

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

December 8, 1988

NRC INFORMATION NOTICE NO. 88-95: INADEQUATE PROCUREMENT REQUIREMENTS
IMPOSED BY LICENSEES ON VENDORS

Addressees:

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

Purpose:

This information notice is being provided to alert addressees to potential problems resulting from inadequate procurement requirements being imposed by licensees on vendors supplying components under the ASME Code which may result in the vendor's failure to implement critical portions of 10 CFR Part 50, Appendix B, Quality Assurance (QA) requirements. 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 do not constitute NRC requirements; therefore, no specific action or written response is required.

Description of Circumstances:

On August 15-19, 1988, the NRC staff inspected Anchor/Darling Industries, Inc. (A/DI), Hatfield, PA. The inspection included a review of A/DI's QA program, as it relates to the manufacture of mechanical shock suppressors (snubbers) for safety-related applications. A/DI is a material supplier and is accredited by the American Society of Mechanical Engineers (ASME) under a Quality Systems Certificate. As such, the quality requirements of the ASME Boiler and Pressure Vessel Code, Section III, Article NCA-3800, apply.

A/DI's QA manual specifies that only load-bearing parts of the snubber are subject to the quality requirements of Section III, Division 1, of the ASME Code. Subsection NF-2121 of Section III, "Permitted Material Specification," specifies that gaskets, seals, bushings, springs, compression spring end-plates, bearings, retaining rings, washers, wear shoes, hydraulic fluids, etc., are exempt from the requirements of Article NF-2000, "Material," and as such do not require a Material Manufacturer's Certificate of Compliance pursuant to the provisions of NF-2130. The A/DI QA program does not address the procurement and QA controls of the ASME Code exempt load-bearing parts. The inspectors noted that A/DI considers several parts in the direct load path of the A/DI mechanical snubber to be exempt from QA requirements because of the NF-2121 exemption. These parts include the ball nut, ball bushing, thrust

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race, ball bearing, and the load member on the AD-125 model snubber (125,000-pound rated load). These parts are purchased commercial grade and appear not to have the benefit of a dedication process or any other quality controls necessary to assure adequacy of the critical characteristics of the parts. Therefore, safety-related snubbers produced by A/DI contain direct load path parts, procured commercially, that may not conform to the original tested configuration.

In another example, the NRC received a 10 CFR Part 21 report on August 8, 1988 from the Southern California Edison Company regarding a deviation found on parts in storage at the San Onofre Nuclear Generating Station (SONGS). The deviation involved cracks discovered in spare safety valve guide and bearing assemblies in storage. SONGS filed the Part 21 report on the basis that failure of the valve guide or bearing assembly could affect the operability of the valve. The parts are utilized in Units 2 and 3 main steam safety valves and were supplied by Crosby Valve and Gage Company, Wrentham, Massachusetts.

Because the valve guide and bearing assemblies are not pressure boundary parts, the parts were manufactured and supplied as commercial grade. Crosby did not consider these components to be critical and did not retain pertinent manufacturing, procurement, and inspection records. SONGS has since revised their purchasing requirements to impose Appendix B or ANSI N45.2 requirements on safety-related parts excluded from Section III requirements.

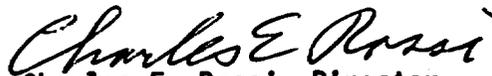
Discussion:

It is important that licensees place adequate requirements in procurement documents to vendors to control the quality of safety-related components, equipment, and services and subsequently verify compliance through periodic audits of the vendor's QA program. Licensees are reminded that safety-related components are to be manufactured under a QA program that meets 10 CFR Part 50 Appendix B requirements. The NRC has determined that compliance with Section III of the ASME Boiler and Pressure Vessel Code satisfies Appendix B requirements for items covered by the Code. However, this is not sufficient to ensure that safety-related items exempt from Code requirements comply with Appendix B. Licensees are reminded that they are responsible for ensuring that their vendors meet Appendix B requirements for safety-related items. Considering the two above-described examples, it appears that past licensee audits of A/DI and Crosby have not been effective in assuring compliance with regulatory requirements.

It is important that purchase orders to companies specify compliance with Appendix B as well as the ASME Code to assure that all parts with safety functions have adequate quality assurance applied. These examples further reinforce the NRC's belief that additional attention is needed to improve the effectiveness of licensee imposed procurement requirements on vendors to control the quality of safety-related items.

NRC previously conveyed concerns in Information Notice 88-35, "Inadequate Licensee Performed Vendor Audits," that licensee audits of vendors may not be effectively evaluating the vendor's QA program and its implementation, specifically in the area of procurement. The examples discussed in this notice indicate that licensee audits are not assuring that vendors apply adequate quality requirements for all parts within an ASME component that have a safety function.

No specific action or written response is required by this information notice. If you have any questions about this matter, please contact the technical contact listed below or the Regional Administrator of the appropriate regional office.



Charles E. Rossi, Director
Division of Operational Events Assessment
Office of Nuclear Reactor Regulation

Technical Contact: Robert L. Pettis, Jr., NRR
(301) 492-3214

Attachment:
List of Recently Issued NRC Information Notices

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Changes to final draft were reviewed and agreed to by Pettis, Brach, and Grimes on 12/2/88 C.E. Rossi

OFC	:VIB:DRIS:NRR	:VIB:DRIS:NRR	:VIB:DRIS:NRR	:TECH EDITOR	:C:VIB:DRIS:NRR	:D:DRIS:NRR
NAME	:RLPettis:jeh*	:ETBaker*	:UPotapovs*	:RSanders*	:EWBrach*	:BKGrimes*
DATE	:10/07/88:mgc	:10/16/88	:10/18/88	:10/18/88	:11/25/88	:11/28/88
OFC	:D:DOEA:NRR	:DD/DLPQ:NRR	:C/OGCB:DOEA:NRR:	:	:	:
NAME	:CERossi	:JZwolinski	:CHBerlinger*	:	:	:
DATE	:12/ /88	:12/2/88	:11/30/88	:	:	:

See phone call with C.E. Rossi

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