



February 6, 2009

Attn: Document Control Desk
Director, Spent Fuel Project Office
Office of Nuclear Material Safety and Safeguards
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

71-9263

cc: David W. Pstrak, Chief
Rules, Inspections and Operations Branch
Division of Spent Storage and Transportation
Office of Nuclear Material Safety and Safeguards
Washington, DC 20555

Subject: Reply to a Notice of Violation

Dear Sirs,

This letter is in response to a Notice of Violation dated January 9, 2009.

- A. 10 CFR 71.115, "Control of purchased material, equipment and services," states, in part, "The certificate holder shall establish measures to assure that purchased material conform to the procurement documents. These measures must include provisions, as appropriate, for source evaluation and selection, objective evidence of quality furnished by the contractor, inspection at the contractor, and examination of product upon delivery."

Contrary to the above, the NRC identified that SPEC did not use an appropriate method to qualify a contractor that supplied Important-to-Safety Quality Category "A" depleted uranium shields.

SPEC disagrees with this violation. The regulations do not require an on-site audit of Important to Safety vendors. SPEC has adequate measures to ensure compliance with purchase requirements, and we have relied upon these measures for the past 14 years. The acceptance of every individual depleted uranium shield must be based upon a radiation survey to determine whether the final transport package will meet the Certificate of Compliance and other regulatory requirements. The vendor is not licensed to perform, nor can they have surveys performed, at their facility. Performing an on-site audit would not enhance our ability to ensure that the product meets the procurement documents.

- B. 10 CFR 71.119, "Control of special processes," states, in part, "The certificate holder shall

Add: David Pstrak
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establish measures to assure that special processes, including welding and nondestructive testing are controlled and accomplished by qualified personnel using qualified procedures in accordance with applicable codes and standards.”

- 1) SPEC 150 Certificate of Compliance No.9263, Revision 4, references drawing 15B000, Revision 6. That drawing, under Statements of Fabrication note 2, states that all thermal metal joining of structural joints are performed in accordance with ASME Section IX. However, the SPEC Work Instruction was not in compliance because it did not identify the essential welding variables as required by ASME Section IX.
- 2) SPEC Work Instruction No. PR18 did not incorporate requirements of the ASME Code, Section IX, although the Work Instruction stated it was written to meet that section of the code.

SPEC does not believe that this is a violation for the following reasons. The drawing that is referenced in SPEC's CoC No.9263 does state that all thermal metal joining of structural joints are performed in accordance with ASME Section IX. The reason that is included in the Statements of Fabrication is that our welding process was tested and found to meet the specifications of ASME Section IX. The Procedure Qualification Record number is Q102.

The inspection report states that specifications for tungsten electrodes and cup size are essential variables. However, per the company that certified our welding process, section QWS-256 “Welding Variables Procedure Specifications (WPS) for Gas Tungsten-Arc Welding (GTAW)” of ASME Section IX of the 2007 code states that tungsten electrodes (paragraph 409.12) and orifice, cup or nozzle size (paragraph 410.3) are nonessential variables.

The inspectors also stated that the WPS should be in tabular form as opposed to text like Work Instruction PR18. However section QW-200.1(d) allows “the information required to be in any format, written or tabular, to fit the needs of each manufacturer”.

Corrective and Preventative Action Report #CPAR00014 was initiated during the inspection. Although we do not believe that this is a violation, we do recognize that it is an opportunity for improvement. Therefore we plan to revise SPEC Work Instruction No. PR18 to clarify essential and nonessential variables, and to add the Welding Procedure Specification (WPS) in tabular form to our document control system.

Sincerely,

A handwritten signature in black ink, appearing to read "Kelley Richardt".

Kelley Richardt
Regulatory and Quality Manager