



March 19, 2008

U.S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, D.C. 20555-0001

Copy to:
Chief, Quality and Vendor Branch 1
Division of Construction Inspection and
Operational Programs
Office of New Reactors

SUBJECT: REPLY TO A NOTICE OF NON-CONFORMANCE
NRC Audit Finding - NON-99900061-2007-201-01

In response to your September 2007 audit findings, please find below the cause and the corrective action of the nonconformity noted in the subject report.

Corrective Action Taken

The audit found that Velan incorporated a non-safety limit switch on a safety-related valve without correctly ascertaining whether the accessory would perform a safety function.

In order to correct the non-conformance as it pertains to the specific purchase order, Velan has requested and received from the customer written confirmation that the accessory performs a non-safety function. Please see the attached letter.

Root Cause of Deficiency:

The root cause of this deficiency was a gap in procedures to capture, review and control customer requests that cause deviations from Velan standard methods to control components used in nuclear safety-related valves (VEL-QC-155).

Suggested Long Term Corrective Action:

The following changes will be applied to VEL-QCI-474 (Quality Control Program for Actuators and Accessories), paragraph 3.4.1, to ensure that customer requests are captured and properly reviewed and documented.

- Velan shall in no case provide non-safety related components performing a safety related function.
- Velan may provide non-safety (commercial) components on valves upon customer request only after receiving a written confirmation from the customer that these components will not perform a safety function.
- Exhibit 13 – Equipment Spec Review Checklist - will be revised to include a checklist for Safety Related Components as a requirement for Nuclear Valves.



Implementation

Implementation of the above changes will be done within a month after receipt of acceptance of the above response.

We trust the above corrective actions are accepted by NRC. Should you have any questions or clarification on the above, please contact us.

Yours truly,
VELAN Inc.

A handwritten signature in black ink, appearing to read 'Gil Perez', written over the printed name.

Gil Perez, Eng.
Vice-President of Engineering

/enclosure

10 PAGES

To Bertil Nilsson

Ref No 48067

RIMS NO: R27 070921 306	REV NO: 0
SUPERSEDED RIMS NO: N/A	QA LEVEL: 1
TRACKING NO: 00292726-BFN	
REASON FOR REVISION: INITIAL ISSUE	
SUBJECT: EVALUATE SWITCH ON VALVE. CKV111B	
REFERENCE: N/A	
PREPARED BY: PEG ENGINEER: TERRY, WILLIAM R	DATE: 09-21-07 06:50
REVIEWED BY: INDEPENDENT REVIEWER: LEMON, LEW	DATE: 09-21-07 07:19
APPROVED BY: PROCUREMENT ENGINEERING MANAGER: KAMINSKY, MICHAEL L	DATE: 09-21-07 12:10

DISTRIBUTION:

- | | |
|---|--|
| <input checked="" type="checkbox"/> RIMS | <input type="checkbox"/> NUCLEAR PROCUREMENT |
| <input type="checkbox"/> MATERIAL & PROCUREMENT | <input type="checkbox"/> NUCLEAR STORES |
| <input type="checkbox"/> | |

EVALUATION FOR: This form shall not be used to document Equivalency Evaluations that conflict with Design Output Documents.	
<input type="checkbox"/> QA LEVEL CHANGE	<input type="checkbox"/> 10CFR50.49
<input type="checkbox"/> TIIC DESCRIPTION CHANGE	<input type="checkbox"/> AFFECTS OF SPECIFICATION CHANGE
<input type="checkbox"/> PART NO. CHANGE (ADMIN ONLY)	<input type="checkbox"/> SHELF LIFE EXTENSION
<input checked="" type="checkbox"/> OTHER: LIMIT SWITCH	
PURPOSE: EVALUATE LIMIT SWITCH SUPPLIED COMMERCIAL GRADE.	
ASSUMPTIONS: NONE	
ANALYSIS: THE NRC HAS ASKED VELAN TO PROVIDE AN EVALUATION OF THE LIMIT SWITCH SUPPLIED TO TVA COMMERCIAL GRADE THAT IS INSTALLED ON A SAFETY RELATED VALVE. THE VALVE IS SPECIFIED FOR UNID BFN-3-SHV -063-0014 AND IS SHOWN ON DRAWING 0-47E610-63-1. THE LIMIT SWITCH IS SHOWN ON THE DRAWING AS UNID BFN-3-ZS -063-0014A. EMPAC WAS REVIEWED AND FOUND THE ZONE SWITCH IS CLASSIFIED AS QUALITY RELATED FOR INDICATION ONLY. THE COMMERCIAL GRADE SWITCH IS ACCEPTABLE FOR THE LOCATION SPECIFIED.	
CONCLUSION: COMMERCIAL GRADE SWITCH IS ACCEPTABLE.	

