



UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

NOV 22 1993

Docket No. 99900918

Mr. John H. Hendricks, President
Farwell & Hendricks, Inc.
4600 East Tech Drive
Cincinnati, Ohio 45245

Dear Mr. Hendricks:

SUBJECT: NOTICE OF NONCONFORMANCE
(NRC INSPECTION REPORT 99900918/93-01)

This letter addresses the inspection of Farwell & Hendricks, Inc. (F&H) at Cincinnati, Ohio, conducted by Messrs. R. C. Wilson, R. K. Frahm, Jr., and B. H. Rogers of this office on October 26-28, 1993, and the discussion of their findings with you and members of your staff on October 27, 1993. The purpose of the inspection was to review the implementation of your programs for meeting the requirements of 10 CFR Part 50, Appendix B, and 10 CFR Part 21 in the dedication of commercial grade components for nuclear safety-related applications.

Areas examined during the NRC inspection and our findings are discussed in the enclosed report. This inspection consisted of an examination of procedures and records, interviews with personnel, and observations by the inspectors.

The inspectors found that the implementation of F&H's quality assurance program failed to meet certain NRC requirements. Specifically, in seven instances, dedication reports and certifications either failed to describe an adequate dedication process, or did not accurately identify the items that were dedicated. Some of the concerns consisted only of documentation errors, but in four cases the dedication process was deficient.

The specific findings and references to the pertinent requirements are identified in the enclosed Notice of Nonconformance (Notice).

The response requested by the enclosed Notice is not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, Public Law No. 96-511.

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Mr. John H. Hendricks

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In accordance with 10 CFR Part 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosures will be placed in the NRC's Public Document Room.

Sincerely,

ORIGINAL SIGNED BY:

Leif J. Norrholm, Chief
Vendor Inspection Branch
Division of Reactor Inspection
and Licensee Performance
Office of Nuclear Reactor Regulation

Enclosures:

1. Notice of Nonconformance
2. Inspection Report 99900918/93-01

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*See previous concurrence

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