valley facilities.

ATTACHMENTS

The following attachments detail the actions taken during this investigation:

Attachment 1: Master Reader Sheet developed by Mr. Scholes to identify the PQT numbers and the review of the weld quality against the criteria specified in QEP 12.06, Attachment 3 (Acceptance Criteria for ASME Section IX).

Attachment 2: A report was generated from SGT's Quality Performance Management System (QPMS) for Mr. Keith identifying the work package that contained the weld history cards applicable to Mr. Keith's welding activities in question.

Attachment 3: EXHIBIT DD to original Purchase Orders to E.H.Wachs Co. and Valley Industrial X-Ray and Inspection Services, Inc.

CONCLUSION

After completion of this investigation, interpretation of radiographic film, documentation reviews, and interviews with personnel, it has been determined that all welds completed prior to and during 2R14 were made by qualified welders who satisfactorily met the requirements of ASME Section IX.

This deficiency was also identified during the internal Project Audit 38421-P-08-02 as a Major Audit Finding (AFR-02). With the conclusion of this investigation, it has been determined that no potential association with 10CFR21 is applicable. This was limited only to a programmatic failure and no hardware issues exist.

Attachment 1

C:\Documents and Settings\Owner\My Documents\Ameritest Projects\SGT RT Report for DR 034.doc

Form Source

SGT Standard Procedures
Engineering and Construction Projects

QUALITY EXECUTION PROCEDURE

Form Title

RADIOGRAPHIC EXAMINATION REPORT

Revision No. Status	Form No.
2 / AFU	QEP 12.06-1
Form Revision Date	Form Page
22-Mar-07	1 of 1

Project	Work Package Number	PCD Type / Number	WP / PCD Step Number	S/L Number	Report
					Sheet 1 of 1

Part / Joint Number	Item Description	System / Line Number	Material Type / Thickness	Reinforcement	Diameter
			Base Weld		

Status of Work ☐ New ☐ Repair ☐ Prep ☐ Root ☐ Intermediate ☐ Final	Examination Standard	Acceptance Standard	Examination Procedure No / Rev No
			QEP 12.06 /

Radiation Source	Curies / X-ray kV	Serial Number	Welding Process
Eff Source Size (f)	Object-Film Dist (d)	Source-Obj Dist (D)	Resulting Ug
IQI Location ☐ Source Side ☐ Film Side	IQI Material	IQI Size	IQI Quantity
Sensitivity Reqd	Shim Thickness	No of Exposures	Exposure
Film Brand / Type	Films per Holder	Film Size	Film Quantity
Lead Screens Front Center Back	Film Processing ☐ Automatic ☐ Manual	Dev Temp	Dev Time

Radiographic Technique Sketch

Exposure: ☐ Single Wall ☐ Double Wall
Viewing: ☐ Single Wall ☐ Double Wall

NOT APPLICABLE

Radiographic Identification	Location Markers	Acceptable	Unacceptable	Surface Indication	Non-Relevant	Radiograph Artifact	Rounded Indication	Linear Indication	Lack of Penetration	Lack of Fusion	Crack	Undercut	Concavity	Convexity	Minimum Density	Maximum Density	#1 IQI Density	#2 IQI Density	Additional Data / Comments (All dimensions in inches) Densitometer - M&TE No, Cal Due; Density Strip - M&TE No, Cal Due

Attached to this report are some 17 pages of radiographic interpretations of Welder Performance Qualification Tests (PQT) that are included in DR-034 pertaining to DCPP Unit 2 SGRP

The welds [illegible] the following pages have their Acceptance or Rejection [illegible] page.

10/9/2008

DR - 034
RT REVIEW SHEET

The following PQT's were reviewed as a part of the resolution of the abovementioned Deficiency Report. The DR addresses the problem and subsequent Corrected Actions. it should be noted that Radiography was not carried out in accordance with QEP12 06 as directed in QEP 20 04. but instead would appear to have been completed in accordance with the NDT contractor's procedure and the requirements of ASME Section IX. The referencing code applicabe at the time of the work in progress would have been ASME IX 2006 Edition. which specifies compliance with ASME Section V is proven if the density is within specification (2.0 to 4 0) and the correct wire or pentrameter/hole combination is seen.

The NDT Contractor companies have provided various report and technique sheet formats which contain multiple discrepancies. QEP 12.06 specifies the use of form QEP1206F1 which would have guided the contractor companies to providing better technique information.

Consequently, understanding that this is a post fact review, the problems associated with the respective supplied documentation is not a part of this review, but also, I have selected to use the requirements of ASME IX as the basis for weld assessments. "Acceptance" or "Rejection" is stated below and where "Accept" is stated, it is considered the films meet the general acceptance requiements of ASME Section IX, but is not necessaraly acceptance of the technique. Some of the films reviewed have incorrect penetrameter selection and placement by which the radiograph would not meet the requirements of the referenced Code, but is still of adequate quality to be able to say with a reasonable degree of confidence that the deposited weld is within the acceptable indication parameters defined in ASME Section IX.

PQT #

271	0 to 1	Accept
	1 to 2	Accept
	2 to 0	Accept
269	0 to 1	Accept
	1 to 2	Accept
	2 to 0	Accept
436	0	Accept
	60	Accept
	120	Accept
323	1.	Accept
	2	Accept
	3	Accept
327	[illegible]	Accept
	2	Accept
	[illegible]	Accept
[illegible]	[illegible]	Accept
	[illegible]	Accept
	[illegible]	Accept

NOTE:

During the Quality Engineer review of this Master Reader Sheet prepared by B[illegible] Scholes, SGT RT Level III it was noted that [illegible] PQT's were [illegible] [illegible]

10/9/2008

DR - 034
RT REVIEW SHEET

PQT #					
35 - 5G	0 to 6	Accept	35 - 6G	1	Accept
	6 to 12	Accept		2	Accept
	12 to 16	Accept		3	Accept
	16 to 0	Accept			
203	0	Accept			
	60	Accept			
	120	Accept			
440	0	Accept			
	60	Accept			
	120	Accept			
294	0	Accept			
	60	Accept			
	120	Accept			
113	0	Accept			
	60	Accept			
	120	Accept			
241	0	Accept			
	45	Accept			
	90	Accept			
	135	Accept			
431	0	Accept			
	60	Accept			
	120	Accept			
111	0	Accept			
	60	Accept			
	120	Accept			
201	0	Accept			
	60	Accept			
	120	Accept			
208	0	Accept			
	60	Accept			
	120	Accept			
437	0	Accept			
	60	Accept			
	120	Accept			
266	0	Accept			
	60	Accept			
	120	Accept			

10/9/2008

DR - 034
RT REVIEW SHEET

PQT #		
142	0	Accept
	60	Accept
	120	Accept
289	0	Accept
	60	Accept
	120	Accept
233	0	Accept
	1	Accept
	2	Accept
318	0	Accept
	60	Accept
	120	Accept
244	0	Accept
	45	Accept
	90	Accept
	135	Accept
57	1	Accept
	2	Accept
	3	Accept
38	1	Accept
	2	Accept
	3	Accept
193	0	Accept
	60	Accept
	120	Accept
180	0	Accept
	60	Accept
	120	Accept
196	0	Accept
	60	Accept
	120	Accept
413	0	Accept
	60	Accept
	120	Accept
295	0	Accept
	60	Accept
	120	Accept

10/9/2008

DR - 034
RT REVIEW SHEET

PQT #		
73	0	Accept
	1	Accept
	2	Accept
14	0	Accept
	1	Accept
	2	Accept
202	0	Accept
	60	Accept
	120	Accept
433	0	Accept
	60	Accept
	120	Accept
288	0	Accept
	60	Accept
	120	Accept
176	0	Accept
	60	Accept
	120	Accept
434	0	Accept
	60	Accept
	120	Accept
293	0	Accept
	60	Accept
	120	Accept
178	0	Accept
	60	Accept
	120	Accept
169	0	Accept
	1	Accept
	2	Accept
403	0	Accept
	60	Accept
	120	Accept
404	0	Accept
	60	Accept
	120	Accept

10/9/2008

DR - 034
RT REVIEW SHEET

PQT #		
290	0	Accept
	60	Accept
	120	Accept
245	0	Accept
	45	Accept
	90	Accept
	135	Accept
154	1	Accept
	2	Accept
	3	Accept
444	0	Accept
	60	Accept
	120	Accept
430	0	Accept
	60	Accept
	120	Accept
60	1	Accept
	2	Accept
	3	Accept
224	0	Accept
	60	Accept
	120	Accept
132	0	Accept
	60	Accept
	120	Accept
258	0	Accept
	60	Accept
	120	Accept
329	0	Accept
	60	Accept
	120	Accept
44	0	Accept
	60	Accept
	120	Accept
88	0	Accept
	[illegible]	Accept
	[illegible]	Accept

10/9/2008

DR - 034
RT REVIEW SHEET

PQT #		
442	0	Accept
	60	Accept
	120	Accept
22	1	Accept
	2	Accept
	3	Accept
192	0	Accept
	60	Accept
	120	Accept
251	0	Accept
	60	Accept
	120	Accept
140	0	Accept
	60	Accept
	120	Accept
262	0	Accept
	60	Accept
	120	Accept
443	0	Accept
	60	Accept
	120	Accept
250	0	Accept
	60	Accept
	120	Accept
32	1	Accept
	2	Accept
	3	Accept
232	1	Accept
	2	Accept
	3	Accept
432	0	Accept
	60	Accept
	120	Accept
410	0	Accept
	60	Accept
	120	Accept

10/9/2008

DR - 034
RT REVIEW SHEET

PQT #				
373	0	Accept	0	Accept
	45	Accept	45	Accept
	90	Accept	90	Accept
	135	Accept	135	Accept
15	1	Accept		
	2	Accept		
	3	Accept		
439	0	Accept		
	60	Accept		
	120	Accept		
261	0	Accept		
	60	Accept		
	120	Accept		
182	0	Accept		
	60	Accept		
	120	Accept		
259	0	Accept		
	60	Accept		
	120	Accept		
207	0	Accept		
	60	Accept		
	120	Accept		
457	0 to 1	Accept		
	1 to 2	Accept		
	2 to 0	Accept		
460	0 to 1	Accept		
	1 to 2	Accept		
	2 to 0	Accept		
149	0 to 1	Accept	0 to 1	Accept
	1 to 2	Accept	1 to 2	Accept
	2 to 0	Accept	2 to 0	Accept
195	0 to 1	Accept		
	1 to 2	Accept		
	2 to 0	Accept		
162	0 to 1	Accept		
	1 to 2	Accept		
	2 to 0	Accept		

10/9/2008

DR - 034
RT REVIEW SHEET

PQT #					
167	0 to 5	Accept			
	5 to 10	Accept			
	10 to 15	Accept			
	15 to 0	Accept			
161	0 to 5	Accept			
	5 to 10	Accept			
	10 to 15	Accept			
	15 to 0	Accept			
164	0 to 5	Accept			
	5 to 10	Accept			
	10 to 15	Accept			
	15 to 0	Accept			
150	0 to 1	Accept			
	1 to 2	Accept			
	2 to 0	Accept			
452 5G	0 to 1	Accept	2G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
34 2G	0 to 5	Accept	5G	0 to 5	Accept
	5 to 10	Accept		5 to 10	Accept
	10 to 15	Accept		10 to 15	Accept
	15 to 0	Accept		15 to 0	Accept
236	0 to 5	Accept			
	5 to 10	Accept			
	10 to 15	Accept			
	15 to 0	Accept			
17	0 to 5	Accept			
	5 to 10	Accept			
	10 to 15	Accept			
	15 to 0	Accept			
23	0 to 5	Accept			
	5 to 10	Accept			
	10 to 15	Accept			
	15 to 0	Accept			
16	1	Accept			
	2	Accept			
	3	Accept			
37	1	Accept			
	2	Accept			
	3	Accept			

10/9/2008

DR - 034
RT REVIEW SHEET

PQT #		
128	0	Accept
	60	Accept
	120	Accept
328	0	Accept
	60	Accept
	120	Accept
332	0	Accept
	60	Accept
	120	Accept
197	0	Accept
	60	Accept
	120	Accept
128	0	Accept
	60	Accept
	120	Accept
412	0	Accept
	60	Accept
	120	Accept
260	0	Accept
	60	Accept
	120	Accept
243	0	Accept
	45	Accept
	90	Accept
	135	Accept
256	0	Accept
	60	Accept
	120	Accept
82	0	Accept
	60	Accept
	120	Accept
13	1	Accept
	2	Accept
	3	Accept
30	[illegible]	Accept
	[illegible]	Accept
	[illegible]	Accept

10.9.2008

DR - 034
RT REVIEW SHEET

PQT #					
255	0	Accept			
	60	Accept			
	120	Accept			
151	1	Accept			
	2	Accept			
	3	Accept			
225	0	Accept			
	60	Accept			
	120	Accept			
130	0	Accept			
	60	Accept			
	120	Accept			
114	0	Accept			
	60	Accept			
	120	Accept			
407	0	Accept			
	60	Accept			
	120	Accept			
401	0	Accept			
	60	Accept			
	120	Accept			
253	0	Accept			
	60	Accept			
	120	Accept			
320	0	Accept			
	60	Accept			
	120	Accept			
112	0	Accept			
	60	Accept			
	120	Accept			
322	0	Accept			
	60	Accept			
	120	Accept			
146	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 3	Accept		2 to 3	Accept

10/9/2008

DR - 034
RT REVIEW SHEET

PQT #					
334	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
450	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
36	0 to 6	Accept			
	6 to 12	Accept			
	12 to 18	Accept			
	18 to 0	Accept			
212	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
339	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
307	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
247	0 to 6	Accept	5G	0 to 6	Accept
	6 to 12	Accept		6 to 12	Accept
	12 to 18	Accept		12 to 18	Accept
	18 to 0	Accept		18 to 0	Accept
	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
122	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
416	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
218	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
119	0 to 1	Accept			
	1 to 2	Accept			
	2 to 0	Accept			

10/9/2008

DR - 034
RT REVIEW SHEET

PQT #					
304	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
306	0 to 1	Accept			
	1 to 2	Accept			
	2 to 0	Accept			
333	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
351	0 to 6	Accept	5G	0 to 6	Accept
	6 to 12	Accept		6 to 12	Accept
	12 to 18	Accept		12 to 18	Accept
	18 to 0	Accept		18 to 0	Accept
58	0 to 6	Accept	5G	0 to 6	Accept
	6 to 12	Accept		6 to 12	Accept
	12 to 18	Accept		12 to 18	Accept
	18 to 0	Accept		18 to 0	Accept
46	0 to 6	Accept	5G	0 to 6	Accept
	6 to 12	Accept		6 to 12	Accept
	12 to 18	Accept		12 to 18	Accept
	18 to 0	Accept		18 to 0	Accept
187	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
426	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
308	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
213	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
461	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	[illegible]	[illegible]		[illegible]	[illegible]
	[illegible]	[illegible]		[illegible]	[illegible]

10/9/2008

DR - 034
RT REVIEW SHEET

PQT #					
456	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
300	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
185	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
173	0 to 6	Accept		0 to 6	Accept
	6 to 12	Accept		6 to 12	Accept
	12 to 18	Accept		12 to 18	Accept
	18 to 0	Accept		18 to 0	Accept
417	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
302	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
249	0 to 6	Accept		0 to 6	Accept
	6 to 12	Accept		6 to 12	Accept
	12 to 18	Accept		12 to 18	Accept
	18 to 0	Accept		18 to 0	Accept
448	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
421	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
68	0 to 6	Accept			
	6 to 12	Accept			
	12 to 18	Accept			
	18 to 0	Accept			
69	0 to 6	Accept			
	6 to 12	Accept			
	12 to 18	Accept			
	18 to 0	Accept			

10 9/2008

DR - 034
RT REVIEW SHEET

PQT #					
264	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
138	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
274	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
337	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
215	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
28	0 to 6	Accept			
	6 to 12	Accept			
	12 to 18	Accept			
	18 to 0	Accept			
194	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
267	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
146	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
341	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
177	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
158	0 to 1	Accept			
	1 to 2	Accept			
	2 to 0	Accept			

10/9/2008

DR - 034
RT REVIEW SHEET

PQT #					
118	0 to 1	Accept			
	1 to 2	Accept			
	2 to 0	Accept			
135	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
335	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
344	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
214	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
134	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
422	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
276	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
24	0 to 6	Accept			
	6 to 12	Accept			
	12 to 18	Accept			
	18 to 0	Accept			
29	0 to 6	Accept			
	6 to 12	Accept			
	12 to 18	Accept			
	18 to 0	Accept			
248	0 to 6	Accept		0 to 6	Accept
	6 to 12	Accept		6 to 12	Accept
	12 to 18	Accept		12 to 18	Accept
	18 to 0	Accept		18 to 0	Accept

10/9/2008

DR - 034
RT REVIEW SHEET

PQT #					
277	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
102	0 to 1	Accept			
	1 to 2	Accept			
	2 to 0	Accept			
19	0 to 6	Accept			
	6 to 12	Accept			
	12 to 18	Accept			
	18 to 0	Accept			
33	0 to 6	Accept		0 to 6	Accept
	6 to 12	Accept		6 to 12	Accept
	12 to 18	Accept		12 to 18	Accept
	18 to 0	Accept		18 to 0	Accept
160	0 to 6	Accept			
	6 to 12	Accept			
	12 to 18	Accept			
	18 to 0	Accept			
166	0 to 6	Accept			
	6 to 12	Accept			
	12 to 18	Accept			
	18 to 0	Accept			
265	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
136	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
124	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
427	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
414	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept

10/9/2008

DR - 034
RT REVIEW SHEET

PQT #					
336	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
119	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
338	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
321	0	Accept			
	60	Accept			
	120	Accept			
400	0	Accept			
	60	Accept			
	120	Accept			
21	1	Accept			
	2	Accept			
	3	Accept			
25	0 to 5	Accept			
	5 to 10	Accept			
	10 to 15	Accept			
	15 to 0	Accept			
423	0 to 1	Accept		0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
129	0	Accept			
	60	Accept			
	120	Accept			
31	0 to 5	Accept			
	5 to 10	Accept			
	10 to 15	Accept			
	15 to 0	Accept			

Attachment 2

WO 38241 - SGT Welder Use Log

Welder ID K1243

PCD No	Step / Fw No	DIL No
Welder - K1243 - Keith, Mark L		
WP 2-1522A, Chg 0, 5/22/2007		
WHC-001	3:FW-1	JA-2/25/2008-1
WHC-001	3:FW-2	JA-2/25/2008-1
WHC-001	3:FW-3	JA-2/25/2008-1
WHC-001	3:FW-9	JA-2/25/2008-1
WP 2-1522C, Chg 0, 5/22/2007		
WHC-001	3:FW-6	PP-2/23/2008-3
WP 2-1522D, Chg 0, 5/22/2007		
WHC-001	3:FW-1	PP-2/20/2008-1
WHC-001	3:FW-2	PP-2/20/2008-1
WHC-001	3:FW-3	PP-2/20/2008-1
WP 2-1524A, Chg 0, 10/27/2007		
WHC-001	3:FW-9	JA-2/25/2008-5
WP 2-1524D, Chg 0, 10/27/2007		
WHC-001	3:FW-9	PP-2/20/2008-2
WP 2-3522A, Chg 0, 8/29/2007		
WHC-001	2:FW-6	PP-2/21/2008-7
WHC-001	3:FW-6	EB-2/21/2008-6
WHC-001	4:FW-6	GLC-2/21/2008-5
WHC-004	2:FW-31	DLB-3/3/2008-1
WHC-004	3:FW-31	DLB-3/3/2008-2
WP 2-3522C, Chg 0, 8/29/2007		
WHC-001	1:FW-5	PP-2/21/2008-3
WHC-001	2:FW-5	PP-2/21/2008-5
WHC-001	3:FW-5	EB-2/21/2008-5
WHC-001	4:FW-5	GLC-2/21/2008-4
WP 2-3522D, Chg 0, 8/29/2007		
WHC-001	1:FW-4	PP-2/21/2008-2
WHC-001	2:FW-4	EB-2/21/2008-4
WHC-001	3:FW-4	EB-2/21/2008-4
WHC-001	3:FW-8	GLC-2/21/2008-3
WP 2-3524A, Chg 0, 11/15/2007		
WHC-001	3:FW-1	JA-2/25/2008-1
WHC-001	3:FW-2	JA-2/25/2008-1
WHC-001	3:FW-3	JA-2/25/2008-1
WHC-001	3:FW-9	JA-2/25/2008-1
WHC-001	3:FW-24	CH-3/3/2008-3
WHC-001	4:FW-13	GLC-3/3/2008-2
WHC-001	4:FW-17	GLC-3/3/2008-3
WHC-001	4:FW-18	GLC-3/3/2008-1
WHC-001	4:FW-24	CH-3/3/2008-4
WHC-017	3:FW-108	PP-4/3/2008-1
WHC-017	3:FW-109	PP-4/3/2008-1
WHC-017	3:FW-110	PP-4/3/2008-1
WHC-017	3:FW-111	PP-4/3/2008-1
WP 2-3524B, Chg 0, 11/15/2007		
WHC-001	3:FW-1	SED-3/9/2008-1
WHC-001	3:FW-15	SED-3/9/2008-1
WHC-001	3:FW-19	SED-3/9/2008-1
WHC-001	3:FW-20	SED-3/9/2008-1
WHC-001	3:FW-5	SED-3/9/2008-1
WHC-001	3:FW-9	SED-3/9/2008-1
WHC-001	4:FW-1	GLC-3/9/2008-1
WHC-001	4:FW-15	GLC-3/9/2008-1
WHC-001	4:FW-19	GLC-3/9/2008-2
WHC-001	4:FW-20	GLC-3/9/2008-2
WHC-001	4:FW-5	GLC-3/9/2008-1
WHC-001	4:FW-9	GLC-3/9/2008-1
WHC-009	1:FW-31	EB-3/19/2008-2
WHC-009	3:FW-32	EB-3/19/2008-2
WHC-009	3:FW-33	EB-3/19/2008-2
WP 2-3524C, Chg 0, 11/15/2007		
WHC-004	3:FW-[illegible]	CH-3/[illegible]/2008-4
WHC-004	3:FW-32*	CH-3/25/2008-4
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

DR-034

WO 38241 - SGT Welder Use Log

PCD No	Step / Fw No	DIL No	PCD No	Step / Fw No	DIL No
Welder - K1243 - Keith, Mark L					
WP 2-3524D, Chg 0, 11/15/2007					
NCR-2-047-WHC-001	3:FW-3	SHS-3/22/2008-3			
NCR-2-047-WHC-001	3:FW-5	SHS-3/22/2008-3			
WHC-004	3:FW-60A	SHS-2/29/2008-2			
WHC-004	3:FW-60B	SHS-2/29/2008-2			
WHC-004	3:FW-61A	SHS-2/29/2008-2			
WHC-004	3:FW-61B	SHS-2/29/2008-2			
WHC-004	3:FW-62A	SHS-2/29/2008-2			
WHC-004	3:FW-62B	SHS-2/29/2008-2			
WHC-007	3:FW-60C	SHS-2/29/2008-3			
WHC-007	3:FW-60C	SHS-2/29/2008-3			
WHC-007	3:FW-60D	SHS-2/29/2008-3			
WHC-007	3:FW-60D	SHS-2/29/2008-3			
WHC-007	3:FW-61C	SHS-2/29/2008-3			
WHC-007	3:FW-61C	SHS-2/29/2008-3			
WHC-007	3:FW-61D	SHS-2/29/2008-3			
WHC-007	3:FW-61D	SHS-2/29/2008-3			
WHC-007	3:FW-62C	SHS-2/29/2008-3			
WHC-007	3:FW-62C	SHS-2/29/2008-3			
WHC-007	3:FW-62D	SHS-2/29/2008-3			
WHC-007	3:FW-62D	SHS-2/29/2008-3			
WHC-009	3:FW-83	CW-3/13/2008-7			
WHC-009	3:FW-84	CW-3/13/2008-7			
WHC-009	3:FW-85	CW-3/13/2008-7			
WHC-020	3:FW-100	RUH-3/30/2008-1			
WHC-020	3:FW-101	RUH-3/30/2008-1			
WHC-020	3:FW-102	RUH-3/30/2008-1			
WHC-021	3:FW-103	LP-4/3/2008-2			
WHC-021	3:FW-104	LP-4/3/2008-2			

The Steam Generating Team

SGT

A Washington Group International AREVA NP Company

Attachment 5

EXHIBIT DD
QUALITY CONTROL PROGRAM

1. Contractor's work is controlled by Contractor's NQA-1 Quality Assurance program in full compliance with the requirements of 10 CFR 50, Appendix B, "Quality Assurance Criteria for Nuclear Power Plants." Execution of the work is procedurally governed by Contractor's project specific Quality Execution Procedures (QEPs).

2. Contractor's QEPs are available to Subcontractor upon request. Subcontractor will be placed on controlled distribution for QEPs specifically applicable to Subcontractor's scope of work.

3. Subcontractor's work shall comply with Contractor's QA program or Subcontractor's QA program as approved in writing by Contractor.

    a. Subcontractor's approved QA procedures shall be available for review by Contractor and Owners at the facilities at which such procedures are normally located.

    b. Subcontractor shall maintain Quality Assurance records in accordance with NRC regulations and shall be retained or furnished to Contractor as required by Contractor's QA program.

4. When applicable, Subcontractor shall comply with the provisions of 10 CFR 21, "Reporting of Defects and Noncompliance." Subcontractor shall furnish a copy of all reports sent to the NRC under 10 CFR 21, or information received which the Subcontractor is unable to evaluate thereunder, in connections with this Subcontract to: Barry Scott, SGT QA Manager; 510 Carnegie Center, Princeton, New Jersey, 08540.

Nonconformance Report No (38241) 2084

ORIGINAL INFORMATION ONLY

S:\Commn\QU...\R\working copies\Unit 2\NCR 2-084\NCR 2-084.doc

Form Source

SGT Standard Procedures
Engineering and Construction Projects

QUALITY EXECUTION PROCEDURE

Form Title	Revision No / Status	Form No.
NONCONFORMANCE REPORT	0E1 / AFU	QEP 15.01-1
	Form Revision Date: 06-Dec-04	Form Page: 1 of 1

NONCONFORMANCE DESCRIPTION

Responsible Organization / Department: SGT / Weld Engineering	NONCONFORMANCE REPORT NO. (38241) 2084		
Description / Location of Affected Item or System: Weld Test Coupon Qualification. 2R14	Date Issued: 03-Nov-08	No of Hold Tags: NA	Total Sheets: 1 of
	ASME Section: NA	Inspection Code: DR-10	Const. Seq. Code: IP
Source of Requirement Not Met: QEP 12.06, 20.4	WP / PO No: N/A	PCD / CO No: NA	Step No: N/A

Condition Description

See attached

Issued By: R. Lucy Dietrich. QAS/APQM (signature)	DIL Number: RLD/11-03-08/01	CONDITION Continuation Sheets 2 thru 33

Results of PQM screening for potential association with 10CFR21:
☐ NO Potential ☒ Possible Potential ☐ Client Determination
Signature: (signature) Date: 03 NOV 08 (corrected from 02 NOV 08)

RECOMMENDED DISPOSITION

Proposed Disposition ☐ Rework ☐ Repair ☐ Scrap/Return ☒ Use-As-Is ☐ By Client

See attached

Dispositioned By: (signature)	Date: 11-4-08	DISPOSITION Continuation Sheets 34 thru

DISPOSITION APPROVAL

Approval of Proposed Disposition ☒ Approved as Proposed ☐ Revised See Sheets thru

SGT TITLE	SIGNATURE	DATE	CLIENT TITLE	SIGNATURE	DATE
PEM	(signature)	11-4-08	CLIENT REP		
SM	(signature)	11-04-2008	ANI / ANII		
PQM	(signature)	04 NOV 08			
If Initiated, Reference DR:		N/A			

RE-INSPECTION

Re-Inspection Results ☐ Accepted ☐ Rejected — Give Explanation DIL Number

Probable Cause Code
Corrective Action Code
Y - N/A

SIGNATURE DATE SIGNATURE DATE
CLOSURE

NCR 2-084

Sheet 2 of _____

Condition Description

This NCR is being issued based on the results of Deficiency Report DR034 which documented that radiography and film interpretation of SGT welder performance qualification coupons were not performed in accordance with QEP 12.06, Radiography (ASME), as required by QEP 20.04, Welder Performance Qualification.

