## APPENDIX B

Magnetrol International, Inc. Docket No. 99900780/82-01

## NOTICE OF NONCONFORMANCE

Based on the results of an NRC inspection conducted on July 12-16, 1982, it appears that certain of your activities were not conducted in accordance with NRC requirements as indicated below:

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."

Purchase Order No. 81-4801, dated November 4, 1981, issued by the Power Authority of the State of New York, James A. Fitzpatrick Nuclear Power Plant, requires that the level switches BCS-751-EP/VPX-SIMD4DC-SIMD4DC be Class 1E, and manufactured in accordance with IEEE Standards 323-1974 and 344-1975.

Paragraph 4 of IEEE Standard 323-1974 entitled "Qualifying Class 1E Equipment for Nuclear Power Generating Stations," states in part, "The manufacturers and users of Class 1E equipment are required to provide assurance that such equipment will meet or exceed its performance requirements throughout its installed life. This is accomplished through a disciplined program of quality assurance that includes but is not limited to design, qualification, production quality control, installation, maintenance, and periodic testing . . ."

Contrary to the above, a disciplined (i.e., documented) quality assurance program had not been established for the manufacture of Class 1E items.