

APPENDIX A

NOTICE OF NONCONFORMANCE

During an inspection conducted on July 18-21, 1989, the implementation of the quality assurance (QA) program at the Target Rock Corporation (TRC) facility in East Farmingdale, Long Island, New York was reviewed. The results of the inspection revealed that certain activities were not conducted in accordance with NRC requirements. These items are set forth below and have been classified as a nonconformance with the requirements of Appendix B to 10 CFR Part 50 which were imposed on TRC by various purchase orders.

A. Criterion II, "Quality Assurance Program," of Appendix B to 10 CFR 50, requires, in part, that a quality assurance program which complies with 10 CFR 50, Appendix B, requirements be implemented during the production of safety-related components. The following examples indicate that the TRC QA program has not been implemented in several areas:

1. Criterion XV, "Nonconforming Materials, Parts or Components," of Appendix B to 10 CFR 50 requires you to establish measures to control materials, parts, or components which do not conform to requirements.

Contrary to the above:

- a. A nonconformance report (NCR) was not initiated to document that a TRC Model 88 RR power operated relief valve (PORV) failed to meet the opening and closing times specified in the customer's technical specifications. (89-01-01)
- b. An NCR was not initiated to document that two TRC Model 82-UU-001 PORVs failed to open on demand during hot functional tests at the Watts Bar Unit 1 nuclear power plant. (89-01-02)

2. Criterion XVI, "Corrective Action," of Appendix B to 10 CFR 50 requires the identification of significant conditions adverse to quality, the cause of the condition, and the corrective action taken to be documented and reported to appropriate levels of management.

Contrary to the above, the corrective actions taken to correct conditions adverse to quality, such as items reported as 10 CFR Part 21 reports, were not documented and preserved in an auditable manner. Furthermore, you failed to implement the corrective action outlined in your letter dated October 19, 1983. (89-01-03)

3. Criterion V, "Instructions, Procedures, and Drawings," of Appendix B to 10 CFR 50, requires activities affecting quality to be prescribed by documented instructions, procedures or drawings and to include acceptance/rejection criteria.

Contrary to the above:

- a. A checklist used to document the results of the acceptance tests performed on July 19, 1989, on the PORV intended for Palisades nuclear power plant, did not contain the acceptance criteria specified in the respective purchase specification. (89-01-04)
 - b. Activities related to electrical solder joints were performed on Class 1E wire harnesses without the benefit of a written procedure, resulting in Washington Public Power Supply System (WPPSS) receiving 17 safety-related electrical wire harness replacement kits with defective solder joints. WPPSS reported this matter as a 10 CFR Part 21 item in a letter dated May 19, 1989. (89-01-05)
4. Criterion VI, "Document Control," of Appendix B to 10 CFR 50, requires you to establish measures to control the issuance of documents, such as instructions, procedures, and drawings, including changes thereto, which prescribe all activities affecting quality. These measures shall also assure that documents, including changes, are reviewed for adequacy and approved for release by authorized personnel.

Contrary to the above, General Weld Procedure Specifications (GWPS) and Joint Weld Procedure Specifications (JWPS) were used in production welding without having valid signatures, including dates of approval, to indicate the GWPS and JWPS were reviewed by individuals other than those who prepared them. This item was previously identified as a nonconformance in Inspection Report 99900060/83-02. (89-01-06)