In evaluating all previous welder qualifications for those performing small bore and instrumentation welding during 2R14 by either acceptable radiography or bend test, a total population of thirty-two (32) welder's PQTs did not meet procedural requirements.

The following are attached.

Attachment 1 (29 pages) is DR034 which details the process used to provide an alternate acceptance method for the qualification of 2R14 welders.

Attachment 2 (2 pages) details the safety-related welds performed by welder ID G7561 (Terrance Gill). PQT 373 was the test performed by G7561 and coupon cannot be located. The film for PQT 373 did not meet Section V requirements.

Attachment #1 NCR 2084 Sheet 3 of

ORIGINAL

S:\Common\QUALITY\QR\working copies\qep1202-2.doc

SGT

Standard Procedures
Engineering and Construction Projects

Form Source: QUALITY EXECUTION PROCEDURE

Form Title: **DEFICIENCY REPORT**

Revision No / Status	Form No.
1E1 / AFU	QEP 12.02-2
Form Revision Date	Form Page
28-Mar-05	1 of 1

GENERAL INFORMATION

Activity:	DEFICIENCY REPORT NO. (38241) 034	Deficiency Report:
NDE of Welder Performance Qualification		Sheet 1 of 29

ASSIGNED TO:	Department:	If Initiated, Reference NCR:	REPLY DUE DATE:
Paul Helton	Quality	N/A	16-Oct-08

CONDITION DESCRIPTION

QEP 20.04, *Welder Performance Qualification*, paragraph 5.2.1 states, in part, "Radiography may be used in lieu of mechanical testing for evaluating the welders' performance qualification...". In addition, paragraph 5.2.2 states, in part, "Radiography shall be performed in accordance with QEP 12.06, Radiographic Examination (ASME)...".

Contrary to these requirements, no objective evidence exists to document that Valley Industrial X-Ray and Inspection Services, Inc. performed radiography and film review of SGT welder performance qualification coupon welds in accordance with QEP 12.06.

Update: Refer to Sheet 2 for revisions to the Condition Description. LLL 10/6/08

	Signature:	Title:	Date:	DIL No
INITIATED BY:	K. Lucy Dietrich	QA Supervisor	24-Sep-08	01
APPROVED BY:	Paul J. Helton	Project Quality Manager	24-Sep-08	

RESPONSE TO DEFICIENCY REPORT

CAUSE AND CORRECTIVE ACTION

See attached

NCR 2084
Page 3 of

PREVENTATIVE ACTION TAKEN TO ELIMINATE CAUSE

See attached

ANTICIPATED COMPLETION DATE: 12/15/08

RESPONSE BY: K. Lucy Dietrich — Title: QA Supervisor upon — Date: 10/6/08

COMPLETED BY SGT QUALITY

APPROVED BY: — Title: QA Supervisor — Date: 10-07-08

CORRECTIVE ACTION FOLLOW-UP

NCR ~~03~~ 2084
hit 11/3/08
Sheet 4 of ___

DR-034
Sheet 2 of 29

This updated description (Revision 1) is based on the discovery of the scope of this condition.

To further describe this condition, the following items have been identified:

a. No radiographs, reader sheets or RT reports were reviewed and approved by SGT as required per QEP 20.04.
b. Additional vendor has been identified as Conam, Inc. who performed RT services for the qualification of Wachs welders.
c. Conam does not appear on any SGT Parent Company Approved Suppliers List (ASL).

R. Lucy Dietrich — 10/02/08
Initiated by — Date
QA Supervisor

[signature] — 10-2-08
Approved by — Date
PQM

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DR-034
Sheet 3 of 29

DR-034
SUMMARY

Prior to 2R14, SGT utilized the services of a subcontractor to perform and interpret radiography testing of the welder qualification coupons in accordance with the requirements of ASME Section IX for weld test coupons fabricated onsite at DCPP. The subcontractor was Valley Industrial X-Ray & Inspection Services, Inc. of Bakersfield, CA. Also, SGT subcontracted E.H. Wachs Co. to provide qualified welders for the DCPP Unit 2 SGRP when local union resources were depleted. (SGT Welding Engineering implemented SGT's QA Program at the Wachs facility during welder qualification performance). Conam Inspection and Engineering Services, Inc. was subcontracted by Wachs to perform and interpret radiography of the qualification coupons for the welder performance qualification performed at their North Carolina facility. Neither of the providers of radiography services appeared on the Areva, URS-Washington Division (SGT, LLC), or PG&E's approved supplier/vendor lists (ASL/AVL) and therefore, would be required to perform work under SGT's QA Program, as stated on the Form QEP 09.01-1, Purchase Order.

The results from a review of these radiographs and a review of the bend test of the welder whose weld test coupon radiograph could not be located, indicates all 148 welders are qualified to ASME Section IX requirements.

The following sections contain a summary of the results of the review of radiographs for the qualification welds at DCPP before and during 2R14. Subsequent sections cover the programmatic deficiencies identified.

REVIEW OF RADIOGRAPHS

To validate the qualification of the welders, and the quality of the welds performed, SGT's Level III Radiographer, Bob Scholes, interpreted the performance qualification test (PQT) radiographs for 147 of 148 welders qualified by RT and as performed by the two non-ASL subcontractors. This review of the qualification radiographs determined that the Unit 2 welders satisfied the qualification requirements were acceptable as previously evaluated at the Conam and Valley facilities. Mr. Scholes' review is contained in Attachment 1 of this report. Therefore, 147 welders met the ASME Section IX qualification requirements.

The qualification radiograph for PQT 409, performed by Mark Keith (welder ID/symbol K1243) could not be located. This PQT was rejected according to weld history records maintained by SGT's Project Welding Engineer (PWE). However, Mr. Keith also performed SGT PQT test number SGT-001 which required qualification by an acceptable bend test. This bend test was performed by SGT and qualified Mr. Keith to perform all sizes and thicknesses of fillet welds. According to the PWE's review of Attachment 2 [illegible] of K1243 welding activities, all welds performed by Mr. Keith during his employment at the DCPP 2R14 were fillet welds. Therefore, Mr. Keith [illegible]

<u>APPARENT CAUSE</u> (Programmatic Issues)

The SGT QA Program procedures contained adequate and appropriate guidance to ensure compliance with ASME Section IX requirements for the qualification of welders. However, project personnel responsible for the management and supervision of the procedure implementation failed to ensure execution of the instructions. As a result, the following conditions were identified:

1. Ineffective implementation of the SGT QA Program by the responsible quality project management and supervision.
    a. Interviews with quality personnel active on the project at the time of occurrence indicate that the SGT QA Manager provided direction to the staff and supervision that he would take responsibility for the implementation of the requirements associated with the vendors of the welder qualification radiography testing.
    b. PQM/Quality Engineers did not scheduled surveillance of radiography activities at the subcontractor facilities.
    c. Lack of surveillance/reviews of documentation of welder qualification activities by Quality Engineers.
2. Requirements of QEP 9.01, *Procurement,* not met:
    a. Purchase Requisition submitted however, not all required forms were included from the requisition stage to issue of the Purchase Order.
    b. Purchase Order was never reviewed and signed by Project Quality Manager or designee.
    c. Supplemental Exhibit DD to PO not implemented as issued:
        i. Correct requirements as stated were not invoked (i.e. Subcontractor performs work in accordance with SGT's QA Program;
        ii. Incorrect requirements stated not applicable to this type of PO (see Attachment 3, Item Nos. 2, 3, and 4)
        iii. Contradiction in terms on Exhibit DD concerning QEPs. One time it says any QEP can be obtained by requesting to SGT; later it states Subcontractor to work to SGT's QA Program and QEPs.
        iv. Subcontractor working to SGT QA Program shall work to a <u>*controlled copy*</u> of the applicable QEP(s) issued by SGT Document Control Center (DCC). None provided to the Subcontractor.
3. Requirements of QEP 12.06. *Radiographic Examination (ASME)*, not met:
    a. Personnel performing radiography shall be certified in accordance with QEP 04.04. Qualification and Certification of NDE Personnel (para. 3.1.1).
    b. Procedure qualification shall be documented on Form QEP 12.06-1 with record of procedure demonstration and approval maintained in accordance with QEP Appendix 1, *Index of Quality Documents* (para. 3.2.3).
    c. Geometric unsharpness calculation (para. [illegible]).
    d. IQI selection (para. [illegible]).
4. [illegible]
    a. [illegible]

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Sheet 5 of 29

CORRECTIVE ACTIONS

A. Welder Qualifications

1. Retrieved documents and test coupon radiographs to validate original welder qualification results from 2R14.
2. Review of documents and test coupon radiographs by SGT RT Level III for acceptance.
3. SGT's Project Welding Engineer performed additional review of welder test qualifications (WQT) to verify acceptability.
4. SGT's RT Level III review and acceptance has been documented on a master Form QEP 12.06-1 (reader sheet see Attachment 1).
5. Client RT Level III performed a review of radiographs at random to determine WQT welder qualification coupon acceptability.
6. Randomly, select a minimum of six (6) WQT coupons for radiography re-shoot and subsequent comparison to the original radiograph. This is to provide assurance that original radiographs are as identified on the film.

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DR-034
Sheet 6 of 29

PREVENTIVE ACTIONS

A. Amended the Wachs Technical Services, Ltd. subcontract requirements to reflect correct SGT Quality Program requirements as follows:

EXHIBIT DD
QUALITY CONTROL PROGRAM

1. Contractor's work is controlled by Contractor's NQA-1 Quality Assurance Program in full compliance with the requirements of 10 CFR 50, Appendix B, "Quality Assurance Criteria for Nuclear Power Plants." Execution of the work is procedurally governed by Contractor's project specific Quality Execution Procedures (QEPs).

2. Subcontractor shall perform all work in accordance with the QEPs specified in the Purchase Order.

3. All radiography shall be performed under the Contractor's QA Program.

4. Contractor shall provide direct control of any subcontracted radiography of welder qualification test coupons.

5. Subcontracted radiography of welder qualification test coupons will require that a Contractor Level II or III radiographer(s) perform set-up and supervise during all radiography evolutions.

6. The Contractor's Quality Engineer(s) shall have access to the Subcontractor's Radiography supplier and shall have the right to perform surveillance of the RT activities or audit any and all records pertaining to the Purchase Order.

7. Subcontractor shall ensure radiographer supplier double loads all cassettes in order to supply Contractor a copy of the film.

8. The Contractor's radiographer shall take possession of one copy of all weld test coupon radiographs for submittal to a Contractor Level III radiographer for interpretation and acceptance.

9. All radiography will be performed using a mutually agreed upon technique in accordance with QEP 12.06, prior to exposure.

10. All weld test coupons shall be returned to the Contractor facility at the DCPP site. Method of shipment to be coordinated with the Contract Administrator.

11. Direct control of welder qualification testing coupon preparation [illegible]

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Page 9 of ___

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Sheet 7 of 29

B. Amended the Valley Industrial X-Ray and Inspection Services, Inc. subcontract requirements to reflect correct SGT Quality Program requirements as follows:

EXHIBIT DD
QUALITY CONTROL PROGRAM

1. Contractor's work is controlled by Contractor's NQA-1 Quality Assurance Program in full compliance with the requirements of 10 CFR 50, Appendix B, "Quality Assurance Criteria for Nuclear Power Plants." Execution of the work is procedurally governed by Contractor's project specific Quality Execution Procedures (QEPs).

2. Radiography shall be performed under Contractor's QA Program.

3. Subcontracted radiography of welder qualification test coupons will require a Contractor Level II or III radiographer perform set-up and supervise during all radiography evolutions.

4. The Contractor's Quality Engineer(s) shall have access to the Subcontractor's radiography facility and shall have the right to perform surveillance of the RT activities or audit any and all records pertaining to the Purchase Order.

5. Subcontractor shall double load all film cassettes.

6. The Contractor's radiographer shall take possession of all weld test coupon radiographs for submittal of one copy to a Contractor's Level III radiographer for interpretation and acceptance. The other copy shall be maintained at SGT Document Control Center or in the Quality Records Center at the DCPP site.

7. All radiography will be performed using a mutually agreed upon technique in accordance with QEP 12.06, prior to exposure.

8. All weld test coupons shall be returned to the Contractor facility at the DCPP site. Method of shipment to be coordinated with the Contract Administrator.

C. Assign SGT certified RT Level II at each location [one at Valley facility in Bakersfield, CA, and one at Conam Inspection facility in Monroe, NC (Wachs Technical Services, Ltd. subcontracted supplier for radiography services)].

D. Provide Quality Engineers to perform surveillance activities during radiography processes at both Conam and Valley facilities.

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Sheet 8 of 29

ATTACHMENTS

The following attachments detail the actions taken during this investigation:

Attachment 1: Master Reader Sheet developed by Mr. Scholes to identify the PQT numbers and the review of the weld quality against the criteria specified in QEP 12.06, Attachment 3 (Acceptance Criteria for ASME Section IX).

Attachment 2: A report was generated from SGT's Quality Performance Management System (QPMS) for Mr. Keith identifying the work package that contained the weld history cards applicable to Mr. Keith's welding activities in question.

Attachment 3: EXHIBIT DD to original Purchase Orders to E.H.Wachs Co. and Valley Industrial X-Ray and Inspection Services, Inc.

CONCLUSION

After completion of this investigation, interpretation of radiographic film, documentation reviews, and interviews with personnel, it has been determined that all welds completed prior to and during 2R14 were made by qualified welders who satisfactorily met the requirements of ASME Section IX.

This deficiency was also identified during the internal Project Audit 38421-P-08-02 as a Major Audit Finding (AFR-02). With the conclusion of this investigation, it has been determined that no potential association with 10CFR21 is applicable. This was limited only to a programmatic failure and no hardware issues exist.

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Sheet 9 of 29

Attachment 1

C:\Documents and Settings\Owner\My Documents\Ametest\Projects\SGT\RT Reports\DR 034.doc

SGT

Standard Procedures
Engineering and Construction Projects

Form Source: QUALITY EXECUTION PROCEDURE

Form Title: **RADIOGRAPHIC EXAMINATION REPORT**

Revision No / Status	Form No.
2 / AFU	QEP 12.06-1
Form Revision Date	Form Page
22-Mar-07	1 of 1

Project	Work Package Number	PCD Type / Number	WP / PCD Step Number	DR Number	Report
		/			Sheet 1 of 1

Part / Joint Number	Item Description	System / Line Number	Material: Type / Thickness Base / Weld	Reinforcement	Diameter
			/		

Status of Work	Examination Standard	Acceptance Standard	Examination Procedure No / Rev No
☐ New ☐ Repair ☐ Prep ☐ Root ☐ Intermediate ☐ Final	/		QEP 12.06 /

Radiation Source	Curies / X-ray KV	Serial Number	Welding Process	Radiographic Technique Sketch	Exposure: ☐ Single Wall ☐ Double Wall Viewing: ☐ Single Wall ☐ Double Wall
Eff Source Size (f)	Object-Film Dist (d)	Source-Obj. Dist (D)	Resulting Ug		
IQI Location ☐ Source Side ☐ Film Side	IQI Material	IQI Size	IQI Quantity		
Sensitivity Reqd	Shim Thickness	No of Exposures	Exposure		
Film Brand / Type	Films per Holder	Film Size	Film Quantity		
Lead Screens Front Center Back	Film Processing ☐ Automatic ☐ Manual	Dev Temp	Dev Time		

NOT APPLICABLE

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Page 11 of ___

Radiographic Identification	Location Markers	Acceptable	Unacceptable	Surface Indication	Non-Relevant	Radiograph Artifact	Rounded Indication	Linear Indication	Lack of Penetration	Lack of Fusion	Crack	Undercut	Concavity	Convexity	Minimum Density	Maximum Density	#1 IQI Density	#2 IQI Density	Additional Data / Comments (All dimensions in inches)
																			Densitometer - M&TE No Cal Due Density Strip - M&TE No Cal Due

Attached to this report are some 17 pages of radiographic interpretations of welder Performance Qualification Tests (PQT) that are included in DR – 034 pertaining to DCPP Unit 2 SGRP

The welds listed in the following pages have their Accectance or Rejection explained on page 1

This Report does not detail the technique or other pertinent information

10/9/2008

Sheet 10 of 29

DR - 034
RT REVIEW SHEET

NCR 2084
Page 12 of

The following PQT's were reviewed as a part of the resolution of the abovementioned Deficiency Report. The DR addresses the problem and subsequent Corrected Actions. It should be noted that Radiography was not carried out in accordance with QEP12.06 as directed in QEP 20.04, but instead would appear to have been completed in accordance with the NDT contractor's procedure and the requirements of ASME Section IX. The referencing code applicabe at the time of the work in progress would have been ASME IX 2006 Edition, which specifies compliance with ASME Section V is proven if the density is within specification (2.0 to 4.0) and the correct wire or pentrameter/hole combination is seen.

The NDT Contractor companies have provided various report and technique sheet formats which contain multiple discrepancies. QEP 12.06 specifies the use of form QEP1206F1 which would have guided the contractor companies to providing better technique information.

Consequently, understanding that this is a post fact review, the problems associated with the respective supplied documentation is not a part of this review, but also, I have selected to use the requirements of ASME IX as the basis for weld assessments. "Acceptance" or "Rejection" is stated below and where "Accept" is stated, it is considered the films meet the general acceptance requiements of ASME Section IX, but is not necessaraly acceptance of the technique. Some of the films reviewed have incorrect penetrameter selection and placement by which the radiograph would not meet the requirements of the referenced Code, but is still of adequate quality to be able to say with a reasonable degree of confidence that the deposited weld is within the acceptable indication parameters defined in ASME Section IX.

PQT #		
271	0 to 1	Accept
	1 to 2	Accept
	2 to 0	Accept
269	0 to 1	Accept
	1 to 2	Accept
	2 to 0	Accept
436	0	Accept
	60	Accept
	120	Accept
323	1	Accept
	2	Accept
	3	Accept
327	1	Accept
	2	Accept
	3	Accept
328	1	Accept
	2	Accept
	3	Accept

NOTE:

During the Quality Engineer review of this Master Reader Sheet prepared by Bob Scholes, SGT RT Level III it was noted that two (2) PQT's were omitted from this list. This is verified by review of [illegible] and [illegible] under [illegible]

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PQT #					
35 - 5G	0 to 6	Accept	35 - 6G	1	Accept
	6 to 12	Accept		2	Accept
	12 to 16	Accept		3	Accept
	16 to 0	Accept			
203	0	Accept			
	60	Accept			
	120	Accept			
440	0	Accept			
	60	Accept			
	120	Accept			
294	0	Accept			
	60	Accept			
	120	Accept			
113	0	Accept			
	60	Accept			
	120	Accept			
241	0	Accept			
	45	Accept			
	90	Accept			
	135	Accept			
431	0	Accept			
	60	Accept			
	120	Accept			
111	0	Accept			
	60	Accept			
	120	Accept			
201	0	Accept			
	60	Accept			
	120	Accept			
203	0	Accept			
	60	Accept			
	120	Accept			
437	0	Accept			
	60	Accept			
	120	Accept			
438	0	Accept			
	60	Accept			
	120	Accept			

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PQT #		
142	0	Accept
	60	Accept
	120	Accept
289	0	Accept
	60	Accept
	120	Accept
233	0	Accept
	1	Accept
	2	Accept
318	0	Accept
	60	Accept
	120	Accept
244	0	Accept
	45	Accept
	90	Accept
	135	Accept
57	1	Accept
	2	Accept
	3	Accept
38	1	Accept
	2	Accept
	3	Accept
193	0	Accept
	60	Accept
	120	Accept
180	0	Accept
	60	Accept
	120	Accept
196	0	Accept
	60	Accept
	120	Accept
413	0	Accept
	60	Accept
	120	Accept
286	0	Accept
	60	Accept
	120	Accept

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PQT #		
73	0	Accept
	1	Accept
	2	Accept
14	0	Accept
	1	Accept
	2	Accept
202	0	Accept
	60	Accept
	120	Accept
433	0	Accept
	60	Accept
	120	Accept
288	0	Accept
	60	Accept
	120	Accept
176	0	Accept
	60	Accept
	120	Accept
434	0	Accept
	60	Accept
	120	Accept
293	0	Accept
	60	Accept
	120	Accept
178	0	Accept
	60	Accept
	120	Accept
169	0	Accept
	1	Accept
	2	Accept
403	0	Accept
	60	Accept
	120	Accept
404	0	Accept
	60	Accept
	120	Accept

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PQT #		
290	0	Accept
	60	Accept
	120	Accept
245	0	Accept
	45	Accept
	90	Accept
	135	Accept
154	1	Accept
	2	Accept
	3	Accept
444	0	Accept
	60	Accept
	120	Accept
430	0	Accept
	60	Accept
	120	Accept
60	1	Accept
	2	Accept
	3	Accept
224	0	Accept
	60	Accept
	120	Accept
132	0	Accept
	60	Accept
	120	Accept
258	0	Accept
	60	Accept
	120	Accept
329	0	Accept
	60	Accept
	120	Accept
144	0	Accept
	60	Accept
	120	Accept
193	0	Accept
	60	Accept
	120	Accept

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PQT #		
442	0	Accept
	60	Accept
	120	Accept
22	1	Accept
	2	Accept
	3	Accept
192	0	Accept
	60	Accept
	120	Accept
251	0	Accept
	60	Accept
	120	Accept
140	0	Accept
	60	Accept
	120	Accept
262	0	Accept
	60	Accept
	120	Accept
443	0	Accept
	60	Accept
	120	Accept
250	0	Accept
	60	Accept
	120	Accept
32	1	Accept
	2	Accept
	3	Accept
232	1	Accept
	2	Accept
	3	Accept
432	0	Accept
	60	Accept
	120	Accept
410	0	Accept
	60	Accept
	120	Accept
305	0	Accept
	60	Accept
	[illegible]	Accept

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PQT #				
373	0	Accept	0	Accept
	45	Accept	45	Accept
	90	Accept	90	Accept
	135	Accept	135	Accept
15	1	Accept		
	2	Accept		
	3	Accept		
439	0	Accept		
	60	Accept		
	120	Accept		
261	0	Accept		
	60	Accept		
	120	Accept		
182	0	Accept		
	60	Accept		
	120	Accept		
259	0	Accept		
	60	Accept		
	120	Accept		
207	0	Accept		
	60	Accept		
	120	Accept		
457	0 to 1	Accept		
	1 to 2	Accept		
	2 to 0	Accept		
460	0 to 1	Accept		
	1 to 2	Accept		
	2 to 0	Accept		
149	0 to 1	Accept	0 to 1	Accept
	1 to 2	Accept	1 to 2	Accept
	2 to 0	Accept	2 to 0	Accept
195	0 to 1	Accept		
	1 to 2	Accept		
	2 to 0	Accept		
182	0 to 6	Accept		
	6 to 12	Accept		
	12 to 18	Accept		
	18 to 0	Accept		

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PQT #		
167	0 to 5	Accept
	5 to 10	Accept
	10 to 15	Accept
	15 to 0	Accept
161	0 to 5	Accept
	5 to 10	Accept
	10 to 15	Accept
	15 to 0	Accept
164	0 to 5	Accept
	5 to 10	Accept
	10 to 15	Accept
	15 to 0	Accept
150	0 to 1	Accept
	1 to 2	Accept
	2 to 0	Accept
452 5G	0 to 1	Accept
	1 to 2	Accept
	2 to 0	Accept
34 2G	0 to 5	Accept
	5 to 10	Accept
	10 to 15	Accept
	15 to 0	Accept
236	0 to 5	Accept
	5 to 10	Accept
	10 to 15	Accept
	15 to 0	Accept
17	0 to 5	Accept
	5 to 10	Accept
	10 to 15	Accept
	15 to 0	Accept
23	0 to 5	Accept
	5 to 10	Accept
	10 to 15	Accept
	15 to 0	Accept
16	1	Accept
	2	Accept
	3	Accept
[illegible]	[illegible]	[illegible]
	[illegible]	Accept
	[illegible]	[illegible]

2G	0 to 1	Accept
	1 to 2	Accept
	2 to 0	Accept
5G	0 to 5	Accept
	5 to 10	Accept
	10 to 15	Accept
	15 to 0	Accept

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PQT #		
128	0	Accept
	60	Accept
	120	Accept
328	0	Accept
	60	Accept
	120	Accept
332	0	Accept
	60	Accept
	120	Accept
197	0	Accept
	60	Accept
	120	Accept
128	0	Accept
	60	Accept
	120	Accept
412	0	Accept
	60	Accept
	120	Accept
260	0	Accept
	60	Accept
	120	Accept
243	0	Accept
	45	Accept
	90	Accept
	135	Accept
256	0	Accept
	60	Accept
	120	Accept
82	0	Accept
	60	Accept
	120	Accept
13	1	Accept
	2	Accept
	3	Accept
33	1	Accept
	2	Accept
	3	Accept

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PQT #		
255	0	Accept
	60	Accept
	120	Accept
151	1	Accept
	2	Accept
	3	Accept
225	0	Accept
	60	Accept
	120	Accept
130	0	Accept
	60	Accept
	120	Accept
114	0	Accept
	60	Accept
	120	Accept
407	0	Accept
	60	Accept
	120	Accept
401	0	Accept
	60	Accept
	120	Accept
253	0	Accept
	60	Accept
	120	Accept
320	0	Accept
	60	Accept
	120	Accept
112	0	Accept
	60	Accept
	120	Accept
322	0	Accept
	60	Accept
	120	Accept
346	0 to 1	Accept
	1 to 2	Accept
	2 to 0	Accept
50	0 to 1	Accept
	1 to 2	Accept
	2 to 0	Accept

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PQT #					
334	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
450	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
36	0 to 6	Accept			
	6 to 12	Accept			
	12 to 18	Accept			
	18 to 0	Accept			
212	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
339	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
307	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
247	0 to 6	Accept	5G	0 to 6	Accept
	6 to 12	Accept		6 to 12	Accept
	12 to 18	Accept		12 to 18	Accept
	18 to 0	Accept		18 to 0	Accept
	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
122	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
416	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
316	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
215	0 to 1	Accept			
	1 to 2	Accept			
	2 to 0	Accept			

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PQT #					
304	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
306	0 to 1	Accept			
	1 to 2	Accept			
	2 to 0	Accept			
333	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
351	0 to 6	Accept	5G	0 to 6	Accept
	6 to 12	Accept		6 to 12	Accept
	12 to 18	Accept		12 to 18	Accept
	18 to 0	Accept		18 to 0	Accept
58	0 to 6	Accept	5G	0 to 6	Accept
	6 to 12	Accept		6 to 12	Accept
	12 to 18	Accept		12 to 18	Accept
	18 to 0	Accept		18 to 0	Accept
46	0 to 6	Accept	5G	0 to 6	Accept
	6 to 12	Accept		6 to 12	Accept
	12 to 18	Accept		12 to 18	Accept
	18 to 0	Accept		18 to 0	Accept
187	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
426	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
308	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
213	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
461	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
198	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept

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PQT #					
456	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
300	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
185	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
173	0 to 6	Accept		0 to 6	Accept
	6 to 12	Accept		6 to 12	Accept
	12 to 18	Accept		12 to 18	Accept
	18 to 0	Accept		18 to 0	Accept
417	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
302	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
249	0 to 6	Accept		0 to 6	Accept
	6 to 12	Accept		6 to 12	Accept
	12 to 18	Accept		12 to 18	Accept
	18 to 0	Accept		18 to 0	Accept
448	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
421	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
68	0 to 6	Accept			
	6 to 12	Accept			
	12 to 18	Accept			
	18 to 0	Accept			
69	0 to 6	Accept			
	6 to 12	Accept			
	12 to 18	Accept			
	18 to 0	Accept			

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PQT #					
264	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
138	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
274	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
337	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
215	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
28	0 to 6	Accept			
	6 to 12	Accept			
	12 to 18	Accept			
	18 to 0	Accept			
194	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
267	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
146	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
341	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
177	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
103	0 to 1	Accept			
	1 to 2	Accept			
	2 to 0	Accept			

