

NRC FORM 591M PART 1  
(10-2010)  
10 CFR 2.201

U.S. NUCLEAR REGULATORY COMMISSION

**SAFETY INSPECTION REPORT AND COMPLIANCE INSPECTION**

<p>1. LICENSEE/LOCATION INSPECTED</p> <p>GE-Hitachi Nuclear Energy Americas, LLC 3901 Castle Hayne Road Wilmington, NC 28401 Inspection Location: GE Vallecitos Energy Center, Sundt, CA, 94586</p>	<p>2. NRC/REGIONAL OFFICE</p> <p>Division of Spent Fuel Storage and Transportation U. S. NRC M/S EBB-3D-02M Washington, DC 20555-0001</p>
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REPORT NUMBER(S) 71-0170/2011-202

<p>2. DOCKET NUMBER(S)</p> <p>QA Docket Number: 71-0170</p>	<p>4. LICENSEE NUMBERS</p> <p>COC Number: 71-9228</p>	<p>5. DATE(S) OF INSPECTION</p> <p>10/18-20/2011</p>
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**LICENSEE:**  
The inspection was an examination of the activities conducted under your license as they relate to radiation safety and to compliance with the Nuclear Regulatory Commission (NRC) rules and regulations and the conditions of your license. The inspection consisted of selective examinations of procedures and representative records, interviews with personnel, and observations by the inspector. The inspection findings are as follows:

1. Based on the inspection findings, no violations were identified.

2. Previous violation(s) closed.

3. The violation(s), specifically described to you by the inspector as non-cited violations, are not being cited because they were self-identified non-repetitive, and corrective action was or is being taken, and the remaining criteria in the NRC Enforcement Policy, NUREG-1600, to exercise discretion, were satisfied.

\_\_\_\_\_ Non-Cited Violation(s) were discussed involving the following requirement(s):

4. During this inspection certain of your activities, as described below and/or attached, were in violation of NRC requirements and are being cited. This is a NOTICE OF VIOLATION which may be subject to posting in accordance with 10 CFR 19.11.

(Violations and Corrective Actions)



**STATEMENT OF CORRECTIVE ACTIONS**

I hereby state that, within 30 days, the actions described by me to the inspector will be taken to correct the violations identified. This statement of corrective actions I made is in accordance with the requirements of 10 CFR 2.201 (corrective steps already taken, corrective steps which will be taken date when full compliance will be achieved). I understand that no further written response to NRC will be required, unless specifically requested.

TITLE	PRINTED NAME	SIGNATURE	DATE
LICENSEE'S REPRESENTATIVE	GARY FRANCIS	<i>[Signature]</i>	10/28/11
NRC INSPECTOR	Jim Pearson	<i>[Signature]</i>	10/25/2011
BRANCH CHIEF	Eric Benner	<i>[Signature]</i>	10/25/11

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### INSPECTOR NOTES COVER SHEET

Licensee/Certificate Holder	GE-Hitachi Nuclear Energy America, LLC 3901 Castle Hayne Road Wilmington, NC 28401
Licensee/Certificate Holder contact/address	Donald Krause Manager, Regulatory Compliance and EHS Vallecitos Nuclear Center 6705 Vallecitos Road Sunol, CA 94586
Docket No.	07100170
Inspection Report No.	2011202
Inspection Dates	October 19, 2011
Inspection Location	Vallecitos Operation, Sunol, CA
Inspectors	Robert Temps Jim Pearson
Summary of Findings and Actions	The purpose of this routine inspection was to assess the adequacy of corrective actions taken by GE Hitachi Nuclear Energy America, LLC (GEH), at the Vallecitos facility, to a Notice of Violation and other issues identified during a January 2011 inspection and as documented in NRC Inspection Report 71-0170/2011-201.
Lead Inspector Signature/Date 10/21/11	Robert Temps for Jim Pearson 
Inspector Notes Approval Branch Chief Signature/Date 10/21/11	Eric Benner 

## **Background**

On January 13, 2011, the NRC inspected GEH's Vallecitos Operations to assess the compliance of the requirements of 10 CFR Parts 71 and 21. A Notice of Violation (NOV) was issued in the corresponding inspection report. The NOV documented two instances in which NRC Part 71 quality assurance requirements were not met. The first instance involved the team's identification that several conditions adverse to quality identified during the previous Part 71 inspection in 2005, and documented in the corresponding inspection report, had not been properly addressed through the corrective actions program at GEH's Vallecitos Nuclear Center (VNC). The second instance involved improper welding controls during maintenance activities on a Model GE-100 packaging.

## **Findings**

The team determined that GEH VNC personnel entered quality issues identified in the January 2011 inspection report and NOV into their corrective action system for tracking and resolution. The team reviewed the following corrective action reports (CARs) that were issued.

CAR 53844: This CAR documented the fact that conditions adverse to quality identified in the 2005 inspection report had not been adequately addressed by VNC. This issue was cited in the NOV. The CAR documented that four additional CARs, 54253 through 54256, were issued to address each of the four specific quality issues from the 2005 inspection that had not been addressed properly. The corrective actions for CAR 53844 and for CARs 54253 through 54256 were reviewed and assessed by the team to be appropriate for the extent of each issue. No concerns were identified.

CAR 53929: This CAR documented concerns with improper welding controls on the Model GE-100 packaging. This issue was cited in the NOV. The CAR corrective actions discussed that the extent of this condition affected a total of three packagings in the GE-100 and 1500 series. The team reviewed documentation that indicated that certain components on all three affected packagings had been reworked using properly controlled weld materials, qualified procedures and qualified welders. VNC's corrective actions were assessed to be complete and no concerns were identified.

CARs 53845 and 53848 were written to address issues identified in the January 2011 inspection report that were not cited in the NOV. CAR 53845 addressed corrective actions regarding closure of findings from an audit in which documentation supporting closure was not included. CAR 53848 addressed corrective actions related to use of a Croft packaging for export purposes wherein VNC did not have the latest issue of a Croft drawing in its possession at the time of export. VNC's corrective actions for these two CARs were assessed to be complete and no concerns were identified.