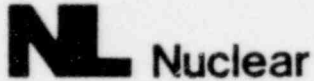


Dennis G. Maxwell
Manager



March 26, 1980

U.S. Nuclear Regulatory Commission
Region IV
611 Ryan Plaza, Suite 1000
Arlington, TX 76011

Attention: Mr. Uldis Potapous, Chief
Vendor Inspection Branch

Subject: Docket No. 99900090/80-01

Gentlemen:

The subject inspection report has been reviewed and the following action has been or will be taken to correct each of the deviations cited:

A. Quality Assurance Records

- (1) All certified material test reports and receiving reports for the uranium used in the manufacture of NLI 1/2 Casks (Units 1 through 5) have been located and copies are attached. The film for welds 17 and 18 (not 18 and 19) on 5460 and welds 4, 14 and 15 on 461 have been re-read and new reader sheets filled out (copies attached). With regard to weld no. 2 on 461, as discussed during the audit, the film and weld control report for weld no. 2 on Unit 460 is also for weld no. 2 on 461 which is the long seam of a 1 3/4" thick rolled cylinder which makes up part of the outer shell. A cylinder was made of a length sufficient to make cylinders for both 460 and 461. Therefore, the long seam weld (W-2) was welded and radiographed as one piece. Copies of weld control report and reader sheet attached. The reader sheet for W-14 on 462-4 has been found, however, the film has still not been located. NL will continue to search for this film. The shop travelers in fact did have signoffs showing that this weld had been radiographed and accepted (copies of reader sheet and weld control report attached). Regarding the welding qualification Q-1 form, as per my telecon with Mr. McNeil,

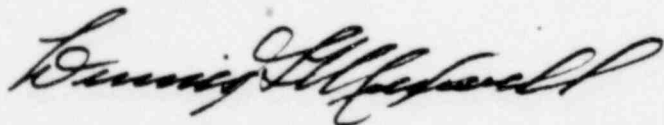
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a re-review of the records disclosed that the welder in question was properly qualified. Misleading terminology on the front of GWP 99 with regard to the processes covered by this procedure lead the auditors to believe that procedure GWP 99 was for gas tungsten arc welding only. However, this procedure is a combination procedure (GTAW and MMAW).

B. NL Safety Analysis Report - Section XII, Paragraph 1.3.1

- (1) As discussed during the audit, although the SAR drawing (70514, Sheet 2 of 2) did show a 1/4" fillet weld, one inch long, two places, this is in direct conflict with Section XI of NLI's Safety Analysis Report. The manufacturing drawing did reflect the SAR requirements which resulted in correct equipment fabrication. NLI submitted a revised drawing (70514F, Sheet 2 of 2, Rev. 8) to the Commission on 2/21/80 which deletes the aforementioned weld and now reflects the SAR requirements. Drawing 70885, Sheet 1 of 4, has been revised to an alternate method of construction which may be used in lieu of the SMCE-4 pressure cap. All associated fabrication drawings have been revised and the equipment will be modified accordingly prior to the next use. This revision was also forwarded to the Commission for approval on 2/21/80.

Sincerely yours,



/ljh

Attachments