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PQT #					
118	0 to 1	Accept			
	1 to 2	Accept			
	2 to 0	Accept			
135	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
335	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
344	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
214	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
134	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
422	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
276	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
24	0 to 6	Accept			
	6 to 12	Accept			
	12 to 18	Accept			
	18 to 0	Accept			
29	0 to 6	Accept			
	6 to 12	Accept			
	12 to 18	Accept			
	18 to 0	Accept			
248	0 to 6	Accept		0 to 6	Accept
	6 to 12	Accept		6 to 12	Accept
	12 to 18	Accept		12 to 18	Accept
	18 to 0	Accept		18 to 0	Accept

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PQT #					
277	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
102	0 to 1	Accept			
	1 to 2	Accept			
	2 to 0	Accept			
19	0 to 6	Accept			
	6 to 12	Accept			
	12 to 18	Accept			
	18 to 0	Accept			
33	0 to 6	Accept		0 to 6	Accept
	6 to 12	Accept		6 to 12	Accept
	12 to 18	Accept		12 to 18	Accept
	18 to 0	Accept		18 to 0	Accept
160	0 to 6	Accept			
	6 to 12	Accept			
	12 to 18	Accept			
	18 to 0	Accept			
166	0 to 6	Accept			
	6 to 12	Accept			
	12 to 18	Accept			
	18 to 0	Accept			
265	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
136	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
124	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
427	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
414	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept

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PQT #					
336	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
119	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
338	0 to 1	Accept	5G	0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
321	0	Accept			
	60	Accept			
	120	Accept			
400	0	Accept			
	60	Accept			
	120	Accept			
21	1	Accept			
	2	Accept			
	3	Accept			
25	0 to 5	Accept			
	5 to 10	Accept			
	10 to 15	Accept			
	15 to 0	Accept			
423	0 to 1	Accept		0 to 1	Accept
	1 to 2	Accept		1 to 2	Accept
	2 to 0	Accept		2 to 0	Accept
129	0	Accept			
	60	Accept			
	120	Accept			
31	0 to 5	Accept			
	5 to 10	Accept			
	10 to 15	Accept			
	15 to 0	Accept			

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WO 38241 - SGT Welder Use Log

Welder ID K1243

PCD No	Step / Fw No	DIL No
Welder - K1243 - Keith, Mark L		
WP 2-1522A, Chg 0, 5/22/2007		
WHC-001	3/FW-1	JA-2/25/2008-1
WHC-001	3/FW-2	JA-2/25/2008-1
WHC-001	3/FW-3	JA-2/25/2008-1
WHC-001	3/FW-9	JA-2/25/2008-1
WP 2-1522C, Chg 0, 5/22/2007		
WHC-001	3/FW-5	PP-2/23/2008-3
WP 2-1522D, Chg 0, 5/22/2007		
WHC-001	3/FW-1	PP-2/20/2008-1
WHC-001	3/FW-2	PP-2/20/2008-1
WHC-001	3/FW-3	PP-2/20/2008-1
WP 2-1524A, Chg 0, 10/27/2007		
WHC-001	3/FW-9	JA-2/25/2008-5
WP 2-1524D, Chg 0, 10/27/2007		
WHC-001	3/FW-9	PP-2/20/2008-2
WP 2-3522A, Chg 0, 8/29/2007		
WHC-001	2/FW-5	PP-2/21/2008-7
WHC-001	3/FW-5	EB-2/21/2008-6
WHC-001	4/FW-5	GLC-2/21/2008-5
WHC-004	2/FW-31	DLB-3/3/2008-1
WHC-004	3/FW-31	DLB-3/3/2008-2
WP 2-3522C, Chg 0, 8/29/2007		
WHC-001	1/FW-5	PP-2/21/2008-3
WHC-001	2/FW-5	PP-2/21/2008-5
WHC-001	3/FW-5	EB-2/21/2008-5
WHC-001	4/FW-5	GLC-2/21/2008-4
WP 2-3522D, Chg 0, 8/29/2007		
WHC-001	1/FW-5	PP-2/21/2008-2
WHC-001	2/FW-5	PP-2/21/2008-5
WHC-001	3/FW-5	EB-2/21/2008-4
WHC-001	4/FW-5	GLC-2/21/2008-3
WP 2-3524A, Chg 0, 11/15/2007		
WHC-001	1/FW-13	MAM-3/3/2008-1
WHC-001	1/FW-17	MAM-3/3/2008-1
WHC-001	1/FW-19	MAM-3/3/2008-1
WHC-001	1/FW-20	MAM-3/3/2008-1

PCD No	Step / Fw No	DIL No
Welder - K1243 - Keith, Mark L		
WP 2-3524A, Chg 0, 11/15/2007		
WHC-001	3/FW-24	CH-3/3/2008-3
WHC-001	4/FW-13	GLC-3/3/2008-2
WHC-001	4/FW-17	GLC-3/3/2008-3
WHC-001	4/FW-19	GLC-3/3/2008-1
WHC-001	4/FW-24	CH-3/3/2008-4
WHC-017	3/FW-108	PP-4/3/2008-1
WHC-017	3/FW-109	PP-4/3/2008-1
WHC-017	3/FW-110	PP-4/3/2008-1
WHC-017	3/FW-111	PP-4/3/2008-1
WP 2-3524B, Chg 0, 11/15/2007		
WHC-001	3/FW-1	SED-3/9/2008-1
WHC-001	3/FW-15	SED-3/9/2008-1
WHC-001	3/FW-19	SED-3/9/2008-1
WHC-001	3/FW-20	SED-3/9/2008-1
WHC-001	3/FW-5	SED-3/9/2008-1
WHC-001	3/FW-9	SED-3/9/2008-1
WHC-001	4/FW-1	GLC-3/9/2008-1
WHC-001	4/FW-15	GLC-3/9/2008-1
WHC-001	4/FW-19	GLC-3/9/2008-2
WHC-001	4/FW-20	GLC-3/9/2008-2
WHC-001	4/FW-5	GLC-3/9/2008-1
WHC-001	4/FW-9	GLC-3/9/2008-1
WHC-009	3/FW-31	EB-3/19/2008-2
WHC-009	3/FW-32	EB-3/19/2008-3
WHC-009	3/FW-33	EB-3/19/2008-2
WP 2-3524C, Chg 0, 11/15/2007		
WHC-004	3/FW-53W	CH-3/23/2008-4
WHC-004	3/FW-53N	CH-3/23/2008-4
WHC-004	3/FW-53W	CH-3/23/2008-4
WHC-004	3/FW-53N	CH-3/23/2008-4
WHC-004	3/FW-53C	CH-3/23/2008-4
WHC-004	3/FW-53C	CH-3/23/2008-5
WHC-004	3/FW-53	CH-3/23/2008-5
WHC-004	3/FW-53	CH-3/23/2008-5
WHC-004	3/FW-53P	CH-3/23/2008-5
WHC-004	3/FW-53P	CH-3/23/2008-5

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WO 38241 - SGT Welder Use Log

PCD No	Step / Fw No	DIL No	PCD No	Step / Fw No	DIL No
Welder - K1243 - Keith, Mark L					
WP 2-3524D, Chg 0, 11/15/2007					
NCR-2-047-WHC-D-001	B/FW-2	SHS-3/22/2008-3			
NCR-2-047-WHC-D-001	B/FW-5	SHS-3/22/2008-3			
WHC-004	B/FW-60A	SHS-2/29/2008-2			
WHC-004	B/FW-60B	SHS-2/29/2008-2			
WHC-004	B/FW-61A	SHS-2/29/2008-2			
WHC-004	B/FW-61B	SHS-2/29/2008-2			
WHC-004	B/FW-62A	SHS-2/29/2008-2			
WHC-004	B/FW-62B	SHS-2/29/2008-2			
WHC-007	B/FW-60C	SHS-2/29/2008-3			
WHC-007	B/FW-60C	SHS-2/29/2008-3			
WHC-007	B/FW-60D	SHS-2/29/2008-3			
WHC-007	B/FW-60D	SHS-2/29/2008-3			
WHC-007	B/FW-61C	SHS-2/29/2008-3			
WHC-007	B/FW-61C	SHS-2/29/2008-3			
WHC-007	B/FW-61D	SHS-2/29/2008-3			
WHC-007	B/FW-61D	SHS-2/29/2008-3			
WHC-007	B/FW-62C	SHS-2/29/2008-3			
WHC-007	B/FW-62C	SHS-2/29/2008-3			
WHC-007	B/FW-62D	SHS-2/29/2008-3			
WHC-007	B/FW-62D	SHS-2/29/2008-3			
WHC-009	B/FW-33	CW-3/13/2008-7			
WHC-009	B/FW-34	CW-3/13/2008-7			
WHC-009	B/FW-35	CW-3/13/2008-7			
WHC-020	B/FW-100	RJH-3/30/2008-1			
WHC-020	B/FW-101	RJH-3/30/2008-1			
WHC-020	B/FW-102	RJH-3/30/2008-1			
WHC-021	B/FW-103	LP-4/3/2008-2			
WHC-021	B/FW-104	LP-4/3/2008-2			

Sheet 29 of 29

The Steam Generating Team
SGT
A Washington Group International / AREVA NP Company

Attachment 3

NCR 2034 DR-034
Page 3 of

EXHIBIT DD
QUALITY CONTROL PROGRAM

1. Contractor's work is controlled by Contractor's NQA-1 Quality Assurance program in full compliance with the requirements of 10 CFR 50, Appendix B, "Quality Assurance Criteria for Nuclear Power Plants." Execution of the work is procedurally governed by Contractor's project specific Quality Execution Procedures (QEPs).

2. Contractor's QEPs are available to Subcontractor upon request. Subcontractor will be placed on controlled distribution for QEPs specifically applicable to Subcontractor's scope of work.

3. Subcontractor's work shall comply with Contractor's QA program or Subcontractor's QA program as approved in writing by Contractor.

    a. Subcontractor's approved QA procedures shall be available for review by Contractor and Owners at the facilities at which such procedures are normally located.

    b. Subcontractor shall maintain Quality Assurance records in accordance with NRC regulations and shall be retained or furnished to Contractor as required by Contractor's QA program.

4. When applicable, Subcontractor shall comply with the provisions of 10 CFR 21, "Reporting of Defects and Noncompliance." Subcontractor shall furnish a copy of all reports sent to the NRC under 10 CFR 21, or information received which the Subcontractor is unable to evaluate thereunder, in connections with this Subcontract to: Barry Scott, SGT QA Manager: 510 Carnegie Center , Princeton, New Jersey, 08540.

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Sheet 32 of ___

WO 38241 - SGT Welder Use Log

PCD No	Step / Fw No	DIL No
Welder - G7303 - Golston, Scotty B		
WP 2-3524A, Chg 0, 11/15/2007		
WHC-006	3/FW-54B	PP-4/3/2008-3
WP 2-3524B, Chg 0, 11/15/2007		
WHC-015	3/FW-107	PP-4/3/2008-5
WP 2-3534A, Chg 0, 10/15/2007		
WHC-006	3/FW-24	CH-3/18/2008-11
Welder - G7561 - Gill, Terrance		
WP 2-1524D, Chg 0, 10/27/2007		
WHC-001 SHAW	3/FW-3 STR.	RJH-2/11/2008-1
WHC-001	3/FW-5	RJH-2/11/2008-1
WP 2-3522C, Chg 0, 8/29/2007		
WHC-002 SHAW	3/FW-10 STR.	LP-2/24/2008-5
WHC-002	3/FW-11	LP-2/24/2008-5
WHC-004	3/FW-14	PP-2/23/2008-1
WP 2-3524A, Chg 0, 11/15/2007		
	920	SED-3/7/2008-1
	940	SED-3/7/2008-2
	960	SED-3/7/2008-3
WHC-001 GTAW	1/FW-1 SW	MAM-3/8/2008-1
WHC-001	1/FW-13	MAM-3/8/2008-1
WHC-001	1/FW-17	MAM-3/8/2008-1
WHC-001	1/FW-18	MAM-3/8/2008-1
WHC-001	1/FW-24	SED-3/7/2008-1
WHC-001	1/FW-30	SED-3/7/2008-2
WHC-001	1/FW-36	SED-3/7/2008-3
WHC-001	1/FW-5	MAM-3/8/2008-1
WHC-001	1/FW-9	MAM-3/8/2008-1
WHC-001	2/FW-1	CW-3/6/2008-1
WHC-001	2/FW-13	CW-3/6/2008-1
WHC-001	2/FW-17	CW-3/6/2008-1
WHC-001	2/FW-1[illegible]	CW-3/6/2008-1
WHC-001	2/FW-24	SED-3/7/2008-4
WHC-001	2/FW-30	SED-3/7/2008-4
WHC-001	2/FW-[illegible]	SED-3/7/2008-4
[illegible]	[illegible]	[illegible]

PCD No	Step / Fw No	DIL No
Welder - G7561 - Gill, Terrance		
WP 2-3524A, Chg 0, 11/15/2007		
WHC-001 GTAW	4/FW-16 SW	GLC-3/8/2008-1
WHC-001	4/FW-24	CH-3/8/2008-4
WHC-001	4/FW-30	CH-3/8/2008-4
WHC-001	4/FW-36	CH-3/8/2008-4
WHC-001	4/FW-5	GLC-3/8/2008-2
WHC-001	4/FW-9	GLC-3/8/2008-2
WHC-004 SHAW	3/FW-52 STR.	DLB-3/11/2008-3
WHC-006 GTAW	3/FW-53A STR.	PP-4/3/2008-3
WHC-006	3/FW-53B	PP-4/3/2008-3
WHC-006	3/FW-54A	PP-4/3/2008-3
WHC-006	3/FW-55A	PP-4/3/2008-3
WHC-006	3/FW-55B	PP-4/3/2008-3
WHC-006	3/FW-56A	PP-4/3/2008-2
WHC-006	3/FW-56B	PP-4/3/2008-2
WHC-014 SHAW	3/FW-101 STR	RC-4/1/2008-1
WHC-015	3/FW-101A	RC-4/1/2008-3
WHC-015	3/FW-102	RC-4/1/2008-4
WP 2-3524B, Chg 0, 11/15/2007		
WHC-001 GTAW	3/FW-1 SW	SED-3/9/2008-1
WHC-001	3/FW-15	SED-3/9/2008-1
WHC-001	3/FW-19	SED-3/9/2008-1
WHC-001	3/FW-20	SED-3/9/2008-1
WHC-001	3/FW-5	SED-3/9/2008-1
WHC-001	3/FW-9	SED-3/9/2008-1
WHC-001	4/FW-1	GLC-3/9/2008-1
WHC-001	4/FW-15	GLC-3/9/2008-1
WHC-001	4/FW-19	GLC-3/9/2008-2
WHC-001	4/FW-2	PP-1/31/2008-2
WHC-001	4/FW-20	GLC-3/9/2008-2
WHC-001	4/FW-3	PP-1/31/2008-2
WHC-001	4/FW-4	PP-1/31/2008-2
WHC-001	4/FW-[illegible]	GLC-3/9/2008-1
WHC-001	4/FW-[illegible]	PP-1/31/2008-2
[illegible]	[illegible]	[illegible]
[illegible] SHAW	[illegible] STR.	[illegible]
[illegible]	[illegible]	[illegible]

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WO 38241 - SGT Welder Use Log

PCD No	Step / Fw No	DIL No
Welder - G7561 - Gill, Terrance		
WP 2-3524C, Chg 0, 11/15/2007		
WHC-001 GTAW	1/FW-1 SW	CW-3/6/2008-4
WHC-001	1/FW-13	CW-3/6/2008-4
WHC-001	1/FW-19	CW-3/6/2008-4
WHC-001	1/FW-25	CW-3/6/2008-4
WHC-001	1/FW-26	CW-3/6/2008-4
WHC-001	1/FW-7	CW-3/6/2008-4
WHC-001	2/FW-1	CW-3/6/2008-5
WHC-001	2/FW-13	CW-3/6/2008-5
WHC-001	2/FW-19	CW-3/6/2008-5
WHC-001	2/FW-25	CW-3/6/2008-5
WHC-001	2/FW-26	CW-3/6/2008-5
WHC-001	2/FW-7	CW-3/6/2008-5
WHC-001	3/FW-1	PP-3/7/2008-13
WHC-001	3/FW-13	PP-3/7/2008-13
WHC-001	3/FW-19	PP-3/7/2008-13
WHC-001	3/FW-25	PP-3/7/2008-13
WHC-001	3/FW-26	PP-3/7/2008-13
WHC-001	3/FW-7	PP-3/7/2008-13
WHC-001	4/FW-1	GLC-3/7/2008-3
WHC-001	4/FW-13	GLC-3/7/2008-3
WHC-001	4/FW-19	GLC-3/7/2008-3
WHC-001	4/FW-7	GLC-3/7/2008-3
WHC-004 SMAW	3/FW-52M STR	CH-3/23/2008-4
WHC-004	3/FW-52N	CH-3/23/2008-4
WHC-004	3/FW-53M	CH-3/23/2008-4
WHC-004	3/FW-53N	CH-3/23/2008-4
WHC-011 SMAW	3/FW-52Q STR	CH-3/23/2008-5
WHC-011	3/FW-53Q	CH-3/23/2008-5
WHC-011	3/FW-55	CH-3/23/2008-5
WHC-011	3/FW-57	CH-3/23/2008-5
WHC-012 SMAW	3/FW-54P STR	CH-3/23/2008-6
WHC-012	3/FW-55P	CH-3/23/2008-6
WHC-012	3/FW-56P	CH-3/23/2008-6
WHC-012	3/FW-57P	CH-3/23/2008-6
WP 2-3524D, Chg 0, 11/15/2007		
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

PCD No	Step / Fw No	DIL No
Welder - G7561 - Gill, Terrance		
WP 2-3524D, Chg 0, 11/15/2007		
WHC-013 SMAW	3/FW-88B STR	RC-3/24/2008-22
WHC-013	3/FW-89A	RC-3/24/2008-23
WHC-013	3/FW-89B	RC-3/24/2008-24
WHC-013	3/FW-90A	RC-3/25/2008-1
WHC-013	3/FW-90B	RC-3/25/2008-2
WHC-013	3/FW-91A	RC-3/25/2008-3
WHC-013	3/FW-91B	RC-3/25/2008-4
WHC-014 SMAW	3/FW-92A STR	RC-3/24/2008-19
WHC-014	3/FW-92B	RC-3/24/2008-25
WHC-015 GTAW	3/FW-93A STR	RC-3/24/2008-7
WHC-015	3/FW-93B	RC-3/24/2008-8
WHC-015	3/FW-94A	RC-3/24/2008-9
WHC-015	3/FW-94B	RC-3/24/2008-10
WHC-016 GTAW	3/FW-95A STR	RC-3/24/2008-11
WHC-016	3/FW-95B	RC-3/24/2008-20
WHC-019 GTAW	3/FW-99 STR	LP-4/3/2008-2
WHC-021 SMAW	3/FW-103 STR	LP-4/3/2008-2
WHC-021	3/FW-104	LP-4/3/2008-2
WHC-022 SMAW	3/FW-106 STR	RC-3/31/2008-10
WHC-023	3/FW-107	RJH-4/1/2008-1
WHC-023	3/FW-108	RJH-4/1/2008-1
Welder - G8841 - Gann, Marty		
WP 0-1530, Chg 0, 10/9/2007		
WHC-001	3/FW-1	JSB-12/3/2007-1
WHC-001	3/FW-10	JSB-12/3/2007-1
WHC-001	3/FW-11	JSB-12/3/2007-1
WHC-001	3/FW-12	JSB-12/3/2007-1
WHC-001	3/FW-2	JSB-12/3/2007-1
WHC-001	3/FW-3	JSB-12/3/2007-1
WHC-001	3/FW-4	JSB-12/3/2007-1
WHC-001	3/FW-5	JSB-12/3/2007-1
WHC-001	3/FW-6	JSB-12/3/2007-1
WHC-001	3/FW-7	JSB-12/3/2007-1
WHC-001	3/FW-8	JSB-12/3/2007-1
WHC-001	3/FW-9	JSB-12/3/2007-1
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

Proposed Disposition

Of these 32 Welder Qualifications, thirteen (13) could be qualified by virtue of bend tests that were performed on their test coupons. Of the nineteen (19) remaining performance qualification tests, two welders did not make any welds on site and two additional welders were qualified based on SGT qualifications from the FP&L St. Lucie Project.

This placed the total for unsubstantiated Welder Qualifications at fifteen (15). Thirteen of these welder qualifications will be re-evaluated for acceptability. Of these thirteen Welder Qualifications, six (6) were performed at Conam and no coupons exist to be re-radiographed. These six Welder Qualifications radiograph film sets were reviewed by the SGT Level III. The remaining seven (7) Welder Qualifications tested at Valley X-Ray and are available for radiography and will be evaluated by the SGT RT Level III after re-examination.

The remaining two (2) Welder Qualifications will be evaluated as follows:

Welder S3144 (David Soloman) qualified utilizing PQT 73, 162, and 167. PQT 167 cannot be located for reshooting therefore; the film must be re-evaluated by an SGT and Client RT Level III.

Welder G7561 (Terrance Gill) performed PQT 373 which cannot be located and the existing radiographs are not acceptable. This PQT will be dispositioned by the SGT Project Welding Engineer.

Project Welding Engineer disposition:

The last welder's test coupon could not be located on site for second radiography. His original coupon RT films for PQT 373 did not meet the criteria of ASME Section V.

This welder, Terrance Gill (G7561), was rehired by SGT for IR15 on 10/27/08. He took a requalification test, PQT 504, which he completed on 10/29/08. His test coupon along with other rehire's test coupons were sent to Valley X-Ray on 10/29/08 for RT.

The SGT Level II has performed an initial film interpretation on PQT 504 that was acceptable per ASME Section IX acceptance criteria. One set of film was forwarded to a SGT Level III for final acceptance. This final acceptance has not been completed.

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Sheet 35 of _____

The work performed by Mr. Gill during 2R14 utilizing the Gas Tungsten Arc Welding (GTAW) process was all on the Blowdown system. These welds were all socket weld connections of P-Number 1 carbon steel NPS 2 schedule 80 pipe to fittings. These welds all received pre-fit up cleanness inspections, fit up inspections, final weld Visual inspections, and final liquid penetrant inspections, all performed by QC inspectors. The Blowdown system also received an in service leak test.

SGT realizes that PQT 504 is not specifically applicable to the work performed during 2R14. Based on the acceptable inspections performed during 2R14 followed up by the later 1R15 acceptable weld test, there is no reason to believe that Mr. Gill did not have the skills required to deposit filler material using the GTAW process during 2R14.

Audit Number 38241-P-08-02

AFR Number: AFR - 03

SGT Standard Procedures Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE	
Form Title: **AUDIT FINDING REPORT**	Revision No / Status: **0E2 / AFU**	Form No.: **QEP 18.01-2**
	Form Revision Date: **04-May-05**	Form Page: **1 of 2**

Audit Number:	AFR Number:	Date Issued:
38241-P-08-02	AFR – 03	October 7, 2008

COMPLETED BY AUDITOR

Organization / Supplier:	Person Contacted:
SGT / Diablo Canyon Power Plant SGR Project	V. Allen

Referenced Requirements (Section Number, Paragraph Number, etc.):

QEP 02.01 Rev. 1 Section 5.5.4 states that "A copy of the Document Transmittal or other document indicating Client's approval s retained with the SGT Document Control Center (DCC) file copy of the QEP." Section 5.4.1.3 states "Upon completing their review, managers shall return their comments to the procedure writer. The procedure writer will either incorporate the comment(s) or resolve the comment(s) with the reviewer."

FINDING – Include Specific Requirement(s) Violated: | Classification: **Major** ☒ **Minor** ☐

A review of the DCC file for QEP 10.04 Rev. 1 verified the signed Document Transmittal form from the Client, but the Client letter and completed approval documentation (AD1.ID2 Attachment form) was not in the file.

The comment form from B. Kovacs from DT 2007-01563 for QEP 10.04 Rev. 1 was verified. However, documentation for the resolution of the comments was not provided or found in the file.

For a Major Finding, you are requested to identify the action taken to correct the identified condition. You are further requested to investigate the cause and effect of the condition in order to determine the extent of preventative action required. The results of this review are to be considered in your reply.
For a Minor Finding, you are requested only to identify the action taken to correct the identified condition.

Response DUE DATE	Auditor's Signature	
November 6, 2008	David E. McDonald	10-07-08

Results of Lead Auditor / QM screening for potential association with 10CFR21	☒ NO Potential _ Possible Potential	Signature: David E. McDonald	Date: 10/07/08

SGT Standard Procedures Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE		
Form Title: **AUDIT FINDING REPORT**	Revision No / Status: 0E2 / AFU	Form No: QEP 18.01-2	
	Form Revision Date: 04-May-05	Form Page: 2 of 2	
Audit Number: 38241-P-08-02	AFR Number: AFR - 03	Date Issued: October 7, 2008	

COMPLETED BY ORGANIZATION AUDITED

Corrective Action Taken or Proposed to Correct Discrepancy:

Documentation is available electronically on PNET and Client has on file also. Copy of approval downloaded and placed in file.

Corrective Action Taken by (Signature and Title): [signature] Project Engineering Manager

Corrective Action Completion Date: 10/30/2008

Cause of Discrepancy:

Lack of attention to detail

Preventative Action Taken to Eliminate Cause of Discrepancy:

Documentation exists in electronic systems between SGT and Client. This record without the copy existed from prior DCC personnel managing files. This AFR and all others with Bill Taylor as Manager will be discussed with DCC and this review will be documented. Complete by 11/20/2008.

Preventative Action Taken by (Signature and Title): Project Engineering Manager

Date: 11/20/2008.

COMPLETED BY AUDITOR

Corrective / Preventative Action Evaluation		Verification of Implementation of Corrective / Preventative Action		
Acceptable ☐	Unacceptable ☐	Acceptable ☐	Unacceptable ☐	Not Required ☐
Reason:		Reason:		
Evaluated by:	Date:	Verified by:		Date:

Audit Number 38241-P-08-02

AFR Number: AFR - 07

SGT Standard Procedures Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE		
Form Title: **AUDIT FINDING REPORT**	Revision No / Status: **0E2 / AFU**	Form No: **QEP 18.01-2**	
	Form Revision Date: **04-May-05**	Form Page: **1 of 2**	
Audit Number: **38241-P-08-02**	AFR Number: **AFR - 07**	Date Issued: October 7 2008	

COMPLETED BY AUDITOR

Organization / Supplier:	Person Contacted:
SGT / Diablo Canyon Power Plant SGR Project	William Taylor - PEM

Referenced Requirements (Section Number, Paragraph Number, etc.):

QEP 07.01, section 3.8.7 requires that QEP form 07.01-1 "Design Verification Checklist" or Client Design Verification from be used to document design verification

FINDING – Include Specific Requirement(s) Violated: Classification: Major ☐ Minor ☒

1. Contrary to this requirement, the "Design Verification Checklist" used to verify design on Calculation 38241-CALC-C-102, rev S2 did not match the latest revision of QEP form 07.01-1. The form did not include the document title

2. Contrary to this requirement, Keith Hernandez performed the design verification on Calculation 38241-CALC-C-112, however he failed to sign and date the "Design Verification Checklist", QEP form 07.01-1.

For a Major Finding, you are requested to identify the action taken to correct the identified condition. You are further requested to investigate the cause and effect of the condition in order to determine the extent of preventative action required. The results of this review are to be considered in your reply.

For a Minor Finding, you are requested only to identify the action taken to correct the identified condition.

Response DUE DATE: November 6 2008	Auditor's Signature: David E. McDonald 10-07-08	
Results of Lead Auditor / PQM screening for potential association with 10CFR21: ☒ NO Potential ☐ Possible Potential	Signature: David E. McDonald	Date: 10/07/08

SGT Standard Procedures Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE	
Form Title: **AUDIT FINDING REPORT**	Revision No / Status: 0E2 / AFU	Form No: QEP 18.01-2
	Form Revision Date: 04-May-05	Form Page: 2 of 2
Audit Number: 38241-P-08-02	AFR Number: AFR - 07	Date Issued: October 7, 2008

COMPLETED BY ORGANIZATION AUDITED

Corrective Action Taken or Proposed to Correct Discrepancy:

The incorrect DV Checklist was replaced with correct forms. The DV checklist with the verifier name was signed and dated. There was no content difference between the forms used; the header was inadvertently clipped in the Word file.