TO: MARILYN HOLCOMBE		
SUBJECT: LIMIT SWITCH		
PEG ENGINEER: TERRY, WILLIAM R	DATE: 09-21-07	EXT: 729-7062
COMMENTS: PLEASE INFORM THE VENDOR THAT THE LIMIT SWITCH SUPPLIED COMMERCIAL GRADE ON THE VALVE UNDER CKV111B IS FOR INDICATION ONLY AND IS CLASSIFIED AS QUALITY RELATED AT BFN. THE COMMERCIAL GRADE SWITCH IS ACCEPTABLE. IF THERE ARE ANY QUESTIONS PLEASE CALL ME.		

Holcombe, Marilyn M

From: Holcombe, Marilyn M
Sent: Thursday, September 20, 2007 2:28 PM
To: 'Bert Nilsson'
Cc: Terry, William R; Holcombe, Marilyn M
Subject: RE: Your PO #00048067, Velan Ref: P012-512770-K (cat-id CKV111B)

Bert
I will have to submit this to our Procurement Engineering Group to address the NRC concern.

→ **From:** Bert Nilsson [mailto:bnilsson@velanvalve.com]
Sent: Thursday, September 20, 2007 12:04 PM
To: Holcombe, Marilyn M
Cc: Victor Apostolescu
Subject: Your PO #00048067, Velan Ref: P012-512770-K

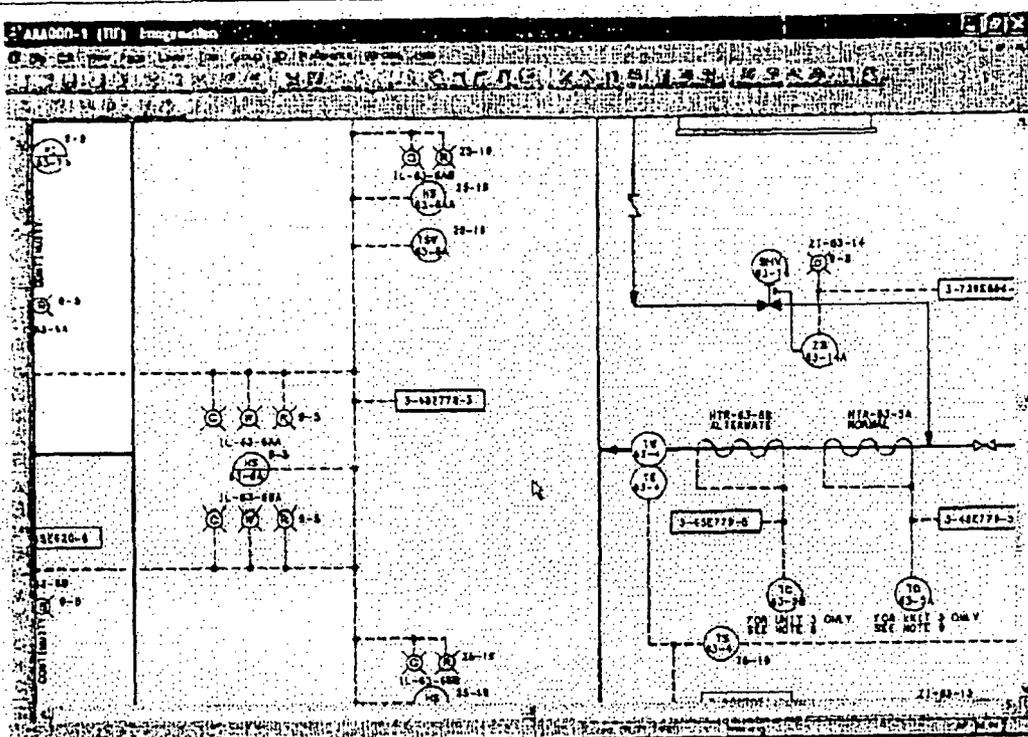
Your Catalog ID: CKV111B
Velan Fig. No.: B00-0054B-13MK
Velan Dwg. No.: P012-512770-K01

