

Docket No. 99900300/81-01

JUN 26 1981

Colt Industries  
Fairbanks Morse Engine Division  
ATTN: Mr. I. H. Dennen  
President  
701 Lawton Avenue  
Beloit, Wisconsin 53511



Gentlemen:

This refers to the inspection conducted by Mr. W. E. Foster of this office on May 18-21, 1981, of your facility at Beloit, Wisconsin, associated with the manufacture of diesel generators and to the discussions of our findings with Mr. K. A. Robison and members of your staff at the conclusion of the inspection.

This inspection was made as a result of a 10 CFR Part 21 report pertaining to damaged lead insulation. The damage had been observed between the collector rings and field coils of Beloit Power Systems five or six frame generators. These generators had been used in the construction of Fairbanks Morse opposed piston generator sets, Model 38TD8-1/8, which have been furnished to numerous sites and units.

Areas examined and our findings are discussed in the enclosed report. Within these areas, the inspection consisted of an examination of procedures and representative records, interviews with personnel, and observations by the inspector.

During the inspection it was found that the implementation of your QA program failed to meet certain NRC requirements. The specific findings and references to the pertinent requirements are identified in the enclosures to this letter.

The Notice of Violation is sent to you pursuant to the provisions of 10 CFR Part 2.201. You are required to submit to this office within 30 days from the date of this letter, a written statement containing (1) a description of steps that have been or will be taken to correct the items, (2) a description of steps that have been or will be taken to prevent recurrence, and (3) the dates your corrective actions and preventive measures were or will be completed. Consideration may be given to extending your response time for good cause shown.

You are also requested to submit a similar written statement for each item which appears in the enclosed Notice of Nonconformance.

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OFFICE	RIS-WPU	RIS	VIB	IES	DD-RIV
SURNAME	WFoster:bb	IBarnes	UPotapovs	JGagliardo	VTCollins
DATE	6/22/81	6/23/81	6/23/81	6/24/81	6/23/81

In accordance with 10 CFR 2.790 of the Commission's regulations, a copy of this letter and the enclosed inspection report will be placed in the NRC's Public Document Room. If this report contains any information that you believe to be exempt from disclosure under 10 CFR 9.5(a)(4), it is necessary that you (a) notify this office by telephone within 10 days from the date of this letter of your intention to file a request for withholding; and (b) submit within 25 days from the date of this letter a written application to this office to withhold such information. If your receipt of this letter has been delayed such that less than seven days are available for your review, please notify this office promptly so that a new due date may be established. Consistent with Section 2.790(b)(1), any such application must be accompanied by an affidavit executed by the owner of the information which identifies the document or part sought to be withheld, and which contains a full statement of the reasons on the basis which it is claimed that the information should be withheld from public disclosure. This section further requires the statement to address with specificity the considerations listed in 10 CFR 2.790(b)(4). The information sought to be withheld shall be incorporated as far as possible into a separate part of the affidavit. If we do not hear from you in this regard within the specified periods noted above, the report will be placed in the Public Document Room.

Should you have any questions concerning this inspection, we will be pleased to discuss them with you.

Sincerely,

Original signed by  
U. POTAPOVS

Uldis Potapovs, Chief  
Vendor Inspection Branch

Enclosures:

1. Notice of Violation
2. Notice of Nonconformance
3. Inspection Report No. 99900300/81-01

bcc:  
Chief, V&SPB, DR&RRI, HQS (Reinmuth)  
IE Files  
NRR:DPM:QAB  
Reg. Directors, I, II, III, V  
Central Files  
PDR HQS  
JEGagliardo, RIV

OFFICE							
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