UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

AUG 15 1979

FCTC:RHO
71-0264

Automation Industries, Inc.
ATTN: Mr. Michael P. Santoro
P.O. Box 245
Phoenixville, PA 19460

Gentlemen:

This refers to a) your application dated July 9, 1979 requesting approval of your quality assurance program as meeting the quality assurance program requirements of 10 CFR §71.51 and b) our letter of May 30, 1979 with its enclosed Acceptance Criteria.

We believe you have done a creditable job of responding to our May 30 letter. However, there are still several items (see the enclosure) where we require additional information or commitments. We have carefully reviewed the enclosure and believe that each item is applicable to a firm such as Automation Industries, Inc. If there are items in the enclosure that you believe should not be required of Automation Industries, Inc., these should be discussed in the cover letter to your next submittal so that we can assess your position.

Please submit 7 copies of the revised quality assurance program description (omitting the pages from the Federal Register but including the response to the enclosure) within 30 days following receipt of this letter. If you have any questions regarding this request, please contact Jack Spraul on (301) 492-7741.

Sincerely,

Charles E. MacDonald, Chief
Transportation Certification Branch
Division of Fuel Cycle and Material
Safety, NMSS

Enclosure:
Request for Additional Information

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AUTOMATION INDUSTRIES, INC. (71-02)

Request for Additional Information

II. Quality Assurance Program

1. Provide a statement that quality-related activities are performed with specified equipment under suitable environmental conditions, and prerequisites have been satisfied prior to inspection and test.

III. Design Control

1. Provide a statement that measures are established to carry out design activities in a planned, controlled, and orderly manner.

2. In the area of design verification, our requirements can be satisfied by a commitment that the designs originated by the General Manager will be reviewed by the Production Manager and that his review will assure that (1) design characteristics can be controlled, inspected and tested and (2) inspection and test criteria are identified. Also, provide a statement that the design verification authority and responsibility of the Production Manager are identified in writing.

3. Provide a statement that designsare verified by design review, alternate calculation, qualification testing, or some other appropriate means.

V. Instructions, Procedures, and Drawings

1. Provide a statement that inspection plans; test, calibration, and special process procedures; drawings and specifications; and changes thereto are independently reviewed before release.

VI. Document Control

1. Provide a statement that documents are available at the location where the activity will be performed prior to commencing the work.

VII. Control of Purchased Materials, Parts, and Components

1. Provide a statement that the results of supplier evaluations are documented and filed.

2. Provide a statement that inspection records or certificates of conformance attesting to the acceptability of material and components are available prior to installation or use.

VIII. Identification and Control of Materials, Parts, and Components

1. Provide a statement that the location and the method of identification do not affect the fit, function, or quality of the item being identified.

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X. Inspection

1. Provide a statement that provisions are established that identify mandatory inspection hold points for witness by an inspector.

XII. Control of Measuring and Test Equipment

1. Provide a statement that measures are taken and documented to determine the validity of previous inspections performed when measuring and test equipment is found to be out of calibration.

XIII. Handling, Storage, and Shipping

1. Provide a statement that all conditions (operations, tests, inspections, specifications, etc.) of the NRC package approval and the U.S. Department of Transportation shipping requirements are satisfied prior to shipment.

2. Provide a statement that departure, arrival time and destination of a package will be established and monitored to a degree consistent with the safe transportation of the package.

XIV. Inspection, Test, and Operating Status

1. Provide a statement that bypassing of required inspections, tests, and other critical operations is procedurally controlled.

XV. Nonconforming Material, Parts, or Components

1. Provide a statement that documentation identifies each nonconforming item; describes the nonconformance, the disposition of the nonconformance, and the inspection requirements; and includes signature approval of the disposition.

XVI. Corrective Action

1. Provide a statement that follow-up reviews are conducted to verify proper implementation of corrective actions and to close out the corrective action documentation.

XVII. Quality Assurance Records

1. Provide a statement that records are identified and retrievable.

2. Provide a statement that a list of the required records will be maintained.

3. Provide a statement that design related records (e.g., drawings, calculations, etc.) are maintained for the life of the shipping package and all other records are maintained for a minimum of two years.

4. Provide a statement that inspection and test records contain the following where applicable:

   (1) A description of the type of observation.

   (2) Evidence of completing and verifying a manufacturing, inspection, or test operation.

   (3) The date and results of the inspection or test.

   (4) Information related to conditions adverse to quality.

   (5) Inspector or data recorder identification.

   (6) Evidence as to the acceptability of the results.

XVIII. Audits

1. The commitment in 18.2 needs expansion. Provide a statement that the objective evaluations will be performed in accordance with preestablished written procedures or check lists and that the entire quality assurance program is objectively evaluated at least annually.

2. Provide a statement that deficient areas uncovered by an objective evaluation are reevaluated on a timely basis to verify that corrective actions have been taken to minimize recurrence.