



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D. C. 20555

CONTAINER SUPPLIER INSPECTION PROGRAM

Inspection Report

ORGANIZATION: Babcock and Wilcox Company
Naval Nuclear Fuel Division
NNFD Research Laboratory
ADDRESS: P.O. Box 11165
Lynchburg, Virginia 24506
CONTACT: Mr. Steve Schilthelm
TITLE: Health and Safety Supervisor
ACTIVITY: Use and maintain radioactive material
packages.

QUALITY ASSURANCE PROGRAM APPROVAL NO.: 0230

INSPECTION REPORT NO.: 710230/90-08

Inspection Location: Lynchburg, VA	Inspection Dates: 8/1/90	Inspection On-site Person-Hrs.: 4
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INSPECTION BASES AND SCOPE:

- A. BASES: 10 CFR Part 71, 10 CFR Part 21, and NRC
Approved Quality Assurance Program 0230.
- B. SCOPE: To determine whether the organization has
established, documented and executed pro-
cedures which fulfill the commitments made
in the organization's NRC-approved quality
assurance program.

FINDINGS:

A nonconformance with the requirements of 19 CFR 71.109 was identified.

NRC INSPECTOR:

Catherine T. Haney
Catherine T. Haney
NMSS

DATE: 1-25-90

REPORT APPROVED BY:

Charles E. MacDonald
Charles E. MacDonald
Chief, Transportation
Branch, NMSS

DATE: 1/25/91

1 SUMMARY

A U. S. Nuclear Regulatory Commission (NRC) inspection team conducted an announced inspection of Babcock and Wilcox Company, Naval Nuclear Fuel Division, NNFD Research Laboratory at Lynchburg, Virginia, on August 1, 1990. Inspection findings are based on data collected through review of implementation procedures and controls, review of selected documents and records, and interviews with personnel. The inspection team concluded that the implementation of the quality assurance (QA) program was satisfactory, in general. However, it identified a nonconformance concerning Procurement Controls (10 CFR 71.109).

The team discussed tentative findings with the organization's management at the exit meeting.

2 DETAILS

The team inspected management activities and maintenance controls at the NNFD Research Laboratory in Lynchburg, Virginia. The objectives of the inspection were to determine how well the Research QA Program complied with commitments made to NRC and to review the implementation of the QA Program.

2.1 Persons Contacted

An introductory briefing was held on July 30, 1990, and another briefing, presenting the preliminary findings of the inspection, was held on August 1, 1990. The following persons were present at the August 1, 1990 meeting.

S. Schilthelm, Health and Safety Supervisor
K. Long, Accountability Specialist
J. Kramer, Quality Assurance Administrator
D. Bennett, Safety and Licensing Manager

2.2 Management Controls

The inspection focused on two primary subjects: the extent to which the Research Laboratory has implemented QA Approval No. 0230, and the independence and proficiency of the QA personnel responsible for implementing the QA commitment. The inspector evaluated program effectiveness by (1) examining QA documents and applicable administrative procedures and (2) interviewing staff members.

Work performed under the NRC-approved QA Program is limited, since most shipments are made in packagings not required to be certified by NRC. Typically, NRC-certified packagings, when needed, are rented or leased for a specific shipment and are then returned empty. The certificates of compliance, with supporting documentation and handling procedures for all packagings, were maintained on file at the Research Laboratory.

2.2.1 Audit Program

The QA staff schedules internal and external audits on a yearly basis. This staff functions independently of the area undergoing the audit. Auditors were qualified in accordance with the Research and Development Division Quality Standards, RDD-1719-03, "Quality Standards: Audit Lead Auditor Qualification," dated April 4, 1989. This procedure is based on the American National Standards Institute (ANSI) standard for qualifying auditors.

Internal audits of QA Program activities had not been performed recently, since there had not been any projects performed under the NRC-approved QA Program. There were plans to perform an audit of the QA implementing procedures during October 1990.

External audits are used as one means of qualifying a supplier/vendor for the Approved Supplier List (ASL). QA Program implementing procedures require the use of checklists for external audits. These checklists reference the 18 criteria established in the QA Program. Audit findings are tracked in the "Supplier Audit Finding Report Log." This Log was established to ensure that all inspection findings were addressed, corrected, and closed.

2.2.2 Procurement

Procurement controls were in place at the Laboratory. Typically, the purchase/requisition order is reviewed by the QA Department, before issuance. One element of the review is to verify that the item or service, if required, is ordered from the ASL.

A nonconformance was identified with regard to 10 CFR 71.109, "Procurement document control," which requires that measures be established to ensure adequate quality in the documents for procurement of materials, equipment, and services, whether purchased directly or through contractors or subcontractors. Requisition No. 003404 was issued to FBF, Inc., to manufacture one Model DOT-6M, Type B packaging (Certificate of Compliance 5908). At the time of the order, FBF, Inc., was not on the Research Laboratory's ASL, nor was it on the ASL maintained by the Babcock and Wilcox Company, Naval Nuclear Fuel Division.

2.3 Maintenance Controls

The inspection team reviewed the maintenance program in place at the Research Laboratory.

Internal Procedure, "Procedure for Use of Type B Shipping Containers," No. LRC-TP-293, Revision 0, dated November 26, 1985, was reviewed and found acceptable. Maintenance/use checklists for the packagings are prepared after reviewing the Certificate of Compliance. The checklists are prepared by the health physics staff and/or the project engineer, and are then approved for use by an independent individual.

3 Documents Reviewed

Procedures

RDD-1719-03, Quality Standards: Audit's Lead Auditor Qualification, dated 4/4/89
RLIP-1719-02, QA Audits (Suppliers), dated 1/26/90
RL-1P-1719-01, QA Audits (Internal), dated 8/4/87
LRC-TP-293, Procedure for Use of Type B Shipping Containers, dated 11/26/85

Miscellaneous

Auditor History File, J. Krammer
Supplier Evaluation Form, Chem-Nuclear Systems, Inc., dated 10/24/89
Audit of Nuclear Assurance Corporation, dated 1/18/90
Designated Inspector Form: S. Schilthelm, 5/1/86
K. Long, 6/9/86

Requisition No. 003404
Approved Supplier List, dated 7/9/90