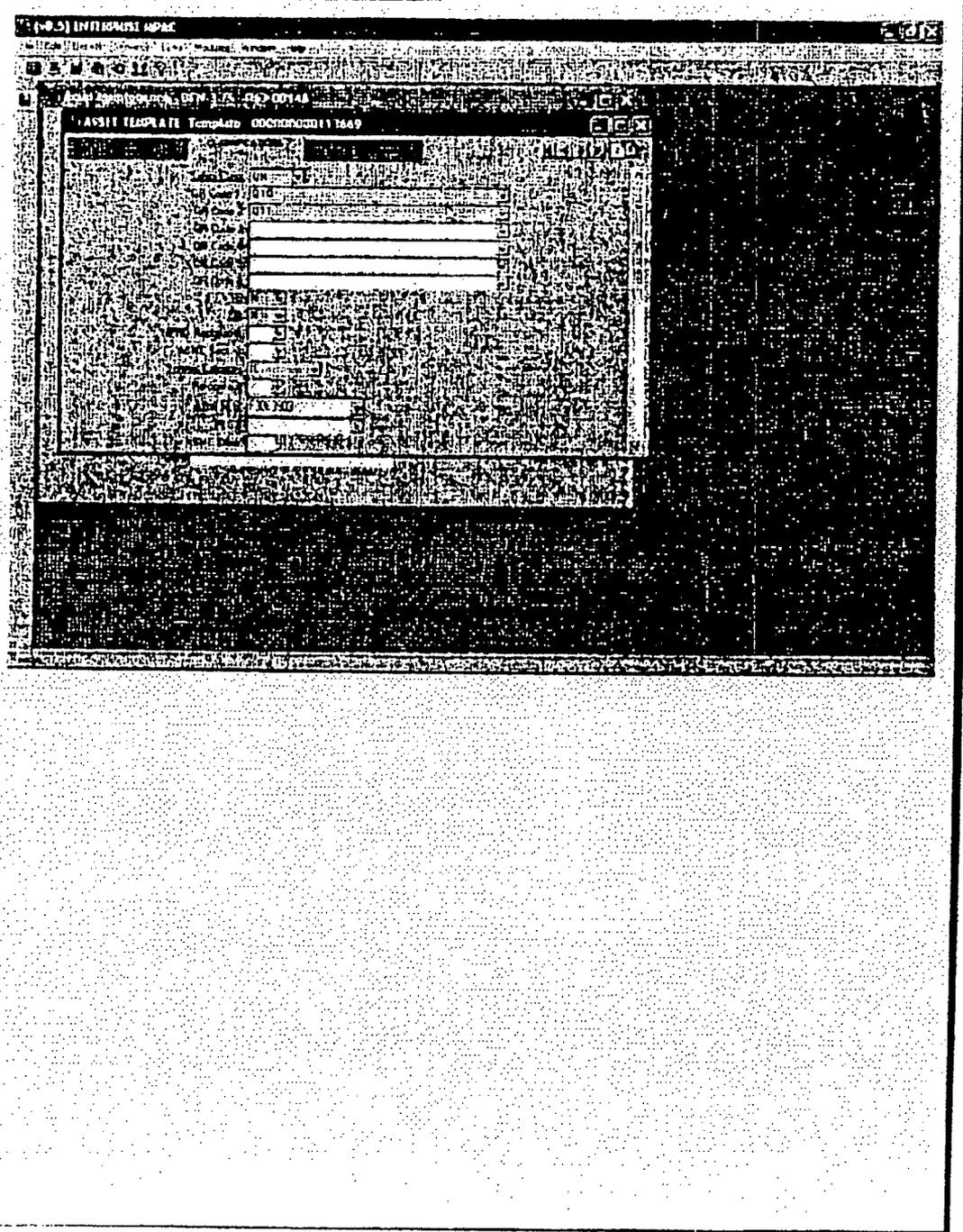
→ The US NRC is currently auditing us and a concern has been raised regarding the applicable requirements for the Limit Switches used in valve covered by the above. Should switches be treated as Safety Related and fall under the requirements of 10CFR21 or are they non-critical with no impact on the safety of the Plant?
At the time when we requested clarification regarding suitable Limit Switch model we should have also requested this clarification, which we omitted. Switches provided are of a Non-Qualified and commercial type (just like for the original valve).
Drawing submitted for your review and acceptance identified those items in the valve assembly that we have determined to be critical to the operation of the valve. Since Limit Switch is not part of the valve itself (it is an accessory) we treated this item as a commercial component. TVA made no comments either when drawing was reviewed.

