

**Babcock & Wilcox**

a McDermott company

Nuclear Materials & Manufacturing Division

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Lynchburg, Virginia 24505  
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February 24, 1981

Mr. Uldis Potapovs, Chief  
Vendor Inspection Branch  
Nuclear Regulatory Commission, Region IV  
611 Ryan Plaza Drive, Suite 1000  
Arlington, Texas 76011

Dear Sir:

In response to your letter of February 5, 1981 concerning an audit finding relating to Criterion V of Appendix B to 10 CFR50, we submit the attached reply to the notice of nonconformance enclosed in this letter.

Very truly yours,

THE BABCOCK & WILCOX COMPANY  
NUCLEAR MATERIALS & MANUFACTURING DIVISION

*C J Baroch*

C. J. Baroch  
General Manager

/lj  
attachment

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NONCONFORMANCE:

The Babcock and Wilcox Commercial Nuclear Fuel Plant Quality Assurance Manual, Revision 10, Section 5, Part 1.0, states:

"During manufacturing and inspection the activities and operations affecting the quality of the fuel assemblies and core components are controlled through the use of approved drawings, specifications, instructions, and procedures. The instructions or procedures or drawings shall include appropriate quantitative or qualitative acceptance criteria to determine the satisfactory accomplishment of an activity. In this manner, adequate assurance is established that components are fabricated to design drawings and specifications, and are in compliance with all requirements."

Contrary to the above, procedure Fuel Rod Metallographic Sectioning Standard MK B and MK C, QC-900, Addendum I, Revision 3, does not have the correct acceptance requirements, in terms of area of interest as defined by the specification Pellet Type, Zircaloy Clad Fuel Rod. (See details, paragraph E.3.c.)

CORRECTIVE ACTION:

We have reviewed this nonconformance with NPGD Fuel Engineering, the agency responsible for the design of the Zircaloy Clad Fuel Rod and they have agreed to review their acceptance of the criteria defined in CNFR QC Procedure QC-900, Addendum I, Revision 3. We shall initiate a Design Change Request for submittal to Fuel Engineering to resolve the specific differences between the specification design criteria and the procedure acceptance criteria.

PREVENTATIVE ACTION:

The processing of the Design Change Request will eventually result in specification changes to establish consistency between design and acceptance requirements for the weld quality. In the meantime we have reviewed all of our other approved Metallographic Sectioning Procedures of Zircaloy and stainless steel end cap welds against the appropriate design specification to verify that the condition cited in your report was not generic. We completed this review on 2/23/81 and have established that in all cases the specification and the QC procedure were compatible.

COMPLETION DATE:

The corrective action relating to the Design Change Request and allied documentation changes will be completed by June 15, 1981.