Corrective Action Taken by (Signature and Title): William Taylor, Project Engineering Manager	Corrective Action Completion Date: 10/28/2008

Cause of Discrepancy:

Lack of attention to detail

Preventative Action Taken to Eliminate Cause of Discrepancy:

This error in the forms and lack of attention to detail will be discussed in Engineering and documented. Completion will be by 11/20/2008.

Preventative Action Taken by (Signature and Title): Project Engineering Manager	Date: 11/20/2008

COMPLETED BY AUDITOR

Corrective / Preventative Action Evaluation	Verification of Implementation of Corrective / Preventative Action
Acceptable ☐ Unacceptable ☐	Acceptable ☐ Unacceptable ☐ Not Required ☐
Reason:	Reason:
Evaluated By: Date:	Verified By: Date:

Audit Number 38241-P-08-02

AFR Number: AFR - 08

SGT — Standard Procedures Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE	
Form Title: **AUDIT FINDING REPORT**	Revision No / Status: **0E2 / AFU**	Form No: **QEP 18.01-2**
	Form Revision Date: **04-May-05**	Form Page: **1 of 2**

Audit Number	AFR Number	Date Issued
38241-P-08-02	**AFR - 08**	October 7, 2008

COMPLETED BY AUDITOR

Organization / Supplier	Person Contacted
SGT / Diablo Canyon Power Plant SGR Project	William Taylor - PEM

Referenced Requirements (Section Number, Paragraph Number, etc.):

QEP 07.06, sections 3.1.6 requires that the following forms be part of the specification and are listed on the Table of Contents. QEP 07.06-1 "Specification Cover Sheet, QEP 07.06-2 "Specification Approval Sheet", QEP 07.06-3 "Specification Revision Log, and QEP 07.06-4 "Design Verification Checklist"

FINDING – Include Specific Requirement(s) Violated: | Classification: Major ☐ Minor ☒

Contrary to this requirement QEP Form 07.06-1 included in Specification 38241-SPEC-C-001 did not match the approved QEP form. The form was missing the specification revision number and revision date blocks.

For a Major Finding, you are requested to identify the action taken to correct the identified condition. You are further requested to investigate the cause and effect of the condition in order to determine the extent of preventative action required. The results of this review are to be considered in your reply.

For a Minor Finding, you are requested only to identify the action taken to correct the identified condition.

Response DUE DATE	Auditor's Signature
November 7, 2008	David E. McDonald 10-07-08

Results of Lead Auditor / PQM screening for potential association with 10CFR21	☒ NO Potential ☐ Possible Potential	Signature: David E. McDonald	Date: 10/07/08

SGT Standard Procedures Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE	
Form Title: **AUDIT FINDING REPORT**	Revision No / Status: 0E2 / AFU	Form No: QEP 18.01-2
	Form Revision Date: 04-May-05	Form Page: 2 of 2

Audit Number	AFR Number	Date Issued
38241-P-08-02	AFR - 08	October 7, 2008

COMPLETED BY ORGANIZATION AUDITED

Corrective Action Taken or Proposed to Correct Discrepancy:

The specification cover page had no content change and since it is only a title page - no further action is required. The differences are editorial. The document is approved by the Client. If the specification were to be revised, a new cover page would be furnished.

No action required.

Corrective Action Taken by (Signature and Title): [signature] Project Engineering Manager

Corrective Action Completion Date: 10/28/2008

Cause of Discrepancy:

This stems from use of forms saved on computers instead of using the hardcopies in the QEP. It is from original work done. It is lack of attention to detail.

Preventative Action Taken to Eliminate Cause of Discrepancy:

No further action required for this finding due to historical personnel no longer supporting the project; however, this error in the forms and lack of attention to detail will be discussed in Engineering and documented. Completion will be by 11/20/2008.

Preventative Action Taken by (Signature and Title): Project Engineering Manager

Date: 11/20/2008

COMPLETED BY AUDITOR

Corrective / Preventative Action Evaluation	Verification of Implementation of Corrective / Preventative Action
Acceptable ☐ Unacceptable ☐	Acceptable ☐ Unacceptable ☐ Not Required ☐
Reason	Reason
Evaluated By: Date:	Verified by: Date:

Audit Number 38241-P-08-02

AFR Number: AFR - 09

SGT Standard Procedures Engineering and Construction Projects	Form Source QUALITY EXECUTION PROCEDURE	
Form Title **AUDIT FINDING REPORT**	Revision No / Status **0E2 / AFU** Form Revision Date **04-May-05**	Form No. **QEP 18.01-2** Form Page **1 of 2**
Audit Number **38241-P-08-02**	AFR Number **AFR – 09**	Date Issued: October 7, 2008

COMPLETED BY AUDITOR

Organization / Supplier:	Person Contacted:
SGT / Diablo Canyon Power Plant SGR Project	William Taylor

Referenced Requirements (Section Number, Paragraph Number, etc.):

QEP 07.07, section 3.3.2 (f) requires that a copy of the installation test shall be documented and processed as an SGT calculation in accordance with QEP 07.04, Calculations. The words "Analytical Software Installation Test" shall be included in the calculation title.

FINDING – Include Specific Requirement(s) Violated: | Classification: **Major** ☒ **Minor** ☐

Contrary to this requirement, no SGT Calculation for the "Analytical Software Installation Test" for computer software GT STRUDL, version 28 was generated for this project. This software was used during the development of SGT Calculation 2218C-1

For a Major Finding, you are requested to identify the action taken to correct the identified condition. You are further requested to investigate the cause and effect of the condition in order to determine the extent of preventative action required. The results of this review are to be considered in your reply.

For a Minor Finding, you are requested only to identify the action taken to correct the identified condition.

Response DUE DATE	Auditor's Signature
November 7, 2008	David E. McDonald 10-07-08

Results of Lead Auditor PQM screening for potential association with 10CFR21	☒ NO Potential ☐ Possible Potential	Signature David E. McDonald	Date 10-07-08

C:\Users\DPORTER\DMS\DEVDOC\ALL-FILES\AUDITS\2006\SGT-Diablo Canyon 10-27-08\Diablo Canyon AFR-09-FV.doc

SGT | Standard Procedures Engineering and Construction Projects | Form Source: QUALITY EXECUTION PROCEDURE

Form Title: **AUDIT FINDING REPORT**

Revision No / Status	Form No
0E2 / AFU	QEP 18.01-2
Form Revision Date	Form Page
04-May-05	2 of 2

Audit Number	AFR Number	Date Issued:
38241-P-08-02	AFR - 09	October 7, 2008

COMPLETED BY ORGANIZATION AUDITED

Corrective Action Taken or Proposed to Correct Discrepancy:

Calculation 38241-CALC-C-119 was approved 10/24/2008 and sent to Document Control. Title is "Analytical Software Installation Test"

Corrective Action Taken by (Signature and Title):	Corrective Action Completion Date:
William Taylor Project Engineering Manager	10/28/2008

Cause of Discrepancy:

This is a failure to follow procedure.

Preventative Action Taken to Eliminate Cause of Discrepancy:

SGT PEM performs and it was missed in 2006 when software was first used. That PEM is not with SGT anymore. No further action is required.

Preventative Action Taken by (Signature and Title):	Date:
William Taylor Project Engineering Manager	10/28/2008

COMPLETED BY AUDITOR

Corrective / Preventative Action Evaluation		Verification of Implementation of Corrective / Preventative Action		
Acceptable ☐	Unacceptable ☐	Acceptable ☐	Unacceptable ☐	Not Required ☐
Reason:		Reason:		
Evaluated By:	Date:	Verified By:	Date:	

Audit Number 38241-P-08-02

AFR Number: AFR - 10

SGT Standard Procedures Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE	
Form Title: **AUDIT FINDING REPORT**	Revision No / Status: **0E2 / AFU**	Form No: **QEP 18.01-2**
	Form Revision Date: **04-May-05**	Form Page: **1 of 2**

Audit Number	AFR Number	Date issued
38241-P-08-02	**AFR – 10**	October 7 2008

COMPLETED BY AUDITOR

Organization / Supplier:	Person Contacted:
SGT / Diablo Canyon Power Plant SGR Project	William Taylor - PEM

Referenced Requirements (Section Number, Paragraph Number, etc.):

QEP 07.08, section 4.3.10 requires that the DCP forms listed below will be completed in accordance with PG&E procedure CF3 ID9, "Design Change Development". Appendix 7.2, "Design Change Development Instructions" of CF3 ID9 shall be used to complete the forms:

Design Change Summary Form 69-20113
Design Change Evaluation Form 69-20114
Independent Evaluation Form 69-20163
Design Change Notice Form 69-20115

QEP 07.08, section 4.4.2 requires that design verification be performed and documented per QEP 07.01 and the Design Verifier completes and signs from 69-20163 "Independent Evaluation"

FINDING – Include Specific Requirement(s) Violated: Classification: Major ☒ Minor ☐

1. Contrary to this requirement, form 602133 on DCP-E-049772 make reference to the incorrect revision on page 3 of 6 and also has the incorrect page count. Page 3 indicates that the revision is "A", it should be "0". Also the page count should be 7 not 6.
2. Contrary to this requirement, the Independent Evaluation performed and attached to DCP-E-049772 was performed and documented on the incorrect form. The evaluation was documented on from 69-21213 and should have been documented on form 69-20163
3. Contrary to this requirement, Form 69-20113 in DCP-P-049740 has not been signed and dated by the Project Team Leader and the Station Director.

(Note. DCP-E-049772 and DCP-P-049740 had been status AFU)

For a Major Finding, you are requested to identify the action taken to correct the identified condition. You are further requested to investigate the cause and effect of the condition in order to determine the extent of preventative action required. The results of this review are to be considered in your reply.

For a Minor Finding, you are requested only to identify the action taken to correct the identified condition.

Response DUE DATE	Auditor's Signature	
November 5 2008	David E. McDonald	10.07.08

Results of Lead Auditor / PQM screening for potential association with 10CFR21	☒ NC Potential ☐ Possible Potential	Signature: David E. McDonald	Date: 10.07.08

SGT Standard Procedures Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE	
Form Title: AUDIT FINDING REPORT	Revision No. / Status: 0E2 / AFU	Form No.: QEP 18.01-2
	Form Revision Date: 04-May-05	Form Page: 2 of 2
Audit Number: 38241-P-08-02	AFR Number: AFR - 10	Date Issued: October 7, 2008

COMPLETED BY ORGANIZATION AUDITED

Corrective Action Taken or Proposed to Correct Discrepancy:

The page count was corrected.

QEP lists initial forms when the QEP is first written. Forms have been updated to newer revisions and although SGT is exempt from using the new forms; use of the new forms is allowed and that is what is in the DCP that was approved by Client. Client signature page with missing signature replaced with signed version by Client.

The Client signed the page they did not sign.

Corrective Action Taken by (Signature and Title): William [signature] Project Engineering Manager	Corrective Action Completion Date: 10/28/2008

Cause of Discrepancy:

Incorrect page count is an attention to detail error.

Use of newer Client forms is not a discrepancy.

The Client not signing their paper and SGT not seeing when filing is an attention to detail error.

Preventative Action Taken to Eliminate Cause of Discrepancy

No action required regarding changing of the forms.

DCC will be reminded to validate records when processing submittals and pay attention to details. This will be documented. This will be completed by 11/20/2008.

Preventative Action Taken by (Signature and Title): Project Engineering Manager	Date: 11/20/2008

COMPLETED BY AUDITOR

Corrective / Preventative Action Evaluation		Verification of Implementation of Corrective / Preventative Action		
Acceptable ☐	Unacceptable ☐	Acceptable ☐	Unacceptable ☐	Not Required ☐
Reason:		Reason:		
Auditor:	Date:	Verified by:	Date:	

Audit Number 38241-P-08-02

AFR Number: AFR - 11

SGT — Standard Procedures, Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE	
Form Title: **AUDIT FINDING REPORT**	Revision No · Status: 0E2 / AFU	Form No: QEP 18.01-2
	Form Revision Date: 04-May-05	Form Page: 1 of 2

Audit Number	AFR Number:	Date Issued:
38241-P-08-02	AFR – 11	October 7, 2008

COMPLETED BY AUDITOR

Organization / Supplier:	Person Contacted:
SGT / Diablo Canyon Power Plant SGR Project	William Taylor - PEM

Referenced Requirements (Section Number, Paragraph Number, etc.):

QEP 07.15, Section 3.5 requires that the RFI's be transmitted to the responding organization in accordance with QEP 08.01 "Document Control"

QEP 07.15, section 3.7 "Response Preparation" requires that the RFI response include the following:

Completions of the RFI form with signatures, titles and date
Listing of referenced documents, revision and date
Sheet numbering of completed RFI. If attachments are added the attachments shall be listed on response and each sheet of attachment shall be numbered.

FINDING – Include Specific Requirement(s) Violated: Classification: Major ☒ Minor ☐

1.Contrary to this requirement no transmittal documentation can be located indicating that the following RFI's have been transmitted to the responding organization:

RFI-38241-006
RFI-38241-0023

2. Contrary to this requirement:

RFI-38241-0010 has not had the RFI response approved. The form is missing the approval signature, title and date.
RFI-38241-0016 is missing the verifiers signature, title and date, along with the approval signature, title and date (blocks are N/A'ed)
RFI-38241-0023 is shown as AFU status, however the RFI in the SGT DCC files is incomplete. The final resolution and verifier and approval signatures are missing.
RFI-38241-0039 was returned with comments from the client and the approved RFI is not in SGT DCC. This RFI is AFU status. The RFI in the SGT DCC file is incomplete, it is missing all the RFI Response signatures and dates.
RFI-38241-006 includes attachments 1, 2 and 3, these attachments are not listed within the RFI response and have not been properly numbered in accordance with QEP 07.15, section 3.7

For a Major Finding, you are requested to identify the action taken to correct the identified condition. You are further requested to investigate the cause and affect of the condition in order to determine the extent of preventative action required. The results of this review are to be considered in your reply.
For a Minor Finding, you are requested only to identify the action taken to correct the identified condition.

Response Due Date:	Auditor's Signature:
November 6, 2008	David E. McDonald 10-07-08

Results of Lead Auditor PCM screening for potential association with 10CFR21	☒ NO Potential ☐ Possible Potential	Signature: David E. McDonald	Date: 10-07-08

SGT	Standard Procedures Engineering and Construction Projects	Form Source QUALITY EXECUTION PROCEDURE	
Form Title **AUDIT FINDING REPORT**		Revision No / Status **0E2 / AFU** Form Revision Date **04-May-05**	Form No **QEP 18.01-2** Form Page **2 of 2**
Audit Number: **38241-P-08-02**	AFR Number: **AFR - 11**	Date Issued: October 7, 2008	

COMPLETED BY ORGANIZATION AUDITED

Corrective Action Taken or Proposed to Correct Discrepancy:

RFIs were reviewed and it was verified all responses were processed in a controlled manner and by Client processes for approved responses and subsequent use in SGT work. Client responds to SGT by letters and DITs (design information transmittals) where appropriate and this obviates the need for repeating of Client signatures on SGT paperwork. No corrective action required.

Corrective Action Taken by (Signature and Title):	Corrective Action Completion Date:
[signature] Project Engineering Manager	10/28/2008

Cause of Discrepancy:

Client responds to SGT by letters and DITs (design information transmittals) where appropriate and this obviates the need for repeating of Client signatures on SGT paperwork.

Preventative Action Taken to Eliminate Cause of Discrepancy:

Sufficient approved and documented records exist to demonstrate the request for information requested of the Client is on file. Client requires correspondence which is with the RFI files to be the method they respond to SGT RFIs No action required to update the RFI files.

Preventative Action Taken by (Signature and Title)	Date:
[signature] Project Engineering Manager	10/28/2008

COMPLETED BY AUDITOR

Corrective / Preventative Action Evaluation		Verification of Implementation of Corrective / Preventative Action		
Acceptable ☐	Unacceptable ☐	Acceptable ☐	Unacceptable ☐	Not Required ☐
Reason:		Reason:		

Audit Number 38241-P-08-02

AFR Number: AFR - 13

SGT Standard Procedures
Engineering and Construction Projects

Form Source: QUALITY EXECUTION PROCEDURE

Form Title	Revision No / Status	Form No.
AUDIT FINDING REPORT	0E2 / AFU	QEP 18.01-2
	Form Revision Date: **04-May-05**	Form Page: **1 of 2**

Audit Number	AFR Number	Date Issued
38241-P-08-02	**AFR – 13**	October 7, 2008

COMPLETED BY AUDITOR

Organization / Supplier:	Person Contacted:
SGT / Diablo Canyon Power Plant SGR Project	Vikki Allen – DCC Supervisor

Referenced Requirements (Section Number, Paragraph Number, etc.):
QEP 07.08 Section 4.4.9 – Design Change Packages
QEP 07.09 Section 3.4.5 – Design Change Control
QEP 08 01 Section 5.2.1 – Document Control

- A controlled copy will be provided to the Client
- Copy of ECR issued to controlled holders of affected documents
- SDL indicated controlled Work Packages to be issued to SET ID 7 (Vikki Allen) & SET ID 26 (Paul Helton) none were issued on Unit 2 – no Work Packages are issued to Construction to date.

FINDING – Include Specific Requirement(s) Violated: | Classification: **Major** ☒ **Minor** ☐

The SDL doesn't have the Client slated to receive any controlled DCPs, ECRs, drawings, Specs or Calcs. Query the Client as to whether they wish to be on distribution for these documents – if not revise QEP to delete requirement or revise SDL to include the document types and issue the documents controlled to the Client.

SDL needs to be revised to remove MCPs.

The SDL indicates controlled copies of Work Packages will be issued to Quality and DCC (intended as a satellite in the bullpen) – if this is not going to happen revise the SDL – though it is a good practice to have a couple of controlled sets of WPs as this alleviates DCC making additional individual copies for engineers Superintendents, Task Managers for reading or training purposes.

For a Major Finding, you are requested to identify the action taken to correct the identified condition. You are further requested to investigate the cause and effect of the condition in order to determine the extent of preventative action required. The results of this review are to be considered in your reply.

For a Minor Finding, you are requested only to identify the action taken to correct the identified condition.

Response Due Date: November 6, 2008

Auditor's Signature: David E. McDonald 10-07-08

Results of Lead Auditor / PQM screening for potential association with 10CFR21: ☐ NO Potential ☐ Possible Potential

Signature: David E. McDonald Date: [illegible]

SGT | Standard Procedures Engineering and Construction Projects | Form Source: QUALITY EXECUTION PROCEDURE

Form Title	Revision No / Status	Form No
AUDIT FINDING REPORT	0E2 / AFU	QEP 18.01-2
	Form Revision Date: 04-May-05	Form Page: 2 of 2

Audit Number:	AFR Number:	Date Issued:
38241-P-08-02	AFR – 13	October 7, 2008

COMPLETED BY ORGANIZATION AUDITED

Corrective Action Taken or Proposed to Correct Discrepancy:

Only SDL for MCP is to DCC (Vikki Allen). It will be deleted from SDL by 11/20/2008 since it was never sent to become active for the project. Client changes requested to SDL were made 9/9/2008. Recent (10/23/08) request by Client for another change will be made by 11/06/2008. No additional changes to SDL are required. Requirement to give Client controlled documents is met at end of Project with turnover. Client is happy with records as kept between the Companies now.

Corrective Action Taken by (Signature and Title):	Corrective Action Completion Date:
William Taylor (signature) Project Engineering Manager	

Cause of Discrepancy:

Preventative Action Taken to Eliminate Cause of Discrepancy:

There are no procedural violations associated with this AFR. QEP 8.01 5.2.1 states the PEM decides what is issued and when documents are issued as controlled. SGT issues records noted here-in to Client in a controlled manner at Project Closeout. No action required.

Preventative Action Taken by (Signature and Title):	Date
William Taylor (signature) Project Engineering Manager	10/28/2008

COMPLETED BY AUDITOR

Corrective / Preventative Action Evaluation	Verification of Implementation of Corrective / Preventative Action
Acceptable ☐ Unacceptable ☐	Acceptable ☐ Unacceptable ☐ Not Required ☐
Reason:	Reason:

QA Lead By | Date | Verified By | Date

Audit Number 38241-P-08-02

AFR Number: AFR - 14

SGT | Standard Procedures Engineering and Construction Projects | QUALITY EXECUTION PROCEDURE

Form Title

AUDIT FINDING REPORT

Revision Number/Status	Form No.
0E2 / AFU	QEP 18.01-2
Prior Revision Date	Form Page
04-May-05	1 of 2

Audit Number	AFR Number	Date Issued
38241-P-08-02	AFR – 14	October 7, 2008

COMPLETED BY AUDITOR

Organization / Supplier	Person Contacted
SGT - Diablo Canyon Power Plant SCR Project	Scott Parker – Lead Field Engineer

Referenced Requirements (Section Number, Paragraph Number, etc.)

QEP 11.01 section 3.4.3 requires that the work instructions be prepared with a level of detail appropriate to the complexity of the work to be performed and in a manner that clearly defines the work to field personnel.

FINDING – Include Specific Requirement(s) Violated | Classification: Major ☐ Minor ☒

Contrary to this requirement, during review of approved Work Package 1-2530A it was noted that the through out the work package incorrect references were being made to material mark numbers. The Work Instruction steps indicated that the mark number should be 1-2530-MK-001 and the MDS Material Data Sheet identified the mark number as 1-2530A MK-001 The marking of material is not clear and needs to be corrected.

SGT | Standard Procedures for Engineering and Construction Projects | QUALITY EXECUTION PROCEDURE

AUDIT FINDING REPORT

OE2 / AFU	OEP 18 01-2
04-May 05	2 / 2

Audit Number	AFR Number	Date Issued
38241 P-08-02	AFR - 14	October 7, 2008

COMPLETED BY ORGANIZATION AUDITED

Corrective Action Taken or Proposed to Correct Discrepancy
Work Packages were reviewed by LE and all corrections to the incorrect mark number were corrected in the work steps (both to Master and Working Copy)

Corrective Action Taken by (Signature and Title): Scott Parker Lead Field Engineer
Corrective Action Completion Date: 06-Nov-08

Cause of Discrepancy
Inattention to Detail.

Preventative Action Taken to Eliminate Cause of Discrepancy
N/A - Minor Finding

N/A | N/A

COMPLETED BY AUDITOR

Acceptable | Unacceptable | Acceptable | Unacceptable | Not Applicable

Audit Number 38241-P-08-02

AFR Number: AFR - 15

SGT Standard Procedures Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE	
Form Title: **AUDIT FINDING REPORT**	Revision No / Status: **0E2 / AFU**	Form No.: **QEP 18.01-2**
	Form Revision Date: **04-May-05**	Form Page: **2 of 2**

Audit Number:	AFR Number:	Date Issued:
38241-P-08-02	**AFR - 15**	October 7, 2008**Error!**

COMPLETED BY ORGANIZATION AUDITED

Corrective Action Taken or Proposed to Correct Discrepancy:

This condition was identified on SGT Nonconformance Reports 2-082 and 2-083 issued on 21 July 2008 and 16 September 2008 respectively. Both of these NCRs have been dispositioned and re-inspected and have received final closure review and approval.

See Attached NCRs 2-082 and 2-083.

Corrective Action Taken by (Signature and Title):	Corrective Action Completion Date:
Paul J. Helton	04 Nov 08

Cause of Discrepancy:

See Attached NCRs 2-082 and 2-083.

Preventative Action Taken to Eliminate Cause of Discrepancy:

See Attached NCRs 2-082 and 2-083.

Preventative Action Taken by (Signature and Title):	Date:
Paul J. Helton	04 Nov 08

COMPLETED BY AUDITOR

Corrective / Preventative Action Evaluation	Verification of Implementation of Corrective / Preventative Action
Acceptable ☐ **Unacceptable** ☐	**Acceptable** ☐ **Unacceptable** ☐ **Not Required** ☐
Reason:	Reason:

Evaluated by:	Date:	Verified by:	Date:

Nonconformance Report No (38241) 2082

ORIGINAL

S:\QUALITY\L Dietrich\NCR 2-082\NCR 2-082PG1.doc

SGT — Standard Procedures Engineering and Construction Projects

Form Source: QUALITY EXECUTION PROCEDURE

Form Title	Revision No / Status	Form No.
NONCONFORMANCE REPORT	0E1 / AFU	QEP 15.01-1
	Form Revision Date: 06-Dec-04	Form Page: 1 of 1

NONCONFORMANCE DESCRIPTION

Responsible Organization / Department	NONCONFORMANCE REPORT NO. (38241) 2-082		
Description / Location of Affected Item or System: Misplaced, Lost, Contaminated, or Out-of-Tolerance M&TE	Date Issued: 21-Jul-08	No of Hold Tags: 0	Total Sheets: 1 of 388
	ASME Section: N/A	Inspection Code: DR-34	Const. Seq. Code: SU
Source of Requirement Not Met: QEP 14.01 Rev 1 E2 Para. 3.3.2, 3.4.1 & 3.7.3	WP / PO No: See Attached	PCD / CO No: See Attached	Step No: See Attached

Condition Description

Measuring and Test Equipment (M&TE) utilized during Unit 2 SGRO did not receive a post-use calibration check as required by QEP 14.01. See attached Condition Description continuation sheet for details.

Issued By: R. Lucy Dietrich | DIL Number: RLD/07-21-08/01 | CONDITION Continuation Sheets 2 thru 7

Results of PQM screening for potential association with 10CFR21: ☐ NO Potential ☒ Possible Potential ☐ Client Determination | Signature: Paul J. Kelton | Date: 21-Jul-08

RECOMMENDED DISPOSITION

Proposed Disposition ☐ Rework ☐ Repair ☐ Scrap/Return ☒ Use-As-Is ☐ By Client

See attached Disposition

Dispositioned By: [redacted] | Date: 9/18/08 | DISPOSITION Continuation Sheets 8 thru 388

9/19

DISPOSITION APPROVAL

Approval of Proposed Disposition ☑ Approved as Proposed ☐ Revised See Sheets thru

SGT			CLIENT		
TITLE	SIGNATURE	DATE	TITLE	SIGNATURE	DATE
PEM		9/18/08	CLIENT REP		9/29/08
SM		9/22/08	ANI / ANII		10/1/08
PQM	R. Lucy Dietrich	9/22/08			
If Initiated, Reference DR:		N/A			

RE-INSPECTION

Re-Inspection Results ☒ Accepted ☐ Rejected — Give Explanation | DIL Number: LHB/10-02-08/01

No Re-Inspection Required - "Use-As-Is" Disposition

Probable Cause Code: PE
Corrective Action Code: UA
Deviation Impact Code: 4
Hold Tags Removed: Y - N/A

CLOSURE	NAME / SIGNATURE	DATE		NAME / SIGNATURE	DATE
SGT QC Inspector		10-2-08	ANI / ANII Review	N/A	10/14/08
Quality Review	R. Lucy Dietrich 10/14/08		Client Review	N/A 10/14/08	

SGT
QA RECORD VALIDATION
TOTAL PAGE COUNT 52
INTERIM FILE NO. 15.1.1
REVIEWED BY [illegible]
DATE OF REVIEW 10/14/08

NCR 2-082
Sheet 2 of 388

During the turnover Quality Records pertaining to Measuring and Test Equipment (M&TE) used during 2R14 Steam Generator Replacement Outage at Diablo Canyon Power Plant (DCPP), it was discovered that numerous M&TE post-use calibrations had not been performed and that several items were missing.

SGT Quality Execution Procedure (QEP) 14.01, Section 3.0, paragraph 3.3.2 states, in part, "Calibration verification of M&TE used to verify functional operability of a Safety Related item or component shall be performed at the normal calibration cycle or upon completion of the work, whichever comes first."

In addition, Section 3.0, paragraph 3.7.3 states, "If a piece of calibrated M&TE is damaged or lost, the QCS shall review the M&TE Usage Log to verify the use of M&TE and to identify the items used on. If the M&TE in question was used for final acceptance of an item, the QCS shall generate a Form QEP 15.01-1, *Nonconformance Report*, in accordance with QEP 15.01, *Identification and Control of Deviations*."

Contrary to these requirements, several M&TE items utilized for final acceptance of Safety Related items are missing and unavailable for post use calibration. In addition, other M&TE failed to meet calibration requirements and recorded out-of-tolerance conditions.