This has just come up and if possible I'd like to be able to provide the NRC team with a response this afternoon. I know this is short notice but is there any possibility you can retrieve this information for me?

Await hearing from you.
Bert Nilsson

09/20/2007





FORM 6 - PROCUREMENT DATA SHEET
QA RECORDPEG PKG NO. CKV111B
PAGE 1 OF 11

RJMS/EDMS NO:	R27 050608 356	REV NO:	0
SUPERSEDED RJMS NO:	N/A	QA LEVEL:	1
TECHNICAL EVALUATION PKG NO:	00292726-BFNMI	PDS EXPIRATION DATE:	N/A
TECHNICAL EVALUATION RJMS NO:	R27 050608 356	SOLE SOURCE: <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	
TIC NO:	CKV111B	COMMODITY CODE:	N/A
MAILING LIST:	4830QA	QA PROGRAM IMPOSED:	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
PROPOSED SUPPLIER:	VELAM 000099536		
ITEM INTENDED END USE:	BFN-3-SHV -063-0014		
ITEM DESCRIPTION:	VALVE, GATE, Q LEVEL, QA 1, ASME SEC III: CLASS 2, SIZE: 2-1/2 IN., BODY MATERIAL: SS, END STYLE: BUTTWELD, PRESSURE RATING: 150 PSI, BODY MATERIAL SPEC: ASME SA182 GR F316, VALVE PATTERN: T, STEM: VERTICAL, OPERATOR TYPE: HANDWHEEL, BONNET TYPE: BOLTED, FABRICATION: FORGED WITH LIMIT SWITCHES		
MANUFACTURER/VENDOR:	UNSPECIFIED	PART NO:	B09-0054B-13MK
EXTERNAL NOTES & ATTACHMENTS:			
<p>1. TVA SPECIFICATION FOR SEISMIC CRITERIA, BFN-50-7105 ATTACHMENT C, APPENDIX II, LATEST REVISION.</p> <p>2. Reproduces received that do not meet the quality requirements herein will be returned to the Contractor with a request for resubmittal. The time required by the Contractor to submit or resubmit and by TVA to approve the drawings and documents is included in the time of performance promised by the bidder. Electronic submittal is preferred in place of or with septa reproducible if available with the electronic version in AutoCAD format.</p> <p>VALVE DATA SHEET, TVA SPECIFICATION FOR SEISMIC CRITERIA, BFN-50-7105 ATTACHMENT C, APPENDIX II, LATEST REVISION.</p> <p>T2050-Except Prior Executi T2054-Nonconform TVA Appr T2055-10CFR21 Reporting T2056-Rights of Access T2058-Exception TVA Review T3050-Codes/Sid/ Ext Note T5050-Traceable to Cert T6056-ANSI Level C</p>			
QA PROGRAM & VENDOR SUBMITTALS/DOCUMENTATION:			
<p>T1059-QA1 ASME NCA 4000 T1069-T&Q on Subcontractor F1072-Dedicated by Supplier T4050-Doc/Test Rpt w Ship T4054-Submittal Requirement T4059-Documentation signed T4062-2 Copies Vend Manual T4063-Seismic Test Rpt T4153-COC Applicable Spec T4168-CMTR Preas Boundary</p>			
INTERNAL NOTES & ATTACHMENTS:			
N1055-Sole Source ASL			

