FEB 18 1982

Docket No. 99900531/81-01

Nuclear Power Services, Inc.
ATTN: Mr. A. J. Moellenbeck
President
One Harmon Plaza
Secaucus, New Jersey 07094

Gentlemen:

This refers to the inspection conducted by Messrs. D. F. Fox, L. E. Ellershaw, and J. I. Tapia of this office on November 17-20, 1981, of your facility at Secaucus, New Jersey, associated with the design of component supports and to the discussions of our findings with you and members of your staff at the conclusion of the inspection.

This inspection was made in concert with an inspection of NPS Industries, Inc., as a result of concerns expressed to the NRC pertaining to possible errors and deficiencies in the design of component supports which could result in the failure of supports being provided to Texas Electric Generating Company's Comanche Peak Steam Electric Station, Units 1 and 2.

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.

IE:09
IE 51/1

RSS	RIS	EMS	RSS	VIB	AIES	RA-RIV
DFox/bb	LEllershaw	JTapia	CHale	UPotapovs	KVSeyfrit	JTCollins
2/18/82	2/16/82	2/16/82	2/10/82	2/16/82	2/18/82	

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

The responses directed by this letter are not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, PL 96-511.

You will note that the items identified in the Notice of Nonconformance (Appendix B to this letter) and report section D.2, relate to what we view as serious weaknesses in your personnel qualification, design control, and quality assurance programs in that errors and deficiencies in safety-related designs are being made and are not detected by your current design verification QA audit practices. Consequently, in addition to the information request above, please describe the actions that you plan to take to: (1) determine the cause of the design errors and deficiencies; (2) determine the extent of undetected design errors and deficiencies in design documents other than those examined by the NRC inspectors; (3) correct safety significant errors and deficiencies that may exist in fabricated, and possible installed, components; (4) provide positive assurance that personnel performing design activities important to safety possess the necessary skills and technical qualifications for such activities; and (5) upgrade the effectiveness of design verification personnel and practices.

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 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 7 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 reason 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,

Uldis Potapovs, Chief
Vendor Inspection Branch

cc: C. Halpern
Chief, Executive Officer

Enclosures:
1. Appendix A - Notice of Violation
2. Appendix B - Notice of Nonconformance
3. Appendix C - Inspection Report No. 99900531/81-01
4. Appendix D - Inspection Data Sheets (7 pages)

bcc:
IE FILES
AEOD
NMSS
QAB
NRC:PDR
REG.ADMINISTRATORS, I, II, III, IV, V
KVSeyfrit, RIV