The following Continuation Sheets provide a summary of the M&TE Useage Log (Attachment 1), the Work Package Utilization Summary (Attachment 2), and calibration results (Attachment 3).

9/24/08

2-082

NCR 265 Condition Description - continued

9/4/08

NCR 2-082
Page 3 of 388

The following M&TE was not returned for Post- Calibration due to contamination or lost (ref. QEP 14.01, para. 3.7.3):

M&TE #	Description	Work PKG/Step(s)	PKG Activity
DC-004	Thermometer		
SGT-006	Tension Link		
SGT-018	Dial Caliper		
SGT-028	Digital Thermometer		
SGT-030	Digital Thermometer		
SGT-039	Micrometer		
SGT-062	Pressure Gage		
SGT-113	Torque Wrench – 1/4" Drive		
SGT-132	Torque Wrench ½" Drive		
SGT-136	Torque Wrench ½" Drive		
SGT-142	Contour Probe		
SGT-144	Contour Probe		
SGT-153	Digital Thermometer		
SGW E-11282	Hydraulic Torque Wrench		
SGW-101	Digital Caliper		
SGW-107	Digital Caliper		
SGW-111	10# Test Weight		

2-082

NCR 265 Condition Description - continued

NCR 2-082
Page 4 of 38

The following pieces of M&TE were received at the lab for post-use calibration and found to be in an "out-of-tolerance" condition (ref. QEP 14.01, para. 3.3.2):

M&TE #	Description	Work PKG/Step(s)	WP Activity
SGT-68	Thermometer	SC-11	
SGT-134	Torque Wrench – ½" drive		
SGW-116	Torque Wrench – 1/4" Drive		

NONCONFORMANCE REPORT: 2-082

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A. Condition Description and Usage Summary

Based on the post calibration results and the identification of equipment being lost the following is the evaluation of the M&TE use and its condition:

I. DC-004, Thermometer, Lost, No recal performed.
Usage: (see attachment 1 for WP and Calibration information)
1. Weld preheat verification of 200°F (LLS repair plate).

II. SGT-006, Tension Link, Lost, No recal performed.
Usage: (see attachment 2 for WP, NDE and Calibration information)
1. Penetrant Test on FW-1 & FW-2 (blowdown piping reinstallation).

III. SGT-018, Dial Caliper, Lost, No recal performed.
Usage: (see attachment 3 for WP, NDE and Calibration information)
1. Verify gaps and bearing requirements at the LLS keyway shims.

IV. SGT-028, Digital Thermometer, Lost, No recal performed.
Usage: (see attachment 4 for WP, NDE and Calibration information)
1. Magnetic Particle Test (at ULS Bumper Bearing Block welds).
2. Ultrasonic Test (at Feedwater Nozzle to NPS 16 pipe weld).

V. SGT-030, Digital Thermometer, Lost, No recal performed.
Usage: (see attachment 5 for WP, NDE and Calibration information)
1. Penetrant Test (RCS Crossover Leg Elbow to RSG Nozzle Safe End weld).
2. Penetrant Test (RCS Hot Leg Elbow to RSG Nozzle Safe End weld and the RCS Crossover Leg Elbow to RSG Nozzle Safe End weld).
3. Penetrant Test (root valve assembly to RSG Nozzle weld for LT-517 (L), LT-518 (L) and LT-519 (L)).

VI. SGT-039, Micrometer, Lost, No recal performed.
Usage: (see attachment 6 for WP and Calibration information)
1. Various weld inspections.

VII. SGT-062, Torque Wrench, Lost, No recal performed.
Usage: (see attachment 7 for WP and Calibration information)
1. Torque the cradle lashings for transporting RSG 2-4.

VIII. SGT-068
Usage: none
1. Surveillance control (not used on any field applications).

IX. SGT-113, Torque Wrench, Lost, No recal performed.
Usage: (see attachment 8 for WP and Calibration information)
1. Instrument support installation (LT-518 U&L).

X. SGT-132, Torque Wrench, Lost, No recal performed.
Usage: (see attachment 9 for NDE and Calibration information)
1. Surveillance control (not used on any field applications).
2. Crosby swivel hoist installation at Reactor Cavity Deck panels.
3. Trunnion bolt installation.
4. Flange gasket reinstallation (nitrogen blanketing system).
5. Hydrogen Recombiner reinstallation.

XI. SGT-134, Torque Wrench, Out-of-tolerance.
Usage: (see attachment 10 for WP, NDE and Calibration information)
1. MRI Support Ring Installation.

XII. SGT-136, Torque Wrench, Lost, No recal performed.
Usage: (see attachment 11 for WP, NDE and Calibration information)
1. Crosby swivel hoist installation at Reactor Cavity Deck panels.
2. Bring ULS flange surfaces into contact.
3. Anchor bolt installation on pressurizer wall (platform 76 F-2)

XIII. SGT-142, Contour Probe, Lost, No recal performed.
Usage:
1. Magnetic Particle Test at various locations.

XIV. SGT-144, Contour Probe, Lost, No recal performed.
Usage:
1. Magnetic Particle Test at various locations.

XV. SGT-153, Digital thermometer, Lost, No recal performed.
Usage: (see attachment 12 for WP, NDE and Calibration information)
1. Penetrant Test.
2. Verify preheat.

XVI. SGW E-11282, Hydraulic Torque Wrench, Lost, No recal performed.
Usage: (see attachment 13 for WP and NDE)
1. Magnetic Particle Test at various locations.

XVII. SGW-101, Digital Caliper, Lost, No recal performed.
Usage: (see attachment 14 for WP, NDE and Calibration information)
1. Repair of superficial gouges.

XVIII. SGW-107, Digital Caliper, Lost, No recal performed.
Usage: (see attachment 15 for NDE and Calibration information)
1. Snubber reinstallation.
2. RCP cold gaps.

XIX. SGW 111, 10# Test Weight, Lost, No recal performed.
Usage: (see attachment 16 for Calibration information)
1. Magnetic Particle Test at various locations.

XX. SGW-116, Torque Wrench, Out-of-tolerance.
Usage: (see attachment 17 for WP, NDE and Calibration information)
1. MRI Support Ring Installation.

B. Impact Evaluation and Proposed Disposition

The NCSL International Recommended Practice 10, Appendix was used as a basis for evaluating the potential impact to plant equipment that the lost or out-of -calibration M&TE could have. See "Guide to Evaluation of Out-of-Tolerance Conditions (Reference attachment 18).

SGT Engineering has reviewed the identified M&TE and associated inspection reports and provides the following disposition:

I. DC-004, Thermometer, USE AS IS based on the following (see attachment 1 for WP and Calibration information)

This M&TE was used to verify preheat on the LLS before welding the repair plate. No impact to the plant based on NCSLI RP-10, appendix D evaluation.

i. First use after a successful calibration check. This M&TE was calibrated prior to the outage (12-26-2007) and used for the first time after that on this application (2-10-2008).
ii. There is no evidence that the instrument was not functioning properly or not providing accurate readings at the time of the application.
iii. The weld was inspected and determined to be acceptable.

II. SGT-006, Tension Link, USE AS IS based on the following (see attachment 2 for WP and NDE reports)

The M&TE number was transferred incorrectly from the NDE examination report to the M&TE Control Use Log. The M&TE used for the PT exam is DC-006 and is not part of the tools that were determined to be lost or out of calibration. Therefore there is no impact to the plant.

III. SGT-018, Dial Caliper, USE AS IS based on the following (see attachment 3 for WP, NDE reports and Calibration information)

The minimum bearing requirements at the LLS keyway shims as well as the final gap/clearances were verified by engineering using different measuring devices before QC did their final inspection. Hold point on step 600 confirm that this was done.
The fact that different people using different tools (engineers had micrometers and go/no-go gauges) came to the same conclusion (gap & bearing surface within tolerances) is enough evidence that the measurements were correct and that the tools were calibrated.

No impact to the plant based on NCSLI RP-10, appendix D evaluation.

i. First use after a successful calibration check. This M&TE was calibrated prior to the outage (12-27-2007) and used for the first time after that on this application (3-16-2008).
ii. There is no evidence that the instrument was not functioning properly or not providing accurate readings at the time of the application.
iii. There were devices besides the one in question that provided comparable data.

IV. SGT-028, Digital Thermometer, USE AS IS based on the following (see attachment 4 for WP, NDE reports and Calibration information)

Digital thermometers are typically not subject to drift, the out of tolerance mode for this type of M&TE is "non-functional". In other words it either gives an accurate reading or it does not work at all. However an evaluation was still performed as shown below.

- **WP 2-3050D**

This M&TE was used to perform the final NDE for the welds on the ULS Bumper Bearing Blocks (MT-QEP 12.05). The recorded readings are well below the maximum acceptable temperature of 600°F. The reading is essentially ambient temperature which is consistent with conditions at the time of test and the expected temperature. Had the actual material temperature been significantly different than the conditions indicated, the QC inspector who is trained and experienced in the test requirements would have questioned the inconsistencies and performed additional measurements with alternate M&TE. Therefore there is no impact to the plant.

- **WP 2-3085A**

This M&TE was used to perform a PSI on the Feedwater Nozzle to NPS 16 pipe weld (UT-QEP 12.16). According to QEP 12.16 the temperature of the component shall not exceed 100°F during the examination. The temperature recorded on the NDE report was 68°F, which provides an adequate margin of error for the range needed to perform the test. The QEP also requires that a calibrated thermometer is used to record the differential temperature between the calibration standard and the examination surface. This difference or "delta" shall be 25°F or less. The differential in temperature would have still been detected had the thermometer been out of calibration. Therefore there is no impact to the plant.

V. SGT-030, Digital Thermometer, USE AS IS based on the following (see attachment 5 for WP, NDE reports and Calibration information)

Digital thermometers are typically not subject to drift, the out of tolerance mode for this type of M&TE is "non-functional". In other words it either gives an accurate reading or it does not work at all. However an evaluation was still performed as shown below.

- **WP 2-3065A & WP 2-3065B**

The M&TE number was transferred incorrectly from the NDE examination report to the M&TE Control Use Log. The M&TE used for the PT exam is VH-10844 and is not part of the tools that were determined to be lost or out of calibration. Therefore there is no impact to the plant.

- **WP 2-3065C**

This M&TE was used to perform the final PT on the RCS Hot Leg Elbow to RSG Nozzle Safe End weld and the RCS Crossover (Cold) Leg Elbow to RSG Nozzle Safe End weld. The thermometer was used to verify the material's temperature for performing the liquid penetrant test (FW-1 & FW-2). The reading is essentially ambient temperature which is consistent with conditions at the time of test and the expected temperature. The standard technique for penetrant testing allows a range between 50°F to 125°F with 10-minute dwell time. All readings taken provide an adequate

margin of error for the range needed to perform the liquid penetrant test. Therefore there is no impact to the plant.

- **WP 2-3524A**

This M&TE was used to perform the final NDE on root valve assembly to RSG Nozzle weld for LT-517 (L), LT-518 (L) and LT-519(L). This thermometer was used to verify the material's temperature for performing the liquid penetrant test (FW-24, FW-30 & FW-36). The reading is essentially ambient temperature which is consistent with conditions at the time of test and the expected temperature. The standard technique for penetrant testing allows a range between 50°F to 125°F with 10-minute dwell time. All readings taken provide an adequate margin of error for the range needed to perform the liquid penetrant test. Therefore there is no impact to the plant.

VI. SGT-039, Micrometer, USE AS IS based on the following (see attachment 6 for WP and Calibration information)

- **WP 2-3522B; WP 2-3534B**

This tool is not required per QEP 12.03 "Visual Examination" or QEP 12.18 "Weld Inspection". While the micrometer might have been checked out and used, it is to be considered as a construction aid (no data recorded). Therefore there is no impact to the plant based on NCSLI RP-10, appendix D evaluation.

VII. SGT-062, Torque Wrench, USE AS IS based on the following (see attachment 7 for WP and Calibration information)

- **WP 2-3040D**

The wrench was used to torque the cradle lashings for transporting RSG 2-4 from the OLS to the SPLS. There were no issues associated with the transport of the RSG and the lashings were removed after this activity was completed, therefore there is no impact to the plant.

VIII. SGT-068, Torque Wrench, USE AS IS based on the following

- **SC11**

SC-11 is a surveillance control. This M&TE was not used on any field applications and therefore no post calibration is required. No impact to the plant based on NCSLI RP-10, appendix D evaluation.

IX. SGT-113, Torque Wrench, USE AS IS based on the following (see attachment 8 for WP and Calibration information)

- **WP 2-3524B**

Steps 1880, 1960, 2040, A120, A200, A280, A360 & A40. While the torque wrench (M&TE SGT-113) might have been checked out it was not required to perform Anchor Inspection Checklist Part A. No impact to the plant based on NCSLI RP-10, appendix D evaluation (no field-use application of the instrument).

- **WP 2-3524C**

→ Step A720. M&TE SGT-113 was erroneously entered in the Daily Inspection Log. M&TE SGT-126 was used to perform Anchor Inspection Checklist Part B.

→ Step A800. No impact to the plant based on NCSLI RP-10, appendix D evaluation.

i. First use after a successful calibration check. This M&TE was calibrated prior to the outage and used for the first time after that on instrument tubing support SP-41 (LT-538).
ii. Identified error during the calibration process was in the conservative direction for the clockwise function.
iii. No history of this tool being out of tolerance.
iv. No indication of damage or malfunction.

X. SGT-132, Torque Wrench, USE AS IS based on the following (see attachment 9 for NDE reports and Calibration information)

- **QEP 14.01 & SC-17**

These are surveillance controls. The M&TE was not used to perform work and therefore there is no impact to the plant based on NCSLI RP-10, appendix D evaluation (no field-use application).

- **WP 2-1060**

Crosby swivel hoist installation. The Reactor Cavity Deck panels were installed with no issues and removed at the end of the Unit 2 outage. This is to be considered a construction aid (no data recorded). Therefore there is no impact to the plant.

- **WP 2-3040C & D**

The trunnion bolts were torqued in more than one plateau. The misplaced torque wrench was only used for the first plateau. Also, the trunnion bolts were removed after the SG was lifted and positioned in its final location. This is to be considered a construction aid (no data recorded). Therefore there is no impact to the plant.

- **WP 2-3080B**

After the nitrogen blanketing system was reassembled, a leak check was performed under normal operating pressure by PG&E and no leakage was identified (see report attached). This is evidence enough that the tools was working properly. Therefore there is no impact to the plant.

- **WP 2-3510**

On 4-1-2008 this M&TE was used to reinstall the hydrogen recombiner using existing anchor bolts. The nuts were torqued to a minimum of 150 ft-lb as noted in the work package.

Prior to that on 3-19-2008, the torque wrench was used on the nitrogen blanketing system creating a leak tight seal as demonstrated by the in-service leak test performed by PG&E. The torque value for this was determined to be 124 ft-lb. This is evidence that the tool was working properly in the range needed for the hydrogen recombiner.

The torque value specified in the work package is for setting anchor bolts and while called out in the work step it is not the torque value needed for re-installing this piece of equipment. The hydrogen recombiner has a bearing type connection and

therefore common practice would be to torque the nuts to snug tight. Therefore there is no impact to the plant.

XI. SGT-134, Torque Wrench, USE AS IS based on the following (see attachment 10 for WP, NDE reports and Calibration information)

- **WP 2-3540A, WP 2-3540B, WP 2-3540C & WP 2-3540D**

Installation of MRI Support Ring MK-G2A, MK-G2, MK-G3 MK-G4 & MK-G5. Review of TRANSCO calculation RG-49596-TCR2 Rev 4 Section 4.7 "Bolt Torque" shows that the highest calculated torque value is 53.62 ft-lb for MK-G4. Based on the post calibration information it is conservative to assume that the bolts were torqued to at least 60 ft-lb this value is greater than the minimum required. Also, it should be noted that MRI and support rings are **not safety related**. Therefore there is no impact to the plant.

XII. SGT-136, Torque Wrench, USE AS IS based on the following (see attachment 11 for WP, NDE reports and Calibration information)

- **WP 2-1060**

Crosby swivel hoist installation. The Reactor Cavity Deck panels were installed with no issues and removed at the end of the Unit 2 outage. This is to be considered a construction aid (no data recorded). Therefore there is no impact to the plant.

- **WP 2-3050A, WP 2-3050B, WP 2-3050D**

The requirement in the work package is to bring together the ULS flange surfaces by applying torque to the cap nuts from snug tight (min) to 7000 ft-lb (max). The fact that the flange surfaces came in contact is evidence that the tool was applying a positive torque. The instrument was not used to record quantitative data. Therefore there is no impact to the plant based on NCSLI RP-10, appendix D evaluation.

- **WP 2-3535B (Anchor Bolt Installation at pressurizer wall)**

USAGE HISTORY

After reviewing the history of use for this M&TE the following was determined (see attachment 11):

- A calibration report from St. Lucie 6-04-07 confirmed that the wrench was within tolerance for the full range in its clockwise function.
- This M&TE was last calibrated on 01-17-08 and was found to be within tolerance. This represented the St. Lucie post-calibration test and the pre-calibration test for Diablo.
- This tool was used for the following applications during the 2R14 outage:
  - On 2-11-08 it was used for installing Crosby Swivel Hoists Rings on Reactor Cavity Deck panels #6 & #7. Required torque was 160 ft-lb. Non-permanent plant application.
  - On 3-8-08 this tool was used to bring the ULS flange surface to contact on SG 2-4. Specific torque value was not required.
  - On 3-13-08 it was used to bring the ULS flange surface to contact on SG 2-1 & SG 2-2 (partial). Specific torque value was not required.

- On 3-22-08 this M&TE was used on the SG 2-2 ULS ring and a torque value of 240 ft-lb recorded in work package 2-3050-B step 260. The fact that the flange surfaces came in contact is evidence that the tool was applying a positive torque. Specific torque value was not required.
- The anchor bolts installed at the pressurizer wall (platform 76 F-2) were torqued to 250 ft-lb (min.) as recorded in work package 2-3535B step 1020 and on Attachment 40 sheet 2 of 2 "Anchor Inspection Checklist. These anchor bolts were set on 3-23-08.

PROPOSED DISPOSITION = Use As Is

- According to industry report ICBO ES ER-4627 the minimum installation torque value for 1" ϕ Hilti Kwik Bolt II is 200 ft-lb. This is the torque value at which the anchor bolt will achieve its rated capacities.
- Torque capability is demonstrated by the history as noted here-in.
- The records indicate that this tool was never found to be out of calibration for the clockwise function. Therefore, while a torque approaching 250 ft-lbs was applied, it is reasonable to consider a minimum torque of 200 ft-lbs was achieved.

XIII. SGT-142, Contour Probe, USE AS IS based on the following

- **WP 2-3080A; WP 2-3080B; WP 2-3080D & WP 2-3085B**

Magnetic Particle Test – Prior to using the Contour Probe, SGT's QEP requires the probe to be verified to be in proper operating condition before and after a series of tests by lifting a calibrated 10 pound weight. Review the inspection reports shows that this calibration was performed, therefore a calibration has been performed and the M&TE is acceptable. Therefore there is no impact to the plant.

XIV. SGT-144, Contour Probe, USE AS IS based on the following

- **WP 0-1530; WP 2-3050A thru D; WP 2-3055D; WP 2-3080B, C & D; WP 2-3085A thru D; WP 2-3534A, B & D**

Magnetic Particle Test – Prior to using the Contour Probe, SGT's QEP requires the probe to be verified to be in proper operating condition before and after a series of tests by lifting a calibrated weight. Review the inspection reports shows that this calibration was performed, therefore a calibration has been performed and the M&TE is acceptable. Therefore there is no impact to the plant.

XV. SGT-153, Digital Thermometer, USE AS IS based on the following (see attachment 12 for WP, NDE reports and Calibration information)

Digital thermometers are typically not subject to drift, the out of tolerance mode for this type of M&TE is "non-functional". In other words it either gives a reading or it does not work at all. However an evaluation was still performed as shown below.

- **WP 2-3522A**

Piping support welds. This thermometer was used to verify temperature of material for performing the liquid penetrant test. The temperature readings identified on the NDE reports are essentially ambient temperature. Had the actual material temperature been significantly different than the conditions indicated, the QC

inspector who is trained and experienced in the test requirements would have questioned the inconsistencies and performed additional measurements with alternate M&TE. The standard technique for penetrant testing allows a range between 50°F to 125°F with 10-minute dwell time. All readings taken provide an adequate margin of error for the range needed to perform the liquid penetrant test. Therefore there is no impact to the plant.

- **WP 2-3522B**

When preheating its common practice to do it to a higher temperature than the minimum specified so that the material's temperature doesn't drop under the required preheat during the welding process. The higher preheat is not an issue and helps ensure a good weld. As it can be seen on WHC-002 & WHC-003 preheating was performed and it's reasonable to assume it was done to a higher temperature to account for a drop in the temperature during the welding process. This should accommodate for the thermometer being out of calibration by a small amount; had the out of calibration been by a large amount the bogus readings would have been noted. Also, the fact that the weld was inspected and determined to be acceptable is evidence that the tool was working properly. Therefore there is no impact to the plant.

XVI. SGW E-11282, Hydraulic Torque Wrench, USE AS IS based on the following (see attachment 13 for WP & NDE reports)

- **WP 2-3050A, WP 2-3085A**

The M&TE number was transferred incorrectly from the NDE examination report to the M&TE Control Use Log. The M&TE used for the MT exam is S/N 16949 (in lieu of SGW E-11282) and is not part of the tools that were determined to be lost or out of calibration. Therefore there is no impact to the plant.

XVII. SGW-101, Digital Caliper, USE AS IS based on the following (see attachment 14 for NDE reports and Calibration information)

- **WP 2-3534B**

Repair of superficial gouges. No impact to the plant based on NCSLI RP-10, appendix D evaluation; first use after a successful calibration check. The same M&TE was used to record the minimum thickness before and after blending the gouges & scratches. All the work was performed in the same day and it's reasonable to assume that even if the dial caliper was out of calibration the differential measured with this M&TE would have not been affected. Therefore there is no impact to the plant.

XVIII. SGW-107, Digital Caliper, USE AS IS based on the following (see attachment 15 for NDE reports and Calibration information)

- **WP 2-3050D**

Step 520 requires performing a VT-3 inspection (visual); after reviewing the VT-3 report it can be seen that SGT-170 (light meter) was used. VT-3 examinations are conducted to determine the general mechanical and structural condition of components and their supports. A dial caliper would have not been required to perform this inspection, therefore it can be concluded that SGW-107 was entered in error into the M&TE Use Log. Therefore there is no impact to the plant.

- **WP 2-3055C & WP 2-3055D**

The reason for measuring the RCP cold gaps is to be certain that the hot gaps would be within tolerance, and can be considered as "in-process verification". The fact that the hot gaps were within tolerance is enough proof that the M&TE was acceptable. Therefore there is no impact to the plant.

XIX. SGW 111, 10# Test Weight, USE AS IS based on the following (see attachment 16 for Calibration information)

- **WP 2-3050A, B, C & D; WP 2-3080A, B, C & D; WP 2-3085A, B, C & D; WP 2-5030**

This M&TE was found after NCR 2-082 was initiated. The test weight was sent for post-calibration and the results came back within tolerance (see attached). Therefore there is no impact to the plant.

XX. SGW-116, Torque Wrench, USE AS IS based on the following (see attachment 17 for WP and Calibration information)

- **WP 2-3540B, C & D**

Installation of MRI Support Ring MK-G1. The range of use for installing the insulation support was outside of the OOTC range. No work was performed within the OOTC range. Therefore, there is no impact to the plant based on NCSLI RP-10, appendix D. Also, it should be noted that MRI and support rings are **not safety related**.

IO-QAD-08-012

SGT

INTER-OFFICE CORRESPONDENCE

Action Required: NO

Date: October 20, 2008

To: P Helton

From: B Scott

Location: Diablo Canyon

Location: Princeton 06P8

Subject: Diablo Canyon 2 NCR 2-082 & 2-083 –
Part 21 Review

As required by CQP01.01, the completed "Determination Checklist for 10CFR Part 21 Applicability" (Form No. CQP 01.01-1) is attached for Diablo Canyon 2 NCRs 2-082 & 2-083. The NCRs addressed M&TE that was contaminated, lost or damaged and did not undergo post outage calibration as required by QEP 14.01 or was found to be out of calibration. It has been determined that the existence of a 10CFR21 Reportable condition does not exist.

The determination that a reportable condition does not exist is supported by the "USE-AS-IS". dispositions of attached NCRs 2-082 & 2-083 The dispositions were based on an Engineering usage review for each identified M&TE.

Please advise if you have any questions.

Barry Scott

Barry Scott

cc: R Wilkerson – Charlotte
G Nash – Princeton
L Davis – Charlotte
W Taylor – Diablo Canyon
K Willingham – Charlotte
L Dietrich – Diablo Canyon
H Bourque – Diablo Canyon
B Kovacs – Charlotte (SGT Corporate Files)

Q:\Users\QualMgmt\BBS\SGT\Part 21\Diablo Canyon\NCR 2-082 & 2-083\checklist.doc

SGT Corporate Office Charlotte, NC	Form Source: CORPORATE QUALITY PROCEDURE	
Form Title: **DETERMINATION CHECKLIST FOR 10 CFR PART 21 APPLICABILITY**	Revision No / Status: 4 / AFU	Form No.: CQP 01.01-1
	Form Revision Date: 22-Jun-06	Form Page: 1 of 1

A. DESCRIPTION OF DEVIATION OR NONCOMPLIANCE (Deviation Report Number: NCR 2-082 & 2-083(DCPP 2))
Various M&TE did not undergo post outage calibration because it was contaminated, lost or damaged. Other M&TE was found to be out of calibration.

B. REVIEW PHASE

1. The facility, activity, or component:
   a. Is Safety Related (is or relates to a Basic Component)? ☒ Yes ☐ No
   b. Has been turned over to or is in the possession of the Purchaser / Licensee? ☒ Yes ☐ No

   If either "No" option above is checked, 10 CFR Part 21 reporting by SGT is not required. If both "Yes" options are checked, proceed with Item 2 of the Review Phase.

2. a. If the item or service is Commercial Grade, was it dedicated by SGT? ☐ Yes ☐ No ☒ N/A
   b. The condition has NOT already been reported to the NRC by another organization? ☒ Yes ☐ No ☐ Unknown by SGT
   c. Does the supplied facility, activity, or component contain a potential defect? ☐ Yes ☒ No ☐ Unknown by SGT

   If B2c is checked "No", 10CFR21 does not apply. Proceed to Section C only if "Yes" or "Unknown" is checked in B2a, B2b, or B2c. In such instances, further research may be required to answer the questions in Section C.

INITIAL REVIEW OF PART 21 REPORTABILITY:

10 CFR 21: ☒ does not, or ☐ does, or ☐ might possibly ..... apply.
Comments: Each NCR has been dispositioned "Use-As-Is" based on an Engineering usage review of all M&TE that could not be calibrated after the outage or was found to be out of calibration.