FORM 6 - PROCUREMENT DATA SHEET
QA RECORD

PEG PKG NO. CKV111B
PAGE 2 OF 11

N1073-Tag "Safety-Related" N1092-TVA Level C Storage ADDITIONAL INFORMATION: N/A	
PREPARED BY: PEG ENGINEER: GARNER, FRANKIE	DATE: 06-08-05 07:53
REVIEWED BY: INDEPENDENT REVIEWER: BRADLEY, DONALD	DATE: 06-08-05 08:45
APPROVED BY: PROCUREMENT ENGINEERING MANAGER: TERRY, WILLIAM H	DATE: 06-08-05 15:21

DISTRIBUTION:

<input checked="" type="checkbox"/> RMS/EDMS	<input type="checkbox"/> NUCLEAR PROCUREMENT
<input type="checkbox"/> MATERIAL & PROCUREMENT	<input type="checkbox"/> NUCLEAR STORES
<input type="checkbox"/> N/A	

ITEM	DESCRIPTION	QTY	UNIT
154	1/2" DIA. x 3 3/4" L	170	
155	1/2" DIA. x 6" L	22	
174	1/2" DIA. x 1 1/2" L	145	
175	1/2" DIA. x 2 1/2" L	20	

VELAN

STD WARE PLATE

CERTIFIED BY VELAN INC.

API CLASS
NUCLEAR CLASS
SERIAL NO.

NUCLEAR WARE PLATE

ITEM	DESCRIPTION	QTY	UNIT
154	1/2" DIA. x 3 3/4" L	170	
155	1/2" DIA. x 6" L	22	
174	1/2" DIA. x 1 1/2" L	145	
175	1/2" DIA. x 2 1/2" L	20	

ITEM	DESCRIPTION	QTY	UNIT	MATERIAL	WELD SPEC	REMARKS
154	1/2" DIA. x 3 3/4" L	170		SA 193		
155	1/2" DIA. x 6" L	22		SA 193		
174	1/2" DIA. x 1 1/2" L	145		ASTM A270		
175	1/2" DIA. x 2 1/2" L	20		ASTM A270		

1. VALVE OPERATED IN ACCORDANCE WITH ASME SECTION VIII, DIVISION 1, APPENDIX 2, CUSTOMER SPEC. N-2104, REV. 1.

2. DIMENSIONS GIVEN IN PARENTHESIS () ARE METRIC UNITS.

3. VALVE WEIGHT: 100 LBS. (45 KG).

4. COEFFICIENT OF FRICTION (Cv): 200 (REV. 221)

DETAIL OF BOLTED BONNET GATE VALVE
2.50" SCH 180

NO.	REVISION	DATE	BY	CHKD	APP'D
1	AS SHOWN				

DATE OF ORDER: 08/11/55
DATE OF DELIVERY: 08/11/55

PROJECT: FIRST EMERGENCY CORRECTION 7824227

THE CLEVELAND ELECTRIC ILLUMINATING COMPANY
DAY'S BECKE NUCLEAR POWER STATION

VELAN

2.50" (DN65)
BOLTED BONNET GATE VALVE (FORGED)

ORIGIN: CAL 00-02-08
APPROV: JPB 00-02-09
REV: 00-02-10
CAGE NO: P012-309690-NO.1
SHEET 1 OF 1
REV. 8 04/28/55

INFO ONLY

6/10/55

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