

September 9, 2016

Anne Sullivan, Global Quality Manager
GE Oil & Gas
8011 Shreveport Highway
Pineville, LA 71360

SUBJECT: GE OIL & GAS' RESPONSE TO THE U.S. NUCLEAR REGULATORY
COMMISSION INSPECTION REPORT NO. 99901468/2016-201, AND NOTICE
OF NONCONFORMANCE

Dear Ms. Sullivan:

Thank you for your August 15, 2016, letter in response to the Notice of Nonconformance (NON) that was discussed in the subject U.S. Nuclear Regulatory Commission (NRC) inspection report.

We have reviewed your letter and found that it is not fully responsive in addressing NON 99901468/2016-201-01. Your response to NON 99901468/2016-201-01 discussed several completed and planned corrective actions, but does not address the apparent GE Oil & Gas failures to:

1. Verify the tensile strength property as it related to the spindle material ASTM B637 Type 2 (Inconel) cited as specific example in the NON.
2. Justify the lack of verification of the tensile strength property as it related to other non-stainless steel products previously manufactured and shipped.

Please describe the actions GE Oil & Gas has taken to verify the tensile strength property for the ASTM B637 Type 2 spindles, the actions GE Oil & Gas plans to take to verify the tensile strength properties for future orders, and the justification for previously manufactured and shipped safety-related components made from ASTM B637 or other non-stainless steels.

Please provide a written explanation or statement within 30 days of this letter in accordance with the instructions specified in the subject inspection report NON. The agency will consider extending the response time if you show good cause for us to do so.

In accordance with 10 CFR 2.390 "Public Inspections, Exemptions, Requests for Withholding," of the NRC's "Rules of Practice," a copy of this letter, its enclosure(s), and your response will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's Agencywide Documents Access and Management System, accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, your response should not include any personal privacy, proprietary, or safeguards information so that it can be made available to the Public without redaction. If personal privacy or proprietary information is necessary to provide an acceptable response, then please provide a bracketed copy of your response that identifies the information that should be protected and a redacted copy of your

response that deletes such information. If you request that such material is withheld from public disclosure, you must specifically identify the portions of your response that you seek to have withheld and provide in detail the bases for your claim (e.g., explain why the disclosure of information will create an unwarranted invasion of personal privacy or provide the information required by 10 CFR 2.390(b) to support a request for withholding confidential commercial or financial information). If safeguards information is necessary to provide an acceptable response, please provide the level of protection described in 10 CFR 73.21 "Protection of Safeguards Information: Performance Requirements."

Please contact Ms. Laura Micewski at 301-415-5763, or via electronic mail at Laura.Micewski@nrc.gov, if you have any questions or need assistance regarding this matter.

Sincerely,

/RA/ (JOrtega for)

Richard P. McIntyre, Acting Chief
Quality Assurance Vendor Inspection Branch-2
Division of Construction Inspection
and Operational Programs
Office of New Reactors

Docket No.: 99901468

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