Reviewed by: Barry B. Scott (Quality Assurance Director) 10/20/08 (Date ("Discovery Date" for does or might)

C. EVALUATION

1. SGT does not have the capability to conduct the evaluation. ☐ Yes ☐ No
2. A deviation exists in a facility, activity, or basic component subject to 10 CFR Part 21 regulations and, on the basis of evaluation, could create a substantial safety hazard and therefore is considered a "defect" or fails to comply with the Atomic Energy Act of 1954 as amended. ☐ Yes ☐ No ☐ Unknown by SGT
3. The facility, activity, or basic component containing a "defect" has been delivered by SGT for use by the Purchaser/Licensee. ☐ Yes ☐ No ☐ Unknown by SGT
4. The deviation involves a "basic component" and the deviation could contribute to the exceeding of a safety limit. ☐ Yes ☐ No ☐ Unknown by SGT

FINAL EVALUATION OF PART 21 REPORTABILITY:

☐ Condition turned over to Purchaser/Licensee for further evaluation;

OR, a 10 CFR 21 reportable condition: ☐ does not, or ☐ does . . exist.
Comments:

Evaluated by: _____ (Quality Assurance Director) _____ (Date)

SGT	Standard ECP	Form No	Form Rev No / Status	Form Revision Date	Form Title	
		QEP 11.01-3	0E1 / AFU	21-Feb-06	WORK PACKAGE INSTRUCTION SHEET	
Project	Unit No	Work Package Number:	Work Package Revision No / Status:	Work Package Revision Date:		Work Package Sheet
38241	1	1-3524D-5	0 / AFU	03-Nov-08		6 of 15

Step No.	WORK PACKAGE INSTRUCTION	HOLD POINT	RELEASES CONS	RELEASES OTHERS
	FT-542 Root Valve Assembly Prefabrication			
50	QC shall verify Class "C" Cleanliness of all threaded components of FT-542 valve assembly shown on Attachment 5 pg 2 (Detail 3), prior to assembly in accordance with QEP 10.04, Rev. _____.	QC		
60	**NOTE:** Valve(s) should be in the closed position for welding. Construction shall fabricate Piping, Tubing, Valve, and Condensing pot assembly for FT-542 instrument lines shown on Attachment 5 (Valve detail 1D) Fit-up and complete FW-2 thru FW-4 at locations shown on Attachment 5 pg 2 and in accordance with Attachment 7, 1-3524D-5-WHC-001. Complete FW-5 at location shown on Attachment 5 pg 2 and in accordance with Attachment 8. 1-3524D-5-WHC-002. QC shall verify Material on Attachment 1, MDS, including thread sealant.			
70	Install unique ID tag #MS-1-4005 (as shown on Attachment 5 pg 2) on valve FT-542. tags shall be provided by PG&E.			

Nonconformance Report No (38241) 2083

ORIGINAL

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SGT	Standard Procedures Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE

Form Title	Revision No / Status	Form No.
NONCONFORMANCE REPORT	0E1 / AFU	QEP 15.01-1
	Form Revision Date: 06-Dec-04	Form Page: 1 of 1

NONCONFORMANCE DESCRIPTION

Responsible Organization / Department: Areva & SGT ENGR.	NONCONFORMANCE REPORT NO. (38241) 2-083		
Description / Location of Affected Item or System: Misplaced. Lost, Out of Tolerance M&TE.	Date Issued: 16-Sep-08	No of Hold Tags: 0	Total Sheets: 1 of 99
	ASME Section: N/A	Inspection Code: DR-033	Const. Seq. Code: SU
Source of Requirement Not Met: QEP 14.01 Rev. 1 E2 Para. 3.3.2, 3.4.1, 3.7.3 & 3.8.1	WP / PO No: See Attached	PCD / CO No: See Attached	Step No: See Attached

Condition Description

Measuring & Test Equipment utilized during Unit 2 SGRO did not receive a Post-Use-Calibration check as required by QEP 14.01. See attached Condition Description continuation sheet for details.

Issued By: Gary E. Obermeyer (signature) 9-16-08	DIL Number: GEO-09-16-08/01	CONDITION Continuation Sheets 2 thru 2

Results of PQM screening for potential association with 10CFR21: ☐ NO Potential ☒ Possible Potential ☐ Client Determination — Signature: R. Lucy Dietrich — Date: 9/16/08

RECOMMENDED DISPOSITION

Proposed Disposition ☐ Rework ☐ Repair ☐ Scrap/Return ☒ Use-As-Is ☐ By Client

see attached

Dispositioned By: William Taylor	Date: 9/23/08	DISPOSITION Continuation Sheets 3 thru 99

DISPOSITION APPROVAL

Approval of Proposed Disposition ☒ Approved as Proposed ☐ Revised See Sheets thru

SGT TITLE	SGT SIGNATURE	DATE	CLIENT TITLE	CLIENT SIGNATURE	DATE
PEM	William Taylor	9/23/08	CLIENT REP	(signature)	9/29/08
SM	Darryl E. Oatrick	9/23/08	ANI / ANII	(signature)	10/1/08
PQM	R. Lucy Dietrich	9/23/08			
If Initiated, Reference DR: 033		N/A			

RE-INSPECTION

Re-Inspection Results ☒ Accepted ☐ Rejected — Give Explanation — DIL Number LHB/10-02-08/02

No Re-Inspection Required. "Use-As-Is" Disposition.

Probable Cause Code	PE
Corrective Action Code	UA
Deviation Impact Code	4
Hold Tags Removed	Y (N/A)

SGT QA RECORD VALIDATION (stamp)

	SIGNATURE	DATE		SIGNATURE	DATE
CLOSURE SGT QC Inspection	(signature)	10-2-08	ANI / ANII Review	N/A	
Quality Verification	R. Lucy Dietrich	10/4/08	Client Review	N/A	

ORIGINAL

SGT
QA RECORD VALIDATION
TOTAL PAGE COUNT 94
INTERIM FILE NO. 15.1.1
REVIEWED BY
DATE OF REVIEW 10.14.09

NCR 2-083
Sheet 2 of 99

During the turnover of Quality Records pertaining to Measuring and Test Equipment (M&TE) used during 2RF14 Steam Generator Replacement Outage at Diablo Canyon Power Plant (DCPP), it was discovered that one SGT M&TE item and six Areva M&TE Post-Use Calibrations had not been performed and that several items were missing.

SGT Quality Execution Procedure (QEP) 14.01, Section 3.0, paragraph 3.3.2 states, in part, "Calibration verification of M&TE used to verify functional operability of a Safety Related item or component shall be performed at the normal calibration cycle or upon completion of the work, whichever comes first."

QEP 14.01; Section 3.0, paragraph 3.7.3 states, "If a piece of calibrated M&TE is damaged or lost, the QCS shall review the M&TE Usage Log to verify the use of M&TE and to identify the items used on. If the M&TE in question was used for final acceptance of an item, the QCS shall generate a Form QEP 15.01-1, *Nonconformance Report*, in accordance with QEP 15.01, *Identification and Control of Deviatiions.*"

In addition, Section 3.0 paragraph 3.8.1 states, "Subcontractors shall be required to submit Calibration of M&TE prior to use on SGT work. Calibration verification of M&TE shall be performed at the normal calibration cycle, at SGT's request, and/or upon completion of the work scope, whichever occurs first. Post outage calibration shall be completed and calibration records submitted as soon as possible and in no case later than 30 days after completion of work."

Contrary to these requirements, several M&TE items (as shown below) utilized for final acceptance of Safety Related items are missing and unavailable for post use calibration.
SGW-110.
Areva VH-10690, VH-10811, VH-10812, VH-10881, VH-10882, VH-7784.

The following three Continuation Sheets (Attachment 1) provide a summary of the M&TE Usage Log, to Work Package Utilization Summary.

NCR 2-083
Page 3 of 99

NCR 2-083: Post Cal of M&TE for Diablo Canyon U2 SGR

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NCR 2-083
Page 4 of 99

A. Proposed Disposition

The following M&TE used during the Diablo Canyon U2 SGR Outage cannot be post calibrated due to items being lost or damaged. Post calibration certifications have been previously submitted for all other M&TE. The items that cannot be post calibrated are:

LIST OF CALIBRATED EQUIPMENT – Lost or Damaged			
Control No	**Equipment Name**	**Original Cal Date**	**Original Cal Due Date**
SGW-110	Digital Caliper, 6"	01/16/2008	01/16/2009
VH-10690	Digital Caliper, 40"	01/15/2008	07/15/2008
VH-10811	Digital Caliper, 6"	11/01/2007	05/01/2008
VH-10812	Digital Caliper, 6"	11/01/2007	05/01/2008
VH-10881	Digital Caliper, 6"	02/07/2008	08/07/2008
VH-10882	Digital Caliper, 6"	02/07/2008	08/07/2008

SGW-110

Digital Caliper (6"), SGW-110 is lost and has not received a post-calibration.

This digital caliper was used in Work Package 2-3055B Step 1060 for checking RCP shim cold gaps. This is an in-process check prior to subsequent check of hot gaps. Since the hot gaps were found to be acceptable, no further action is required. There is no impact to the plant.

This digital caliper was checked out for in-process use with NCR2-058 to report dimensions of arc strikes on SG2-2 if needed. The arc strikes were subsequently repaired in accordance with the disposition of NCR2-058. Therefore, there is no impact to the plant.

This digital caliper was also checked out for in-process use with NCR2-060 to report dimensions of superficial gouges on SG2-2 if needed. The superficial gouges were subsequently repaired in accordance with the disposition of NCR2-060. Therefore, there is no impact to the plant.

VH-10690

Digital caliper (40"), AREVA Control # VH-10690, is damaged and cannot be calibrated upon completion of site work.

The device is reported to have been used on two instances during the contracted SGR at Diablo Canyon U2. These involved measurements of the hot and cold leg nozzle weld prep geometry required by WP 2-3065A.

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The validity of these measurements was later verified by proper fit up of the piping, proper operation of the weld equipment (no interferences with the weld joint) and final acceptance of the weld. Based on this no further action is required.

Conclusion: Even though measurements were recorded in some cases, they are to be considered in-process verifications to ensure proper fit-up rather than the acceptance criteria. Fit-up and welds were inspected and determined to be acceptable. Therefore there is no impact to the plant.

VH-10811

Digital Caliper, AREVA Control # VH-10811, is lost and therefore cannot be calibrated upon completion of site work.

The device is reported to have been used on eleven instances during the contracted SGR at Diablo Canyon U2. These involved measurements of the main steam nozzle weld prep geometry required by WP 2-3023 & 3024, feedwater nozzle weld prep geometry required by WP 2-3021 & 3023 and hot leg nozzle weld prep geometry required by WP 2-3021.

The validity of these measurements was later verified by proper fit up of the piping, proper operation of the weld equipment (no interferences with the weld joint) and final acceptance of the weld. Based on this no further action is required.

Conclusion: Even though measurements were recorded in some cases, they are to be considered in-process verifications to ensure proper fit-up rather than the acceptance criteria. Fit-up and welds were inspected and determined to be acceptable. Therefore there is no impact to the plant.

VH-10812

Digital Caliper, AREVA Control # VH-10812, is lost and therefore cannot be calibrated upon completion of site work.

The device is reported to have been used on three instances during the contracted SGR at Diablo Canyon U2. These involved measurements of the cold leg nozzle weld prep geometry required by WP 2-3022, 2-3023, & 2-3024.

The validity of these measurements was later verified by proper fit up of the piping, proper operation of the weld equipment (no interferences with the weld joint) and final acceptance of the weld. Based on this no further action is required.

Conclusion: Even though measurements were recorded in some cases, they are to be considered in-process verifications to ensure proper fit-up rather than the acceptance criteria. Fit-up and welds were inspected and determined to be acceptable. Therefore there is no impact to the plant.

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Page 6 of 99

VH-10881

Digital Caliper, AREVA Control # VH-10881, is lost and therefore cannot be calibrated upon completion of site work.

The device is reported to have been used on 8 instances during the contracted SGR at Diablo Canyon U2. These involved measurements of the main steam piping weld prep geometry required by WP 2-3080A, B, C, & D, and feedwater piping weld prep geometry required by WP 2-3085A, B, C, & D.

The validity of these measurements was later verified by proper fit up of the piping, proper operation of the weld equipment (no interferences with the weld joint) and final acceptance of the weld. Based on this no further action is required.

Conclusion: Even though measurements were recorded in some cases, they are to be considered in-process verifications to ensure proper fit-up rather than the acceptance criteria. Fit-up and welds were inspected and determined to be acceptable. Therefore there is no impact to the plant.

VH-10882

Digital Caliper, AREVA Control # VH-10882, is lost and therefore cannot be calibrated upon completion of site work.

The device is reported to have been used on six instances during the contracted SGR at Diablo Canyon U2. These involved measurements of the main steam piping weld prep geometry required by WP 2-3080B, feedwater piping weld prep geometry required by WP 2-3085B and cold leg piping weld prep geometry required by WP 2-3065A & C..

The validity of these measurements was later verified by proper fit up of the piping, proper operation of the weld equipment (no interferences with the weld joint) and final acceptance of the weld. Based on this no further action is required.

Conclusion: Even though measurements were recorded in some cases, they are to be considered in-process verifications to ensure proper fit-up rather than the acceptance criteria. Fit-up and welds were inspected and determined to be acceptable. Therefore there is no impact to the plant.

VH-7784

Digital Caliper, AREVA Control # VH-7784. This M&TE was found after NCR2-083 was initiated. A post calibration was performed and found to be within tolerance. See attachment 2 for Calibration Report.

IO-QAD-08-012

SGT

INTER-OFFICE CORRESPONDENCE

Action Required: NO

Date: October 20, 2008

To: P Helton

From: B Scott

Location: Diablo Canyon

Location: Princeton 06P8

Subject: Diablo Canyon 2 NCR 2-082 & 2-083 –
Part 21 Review

As required by CQP01.01, the completed "Determination Checklist for 10CFR Part 21 Applicability" (Form No. CQP 01.01-1) is attached for Diablo Canyon 2 NCRs 2-082 & 2-083. The NCRs addressed M&TE that was contaminated, lost or damaged and did not undergo post outage calibration as required by QEP 14.01 or was found to be out of calibration. It has been determined that the existence of a 10CFR21 Reportable condition does not exist.

The determination that a reportable condition does not exist is supported by the "USE-AS-IS". dispositions of attached NCRs 2-082 & 2-083 The dispositions were based on an Engineering usage review for each Identified M&TE.

Please advise if you have any questions.

Barry Scott

Barry Scott

cc: R Wilkerson – Charlotte
G Nash – Princeton
L Davis – Charlotte
W Taylor – Diablo Canyon
K Willingham – Charlotte
L Dietrich – Diablo Canyon
H Bourque – Diablo Canyon
B Kovacs – Charlotte (SGT Corporate Files)

Q:\Users\QualMgmt\BBS\SGT\Part 21\Diablo Canyon\NCR 2-082 & 2-083\checklist.doc

SGT	Corporate Office Charlotte, NC	Form Source: CORPORATE QUALITY PROCEDURE	
Form Title: **DETERMINATION CHECKLIST FOR 10 CFR PART 21 APPLICABILITY**		Revision No / Status: 4 / AFU	Form No.: CQP 01.01-1
		Form Revision Date: 22-Jun-06	Form Page: 1 of 1

A. DESCRIPTION OF DEVIATION OR NONCOMPLIANCE (Deviation Report Number: NCR 2-082 & 2-083(DCPP 2))
Various M&TE did not undergo post outage calibration because it was contaminated, lost or damaged. Other M&TE was found to be out of calibration.

B. REVIEW PHASE

1. The facility, activity, or component:
   a. Is Safety Related (is or relates to a Basic Component)? ☒ Yes ☐ No
   b. Has been turned over to or is in the possession of the Purchaser / Licensee? ☒ Yes ☐ No

   If either "No" option above is checked, 10 CFR Part 21 reporting by SGT is not required. If both "Yes" options are checked, proceed with Item 2 of the Review Phase.

2. a. If the item or service is Commercial Grade, was it dedicated by SGT? ☐ Yes ☐ No ☒ N/A
   b. The condition has NOT already been reported to the NRC by another organization? ☒ Yes ☐ No ☐ Unknown by SGT
   c. Does the supplied facility, activity, or component contain a potential defect? ☐ Yes ☒ No ☐ Unknown by SGT

   If B2c is checked "No", 10CFR21 does not apply. Proceed to Section C only if "Yes" or "Unknown" is checked in B2a, B2b, or B2c. In such instances, further research may be required to answer the questions in Section C.

INITIAL REVIEW OF PART 21 REPORTABILITY:

10 CFR 21: ☒ does not, or ☐ does, or ☐ might possibly ..... apply.
Comments: Each NCR has been dispositioned "Use-As-Is" based on an Engineering usage review of all M&TE that could not be calibrated after the outage or was found to be out of calibration.

Reviewed by: Barry B. Scott (Quality Assurance Director) 10/20/08 (Date ("Discovery Date" for does or might))

C. EVALUATION

1. SGT does not have the capability to conduct the evaluation. ☐ Yes ☐ No
2. A deviation exists in a facility, activity, or basic component subject to 10 CFR Part 21 regulations and, on the basis of evaluation, could create a substantial safety hazard and therefore is considered a "defect" or fails to comply with the Atomic Energy Act of 1954 as amended. ☐ Yes ☐ No ☐ Unknown by SGT
3. The facility, activity, or basic component containing a "defect" has been delivered by SGT for use by the Purchaser/Licensee. ☐ Yes ☐ No ☐ Unknown by SGT
4. The deviation involves a "basic component" and the deviation could contribute to the exceeding of a safety limit. ☐ Yes ☐ No ☐ Unknown by SGT

FINAL EVALUATION OF PART 21 REPORTABILITY:

☐ Condition turned over to Purchaser/Licensee for further evaluation;

OR, a 10 CFR 21 reportable condition: ☐ does not, or ☐ does ... exist.
Comments:

Evaluated by: _____ (Quality Assurance Director) _____ (Date)

Deficiency Report No (38241) 033

ORIGINAL

SGT Standard Procedures Engineering and Construction Projects

Form Source: QUALITY EXECUTION PROCEDURE

Form Title	Revision No / Status	Form No.
DEFICIENCY REPORT	1E1 / AFU	QEP 12.02-2
	Form Revision Date: 28-Mar-05	Form Page: 1 of 1

GENERAL INFORMATION

Activity: Control & Use Of Measuring & Test Equipment.	DEFICIENCY REPORT NO. (38241) 033		Deficiency Report: Sheet 1 of 8
ASSIGNED TO: Paul Helton	Department: Quality	If Initiated Reference NCR: 2-083	**Reply Due Date** 11 Sept., 2008

CONDITION DESCRIPTION

Item #1: QEP 14.01; para. 3.2.5 states that calibration documentation shall be reviewed by the QC and/or QA Supervisor to ensure compliance to this procedure. If acceptable the QCS/QAS shall initial & date the documents & forward them to the Quality Records Center. At this time the M&TE may be released for use

Item #2: QEP 14.01; para. 3.6.1 states that the QC Supervisor (QCS) shall be responsible for the care, custody, & issuing of M&TE.

Item #3: QEP 14.01; para. 3.9 **Client Provided M&TE** para. 3.9.1 states that in cases where M&TE may be provided by the Client, the M&TE shall be controlled and calibrated in accordance with the applicable client procedures. In such cases, the PQM shall obtain a copy of the latest calibration record for inclusion in SGT's files.

Item #4: QEP 14.01; para. 3.3.2 states that Calibration verification of M&TE used to verify the functional operability of a Safety Related item or component shall be performed at the normal calibration cycle or upon completion of the work, whichever comes first. **Go To Page TWO.**

	Signature	Title	Date	DIL No
INITIATED BY:	[signature]	Project Q. A. Supervisor	03 Sept 08	01
APPROVED BY:	L. Lucy Dietrich	Project Q. A. Supervisor	03 Sept. 08	

RESPONSE TO DEFICIENCY REPORT

CAUSE AND CORRECTIVE ACTION

See page 3

PREVENTATIVE ACTION TAKEN TO ELIMINATE CAUSE

See page 3

ANTICIPATED COMPLETION DATE: 9-11-08

	Signature	Title	Date
RESPONSE BY:	[signature]	Q.A. Supervisor	9-11-08

COMPLETED BY SGT QUALITY

	Signature	Title	Date
APPROVED BY:	[signature]	Q.C. Supervisor	9-11-08

CORRECTIVE ACTION FOLLOW UP

First Rep / Cause Code / Action Taken / Verified Level / Closing Comments

SU PE CT 4

	Signature	Title	Date
QUALITY VERIFIED:	[signature]	QA Supervisor	[illegible]
REVIEWED BY:	[signature]	QA [illegible]	9-11-08

Deficiency Report (38241) 033 Sheet 2 of 8

Contrary to these requirements the following M&TE items were documented as being used in support of the DCPP Unit 2 SGRP during 2RF14.

Finding
No documented evidence found, that supports Calibration Records ever being supplied or reviewed by the QCS/QAS, for the M&TE items listed below.

No Calibration Records received, reviewed or filed for the M&TE items listed below, which includes SGT and Client (PG&E) supplied M&TE items listed below.

No Post Calibration Records received, reviewed or filed for the M&TE items listed below, which includes SGT and Areva.

Missing Calibration Certification.
SGT M&TE items: SGT-101, SGT-111, SGW-006, SGW-018, SGW-141.

PG&E M&TE items: 423.91.27, 432.92.19, 432.91.20, 432.91.21, 432.91.23, 432.91.26, 700 08.22, 700 08.31, 710.100.10, 20391.

No PCST Calibration Reports received to support M&TE items listed below.
SGT M&TE items: SGW-110

Areva M&TE items: VH-10690, VH-10809, VH-10810, VH-10811, VH-10812, VH-10843, VH-10844 VH-10880, VH-10881, VH-10882, VH-7784.

Deficiency Report (38241) -033
Sheet 3 of 8

RESPONSE TO DEFICIENCY REPORT

CAUSE AND CORRECTIVE ACTION

M&TE used for field verifications without QEP requirements being complied with. Verification & Acceptance of Pre-Calibration Certifications prior to use was by-passed on both the SGT & PG&E M&TE, available for and used during 2RF14.

Corrective Action: Verification of Pre-Calibration Certifications for all SGT M&TE items currently available for use has been performed. This will continue until all items have been received from the Calibration Lab. Prior to issue the M&TE item will be verified against the active M&TE calibration report. DIL reports when M&TE is used will be verified, prior to acceptance.

Additional information:
According to the M&TE Usage Log none of the following SGT items were used to support work package verification or acceptance.
M&TE SGT-101, SGT-111, SGW-006, SGW-018, SGW-141.

Received, reviewed & accepted all of the **PG&E** Pre. & POST-Calibration Reports, identified on sheet two of this DR. These have been processed for inclusion in the SGT files.

The following Areva Post Calibration M&TE certificaions have been received, reviewed, accepted and processed for inclusion in the SGT files. These items are VH-10809, VH-10810, VH-10843, VH-10844, VH-10880.

SGT M&TE **SGW-110** and Areva M&TE **VH-10690, VH-10811, VH-10812 VH-10881, VH-10882 and VH-7784** are addressed on NCR-2-083. Refer to Sheets 4 through 8 for all NCR details.

PREVENTATIVE ACTION TAKEN TO ELIMINATE CAUSE

[illegible] of M&TE calibration usage log, pre and post calibration files. All [illegible] M&TE will be posted to assist all Q.C. Inspectors, prior to field verifications being [illegible].
[illegible] procedural compliance and will be documented on Surveillance [illegible] these actions taken

INFORMATION ONLY

SGT Standard Procedures Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE	
Form Title: NONCONFORMANCE REPORT	Revision No. / Status: 0E1 / AFU	Form No.: QEP 15.01-1
	Form Revision Date: 06-Dec-04	Form Page: 1 of 1

NONCONFORMANCE DESCRIPTION

Responsible Organization - Department: Areva & SGT ENGR.	NONCONFORMANCE REPORT NO. (38241) 2-083		
Description / Location of Affected Item or System: Misplaced / Lost / Out of Tolerance M&TE.	Date Issued: 16-Sep-08	No of Hold Tags: 0	Total Sheets: 1 of
	ASME Section: N/A	Inspection Code: DR-033	Const. Seq. Code: SU
Source of Requirement Not Met: QEP 14.01 Rev. 1 E2 Para. 3.3.2, 3.4.1, 3.7.3 & 3.8.1	WP / PO No: See Attached	FCD / CO No: See Attached	Step No: See Attached

Condition Description

Measuring & Test Equipment utilized during Unit 2 SGRO did not receive a Post-Use-Calibration check as required by QEP 14.01. See attached Condition Description continuation sheet for details.

Issued By: Gary E. Obermeyer (signature) 9-16-08	DIL Number: GEO-09-16-08/01	CONDITION Continuation Sheets 2 thru

Results of PCM screening for potential association with 10CFR21: ☐ NO Potential ☒ Possible Potential ☐ Client Determination — Signature: R. Lucy Dietrich — Date: 9/16/08

RECOMMENDED DISPOSITION

Proposed Disposition ☐ Rework ☐ Repair ☐ Scrap/Return ☐ Use-As-Is ☐ By Client

Dispositioned By:	Date:	DISPOSITION Continuation Sheets thru

DISPOSITION APPROVAL

Approval of Proposed Disposition ☐ Approved as Proposed ☐ Revised See Sheets thru

SGT TITLE	SGT SIGNATURE	DATE	CLIENT TITLE	CLIENT SIGNATURE	DATE
PEM			CLIENT REP		
SM			ANI / ANII		
PQM					
If Initiated:		N/A			

RE-INSPECTION

Re-Inspection Results ☐ Accepted ☐ Rejected — Give Explanation DIL Number

Y / N/A

NCR 2-083
Sheet 2 of __

During the turnover of Quality Records pertaining to Measuring and Test Equipment (M&TE) used during 2RF14 Steam Generator Replacement Outage at Diablo Canyon Power Plant (DCPP), it was discovered that one SGT M&TE item and six Areva M&TE Post-Use Calibrations had not been performed and that several items were missing.

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In addition, Section 3.0 paragraph 3.8.1 states, "Subcontractors shall be required to submit Calibration of M&TE prior to use on SGT work. Calibration verification of M&TE shall be . . . performed at the normal calibration cycle, at SGT's request, and/or upon completion of the work scope, whichever occurs first. Post outage calibration shall be completed and calibration records submitted as soon as possible and in no case later than 30 days after completion of work."

Contrary to these requirements, several M&TE items (as shown below) utilized for final acceptance of Safety Related items are missing and unavailable for post use calibration.
SGW-110.
Areva VH-10690, VH-10811, VH-10812, VH-10881, VH-10882, VH-7784.

The following three Continuation Sheets (Attachment 1) provide a summary of the M&TE Usage Log, to Work Package Utilization Summary.

