U. S. NUCLEAR REGULATORY COMMISSION
OFFICE OF INSPECTION AND ENFORCEMENT
REGION IV

Report No. 99900386/79-01 Program No. 51400

Company: Magnetics
Industrial Control Division
P. O. Box 457
Sandy Lake, Pennsylvania 16145

Inspection conducted: November 28-29, 1979

Inspector: D M Hunnicutt for W. E. Foster, Contractor Inspector — 12/14/79 Date
Components Section II
Vendor Inspection Branch

Approved by: D M Hunnicutt — 12/14/79 Date
D. M. Hunnicutt, Chief
Components Section II
Vendor Inspection Branch

Summary:

Inspection on November 28-29, 1979 (99900386/79-01)

Areas Inspected: Implementation of 10 CFR 50, Appendix B, criteria and applicable codes and standards, including quality assurance program review. The inspection involved ten (10) hours on site.

Results: In the area inspected, no unresolved items were identified. The following deviation was identified.

Deviation: Quality Assurance Program - practice was not consistent with Criterion V of Appendix B to 10 CFR 50 and paragraph I.C. of Procedure No. N-001, dated September 15, 1978 (Notice of Deviation).

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DETAILS SECTION

A. Persons Contacted

*R. Augustine, Manager, Quality Assurance
*M. T. Baker, Manager, Manufacturing
*L. N. Martin, Vice President
**L. C. Mc Clelland, Project Engineer

*Attended initial management meeting and exit interview.
**Attended exit interview.

B. Initial Management Meeting

1. Objectives

An initial management meeting was conducted to acquaint the vendor's management with the NRC responsibility to protect the health and safety of the public and to inform them of certain responsibilities imposed on vendors by the "Energy Reorganization Act of 1974" (Public Law 93-438). Those in attendance are denoted in paragraph A.

2. Method of Accomplishment

The preceding objectives were accomplished by:

a. Describing the historical events that indicated the need for the Vendor Inspection Program.

b Explaining the inspection base and how the inspections are conducted.

c. Describing how inspection results are documented and how proprietary items are handled, including the vendor's opportunity to review the report for the purpose of identifying items considered to be proprietary.

d. Describing the vendor's responsibility in responding to identified enforcement items relating to:

(1) Correction of the identified deviation.

(2) Action to be implemented to prevent recurrence.

(3) The dates when (1) and (2) above will be implemented or completed.

e. Explaining that all reports and communications are placed in the Public Document Room.

f. Explaining the publication and function of the Licensee Contractor and Vendor Inspection Status Report, NUREG-0040.

3. Findings

There were no active contracts for safety-related equipment. Contracts on which work had been accomplished had been transferred from the California facility due to plant closure.

Management representatives stated that the QA Manual would undergo revision prior to award of a contract for safety-related equipment.

C. Quality Assurance Program

1. Objectives

The objectives of this area of the inspection were to verify that the program had been documented, controls had been established and the program had been implemented.

2. Methods of Accomplishment

The preceding objectives were accomplished by:

a. Review of the following documents to verify the program had been documented by written policies, procedures, or instructions:

(1) Quality Control Manual, Revision F, dated May 9, 1977; Sections 6.0, 7.0, 8.0, 9.0, 15.0, and 17.0, and

(2) Procedure No. N-001, Revision 0, dated September 15, 1978.

b. Review of the following activities to verify the program had been implemented: procurement document control; control of purchased material, equipment, and services; corrective action; control of measuring and test equipment; quality assurance records; and audits.

3. Findings

a. Deviation From Commitment

See Notice of Deviation.

b. Unresolved Item

None.

D. Exit Interview

1. The inspector met with management representatives denoted in paragraph A. at the conclusion of the inspection on November 29, 1979.

2. The following subjects were discussed:

a. Areas inspected.

b. Deviation identified.

c. Contractor response to the report.

The contractor was informed that the written statement provided to the inspector during the course of inspection was adequate and a further response was unnecessary.

3. Management representatives acknowledged the comments made by the inspector.