

PDR-HQS



UNITED STATES
NUCLEAR REGULATORY COMMISSION

REGION IV
611 RYAN PLAZA DRIVE, SUITE 1000
ARLINGTON, TEXAS 76011

30 APR 1981

Docket No. 99900107/81-01



Graver Energy Systems, Inc.
Attn: Mr. James Halfman
Manager of Quality Assurance
4809 Tod Avenue
East Chicago, Indiana 46312

Gentlemen:

This refers to the QA Program inspection conducted by Mr. Ross L. Brown of this office on April 6-9, 1981, of your facility at East Chicago, Indiana, associated with the manufacture of containment liners, and to the discussion of our findings with Mr. G. D. Westcot and members of his staff at the conclusion of the inspection.

This inspection was made to confirm that, in the areas inspected your QA program is being effectively implemented. The inspection effort is not designed to assure that unique quality requirements imposed by a customer are being achieved; nor to assure that a specific product, component, or service provided by you to your customers is of acceptable quality. As you know, the NRC requires each of its licensees to assume full responsibility for the quality of specific products, components, or services procured from others. You should, therefore, not conclude that the NRC's inspection exempts you from inspections by an NRC licensee or his agents, nor from taking effective corrective action in response to their findings.

Areas examined during the inspection 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.

Within the scope of this inspection, we found no instance where you failed to meet NRC requirements.

In accordance with Section 2.790 of the Commission's "Rules of Practice," Part 2, Title 10, Code of Federal Regulations, a copy of this letter together with the enclosed inspection report will be placed in the Commission's Public Document Room. If this report contains any information that you believe to be proprietary, it is necessary that you make a written application to this office within 25 days of the date of this letter to withhold such information from public disclosure. The application must include a full statement of the reasons why it is claimed that the information is proprietary. The application should be prepared so that any proprietary information identified is contained in an enclosure to the application, since the application without the enclosure will also be placed in the Public Document Room. If we do not hear from you in this regard within the specified period, the report will be placed in the Public Document Room.

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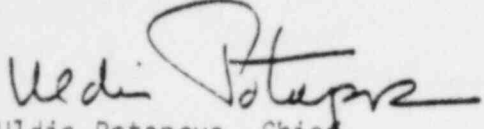
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Graver Energy Systems, Inc.

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

Sincerely,


Uldis Potapovs, Chief
Vendor Inspection Branch

Enclosure:
Inspection Report No. 99900107/81-01

U.S. NUCLEAR REGULATORY COMMISSION
OFFICE OF INSPECTION AND ENFORCEMENT
REGION IV

Report No. 99900107/81-01

Program No. 51300

Company: Graver Energy Systems, Inc.
4809 Tod Avenue
East Chicago, Indiana 46312

Inspection Conducted: April 6-9, 1981

Inspector: *Ross L. Brown* 4/27/81
Date
Ross L. Brown, Contractor Inspector
Components Section
Vendor Inspection Branch

Approved by: *D. E. Whitesell* 04/27/81
Date
D. E. Whitesell, Chief
Components Section
Vendor Inspection Branch

Summary

Inspection Conducted on April 6-9, 1981 (99900107/81-01)

Areas Inspected: Management meeting and implementation of 10 CFR 50, Appendix B including training and manufacturing process control. The inspection involved 21 inspector hours on-site by one NRC inspector.

Results: In the areas inspected, no nonconformances or unresolved items were identified.

DETAILS SECTIONA. Persons Contacted

- *J. Halfman, Manager of Quality Assurance
- *W. Wayles, Manager of QA Engineering

*Attended exit meeting.

B. General Vendor Activities

The Graver management stated that the nuclear contracts at the East Chicago, Indiana facility are scheduled for completion in September 1981.

An ASME resurvey of the East Chicago, Indiana facility is scheduled for July 1981. The present certificates of authorization expire in September and October 1981.

C. Training1. Objectives

The objectives of this area of the inspection were:

- a. To ascertain that procedures have been prepared and approved which prescribe a system for personnel training that is consistent with the commitments of the QA Program and NRC regulations.
- b. To determine that the procedures for training activities are being properly and effectively implemented.

