

APPENDIX B

AIRCO Welding Products
Docket No. 99900774/82-01

NOTICE OF NONCONFORMANCE

Based on the results of an NRC inspection conducted on May 17-21, 1982, it appears that certain of your activities were not conducted in accordance with NRC requirements.

Criterion V of Appendix B to 10 CFR Part 50 states: "Activities affecting quality shall be prescribed by documented instructions, procedures, or drawings, of a type appropriate to the circumstances and shall be accomplished in accordance with these instructions, procedures, or drawings. Instructions, procedures, or drawings shall include appropriate quantitative or qualitative acceptance criteria for determining that important activities have been satisfactorily accomplished."

Nonconformances with these requirements are as follows:

- A. Sections 1, 2, and 3 of a procedure/memo from Sparrows Point to Cleveland, dated March 3, 1982, and addressing "Military/Nuclear Core Wire" states in part: "1. . . . cans must be inspected 2. This inspection shall be performed by the shift supervisor and line operator as a minimum 3. Documentation of the inspection shall be by initialing and dating the stamp on the back of the grade identification tags."

Section 4 of a procedure (reply to March 3, 1982, memo) from Cleveland to Sparrows Point, dated March 9, 1982, and addressing "Tote Cans for Military/Nuclear Wire" states: "The Raw Material Inspector will inspect an appropriate number of empty cans and affix an inspection and Military/Nuclear tag properly initialed and dated to each acceptable empty can."

Section 2 of Quality Assurance Bulletin (QAB) 1-81 "Handling of Tote Cans" (September 14, 1981), states in part: "a. . . . filling of cans of wire to be used in Military/Nuclear runs, the Cleveland personnel shall cover the top (with wood, metal or paper) of each can b. Upon receipt at Sparrows Point, the cans shall remain covered until just prior to use"

Contrary to the above, a plant inspection of a designated hold area for in-process Military/Nuclear material revealed the following:

1. Approximately 20 tote cans out of a total of 49 did not contain the stamp on the back of the grade identification tag, or if the stamp was there, it was not initialed and dated.
2. One tote can did not contain a Military/Nuclear tag.
3. Three tote cans did not contain covers.

- B. In order to prevent recurrence of mixing wire grades for Military/Nuclear applications, corrective action was initiated by Sparrows Point (ref. Nenstiel/Surovec memo dated March 3, 1982) for implementation at the Cleveland plant. The Cleveland plant generated (ref. Nelson/Nenstiel memo dated March 9, 1982) new procedures to accomplish the proposed corrective action.

Section 2.1.9 of QAI 16.1.1 "Corrective Action" (March 3, 1980), states: "The QA Department is responsible for follow up to determine that corrective action has been effectively implemented. Follow up action is usually accomplished during internal audits."

Contrary to the above, a review of an internal audit performed on March 30, 1982, of the Cleveland facility, showed no indication that Sparrows Point QA personnel had verified the implementation of the corrective action procedures relating to handling of Military/Nuclear wire at the Cleveland facility.

- C. Section 2.1.3 of QAI 2.4.1 "Indoctrination and Training of Personnel" (July 24, 1978), states in part: ". . . personnel from departments other than QA shall attend QA indoctrination sessions as deemed necessary by the department management . . . Attendance at the indoctrination sessions shall be documented on the Indoctrination and Training Record Form QA-008." Section 2.2.1 of QAI 2.4.1 states in part: ". . . the following actions for personnel performing quality related activities shall be established and maintained. A program for personnel indoctrination and training and development in all aspects of the QA program is conducted under the direction of the QA Manager. . . QA Department personnel's qualifications and training status shall be documented . . ."

Contrary to the above, a review of certain QA personnel records and documentation indicated that one QA individual, one QC inspector, two material handlers, and two center checkers had not been indoctrinated and trained in all aspects of the QA program.

- D. Section 2.4.2 of QAI 7.1.1 "Evaluation and Selection of Procurement Services" (March 3, 1980), states in part: "Suppliers of raw materials and services . . . shall be audited yearly and resurveyed at least once every three years."

Contrary to the above, a review of the Vendor Quality Survey Reports from 1978 through 1982 revealed the following: (1) AIRCO Welding Products, Cleveland Plant (supplier of carbon rod for nuclear work), was initially audited in March 1982; and (2) five suppliers (i.e. Raritan River Steel, Bethelham Steel, Cleaners Hangers, U. S. Steel, and Maryland Speciality Wire) of both carbon and stainless steel wire and rod were audited to the following schedules; two suppliers only in 1981, one supplier only in 1978, and two other suppliers only twice in a 4 $\frac{1}{4}$ -year period.

- E. Section 2 of QAP 6.1 "Control of Special Process" (November 1, 1979), states in part: "Welding . . . shall be performed at the Sparrows Point plant only in accordance with written procedures"

Section 3.2.1. of QAP 6.1 states in part: "The QA Engineer shall prepare . . . written procedures for the control of welding"

Section 3.7.1 of QAP 3.1 states in part: ". . . responsibility of the authoring Department to assure approved and current documents are distributed to . . . the location where the subject activity is performed."

Contrary to the above, a review of Weld Test Reports revealed that Welding Procedure AWP - SFA 5.5 (July 24, 1972), for Manual Shielded Metal-Arc Welding of Cr-Mo Weld Metals, was not at the designated station where such welding was performed.

- F. Section 2.4 of QAP 14.1, "Quality Assurance Audits" (October 14, 1981), states: "The reports of all audits, including the audit results shall be formally submitted to the General Manager and department managers, as applicable. The audit results shall be reviewed by management having responsibility in the area audited and appropriate action taken to prevent recurrence of the deficient conditions."

Contrary to the above, a review of records for the last eight Sparrows Point internal audits, covering the period of October 1979 through February 1982, showed that the corrective action statements by AIRCO management, in response to audit deficiencies did not, in many instances, address the cause and long term corrective action required to prevent recurrence of deficient conditions. The following are typical Quality Program system elements that were found unsatisfactory during the indicated audits:

1. Process Control - October 1979, April 1980, December 1980.
2. Handling, Storage and Preservation - October 1979, January 1980, April 1980, December 1980, July 1981.
3. Identification and Marking - October 1979, January 1980, April 1980.
4. Nonconforming Materials - October 1979, January 1980, April 1980, July 1980, October 1980.
5. Housekeeping - January 1980, April 1980, December 1980, July 1981.

- G. Section 2.1.1a of QAI 14.1.2 "Inspection Stamps" (July 24, 1978), states in part: "All stamps shall be recorded on a QA/QC Stamp Log as they are issued. The person to whom the stamps are issued shall initial and date the QA/QC Stamp Log when the stamps are issued."

Contrary to the above, a review of the QA/QC Stamp Log indicated the presence of the inspector's initials, but the dates were missing.