JUN : 5 1979

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Fr. John Barnard, Manager
Product & Quality Assurance
Contration
General Electric Company
175 Curtner Avenue
San Jose, California 95125

Dear Mr. Barnard:

SUBJECT: QUALITY ASSURANCE FOR AUTHORIZED INSPECTION AGENCIES (AIA)

In your letter of April 20, 1979, you raised the question of the applicability of Criteria VII and XVIII of Appendix 8 to 10 CFR 50 by the purchaser to the activities of the ASME Authorized Nuclear Inspector.

We are in general agreement with the position that General Electric has taken on this matter. It is the staff's position that compliance to Criterion VII of Appendix B relative to source evaluation and selection by the purchaser of code inspection services from an Authorized Inspection Agency, which is the organization that provides the Authorized Nuclear Inspectors, should not be required because it would tend to detract from the necestry independence of the AIAs and ANIs from the purchaser of such services. However, we do require compliance to Criterion VII by the purchaser of items and cervices from firms having ASME Certificates of Authorization (Code-Stamp holders).

In addition, compliance to Criterion XVIII of Appendix B relative to auditing by the purchaser of code inspection services from an AIA should also not be required for the same reason indicated above. We are considering the advisability of recommending that the National Board of Boiler and Pressure Vessel Inspectors perform such audits. As noted above, we do require compliance to Criterion XVIII by the purchaser of items and services from firms having ASME Certificates of Authorizations (Code-Stamp holders).

Please accept my apology for this late response to your letter. If you have additional questions on this matter, please feel free to contact Jim Conway of my staff who can be reached on (301) 492-7741.

			Sincerely, Original signed by Walter P. Haass Malter P. Haass, Quality Assuranc	POOR Chief Branch	ORIGINAL
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