

APPENDIX A

Masoneilan North American Operations
Avon, Massachusetts

NOTICE OF VIOLATION

As a result of the inspection conducted on December 12-16, 1988 at the Masoneilan-Dresser (MD) facility in Avon, Massachusetts and in accordance with Section 206 of the Energy Reorganization Act of 1974 and its implementing regulation 10 CFR Part 21, the following violation was identified and categorized in accordance with the NRC Enforcement Policy (10 CFR Part 2, Appendix C), 52 FR 49370 (December 31, 1987):

Section 21.21, "Notification of failure to comply or existence of a defect" of 10 CFR Part 21 states, in part, that "...Each individual, corporation, partnership or other entity subject to the regulations in this part shall adopt appropriate procedures to: (1) Provide for: (i) Evaluating deviations or (ii) informing the licensee or purchaser of the deviation in order that the licensee or purchaser may cause the deviation to be evaluated...."

Contrary to the above, it was revealed that MD Procedure No. 236-M-174, Revision B, "Compliance with Federal Regulation 10 CFR Part 21" dated May 5, 1987 is not adequate to appropriately implement the requirements of 10 CFR Part 21. As an example, the MD procedure requires individual employees to notify their supervisors of deviations or noncompliances only after the individual employee has determined that a substantial safety hazard exists. The MD procedure also incorrectly defines the 10 CFR Part 21 term, "substantial safety hazard" (88-01-01).

This is a Severity Level V violation (Supplement VII).

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