2. Methods of Accomplishment

The preceding objectives were accomplished by a review of the following documents, discussion with cognizant personnel and observations by the inspector:

- a. Graver - Nuclear Quality Assurance Program, Third Edition, Approved on April 1, 1981, (NQAP), Section II-B "Indoctrination and Training", to determine if the vendor has a system for the indoctrination and training of personnel who are responsible for the implementation of the QA program.
- b. NQAP, Section X-C "Certification of Inspection Personnel", to verify that Graver does have a certification program.
- c. NQAP-Section XVIII-B, "Qualification of Auditors", to verify that the program requires audits to be performed by appropriately trained personnel.

- d. Quality Assurance Instruction Manual (QAIM) QAI, No. 12. Qualifications and Certification of Nondestructive Examination Personnel (written practice), to verify that a procedure has been developed for the control and administration of NDE personnel qualifications and certifications.
 - e. QAIM-QAI-No. 15 "Indoctrination and Training Program", to determine that a procedure has been established to assure that suitable proficiency has been achieved and maintained.
 - f. QAIM-QAI No. 21 "Qualification and Certification of Inspection Personnel", to verify that a procedure has been established for the control and administration of inspection personnel (except NDE).
 - g. Indoctrination and Training Records of shop personnel from March 1980 to March 1981, to verify that the program requirements have been achieved.
 - h. QA/QC Training and Indoctrination Records (other than NDE).
 - i. Certification file for ten auditors.
 - j. Certification file for two Level III and three Level II Non-Destructive Examiners (NDE).
3. Findings
- a. No nonconformances or unresolved items were identified in this area of the inspection.
 - b. The inspector verified the following:
 - (1) The NQAP sections establish a system for the indoctrination, training, qualification, and certification of personnel who perform quality related activities.
 - (2) QAI-No. 12 provides for the control and administration of NDE personnel and includes the requirements of SNT-TC-1A, 1975 Edition, and the ASME Code.
 - (3) QAI No. 15 establishes the requirements and responsibilities for the indoctrination and training of all persons performing quality related functions.
 - (4) QAI No. 21 establishes a system for the control and administration of inspection personnel qualifications and certifications (except NDE). The system includes the requirements of ANSI N45.2.6, 1973.

- (5) The indoctrination and training session records include as a minimum, the topic(s) of discussion, date, session duration, attendees and instructor.
- (6) The certification files include as a minimum: educational qualifications, experience, training, examination and results, eye examination and duration of certification.

D. Manufacturing Process Control

1. Objective

The objective of this area of the inspection was to verify that the vendor's manufacturing process is controlled in accordance with applicable regulatory, code and contract requirements.

2. Methods of Accomplishment

The preceding objective was accomplished by a review of the following documents, observations by the inspector and discussion with cognizant personnel:

- a. NQAP - Section XIV-A "Production Control System", to determine the type of system used to document the quality status of the items.
- b. One Work Order Shop Traveler, two Unit Assembly Shop Travelers and three Repair Shop Travelers, to verify conformance with the specified requirements.
- c. Nonconformance Report (NCR) No. 240, Revision 2, and Engineering & Design Coordination Report (E-DCR) 1736, to determine the action taken relative to the condition described in the Repair Shop Travelers.

3. Findings

- a. No nonconformances or unresolved items were identified in this area of the inspection.
- b. The inspector verified the following information:
 - (1) The NQAP section establishes the system (travelers) necessary to assure adequate identification of examination, inspection and testing status.
 - (2) The travelers are used to document the sequential operation of fabrication activities and serve to document the quality status of the items.

- (3) The repair travelers list the sequential operations of the necessary repairs and inspections. These repairs were to correct the deficiencies identified in the Nonconformance Report No. 240, Revision 2.

The nonconformity was reported as local areas in the 1½ inch Dome Plate Segments that were less than the 1.490 inch minimum thickness.

The design calculations indicate that a thickness of 1.450 inches would be acceptable for these plates, therefore the Material Review Board recommended to use the plates "as is."

Graver reported the deviation to their customer on E&DCR-P1736. The customer accepted the recommended disposition of "use-as-is."

Graver management stated that the nonconformity was not reported to other Graver customers, because it was their evaluation that this condition was the result of atmospheric corrosion caused by long term storage (approx. 5 years). Since this was the only contract plate subjected to a long term storage, they determined that this condition did not exist on plates for other contracts.

E. Exit Interview

The inspector conducted an exit meeting with the Graver Energy Systems management representatives at the conclusion of the inspection. In addition to the person indicated by an asterisk in paragraph A, Mr. G. D. Westcot, President was in attendance.

The inspector discussed the scope of the inspection and the details of the findings during the inspection.

The Graver management comments were generally for clarification only.