NCR-2-083 page 3 of ___ Attachment 1 page 1 of 3

WO 38241 - SGT M&TE Control No. Use Log

M&TE Control No - SGW-107

PCD No	Step / Fw No	DIL No
WP 2-3050D, Chg 0, 8/24/2007		
	520	PP-3/20/2008-3
WP 2-3055C, Chg 0, 8/20/2007		
	920	DLB-3/29/2008-2
WP 2-3055D, Chg 0, 8/20/2007		
	920	DLB-3/29/2008-1

M&TE Control No - SGW-110

PCD No	Step / Fw No	DIL No
WP 2-3055B, Chg 0, 8/20/2007		
	1060	PP-3/25/2008-1
WP 2-3534B, Chg 0, 10/15/2007		
NCRIS 2-058	10	GLC-3/22/2008-3
NCRIS 2-058	10	GLC-3/23/2008-4
NCRIS 2-058	16	GLC-3/22/2008-5
NCRIS 2-058	16	GLC-3/23/2008-2
NCRIS 2-058	4	GLC-3/22/2008-2
NCRIS 2-060	2	GLC-3/24/2008-1
NCRIS 2-060	4	GLC-3/24/2008-2

M&TE Control No - SGW-111

PCD No	Step / Fw No	DIL No
WP 2-3050A, Chg 0, 8/24/2007		
WDRC-NCR-035-3	3	GLC-3/5/2008-6
WDRC-NCR-046	3	BC-3/20/2008-1
WDRC-NCR-046	7	BC-3/20/2008-1
WHC-001	4/FW-1A	BC-3/6/2008-2
WHC-001	4/FW-1A	GLC-3/6/2008-1
WHC-001	4/FW-1D	BC-3/6/2008-2
WHC-001	4/FW-2B	BC-3/6/2008-1
WHC-001	4/FW-2C	GLC-3/6/2008-1
WP 2-3050B, Chg 0, 8/24/2007		
WHC-001	4/FW-1A	BC-3/14/2008-3
WHC-001	4/FW-1B	BC-3/14/2008-3
WHC-001	4/FW-1C	BC-3/14/2008-3
WHC-001	4/FW-1D	BC-3/14/2008-3
WP 2-3050C, Chg 0, 8/24/2007		
WHC-001	4/FW-1A	BC-3/13/2008-1
WHC-001	4/FW-1B	BC-3/13/2008-1
WHC-001	4/FW-1C	BC-3/13/2008-1
WHC-001	4/FW-1D	BC-3/13/2008-1
WP 2-3050D, Chg 0, 8/24/2007		
[illegible]	4/FW-1A	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	[illegible]

M&TE Control No - SGW-111

PCD No	Step / Fw No	DIL No
WP 2-3050D, Chg 0, 8/24/2007		
WHC-002	4/FW-5B	BC-3/14/2008-2
WHC-002	4/FW-5C	BC-3/14/2008-2
WHC-002	4/FW-5D	BC-3/14/2008-2
WP 2-3080A, Chg 0, 4/18/2007		
	140	LP-2/23/2008-5
	140	SHS-2/22/2008-1
	200	SHS-3/11/2008-2
RTA-002	4	GLC-2/27/2008-2
WDC-002	14	GLC-2/27/2008-1
WP 2-3080B, Chg 0, 4/18/2007		
	140	GLC-2/25/2008-2
WP 2-3080C, Chg 0, 4/18/2007		
	200	JSB-3/10/2008-1
	430	GLC-3/7/2008-2
RTA-002	4	GLC-2/25/2008-1
WHC-003	4/FW-3	BC-3/17/2008-1
WP 2-3080D, Chg 0, 4/18/2007		
	200	SHS-3/9/2008-10
WDC-002	14	GLC-2/23/2008-1
WP 2-3085A, Chg 0, 10/31/2007		
	155	LP-2/23/2008-2
	170	LP-2/23/2008-3
	340	DLB-3/10/2008-2
	360	DLB-3/10/2008-3
WDC-001	15	BC-3/17/2008-2
WP 2-3085B, Chg 0, 10/31/2007		
	340	GLC-3/12/2008-1
	360	GLC-3/12/2008-2
WP 2-3085C, Chg 0, 10/31/2007		
	170	LP-2/26/2008-1
	190	DLB-2/22/2008-1
	360	JSB-3/9/2008-2
RTA-004	4	BC-3/12/2008-3
WDC-004	13	BC-3/12/2008-2
WHC-001	4/FW-4	BC-3/10/2008-1
WP 2-3085D, Chg 0, 10/31/2007		
	340	SHS-3/7/2008-1
	360	SHS-3/7/2008-2
[illegible]	15	GLC-2/28/2008-1
WP 2-5030, Chg 0, 10/25/2007		
NCRIS [illegible]	[illegible]	[illegible]
NCRIS [illegible]	[illegible]	[illegible]

M&TE Control No - SGW-116

PCD No	Step / Fw No	DIL No
WP 2-3540A, Chg 0, 9/17/2007		
	[illegible]	[illegible]

NCR-2083
Page 4 of ___

Attachment 1

Page 2 of 3

WO 38241 - SGT M&TE Control No. Use Log

M&TE Control No - SGW-116

PCD No	Step / Fw No	DIL No
WP 2-3540B, Chg 0, 9/17/2007		
	120	RJH-3/18/2008-1
WP 2-3540C, Chg 0, 9/17/2007		
	120	JLA-3/20/2008-1
WP 2-3540D, Chg 0, 9/17/2007		
	120	JLA-3/26/2008-1

M&TE Control No - SGW-130

PCD No	Step / Fw No	DIL No
WP 2-3535A, Chg 0, 10/18/2007		
	1090 06	PP-4/1/2008-3
	1090.06	RJH-4/2/2008-2

M&TE Control No - SGW-131

PCD No	Step / Fw No	DIL No
WP 2-3535A, Chg 0, 10/18/2007		
	1030	CW-3/27/2008-1

M&TE Control No - VH-10690

PCD No	Step / Fw No	DIL No
WP 2-3065A, Chg 0, 9/29/2007		
	210	RC-3/2/2008-1
	360	RJH-3/2/2008-2

M&TE Control No - VH-10808

PCD No	Step / Fw No	DIL No
WP 2-3021, Chg 0, 10/17/2007		
	700	RJH-1/15/2008-3
WP 2-3022, Chg 0, 10/17/2007		
	1160	RJH-1/17/2008-4

M&TE Control No - VH-10809

PCD No	Step / Fw No	DIL No
WP 2-3085A, Chg 0, 10/31/2007		
	330	JSB-3/10/2008-3
	350	JSB-3/10/2008-4

M&TE Control No - VH-10810

PCD No	Step / Fw No	DIL No
WP 2-3024, Chg 0, 10/17/2007		
	1160	JSB-12/12/2007-1
	570	JSB-12/19/2007-3

M&TE Control No - VH-10811

PCD No	Step / Fw No	DIL No
SC-17, Chg N/A, 2/20/2008		
		LHB-12/1/2007-3
		LHB-12/1/2007-4
WP 2-3021, Chg 0, 10/17/2007		
	[illegible]	[illegible]
	[illegible]	[illegible]
	[illegible]	[illegible]
WP 2-3023, Chg 0, 10/17/2007		
	[illegible]	[illegible]
	[illegible]	[illegible]
	[illegible]	[illegible]
	[illegible]	[illegible]
WP 2-3024, Chg 0, 10/17/2007		
	[illegible]	[illegible]
	[illegible]	[illegible]

M&TE Control No - VH-10812

PCD No	Step / Fw No	DIL No
WP 2-3022, Chg 0, 10/17/2007		
	1000	RJH-1/15/2008-6
WP 2-3023, Chg 0, 10/17/2007		
	700	JSB-12/11/2007-3
WP 2-3024, Chg 0, 10/17/2007		
	700	JSB-12/6/2007-9

M&TE Control No - VH-10843

PCD No	Step / Fw No	DIL No
WP 2-3065A, Chg 0, 9/29/2007		
WDC-001	54	AS-3/13/2008-3
WDC-002	54	AS-3/13/2008-4

M&TE Control No - VH-10844

PCD No	Step / Fw No	DIL No
WP 2-3065B, Chg 0, 9/29/2007		
	240	RC-3/4/2008-4
	390	RC-3/4/2008-5
WDC-001	53	RC-3/14/2008-2
WDC-001	54	RC-3/14/2008-3
WDC-002	53	RC-3/14/2008-4
WDC-002	54	RC-3/14/2008-5
WP 2-3065C, Chg 0, 9/29/2007		
WDC-002	16	RC-3/7/2008-2
WP 2-3065D, Chg 0, 9/29/2007		
WDC-001	16	JST-3/6/2008-2
WDC-002	16	RC-3/6/2008-2

M&TE Control No - VH-10880

PCD No	Step / Fw No	DIL No
WP 2-3080A, Chg 0, 4/18/2007		
	150	RC-2/22/2008-3
	210	JSB-3/11/2008-3
WP 2-3080B, Chg 0, 4/18/2007		
	150	RC-2/23/2008-3
WP 2-3080C, Chg 0, 4/18/2007		
	150	JSB-2/20/2008-6
WP 2-3080D, Chg 0, 4/18/2007		
	210	[illegible]
	210	[illegible]
WP 2-3085A, Chg 0, 10/31/2007		
	150	[illegible]
	[illegible]	[illegible]
	330	[illegible]
WP 2-3085B, Chg 0, 10/31/2007		
	[illegible]	[illegible]
	[illegible]	[illegible]
	[illegible]	[illegible]
WP 2-3085C, Chg 0, 10/31/2007		
	[illegible]	[illegible]
WP 2-3085D, Chg 0, 10/31/2007		
	[illegible]	[illegible]
	[illegible]	[illegible]

NCR-2-083
Page 5 OF ___ Attachment 1 Page 3 OF 3

WO 38241 - SGT M&TE Control No. Use Log

PCD No	Step / Fw No	DIL No
M&TE Control No - VH-10880		
M&TE Control No - VH-10881		
WP 2-3080A, Chg 0, 4/18/2007		
	440	JST-2/19/2008-4
WP 2-3080B, Chg 0, 4/18/2007		
	150	RC-2/24/2008-5
WP 2-3080C, Chg 0, 4/18/2007		
	440	JST-2/16/2008-2
WP 2-3080D, Chg 0, 4/18/2007		
	440	JST-2/16/2008-1
WP 2-3085A, Chg 0, 10/31/2007		
	580	RC-2/19/2008-5
WP 2-3085B, Chg 0, 10/31/2007		
	350	RC-3/11/2008-3
WP 2-3085C, Chg 0, 10/31/2007		
	280	JST-2/19/2008-2
WP 2-3085D, Chg 0, 10/31/2007		
	580	JST-2/16/2008-3
M&TE Control No - VH-10882		
WP 2-3065A, Chg 0, 9/29/2007		
	210	RC-3/2/2008-1
	360	RJH-3/2/2008-2
WP 2-3065C, Chg 0, 9/29/2007		
	210	RC-2/29/2008-2
	360	RC-2/29/2008-1
WP 2-3080B, Chg 0, 4/18/2007		
	440	JST-2/21/2008-1
WP 2-3085B, Chg 0, 10/31/2007		
	580	JST-2/22/2008-1
M&TE Control No - VH-7784		
WP 2-3021, Chg 0, 10/17/2007		
	570	RJH-1/25/2008-3
WP 2-3023, Chg 0, 10/17/2007		
	1160	JSB-10/12/2007-3
	370	JSB-10/19/2007-2
WP 2-3024, Chg 0, 10/17/2007		
	1160	JSB-10/12/2007-1
M&TE Control No - VH-9274		
WP 2-3023, Chg 0, 10/17/2007		
	730	JSB-10/11/2007-3
WP 2-3024, Chg 0, 10/17/2007		
	[illegible]	[illegible]
	[illegible]	[illegible]
WP 2-3065C, Chg 0, 9/29/2007		
	[illegible]	[illegible]
	360	[illegible]
WP 2-3080A, Chg 0, 4/18/2007		

PCD No	Step / Fw No	DIL No
M&TE Control No - VH-9274		
WP 2-3080A, Chg 0, 4/18/2007		
	150	RC-2/22/2008-3
WP 2-3080B, Chg 0, 4/18/2007		
		JSB-3/13/2008-2
	150	RC-2/23/2008-3
WP 2-3085A, Chg 0, 10/31/2007		
	150	RC-2/22/2008-4
	160	RC-2/23/2008-1
WP 2-3085B, Chg 0, 10/31/2007		
	140	RC-2/23/2008-5
	160	RC-2/23/2008-4
WP 2-3085C, Chg 0, 10/31/2007		
	160	RC-2/22/2008-2
WP 2-3085D, Chg 0, 10/31/2007		
	140	JSB-2/20/2008-1
	160	JSB-2/19/2008-1

Audit Number 38241-P-08-02

AOR Number: AOR - 01

SGT Standard Procedures Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE	
Form Title: **AUDIT OBSERVATION REPORT**	Revision No. / Status: **0E2 / AFU**	Form No: **QEP 18.01-5**
	Form Revision Date: **04-May-05**	Form Page: **1 of 1**

Audit Number	AOR Number	Date Issued
38241-P-08-002	AOR – 01	07-Oct-08

COMPLETED BY AUDITOR

Organization / Supplier: SGT / Diablo Canyon Power Plant SGR Project

Person Contacted: Vikki Allen - DCC Supervisor

Referenced Requirements (Section Number, Paragraph Number, etc.):

QEP 02 01 – Quality Assurance Program Section 5 5.4

Verify a copy of the DT or other document indicating Client approval along with any Client comments are retained with the SGT DCC file copy of the QEP.

OBSERVATION: Classification: Major ☒ Minor ☐

Additional superfluous paper is located in the original QEP files. Files should be purged to contain only the AFU original QEP with appropriate forms and the DT indicating Client approval. A separate folder should be made for QEPs that are being Reviewed and filed in the same hanging folder in the cabinet with the AFU.

Response DUE DATE: 06-Nov-08

Auditor's Signature: David E. McDonald

COMPLETED BY ORGANIZATION AUDITED

OBSERVATION RESPONSE For Major Observations Only:

Additional paper is for completeness.
Actual controlled and approved document is clearly identified in file.
Additional folder/divider will be added to file as a good practice but is not a requirement.

Response by (Signature and Title): William Taylor
Project Engineering Manager

Response Date: 10/28/2008

The Steam Generating Team
SGT
A URS-Washington Division / AREVA NP Company

38241-PM-08-0044

INTER-OFFICE CORRESPONDENCE

Action Required: Yes ☒ No ☐

To: David MacDonald

From: Charlie Nichols

Date: November 21, 2008

Subject: Audit Number 38241-P-08-02

Please find attached for you review, consideration, and approval, responses to the following audit findings: AFR -04 through -06; AFR-12, AFR-16, and AFR-17.

Response to AFR-18 is not yet available. I will be in contact with you on Nov 24 to discuss submittal of this item.

Please don't hesitate to contact me at 805.545.6770 with any questions.

cc: (w/attachment) H. Bourque, B. Scott
(w/o attachment) P. Helton, L. Dietrich, R. Flodman, W. Taylor, K. Strupp, K. O'Malley

File: Project File: 11.0393.f Subject File: 17.082.f
Quality Records File: 18.1.2

Audit Number 38241-P-08-02

AFR Number: AFR - 04

SGT Standard Procedures Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE	
Form Title: **AUDIT FINDING REPORT**	Revision No / Status: **0E2 / AFU**	Form No.: **QEP 18.01-2**
	Form Revision Date: **04-May-05**	Form Page: **2 of 2**

Audit Number:	AFR Number:	Date Issued:
38241-P-08-02	**AFR - 04**	October 7, 2008

COMPLETED BY ORGANIZATION AUDITED

Corrective Action Taken or Proposed to Correct Discrepancy:

A review was conducted of the SGT Data Base of all Project Personnel. All training that was identified by the Audit as incomplete or the incorrect revisions has been corrected.

Corrective Action Taken by (Signature and Title):	Corrective Action Completion Date:
Task Manager	14-Nov-08

Cause of Discrepancy:

Procedures are being revised routinely, in some cases individuals are confused when they receive a revision, they are of the opinion they have completed the training or reading.

Preventative Action Taken to Eliminate Cause of Discrepancy:

Employees have been instructed to complete training/reading in a timely manner. A weekly review is being conducted of the data base and the individuals managers will be notified if there is over due training/reading.

Preventative Action Taken by (Signature and Title):	Date:
Task Manager	14-Nov-08

COMPLETED BY AUDITOR

Corrective / Preventative Action Evaluation		Verification of Implementation of Corrective / Preventative Action		
Acceptable ☐	**Unacceptable** ☐	**Acceptable** ☐	**Unacceptable** ☐	**Not Required** ☐
Reason:		Reason:		
Evaluated by:	Date:	Verified by:		Date:

Audit Number 38241-P-08-02

AFR Number: AFR - 05

SGT Standard Procedures Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE	
Form Title: **AUDIT FINDING REPORT**	Revision No / Status: **0E2 / AFU**	Form No.: **QEP 18.01-2**
	Form Revision Date: **04-May-05**	Form Page: **2 of 2**

Audit Number:	AFR Number:	Date Issued:
38241-P-08-02	**AFR - 05**	October 7, 2008

COMPLETED BY ORGANIZATION AUDITED

Corrective Action Taken or Proposed to Correct Discrepancy:

A review was conducted of the areas identified in the audit. It was verified that the individuals were qualified and documentation existed to verify this. This information is retained by the Responsible Department Managers and is readily available to the Project Training Managers.

Corrective Action Taken by (Signature and Title):	Corrective Action Completion Date:
Task Manager	14-Nov-08

Cause of Discrepancy:

It has been common practice for Department Managers to retain the specific training records for there employees. As stated the information is available to the Training Manager. The auditor did not complete the statement in the QEP that says "the use of equivalent forms may be used." Another case in point is welding records. The Training Manager does not retain weld records, the welding engineer administers the training and retains all qualification records. This is the same situation

Preventative Action Taken to Eliminate Cause of Discrepancy:

Preventative action not required.

Preventative Action Taken by (Signature and Title):	Date:
Task Manager	November 14, 2008

COMPLETED BY AUDITOR

Corrective / Preventative Action Evaluation		Verification of Implementation of Corrective / Preventative Action		
Acceptable ☐	**Unacceptable** ☐	**Acceptable** ☐	**Unacceptable** ☐	**Not Required** ☐
Reason:		Reason:		
Evaluated by:	Date:	Verified by:		Date:

Audit Number 38241-P-08-02

AFR Number: AFR - 06

SGT Standard Procedures Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE	
Form Title: **AUDIT FINDING REPORT**	Revision No / Status: **0E2 / AFU**	Form No.: **QEP 18.01-2**
	Form Revision Date: **04-May-05**	Form Page: **2 of 2**

Audit Number:	AFR Number:	Date Issued:
38241-P-08-02	**AFR - 06**	07-Oct-08

COMPLETED BY ORGANIZATION AUDITED

Corrective Action Taken or Proposed to Correct Discrepancy:

Audit findings is incomplete, the rest of the statement reads " equivalent forms from other SGT projects, or equivalent client training forms.

Corrective Action Taken by (Signature and Title):	Corrective Action Completion Date:
Task Manager	14-Nov-08

Cause of Discrepancy:

The finding reads that Procedures were Documented, equivalent forms were used.

Preventative Action Taken to Eliminate Cause of Discrepancy:

Preventative Action not Required.

Preventative Action Taken by (Signature and Title):	Date:
Task Manager	November 14, 2008

COMPLETED BY AUDITOR

Corrective / Preventative Action Evaluation		Verification of Implementation of Corrective / Preventative Action		
Acceptable ☐	**Unacceptable** ☐	**Acceptable** ☐	**Unacceptable** ☐	**Not Required** ☐
Reason:		Reason:		
Evaluated by:	Date:	Verified by:		Date:

Audit Number 38241-P-08-02

AFR Number: AFR - 12

Q:\Users\QPD\QTE\QMS\DEMCD\ALL-FILE\AUDITS\2008\SGT-Diablo Canyon 09-08-08\SB-Diablo Canyon AFR-DC-002.doc

SGT Standard Procedures Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE	
Form Title: **AUDIT FINDING REPORT**	Revision No / Status: **0E2 / AFU**	Form No.: **QEP 18.01-2**
	Form Revision Date: **04-May-05**	Form Page: **1 of 2**

Audit Number:	AFR Number:	Date Issued:
38241-P-08-02	**AFR – 12**	October 7, 2008

COMPLETED BY AUDITOR

Organization / Supplier:	Person Contacted:
SGT / Diablo Canyon Power Plant SGR Project	Vikki Allen – DCC Supervisor

Referenced Requirements (Section Number, Paragraph Number, etc.):
QEP 08.01- Document Control – Section 3.2.1.1

Verify DMS captures document type, number, title, revision number and/or date, origin, source, Received As category, Status category and references (used in design and are controlled documents).

FINDING – Include Specific Requirement(s) Violated: Classification: **Major** ☒ **Minor** ☐

Calculations 38241-CALC-C-011 & 38241-CALC-M-005 references have not been attached to the document. Audit all Calculations, specifications, DCPs and Work Packages to assure all references are captured.

For a Major Finding, you are requested to identify the action taken to correct the identified condition. You are further requested to investigate the cause and effect of the condition in order to determine the extent of preventative action required. The results of this review are to be considered in your reply.

For a Minor Finding, you are requested only to identify the action taken to correct the identified condition

Response DUE DATE:	Auditor's Signature:
November 6, 2008	David E. McDonald 10-07-08

Results of Lead Auditor / PQM screening for potential association with 10CFR21:		Signature	Date
	☒ NO Potential ☐ Possible Potential	David E McDonald	10/07/08

O:\users\CPD\GTE\OMS\DEMO\ALL-FILE\AUDITS\2008\SGT-Diablo Canyon 09-08-08\SR-Diablo Canyon AFR-DC-002.doc

SGT Standard Procedures Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE	
Form Title: **AUDIT FINDING REPORT**	Revision No / Status: **0E2 / AFU**	Form No.: **QEP 18.01-2**
	Form Revision Date: **04-May-05**	Form Page: **2 of 2**

Audit Number:	AFR Number:	Date Issued:
38241-P-08-02	**AFR – 12**	October 7, 2008

COMPLETED BY ORGANIZATION AUDITED

Corrective Action Taken or Proposed to Correct Discrepancy:

Two documents identified in audit have had DMS record updated with references. DMS has been updated for these two records. Subsequent review of specs, calcs, and DCPs showed 1 calculation (52.27.55.54 Rev2) without references "attached" to DMS record. DMS has been updated for this calculation's references. No further action required.

Corrective Action Taken by (Signature and Title):	Corrective Action Completion Date:
William Taylor Project Engineering Manager	11/11/2008

Cause of Discrepancy:

This is failure to follow procedure.

Preventative Action Taken to Eliminate Cause of Discrepancy:

This item will be reviewed with DCC personnel and documented by 11/20/2008. DCC will self assess every two weeks and report findings to PEM and PQM. This will start not later than week ending 11/28/08.

Preventative Action Taken by (Signature and Title)	Date
William Taylor Project Engineering Manager	11/28/2008

COMPLETED BY AUDITOR

Corrective / Preventative Action Evaluation		Verification of Implementation of Corrective / Preventative Action		
Acceptable ☐	Unacceptable ☐	Acceptable ☐	Unacceptable ☐	Not Required ☐
Reason:		Reason:		
Evaluated by	Date	Verified by	Date	

Audit Number 38241-P-08-02

AFR Number: AFR - 16

SGT Standard Procedures Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE	
Form Title: **AUDIT FINDING REPORT**	Revision No / Status: **0E2 / AFU**	Form No.: **QEP 18.01-2**
	Form Revision Date: **04-May-05**	Form Page: **1** of **2**

Audit Number:	AFR Number:	Date Issued:
38241-P-08-02	**AFR – 16**	October 7, 2006

COMPLETED BY AUDITOR

Organization / Supplier:	Person Contacted:
SGT / Diablo Canyon Power Plant SGR Project	J. Van Dyke

Referenced Requirements (Section Number, Paragraph Number, etc.):

QEP 15.01 Section 3.8.1 states that Deviations identified by a supplier will be submitted to SGT by use of a Form QEP 09.01-7 Supplier Exception Request / Deviation Notice (SERDN). Section 3.8.2 states that the PQM generates a Daily Inspection Log (DIL) "R" entry, obtains the next sequential SERDN number from QRC and enters both of these numbers on the SERDN form.

FINDING – Include Specific Requirement(s) Violated: Classification: **Major** ☐ **Minor** ☒

It was verified that the DIL's issued for SERDN's 15, 16, 17, 18, 19 and 21 had "A" entries on the DIL form.

For a Major Finding, you are requested to identify the action taken to correct the identified condition. You are further requested to investigate the cause and effect of the condition in order to determine the extent of preventative action required. The results of this review are to be considered in your reply.

For a Minor Finding, you are requested only to identify the action taken to correct the identified condition.

Response DUE DATE:	Auditor's Signature:
November 6, 2008	

Results of Lead Auditor / PQM screening for potential association with 10CFR21:	☒ NO Potential ☐ Possible Potential	Signature	Date: 10/07/08

SGT Standard Procedures Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE		
Form Title: **AUDIT FINDING REPORT**		Revision No / Status: **0E2 / AFU**	Form No.: **QEP 18.01-2**
		Form Revision Date: **04-May-05**	Form Page: **2 of 2**

Audit Number:	AFR Number:	Date Issued:
38241-P-08-02	**AFR - 16**	October 7, 2008

COMPLETED BY ORGANIZATION AUDITED

Corrective Action Taken or Proposed to Correct Discrepancy:

The DILs associated with all Supplier Exception Request/Deviation Notices (SERDN) were reviewed and corrections made to being the DILs in line with the requirements of QEP 15.01, *Identification and Control of Deviations*, as applicable.

The two individuals whose Daily Inspection Log entries were in error are no longer on the project; therefore, a repeat of this deficient condition should not be a cause for concern. In addition, the QA Supervisor shall emphasize the issue and closure procedure process for SERDNs to all Quality Engineers and QC Receipt Inspectors as they report to site for the 1R15 outage.

Corrective Action Taken by (Signature and Title):	Corrective Action Completion Date:
QA Supervisor	11/11/08

Cause of Discrepancy:

N/A

Preventative Action Taken to Eliminate Cause of Discrepancy:

N/A

Preventative Action Taken by (Signature and Title):	Date:
N/A	N/A

COMPLETED BY AUDITOR

Corrective / Preventative Action Evaluation		Verification of Implementation of Corrective / Preventative Action		
Acceptable ☐	**Unacceptable** ☐	**Acceptable** ☐	**Unacceptable** ☐	**Not Required** ☐
Reason:		Reason:		
Evaluated by:	Date:	Verified by:		Date:

Audit Number 38241-P-08-02

AFR Number: AFR - 17

SGT Standard Procedures Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE	
Form Title: **AUDIT FINDING REPORT**	Revision No / Status: **0E2 / AFU**	Form No.: **QEP 18.01-2**
	Form Revision Date: **04-May-05**	Form Page: **1 of 2**

Audit Number:	AFR Number:	Date Issued:
38241-P-08-02	**AFR – 17**	October 7, 2006

COMPLETED BY AUDITOR

Organization / Supplier:	Person Contacted:
SGT / Diablo Canyon Power Plant SGR Project	J. Van Dyke / R. L. Dietrich

Referenced Requirements (Section Number, Paragraph Number, etc.):

QEP 18.01 Audits Rev.2E1
Section 4.1.1 states that the PQM develops a schedule for the performance of project audits on an annual basis.
Section 4.3.3 states that the Audit Plans are reviewed and approved by the Lead Auditor prior to performance of the audit.
Section 4.2.3 states that Personnel performing audits shall be qualified and certified in accordance with QEP 04.02 Qualification and Certification of Audit Personnel.

FINDING – Include Specific Requirement(s) Violated:

Classification: **Major** ☐ **Minor** ☒

There was no documented evidence to show that the 2008 Audit Schedule was developed and issued.
Although the Audit Plan was prepared, it was not approved by the Lead Auditor with a signature and date.
There was no documented evidence that G. Rowe, who served as Auditor on Audit 38421-P-08-01, was certified as an auditor.

For a Major Finding, you are requested to identify the action taken to correct the identified condition. You are further requested to investigate the cause and effect of the condition in order to determine the extent of preventative action required. The results of this review are to be considered in your reply.
For a Minor Finding, you are requested only to identify the action taken to correct the identified condition.

Response DUE DATE:	Auditor's Signature:
November 6, 2008	

Results of Lead Auditor / PQM screening for potential association with 10CFR21:	☒ NO Potential ☐ Possible Potential	Signature	Date: 10/07/08

SGT Standard Procedures Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE	
Form Title: **AUDIT FINDING REPORT**	Revision No / Status: **0E2 / AFU**	Form No.: **QEP 18.01-2**
	Form Revision Date: **04-May-05**	Form Page: **2 of 2**

Audit Number:	AFR Number:	Date Issued:
38241-P-08-02	**AFR - 17**	October 7, 2006

COMPLETED BY ORGANIZATION AUDITED

Corrective Action Taken or Proposed to Correct Discrepancy:

The PQM at the time of this audit appointed Mr. Rowe as an Auditor based on education, training and experience. However, he did not follow the requirements of QEP 04.02 in completing a Form QEP 04.02-1, *Audit Certification Record*. After review of Mr. Rowe's resume and previous ANSI N45.2.6 Lead Auditor Certification, it has been determined that he was more than qualified to perform as an Auditor or Technical Expert. Mr. Rowe performed under the direction of a certified Lead Auditor therefore, based on this, his prior experience and the fact that all parties involved are no longer associated with this project and will not return for 1R15 outage, this finding is considered closed with no further action required to bring resolution.

No Lead Auditor Certification for Mr. Snadjer was in the file when DR-028 was issued to identify other problems with Project Audit 38421-P-08-001. The Lead Auditor's certification has since been obtained and placed in the certification files and the deficiency report closed.

The information from Audit 38421-P-08-001 and 002 has been documented in the QPMS Audit database and is available to view. It is not prudent at this time to publish an Audit Schedule for 2008, since such time has lapsed from the first audit completion, time remaining until 1R15 outage begins, and with no further audits scheduled to complete. In summary all 18 criterion for Appendix B have been satisfied for the 2008 calendar year.

Corrective Action Taken by (Signature and Title):	Corrective Action Completion Date:
QA Supervisor	11/11/08

Cause of Discrepancy:

N/A

Preventative Action Taken to Eliminate Cause of Discrepancy:

N/A

Preventative Action Taken by (Signature and Title):	Date:
N/A	N/A

COMPLETED BY AUDITOR

Corrective / Preventative Action Evaluation		Verification of Implementation of Corrective / Preventative Action		
Acceptable ☐	**Unacceptable** ☐	**Acceptable** ☐	**Unacceptable** ☐	**Not Required** ☐
Reason:		Reason:		
Evaluated by:	Date:	Verified by:		Date:

The Steam Generating Team

SGT

A URS-Washington Division / AREVA NP Company

38241-PM-08-0045

INTER-OFFICE CORRESPONDENCE

Action Required: Yes ☒ No ☐

To: David MacDonald

From: Charlie Nichols

Date: November 21, 2008

Subject: Audit Number 38241-P-08-02

Please find attached for you review, consideration, and approval are the preventative actions taken covering audit findings AFR -03, and AFR-07 through AFR-12.

