

PART 21 IDENTIFICATION NO. 80-253-000 COMPANY NAME Brown + Root, Inc.

DATE OF LETTER 7/11/80 DOCKET NO. 50-498, 50-499

DATE DISTRIBUTED 7/18/80 ORIGINAL REPORT SUPPLEMENTARY

DISTRIBUTION:

REACTOR (R)

FUEL CYCLE & MATERIALS (M)

SAFEGUARDS (S)

IE FILES
AD/ROI (2)
AD/RCI (2)
REGIONS I,II,III,IV,V
VENDOR BR. R-IV
LOEB / MPA MNB 5715
AEOD MNB 7602
NRR/DOE
NRR/DSI
NRR/DST
NRR/DOL

IE FILES
AD/FFMSI
REGIONS I,II,III,IV,V
VENDOR BR. R-IV
NMSS / FCMS SS-396
LOEB / MPA MNB 5715
AEOD MNB 7602

IE FILES
AD/SG
AD/ROI
REGIONS I,II,III,IV,V
VENDOR BR. R-IV
NRR/DOL
NMSS / SG SS-881
LOEB / MPA MNB 5715
AEOD MNB 7602

CENTRAL FILES 016
CENTRAL FILES (CHRON)
PDR
LPDR
TERA

CENTRAL FILES 016
CENTRAL FILES (CHRON)
PDR
LPDR
TERA

CENTRAL FILES 016
CENTRAL FILES (CHRON)
CENTRAL FILES SS-396
PDR
LPDR
TERA

ACTION:

PRELIMINARY EVALUATION OF THE ATTACHED REPORT INDICATES LEAD RESPONSIBILITY FOR FOLLOWUP AS SHOWN BELOW:

IE NRR NMSS OTHER

RCI
ROI
SG
FFMSI

Brown & Root, Inc. Post Office Box Three, Houston, Texas 77001

A Halliburton Company

William M. Rice
Group Vice President
Power Group

(713) 676-3521



11 July 1980

80-253-000

Mr. Victor Stello, Director
Office of Inspection and Enforcement
U. S. Nuclear Regulatory Commission
Washington, D. C. 20555

Dear Mr. Stello:

Pursuant to the discussion on July 11, 1980 between your Mr. W. A. Crossman (Region IV) and Mr. A. H. Geisler of Brown & Root, Inc., this letter provides written notification of a reportable defect under 10 CFR 21, regarding NPS Industries, Inc. of Secaucus, N. J. (hereafter referred to as "NPS").

NPS is a supplier of ASME Section III and B31.1 pipe supports for the South Texas Project Electric Generating Station (STPEGS). Under STP purchase order no. 35-1197-6017, NPS is performing final design and manufacturing of pipe supports. Some subassembly forgings for the supports have been shipped to the South Texas site. Some of the parts for the ASME Section III supports being provided by NPS are manufactured from ASTM A-668, Class C material with ASME Code Case 1644-8 invoked by NPS. This code case has been accepted by the Nuclear Regulatory Commission in Regulatory Guide 1.85.

Recently NPS submitted to Brown & Root a Supplier Deviation Request (SDR) No. 38. During the course of our review of NPS SDR-38, two (2) NPS internal Non-Conformance Reports (NCR's), H-15-001 and H-15-003, were reviewed. These NCR's describe two occurrences where sub-suppliers provided forgings to NPS which are of an AISI grade of steel not consistent with the provisions of the code case, and therefore, in violation of ASME Section III requirements for supports.

In the first case, NCR H-15-001 documents turnbuckles, weldless eye nuts, and clevises forgings supplied to NPS by Cleveland City Forge Co. These supports' subassembly forgings were furnished as ASTM A-668, Class C material with AISI 1035 Chemistry. Code Case 1644 requires AISI 1020 or 1030 Chemistry be used for ASTM A-668, Class C material. The NCR was dispositioned "use as is"; use of such forgings with improper AISI Chemistry in welding applications would require special precautions to be imposed during welding to maintain the physical properties of the material.

Mr. Victor Stello, Director
U. S. Nuclear Regulatory Commission
11 July 1980
Page Two



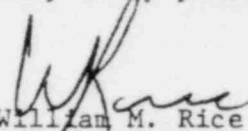
NCR H-15-003 documents sway strut eye rods forgings which were also furnished using improper AISI Chemistry for the ASTM A-668, Class C material. These forgings used AISI 1045 Chemistry instead of AISI 1020 or 1030, required by the Code Case. This NCR was also dispositioned "use as is" on the basis of recertification of the forgings to ASTM A-668, Class F material. As described in the first instance, the material could be deficient in a welded application.

Based on our initial review of this situation, we believe at this time no deficiency exists with the NPS ASME Section III supports for South Texas project, since these supports are in non-welding applications. However, we have initiated a materials evaluation of these supports and will report the results of our evaluation to the NRC.

Relative to the provisions and intent of 10 CFR 21, we believe that the situation with NPS, as described herein, may be of significance in a generic sense. NPS is an industry supplier of ASME Section III pipe supports. Based on our review of the NPS NCR's, an undetermined number of ASME Section III supports may have been supplied to other purchasers who may not be aware of the latent material non-compliances in these basic components when used in welding applications.

Additional questions regarding the matter should be addressed to Mr. A. H. Geisler, (713) 676-8201.

Very truly yours,


William M. Rice
Group Vice President

WMR:AHG:bb

cc: Karl V. Seyfrit, Director
Office of Inspection and Enforcement - Region IV
U. S. Nuclear Regulatory Commission
611 Ryan Plaza Drive, Suite 1000
Arlington, Texas 76102

D. G. Barker, Manager - South Texas Project
Houston Lighting & Power Co.
P. O. Box 1700
Houston, Texas 77001