

# Babcock & Wilcox

Commercial Nuclear Fuel Plant

P.O. Box 800, Lynchburg, Va. 24505

Telephone: (804) 384-5111

August 25, 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 July 10, 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 DIV.

*C. J. Baroch*

C. J. Baroch  
General Manager

/lj  
attachment

8109220672 810914  
PDR GA999 EMVBW  
99900001 PDR

AUDIT RESPONSE - NRC AUDIT 5/18-22/81

NONCONFORMANCE: The Babcock and Wilcox Commercial Nuclear Fuel Plant Quality Assurance Manual, Revision 10, Section 4, states in part:

"2.1 Upon receipt of a Manufacturing Release or Procurement Authorization (PA) from the NPGD for component fabrication, a bill of materials shall be prepared by Manufacturing Engineering which consolidates such information as part name and number, drawing and specification numbers, process outlines and make/buy data. Manufacturing Engineering shall also prepare a purchased materials list (as required) for those items which are to be procured. Both documents, i.e., the bill of materials and the purchased materials list are reviewed by Data Evaluation for conformance with the applicable contract Procurement Authorizations."

"2.2 Materials Control shall prepare a purchased requisition from the approved purchase materials list for transmittal to the Purchasing Department. The requisition shall denote all of the technical and quality requirements covered in this list along with such schedular information as quantities and delivery dates."

Contrary to the above, a Purchase Material List for project 94C, did not denote the specifications for the Upper End Fittings. A Purchase Requisition for the Lower End Fittings, on project 94C, identified Specifications 08-1215-00 and ER-39, Revision 8, whereas the Purchase Material List denoted specifications 08-1215-01 and ER-39, Revision 10.

ACTION TAKEN: We have reviewed the sequence of events and personnel actions relating to the preparation of applicable procurement documents, i.e., the Purchased Materials List (PML) and the Purchase Requisition (PR) for the items identified in the nonconformance. In the case of the Upper End Fitting, we have determined that originally a clerical error was made in the PML in specifying the incorrect CNFP Engineering Requirement (ER) for NSC-094C. The PML was revised (Revision 9) to define the correct revision for the ER. This revision was quite extensive and contained approximately twenty changes which required the issuance of Change Notices to existing Purchase Requisitions. The failure to prepare a Change Notice covering the ER and specification changes was an oversight on the part of the requisitioner who prepared the PR.

PREVENTATIVE  
ACTION:

The system for review of PML's and PR's has been modified to prevent clerical and oversight errors and to ensure correctness of these documents as follows:

A. Purchased Materials List

Subsequent to when this error was made on the PML, a master list has been initiated and maintained in Manufacturing Engineering for all current contracts with design releases. It contains a separate page for each component in the end item (Fuel Assembly, Control Assembly, etc.), and shows the ER number and revision applied to that part for each contract. When a Purchased Materials List is being prepared, it is compared to this master list for consistency with other contracts having the same design specifications, thus reducing the likelihood for an error of this type recurring.

B. Purchase Requisition

A different method for reviewing Purchased Materials Lists is being utilized in Production and Inventory Control to ensure that all Purchase Requisitions reflect the appropriate Design Documents. In the past, new revisions of the PML were compared to the previous PML revision, and any changes were incorporated into the Purchase Requisition via a Change Notice. Now, when a Purchased Materials List is issued, the Purchase Requisition itself is checked against the PML, so that all items on that requisition are being reviewed and kept current.

The applicable Manufacturing Engineering and Production and Inventory Control procedures relating to Procurement Document Control will be revised to incorporate these corrective measures.

DATE OF  
COMPLETION:

The procedure revisions shall be completed by October 15, 1981.