



**Westinghouse**

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Your ref: Nuclear Regulatory  
Commission Inspection Report  
No. 99901426/2013-201,  
Notice of Violation

Our ref: WZ-PA-13-026

July 22, 2013

**ATTENTION:** Document Control Desk & Director, Office  
Enforcement

**SUBJECT:** REPLY TO A NOTICE OF VIOLATION

To Whom It May Concern:

The following letter is in response to Nuclear Regulatory Commission Inspection Report No. 99901426/2013-201 Notice of Violation dated June 24, 2013 as the result of the inspection performed at the Western Zirconium facility in Ogden, Utah from May 7-8, 2013. During this inspection, a violation of NRC requirements was discovered. The following items in *italics* identify the background and specific violations identified. Under each of the specific violations are the replies requested by the U.S. NRC in a regular font.

**Background:**

*Title 10 of the Code of Federal Regulations (10 CFR) Part 21, Section 21.21(a)(1), "Notification of failure to comply or existence of a defect and its evaluation," states, in part, "Each individual, corporation, partnership, dedicating entity, or other entity subject to the regulations in this part shall adopt appropriate procedures to evaluate deviations and failures to comply to identify defects and failures to comply associated with substantial safety hazards as soon as practicable, and, except as provided in paragraph (a)(2) of this section, in all cases within 60 days of discovery, in order to identify a reportable defect or failure to comply that could create a substantial safety hazard, were it to remain uncorrected." Contrary to the above, as of May 8, 2013, Western Zirconium failed to adopt appropriate procedures to evaluate deviations and failures to comply associated with substantial safety hazards as soon as practicable and, except*

as provided in paragraph (a)(2) of this section, in all cases within 60 days of discovery.  
Specifically:

1. *Westinghouse Policy/Procedure WEC 21.0, "Identification and Reporting of Conditions Adverse to Safety," Revision 4.1, dated October 21, 2008, was not an appropriate procedure to ensure evaluation of deviations and failures to comply associated with substantial safety hazards within 60 days of discovery. As a result, Westinghouse failed to perform timely evaluation for Issue Report Corrective Action Plan (CAP) #08-231-M033. CAP #08-231- M033 was initiated on August 18, 2008, for four lots of Global Nuclear Fuel (GNF) Zr2 bar that failed grain size test and metallography test for atypical grains. Westinghouse Issue Review Committee evaluated CAP #08-231-M033 and concluded that the issue potentially represents a significant defect or noncompliance adverse to safety on August 20, 2008, which first identified the existence of a deviation. Westinghouse completed its evaluation of this deviation in a letter to file (LTR-RCPL-08-220) on December 10, 2008, which was 112 days after the date of discovery.*
  - a) Reason for violation  
LTR-RC-13-36 (attached) from the Manager, Westinghouse Regulatory Compliance is provided to contest item 1 of this NOV.
  - b) Corrective steps that have been taken and the results achieved  
LTR-RC-13-36 (attached) from the Manager, Westinghouse Regulatory Compliance is provided to contest item 1 of this NOV.
  - c) Corrective steps that will be taken  
LTR-RC-13-36 (attached) from the Manager, Westinghouse Regulatory Compliance is provided to contest item 1 of this NOV.
  - d) Date by when full compliance will be achieved  
LTR-RC-13-36 (attached) from the Manager, Westinghouse Regulatory Compliance is provided to contest item 1 of this NOV.
2. *Western Zirconium's Procedure WZ-LINE STOP, "Western Zirconium LINE STOP PROCEDURE," Revision 4, dated July 20, 2012, lacks adequate manager guidance on how to determine when to enter a Line Stop into the CAPS to ensure evaluation of deviations and failures to comply associated with substantial safety hazards within 60 days of discovery. As a result, Western Zirconium failed to generate a CAP and evaluate for Part 21 in accordance with WZP21-CATS, "Western Zirconium Policy for Reporting of Significant Defects and Nonconformances (10 CFR Part 21)," Revision 4, dated October 21, 2012, for Line Stop 8100, "Procedure does not exist and/or does not reflect best practice for the use of the Chevallier grinder, Bryant grinder and machining of dies via the Bridgeport mill," dated April 24, 2013.*

a) Reason for violation

1) **Line Stop Procedure manager guidance:**

It is agreed that the Line Stop procedure lacked adequate manager guidance on how to determine when to enter a Line Stop into CAPs and did not specifically refer to implications of 10CFR Part 21. Western Zirconium management was focused on driving the culture that if anyone felt uncomfortable with anything to do with safety, quality or delivery issues they had the control to call a Line Stop and be involved with the resolution of that Line Stop. The connection to all such events also potentially needing 10CFR Part 21 evaluations was missed.

2) **No CAPs issue for Line Stop 8100:**

WZ-LINE STOP, Revision 4 reviewed during the inspection stated in step 2.5, "All line stops dealing with a safety, quality, equipment, environment, or process defect shall be entered into CAPs at least as a Fix / Trend. Line stops dealing with documentation defects will be left up to the manager's discretion".

The manager believed Line Stop 8100 was for a documentation error and that he was in compliance with the procedure by not creating a CAPs issue. It was not recognized by the manager that he should have also documented the basis for this discretionary action.

b) Corrective steps that have been taken and the results achieved

1) **Line Stop Procedure manager guidance:**

WZ-LINE STOP, "Line Stop Procedure", Rev. 5 has been issued and now requires that all Line Stops be entered into CAPs to eliminate confusion or discretionary decisions (see attached, section 2.5). CAPs issues cannot be processed or closed in the database without a determination whether there is potential 10CFR Part 21 reportability (including results if the answer is "yes").

In addition, from the date of the NRC inspection, the Standard Work for Western Zirconium's daily station meeting includes a Wednesday review of all Line Stops with all plant management (see attached Station Meeting Standardized Work Sheet, item 9). The Station Meeting review identifies the status of Line Stops that are open, discusses closure plans and assures all are entered into CAPs.

2) **No CAP issue for Line Stop 8100:**

Line Stop 8100 has been entered into CAPs and received the 10CFR Part 21 review for potential reportability. It was determined by the Issue Review Committee that the issue did not require an evaluation (see issue 13-177-M008 attached).

c) Corrective steps that will be taken

- 1) **Line Stop Procedure manager guidance:**  
Item corrected per b) 1) above. No further corrective steps needed.
  - 2) **No CAP issue for Line Stop 8100:**  
Item corrected per b) 2) above. No further corrective steps needed.
- d) Date by when full compliance will be achieved
- 1) **Line Stop Procedure manager guidance:**  
Full compliance has now been achieved per item b) 1) above.
  - 2) **No CAP issue for Line Stop 8100:**  
Full compliance has now been achieved per item b) 2) above.

If there are any questions concerning these responses, please let me know.

Very Best Regards,



Cynthia L. Padilla  
Corrective Action Manager  
Westinghouse Electric Company  
Western Zirconium Plant

/clp

Enclosures

LTR-RC-13-36  
WZ-LINE STOP, Rev. 5  
Station Meeting Standardized Work Sheet  
13-177-M008

cc: Armstrong, Aaron – U.S. NRC  
Bachman, Paul – Westinghouse Western Zirconium  
Brichacek, Nicole – Westinghouse Cranberry  
Galer, Glenn – Westinghouse Western Zirconium  
Gresham, James – Westinghouse Cranberry  
Hardy, Denny – Westinghouse Western Zirconium  
White, Kim R. – Westinghouse Western Zirconium