Please don't hesitate to contact me at 805.545.6770 with any questions.

cc: (w/attachment) H. Bourque, B. Scott
(w/o attachment) P. Helton, L. Dietrich, R. Flodman, W. Taylor, K. Strupp, K. O'Malley

File: Project File: 11.0393.f Subject File: 17.082.f
Quality Records File: 18.1.2

SGT Standard Procedures Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE	
Form Title: **AUDIT FINDING REPORT**	Revision No / Status: **0E2 / AFU**	Form No.: **QEP 18.01-2**
	Form Revision Date: **04-May-05**	Form Page: **2 of 2**

Audit Number:	AFR Number:	Date Issued:
38241-P-08-02	**AFR - 03**	October 7, 2008

COMPLETED BY ORGANIZATION AUDITED

Corrective Action Taken or Proposed to Correct Discrepancy:

Documentation is available electronically on PNET and Client has on file also. Copy of approval downloaded and placed in file.

Corrective Action Taken by (Signature and Title):	Corrective Action Completion Date:
William Taylor, Project Engineering Manager	10/30/2008

Cause of Discrepancy:

Lack of attention to detail

Preventative Action Taken to Eliminate Cause of Discrepancy:

Documentation exists in electronic systems between SGT and Client. This record without the copy existed from prior DCC personnel managing files. This AFR and all others with Bill Taylor as Manager will be discussed with DCC and this review will be documented. Complete by 11/20/2008.

See Documentation of Review attached. WHT 11/19/08

Preventative Action Taken by (Signature and Title):	Date:
William Taylor, Project Engineering Manager	~~11/20/2008~~ WHT 11/19/08 11/19/08

COMPLETED BY AUDITOR

Corrective / Preventative Action Evaluation		Verification of Implementation of Corrective / Preventative Action		
Acceptable ☐	Unacceptable ☐	Acceptable ☐	Unacceptable ☐	Not Required ☐
Reason:		Reason:		
Evaluated by	Date:	Verified by	Date:	

C:\Users\OPDIQTE\OMS\DEMCO\ALL-FILE\AUDITS\2008\SGT-Diablo Canyon 09-08-08\Diablo Canyon AFR 07 Form.doc

SGT Standard Procedures Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE	
Form Title: **AUDIT FINDING REPORT**	Revision No / Status: **0E2 / AFU**	Form No.: **QEP 18.01-2**
	Form Revision Date: **04-May-05**	Form Page: **2 of 2**

Audit Number:	AFR Number:	Date Issued:
38241-P-08-02	**AFR - 07**	October 7, 2008

COMPLETED BY ORGANIZATION AUDITED

Corrective Action Taken or Proposed to Correct Discrepancy:

The incorrect DV Checklist was replaced with correct forms. The DV checklist with the verifier name was signed and dated. There was no content difference between the forms used; the header was inadvertently clipped in the Word file.

Corrective Action Taken by (Signature and Title):	Corrective Action Completion Date:
William Taylor Project Engineering Manager	10/28/2008

Cause of Discrepancy:

Lack of attention to detail

Preventative Action Taken to Eliminate Cause of Discrepancy:

This error in the forms and lack of attention to detail will be discussed in Engineering and documented. Completion will be by 11/20/2008. This minor finding requires no additional action; however it is a good practice.

Documentation of review attached WHT 11/19/08

Preventative Action Taken by (Signature and Title):	Date:
William Taylor Project Engineering Manager	~~11/20/2008~~ WHT 11/19/08 11/19/08

COMPLETED BY AUDITOR

Corrective / Preventative Action Evaluation		Verification of Implementation of Corrective / Preventative Action		
Acceptable ☐	Unacceptable ☐	Acceptable ☐	Unacceptable ☐	Not Required ☐
Reason:		Reason:		
Evaluated by:	Date	Verified by:	Date	

C:\Users\QPOIQTE\OMS\DEMCOVALL-FILEVAUDITS\2008\SGT-Diablo Canyon 09-05-08\RV-Diablo Canyon AFR 08 Form.doc

SGT Standard Procedures Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE	
Form Title: **AUDIT FINDING REPORT**	Revision No / Status: **0E2 / AFU**	Form No: **QEP 18.01-2**
	Form Revision Date: **04-May-05**	Form Page: **2 of 2**

Audit Number	AFR Number	Date Issued:
38241-P-08-02	AFR - 08	October 7, 2008

COMPLETED BY ORGANIZATION AUDITED

Corrective Action Taken or Proposed to Correct Discrepancy.

The specification cover page had no content change and since it is only a title page - no further action is required. The differences are editorial. The document is approved by the Client. If the specification were to be revised, a new cover page would be furnished.

No action required.

Corrective Action Taken by (Signature and Title):	Corrective Action Completion Date:
Project Engineering Manager	10/28/2008

Cause of Discrepancy:

This stems from use of forms saved on computers instead of using the hardcopies in the QEP. It is from original work done. It is lack of attention to detail.

Preventative Action Taken to Eliminate Cause of Discrepancy:

No further action required for this finding due to historical personnel no longer supporting the project; however, this error in the forms and lack of attention to detail will be discussed in Engineering and documented. Completion will be by 11/20/2008.

Note this minor FINDING REQUIRES NO FURTHER ACTION; however it is a good practice to perform thereon. Documentation is attached

Preventative Action Taken by (Signature and Title):	Date:
Project Engineering Manager	~~11/20/2008~~ WTT 11/19/08 11/19/08

COMPLETED BY AUDITOR

Corrective / Preventative Action Evaluation		Verification of Implementation of Corrective / Preventative Action		
Acceptable ☐	Unacceptable ☐	Acceptable ☐	Unacceptable ☐	Not Required ☐
Reason:		Reason:		
Evaluated by	Date	Verified by	Date	

D:\Users\QPD\QTE\OMS\DEMCD\ALL-FILE\AUDITS\2008\SGT-Diablo Canyon 10-C2-08\Diablo Canyon AFR-09-RV.doc

SGT Standard Procedures Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE	
Form Title: **AUDIT FINDING REPORT**	Revision No / Status: 0E2 / AFU Form Revision Date: 04-May-05	Form No.: QEP 18.01-2 Form Page: 2 of 2
Audit Number: 38241-P-08-02	AFR Number: AFR - 09	Date Issued: October 7, 2008

COMPLETED BY ORGANIZATION AUDITED

Corrective Action Taken or Proposed to Correct Discrepancy:

Calculation 38241-CALC-C-119 was approved 10/24/2008 and sent to Document Control. Title is "Analytical Software Installation Test"

Corrective Action Taken by (Signature and Title): William Traylor, Project Engineering Manager	Corrective Action Completion Date: 10/28/2008

Cause of Discrepancy:

This is a failure to follow procedure.

Preventative Action Taken to Eliminate Cause of Discrepancy:

SGT PEM performs and it was missed in 2006 when software was first used. That PEM is not with SGT anymore. No further action is required; however this was reviewed with engineering personnel including the PEM. Documentation is attached.

William Traylor 11/19/2008

Preventative Action Taken by (Signature and Title): William Traylor, Project Engineering Manager	Date: 10/28/2008

COMPLETED BY AUDITOR

Corrective / Preventative Action Evaluation		Verification of Implementation of Corrective / Preventative Action		
Acceptable ☐	Unacceptable ☐	Acceptable ☐	Unacceptable ☐	Not Required ☐
Reason:		Reason:		
Evaluated by:	Date	Verified by	Date	

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SGT Standard Procedures Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE	
Form Title: **AUDIT FINDING REPORT**	Revision No / Status: 0E2 / AFU	Form No.: QEP 18.01-2
	Form Revision Date: 04-May-05	Form Page: 2 of 2

Audit Number:	AFR Number:	Date Issued:
38241-P-08-02	AFR - 10	October 7, 2008

COMPLETED BY ORGANIZATION AUDITED

Corrective Action Taken or Proposed to Correct Discrepancy:

The page count was corrected.

QEP lists initial forms when the QEP is first written. Forms have been updated to newer revisions and although SGT is exempt from using the new forms; use of the new forms is allowed and that is what is in the DCP that was approved by Client. Client signature page with missing signature replaced with signed version by Client.

The Client signed the page they did not sign.

Corrective Action Taken by (Signature and Title): William Taylor, Project Engineering Manager	Corrective Action Completion Date: 10/28/2008

Cause of Discrepancy:

Incorrect page count is an attention to detail error.

Use of newer Client forms is not a discrepancy.

The Client not signing their paper and SGT not seeing when filing is an attention to detail error.

Preventative Action Taken to Eliminate Cause of Discrepancy:

No action required regarding changing of the forms.

DCC will be reminded to validate records when processing submittals and pay attention to details. This will be documented. This will be completed by 11/20/2008.

This was completed on or before 11/19/08. See attached signoff sheets for the retrain. WHT 11/19/08

Preventative Action Taken by (Signature and Title): William Taylor, Project Engineering Manager	Date: ~~11/20/2008~~ WHT 11/19/08 11/19/08

COMPLETED BY AUDITOR

Corrective / Preventative Action Evaluation		Verification of Implementation of Corrective / Preventative Action		
Acceptable ☐	Unacceptable ☐	Acceptable ☐	Unacceptable ☐	Not Required ☐
Reason:		Reason:		
Evaluated by:	Date:	Verified by:		Date:

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SGT Standard Procedures Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE		
Form Title: **AUDIT FINDING REPORT**		Revision No / Status: 0E2 / AFU	Form No.: QEP 18.01-2
		Form Revision Date: 04-May-05	Form Page: 2 of 2
Audit Number: 38241-P-08-02	AFR Number: AFR - 11	Date Issued: October 7, 2008	

COMPLETED BY ORGANIZATION AUDITED

Corrective Action Taken or Proposed to Correct Discrepancy:

RFIs were reviewed and it was verified all responses were processed in a controlled manner and by Client processes for approved responses and subsequent use in SGT work. Client responds to SGT by letters and DITs (design information transmittals) where appropriate and this obviates the need for repeating of Client signatures on SGT paperwork. No corrective action required.

Corrective Action Taken by (Signature and Title): William Taylor, Project Engineering Manager	Corrective Action Completion Date: 10/28/2008

Cause of Discrepancy:

Client responds to SGT by letters and DITs (design information transmittals) where appropriate and this obviates the need for repeating of Client signatures on SGT paperwork.

Preventative Action Taken to Eliminate Cause of Discrepancy:

Sufficient approved and documented records exist to demonstrate the request for information requested of the Client is on file. Client requires correspondence which is with the RFI files to be the method they respond to SGT RFIs. No action required to update the RFI files, however this item will be reviewed with the Engineers and DCC.

Documentation of review completion attached.

William Taylor 11/14/08

Preventative Action Taken by (Signature and Title): William Taylor, Project Engineering Manager	Date: 10/28/2008

COMPLETED BY AUDITOR

Corrective / Preventative Action Evaluation		Verification of Implementation of Corrective / Preventative Action		
Acceptable ☐	Unacceptable ☐	Acceptable ☐	Unacceptable ☐	Not Required ☐
Reason:		Reason		
Evaluated by	Date:	Verified by:		Date:

Q:\Users\QPD\QTE\QMS\DEMCDVALL-FILE\AUDITS\2008\SGT-Diablo Canyon 08-08-08\SB-Diablo Canyon AFR-DC-002.doc

SGT — Standard Procedures Engineering and Construction Projects

Form Source: QUALITY EXECUTION PROCEDURE

Form Title: **AUDIT FINDING REPORT**

Revision No / Status	Form No.
0E2 / AFU	QEP 18.01-2
Form Revision Date: 04-May-05	Form Page: 2 of 2

Audit Number:	AFR Number:	Date Issued:
38241-P-08-02	AFR – 12	October 7, 2008

COMPLETED BY ORGANIZATION AUDITED

Corrective Action Taken or Proposed to Correct Discrepancy:

Two documents identified in audit have had DMS record updated with references. DMS has been updated for these two records. Subsequent review of specs, calcs, and DCPs showed 1 calculation (52.27.55.54 Rev2) without references "attached" to DMS record. DMS has been updated for this calculation's references. No further action required.

Corrective Action Taken by (Signature and Title):	Corrective Action Completion Date:
William Taylor Project Engineering Manager	11/11/2008

Cause of Discrepancy.

This is failure to follow procedure.

Preventative Action Taken to Eliminate Cause of Discrepancy:

This item will be reviewed with DCC personnel and documented by 11/20/2008. DCC will self assess every two weeks and report findings to PEM and PQM. This will start not later than week ending 11/28/08.

- Reviewed by personnel in DCC. Attendance/Training signoffs are attached.
- Self assessments will start prior to 11/28/08

Preventative Action Taken by (Signature and Title):	Date:
William Taylor Project Engineering Manager	11/19/2008

COMPLETED BY AUDITOR

Corrective / Preventative Action Evaluation		Verification of Implementation of Corrective / Preventative Action		
Acceptable ☐	Unacceptable ☐	Acceptable ☐	Unacceptable ☐	Not Required ☐
Reason:		Reason:		
Evaluated by:	Date:	Verified by:		Date:

SGT | Standard Procedures Engineering and Construction Projects | Form Source: QUALITY EXECUTION PROCEDURE

Form Title	Revision No / Status	Form No.
TRAINING ATTENDANCE RECORD	**0E2 / AFU**	**QEP 04.01-1**
	Form Revision Date: **06-Sep-05**	Form Page: **1 of 1**

Subject: Audit 38241 - All Items, General; Specific Review of AFR- 03, AFR -07, AFR -10, AFR -12 & AFR-09 AFR-11 11/17/08

Location: SGT - DCPP, Trailer #1 Conference Room/ November 17, 2008 at ~~0700~~ 0930 11/17/08 Date: 17-Nov-08

Instructor: Bill Taylor Contact Hours: 1/2

Method of Instruction

- ☐ Lesson Plan - Plan Number:
- ☐ Audiovisual Tape / Electronic Media - Title / Number:
- ☐ Training Outline (Attach to training record)
- ☒ Other - Describe: Audit Summary Sheet; Handout of Detailed Audit Sheets, Discussion at Meeting

NAME	SIGNATURE	ORGANIZATION	BADGE/EMPLOYEE NO
DIANA Z. GAZEK	Diana Z. Gazek	SGT	1556
ALISA V. ALLEN	Alisa V. Allen	SGT	2221
KATHY FAIR	Kathy Fair	SGT	2142
RICHARD HOUGH	Richard Hough	SGT	4298
Owen Matte	Owen Matte	SGT	1684
KEVIN McGUIGAN	Kevin McGuigan	SGT	4597
Harvey Ferris	Harvey Ferris	SGT	9358
MARK POUSTINCHIAN	Mark Poustinchian	SGT	6963
Shannon Awtrey	Shannon Awtrey	SGT	2336
LEANNE BOCK	Leanne Bock	SGT	4300
George Comer	George Comer	SGT	1956

1 of 5

SGT Standard Procedures Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE	
Form Title: **TRAINING ATTENDANCE RECORD**	Revision No / Status: **0E2 / AFU**	Form No.: **QEP 04.01-1**
	Form Revision Date: **06-Sep-05**	Form Page: **1 of 1**

Subject: Audit 38241 - All Items, General; Specific Review of AFR- 03, AFR -07, AFR -10, AFR -12 & AFR -11 AFR -09 WTT 11/17/08

Location: SGT - DCPP, Trailer #1 Conference Room/ November 17, 2008 at ~~0700~~ 0800 WTT 11/17/08 Date: 17-Nov-08

Instructor: Bill Taylor Contact Hours: 1/2

Method of Instruction

- ☐ Lesson Plan - Plan Number:
- ☐ Audiovisual Tape / Electronic Media - Title / Number:
- ☐ Training Outline (Attach to training record)
- ☒ Other - Describe: Audit Summary Sheet; Handout of Detailed Audit Sheets, Discussion at Meeting

NAME	SIGNATURE	ORGANIZATION	BADGE/EMPLOYEE NO
William A. Fox IV		SGT	1921
Pam Dunbar		SGT	2316
Joshua Lester		SGT	4297
Olivia M. Paget		SGT	1493
Jackson Rollins		SGT	1494
Alan Burkhart		SGT	4327
Keith Hernandez		SGT	1425
William Taylor		SGT	1236
		2 of	5

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SGT Standard Procedures Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE

Form Title	Revision No / Status	Form No.
TRAINING ATTENDANCE RECORD	0E2 / AFU	QEP 04.01-1
	Form Revision Date: 06-Sep-05	Form Page: 1 of 1

Subject: Audit 38241 - All Items, General; Specific Review of AFR- 03, AFR -07, AFR-09 WHT 11/17/08 AFR -10, AFR -12 & AFR-11

Location: SGT - DCPP, Trailer #1 Conference Room/ November 17, 2008 at ~~0700~~ 0800 WHT 11/17/08 Date: 17-Nov-08

Instructor: Bill Taylor Contact Hours: 1/2

Method of Instruction

- ☐ Lesson Plan - Plan Number:
- ☐ Audiovisual Tape / Electronic Media - Title / Number:
- ☐ Training Outline (Attach to training record)
- ☒ Other - Describe: Audit Summary Sheet; Handout of Detailed Audit Sheets, Discussion at Meeting

NAME	SIGNATURE	ORGANIZATION	BADGE/EMPLOYEE NO
Joshua Moffett	[signature]	SGT	2203

3 of 5

C:\Documents and Settings\kpatel\Local Settings\Temporary Internet Files\OLK54\Training Attendance.doc

SGT Standard Procedures Engineering and Construction Projects	Form Source QUALITY EXECUTION PROCEDURE	
Form Title **TRAINING ATTENDANCE RECORD**	Revision No / Status **0E2 / AFU**	Form No. **QEP 04.01-1**
	Form Revision Date **06-Sep-05**	Form Page 1 of **1**

Subject: Audit 38241 - All Items, General; Specific Review of AFR- 03, AFR -07, AFR -10, AFR -12 & AFR-11 AFR-09 WAT 11/17/08

Location: SGT - DCPP, Trailer #1 Conference Room/ November 17, 2008 at ~~0700~~ WAT 11/17/08 Date: 17-Nov-08

Instructor: Bill Taylor Contact Hours: 1/2

Method of Instruction	
	☐ Lesson Plan - Plan Number:
	☐ Audiovisual Tape / Electronic Media - Title / Number:
	☐ Training Outline (Attach to training record)
	☒ Other - Describe: Audit Summary Sheet; Handout of Detailed Audit Sheets, Discussion at Meeting

NAME	SIGNATURE	ORGANIZATION	BADGE/EMPLOYEE NO
KIRAN PATEL	[signature]	SGT	5877

4 of 5

C:\Documents and Settings\wtaylor\Desktop\Training Attendance.doc

SGT — Standard Procedures Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE	
Form Title: **TRAINING ATTENDANCE RECORD**	Revision No / Status: 0E2 / AFU	Form No.: QEP 04.01-1
	Form Revision Date: 06-Sep-05	Form Page: 1 of 1

Subject: Audit 38241 - All Items, General; Specific Review of AFR- 03, AFR -07, AFR -09 WHT 11/17/08 AFR -10, AFR -12 & AFR-11

Location: SGT - DCPP, Trailer #1 Conference Room/ November 17, 2008 at ~~0700~~ 0800 WHT 11/17/08 Date: 17-Nov-08

Instructor: Bill Taylor Contact Hours: 1/2

Method of Instruction

- ☐ Lesson Plan - Plan Number:
- ☐ Audiovisual Tape / Electronic Media - Title / Number:
- ☐ Training Outline (Attach to training record)
- ☒ Other - Describe: Audit Summary Sheet; Handout of Detailed Audit Sheets, Discussion at Meeting

NAME	SIGNATURE	ORGANIZATION	BADGE/EMPLOYEE NO
Becky Matthews	Becky Matthews	BOP S+EM	—

5 of 5

The Steam Generating Team
SGT
A URS-Washington Division / AREVA NP Company

38241-PM-08-0046

INTER-OFFICE CORRESPONDENCE

Action Required: Yes ☒ No ☐

To: David MacDonald

From: Charlie Nichols

Date: December 2, 2008

Subject: Audit Number 38241-P-08-02

Please find attached for you review, consideration, and approval, response to audit finding AFR - 18.

Also attached please find a revised response to AFR-05.

Please don't hesitate to contact me at 805.545.6770 with any questions.

cc: (w/attachment) H. Bourque, B. Scott
(w/o attachment) P. Helton, L. Dietrich, R. Flodman, W. Taylor, K. Strupp, K. O'Malley

File: Project File: 11.0393.f Subject File: 17.082.f
Quality Records File: 18.1.2

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SGT Standard Procedures Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE	
Form Title: **AUDIT FINDING REPORT**	Revision No / Status: **0E2 / AFU** Form Revision Date: **04-May-05**	Form No.: **QEP 18.01-2** Form Page: **1 of 2**

Audit Number:	AFR Number:	Date Issued:
38241-P-08-02	**AFR - 18**	October 7, 2008

COMPLETED BY AUDITOR

Organization / Supplier:	Person Contacted:
Document Control Center	Vikki Allen

Referenced Requirements (Section Number, Paragraph Number, etc.):

Quality Execution Procedure 9.01, *Procurement*, paragraph 4.5.7. states in part, "Unpriced copies of PO and subsequent changes are sent to the PQM, DCC and WM, and unpriced copies of SC and SA are sent to the PQM and DCC."

FINDING – Include Specific Requirement(s) Violated:

Classification: **Major** ☒ **Minor** ☐

After reviews of the files in DCC and an interview with Ms. Allen (DCC Supervisor), unpriced copies of executed Purchase Orders and subsequent changes have not always been provided to DCC. She has received more in recent weeks but during Unit 2 SGR outage only received a few. It was verified that 38241-157-PO was not in the DCC file. This PO was issued to Energy & Process Corporation and the DCC Supervisor indicated she had never ever heard of the vendor. The extent of this condition is indeterminate at this time and the nature and time constraint of the audit did not warrant a full scale review by Audit personnel.

For a Major Finding, you are requested to identify the action taken to correct the identified condition. You are further requested to investigate the cause and effect of the condition in order to determine the extent of preventative action required. The results of this review are to be considered in your reply.

For a Minor Finding, you are requested only to identify the action taken to correct the identified condition.

Response DUE DATE:	Auditor's Signature:
November 6, 2008	

Results of Lead Auditor / PQM screening for potential association with 10CFR21:	☒ NO Potential ☐ Possible Potential	Signature	Date: 10/07/08

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SGT Standard Procedures Engineering and Construction Projects		Form Source: QUALITY EXECUTION PROCEDURE	
Form Title: **AUDIT FINDING REPORT**		Revision No / Status: 0E2 / AFU	Form No.: QEP 18.01-2
		Form Revision Date: 04-May-05	Form Page: 2 of 2
Audit Number: 38241-P-08-02	AFR Number: AFR - 18	Date Issued: October 7, 2008	

COMPLETED BY ORGANIZATION AUDITED

Corrective Action Taken or Proposed to Correct Discrepancy:

The business and document control departments will reconcile the records relating to project purchase orders. Any purchase orders that are not included in document control will be provided and entered into the appropriate document controls systems.

The audit has been completed and those orders not already included in document control have been identified.

Un-priced copies of all purchase orders, not currently entered into document control, will be provided to document control by 12/19/08.

Corrective Action Taken by (Signature and Title):	Corrective Action Completion Date:
Katy Daly Bus. Manager	12/19/08

Cause of Discrepancy:

Understanding and / or compliance with procedures by project staff.

Preventative Action Taken to Eliminate Cause of Discrepancy:

Current project staff has been trained on the requirements for distribution of documents. Since training has been completed, un-priced copies of purchase documents are being transmitted to document control as required.

Preventative Action Taken by (Signature and Title):	Date:
Katy Daly Bus. Manager	12/2/08

COMPLETED BY AUDITOR

Corrective / Preventative Action Evaluation		Verification of Implementation of Corrective / Preventative Action		
Acceptable ☐	**Unacceptable** ☐	**Acceptable** ☐	**Unacceptable** ☐	**Not Required** ☐
Reason:		Reason:		
Evaluated by:	Date:	Verified by:		Date:

C:\Documents and Settings\hmontgomery\My Documents\Diablo Canyon AFR-05_Completed.doc

SGT Standard Procedures Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE	
Form Title: **AUDIT FINDING REPORT**	Revision No / Status: **0E2 / AFU**	Form No.: **QEP 18.01-2**
	Form Revision Date: **04-May-05**	Form Page: **1 of 2**

Audit Number:	AFR Number:	Date Issued:
38241-P-08-02	**AFR – 05**	October 7, 2008

COMPLETED BY AUDITOR

Organization / Supplier:	Person Contacted:
SGT / Diablo Canyon Power Plant SGR Project	Scott Daley

Referenced Requirements (Section Number, Paragraph Number, etc.):

QEP 04.01 Rev. 1E2 Section 4.1.2 states "Training matrices shall be generated by the various Managers / Supervisors to indicate the training required for the positions or functions within their organizations. These matrices are provided to the PTM for use in monitoring that required training is performed." Section 4.1.3 states "Additional training required to perform certain functions shall be determined by the respective Department Managers. These requirements shall be documented and provided to the PTM."

FINDING – Include Specific Requirement(s) Violated: Classification: **Major** ☒ **Minor** ☐

The SGT Training Matrix – Diablo Canyon Power Plant identifies individual titles within a matrix group and required QEP training for each matrix group. The DCPP SGRP – Required Training list shows qualification and document training required by each matrix group. In each case, training on PG&E procedures is not addressed.

It was verified, through printouts of training performed for SGT Engineering personnel and Project Specific Documented Reading forms for SGT QC Inspectors, that required training on PG&E procedures is not included on the SGT documents showing required training.

For a Major Finding, you are requested to identify the action taken to correct the identified condition. You are further requested to investigate the cause and effect of the condition in order to determine the extent of preventative action required. The results of this review are to be considered in your reply.
For a Minor Finding, you are requested only to identify the action taken to correct the identified condition.

Response DUE DATE:	Auditor's Signature:
November 6, 2008	

Results of Lead Auditor / PQM screening for potential association with 10CFR21:	☒ NO Potential ☐ Possible Potential	Signature	Date: 10/07/08

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SGT Standard Procedures Engineering and Construction Projects	Form Source: QUALITY EXECUTION PROCEDURE	
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38241-P-08-02	**AFR - 05**	October 7, 2008

COMPLETED BY ORGANIZATION AUDITED

Corrective Action Taken or Proposed to Correct Discrepancy:

The subject Audit Finding addressed the fact that the SGT Training Database did not contain or list the training that is required by PGE to perform design work at Diablo. After numerous conversations between the Project Engineering Manager, Training Manager, Corrective Action Coordinator and the Auditor, it has been agreed upon to close out the finding based on the following: The training in question has been assigned and dictated by PG&E and is controlled by the Plant's database. Each individual receives a daily notice on the status of their training and any need for additional training or changes to procedures. This process has been verified and no discrepancies have been noted. It would be redundant and serve no added value to add to the SGT Training Database.

Corrective Action Taken by (Signature and Title):	Corrective Action Completion Date:
Ken Stapp Training Manager	12-2-08

Cause of Discrepancy:

The Cause of the discrepancy was more of a misunderstanding of how the information was being controlled.

Preventative Action Taken to Eliminate Cause of Discrepancy:

A review of the procedure will be conducted and changes will be made to clarify and describe any processes that are imposed by our clients.

Preventative Action Taken by (Signature and Title):	Date:
Ken Stapp	12-2-08

COMPLETED BY AUDITOR

Corrective / Preventative Action Evaluation		Verification of Implementation of Corrective / Preventative Action		
Acceptable ☐	**Unacceptable** ☐	**Acceptable** ☐	**Unacceptable** ☐	**Not Required** ☐
Reason:		Reason:		
Evaluated by:	Date:	Verified by:		Date: