

UNITED STATES
NUCLEAR REGULATORY COMMISSION
OFFICE OF NUCLEAR REACTOR REGULATION
WASHINGTON D.C. 20555-0001

October 7, 1996

NRC INFORMATION NOTICE 96-40, SUPPLEMENT 1: DEFICIENCIES IN MATERIAL DEDICATION AND PROCUREMENT PRACTICES AND IN AUDITS OF VENDORS

Addressees

All holders of operating licenses or construction permits for nuclear power reactors.

Purpose

The U.S. Nuclear Regulatory Commission (NRC) is issuing this supplement to correct an inspection date that was incorrectly reported in Attachment 1 to Information Notice (IN) 96-40 and to discuss further the applicability of the material dedication concerns identified in IN 96-40 to the individual suppliers identified in Attachment 1 to that notice. It is expected that recipients will review the information for applicability to their facilities and consider actions, as appropriate, to avoid similar problems. However, suggestions contained in this information notice supplement do not constitute NRC requirements; therefore, no specific action or written response is required.

Background

On July 25, 1996, the NRC issued IN 96-40 to alert addressees to deficiencies in commercial-grade-item dedication practices used by manufacturers and suppliers of material to NRC licensees under the rules of Appendix B to Part 50 of Title 10 of the Code of Federal Regulations (10 CFR). The information notice included a summary of NRC inspection findings and a listing of the material manufacturers and suppliers inspected.

Discussion

1. Attachment 1 to IN 96-40 gave the NRC inspection date for Cardinal Industrial Products, Las Vegas, Nevada, as November 29-December 1, 1995. The correct date of this inspection is November 29-December 1, 1994.
2. The series of inspections described in IN 96-40 was specifically designed to assess the current dedication practices for commercial-grade-items and ASME Code material upgrading practices in the nuclear industry. The inspections also assessed the licensee oversight of these practices. The inspections were initiated in early 1994 and concluded by mid-1995, after the inspectors had determined that a sufficient cross-section of material vendors had been inspected to draw reasonable

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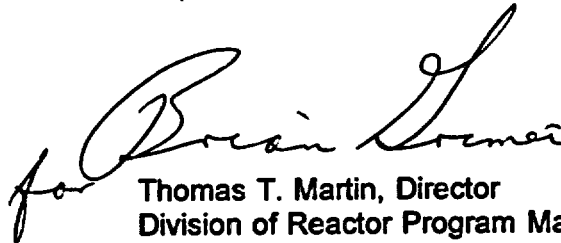
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conclusions about current material supply practices under the rules of the ASME Code and under the quality assurance requirements of 10 CFR Part 50, Appendix B.

3. There was no effort to compare or rank the vendors inspected during this series of NRC inspections. The concerns identified on page 2 of the IN are a summary of findings on all of the vendors inspected, and it should not be assumed that these findings are applicable to each of the vendors inspected. The specific inspection findings for each of the vendors are discussed in the respective inspection reports, which are available in NRC's Public Document Room and have been published in NUREG-0040, "Licensee Contractor and Vendor Inspection Status Report."
4. Although the NRC had inspected material suppliers before the start of this inspection series, no attempt was made to include historical data in IN 96-40 since the main purpose of the series was to characterize current industry practice. The earlier inspections generally had a different or more narrow scope and did not cover the same program areas. The exclusion of any suppliers inspected earlier from the vendors listed in Attachment 1 to the IN should not be viewed as an indication that the commercial-grade-item dedication practices of these suppliers were found to be superior to those of the companies identified in the IN.

This information notice requires no specific action or written response. If you have any questions about the information in this notice, please contact the technical contacts listed below.



Thomas T. Martin, Director
Division of Reactor Program Management
Office of Nuclear Reactor Regulation

Technical Contacts: Uldis Potapovs, NRR
(301) 415-2959
E-mail: uxp@nrc.gov

Larry Campbell, NRR
(301) 415-2976
E-mail: llc@nrc.gov

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LIST OF RECENTLY ISSUED
NRC INFORMATION NOTICES

| Information Notice No. | Subject | Date of Issuance | Issued to |
|------------------------|---|------------------|---|
| 96-52 | Cracked Insertion Rods on Troxler Model 3400 Series Portable Moisture Density Gauges | 09/26/96 | All U.S. Nuclear Regulatory Commission portable gauge licensees and vendors |
| 92-68, Supp. 1 | Potentially Sub-standard Slip-On, Welding Neck, and Blind Flanges | 09/16/96 | All holders of OLs or CPs for nuclear power reactors |
| 96-51 | Residual Contamination Remaining in Krypton-85 Handling System After Venting | 09/11/96 | All material licensees |
| 96-50 | Problems with Levering-In Devices in Westinghouse Circuit Breakers | 09/04/96 | All holders of OLs and CPs for nuclear power plants |
| 96-49 | Thermally Induced pressurization of of Nuclear Power facility Piping | 08/20/96 | All holders of OLs or CPs for nuclear power reactors |
| 96-48 | Motor-Operated Valve Performance Issues | 08/21/96 | All holders of OLs or CPs for nuclear power reactors |
| 96-47 | Recordkeeping, Decommissioning Notifications for Disposals of Radioactive Waste by Land Burial Authorized Under Former 10 CFR 20.304, 20.302, and Current 20.2002 | 08/19/96 | All U.S. Nuclear Regulatory Commission licensees |
| 96-46 | Zinc Plating of Hardened Metal Parts and Removal of Protective Coatings in Refurbished Circuit Breakers | 08/12/96 | All holders of OLs or CPs for nuclear power reactors |

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Original signed by Brian K. Grimes



Thomas T. Martin, Director
 Division of Reactor Program Management
 Office of Nuclear Reactor Regulation

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 (301) 415-2959
 E-mail: uxp@nrc.gov

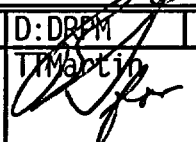
Larry Campbell, NRR
 (301) 415-2976
 E-mail: llc@nrc.gov

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 (301) 415-2959
 E-mail: uxp@nrc.gov

Larry Campbell, NRR
 (301) 415-2976
 E-mail: llc3@nrc.gov

E.Nick Fields, NRR
 (301) 415-1173
 E-mail: enf@nrc.gov

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