



UNITED STATES  
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

March 14, 1994

Docket No. 99900030

Mr. Peter C. Valli, President and  
Chief Executive Officer  
BW/IP International, Inc.  
Suite 900  
Long Beach, California 90802

Dear Mr. Valli:

SUBJECT: NOTICE OF NONCONFORMANCE  
(NRC INSPECTION REPORT No. 99900030/93-01)

This refers to the inspection conducted by Messrs. R.L. Pettis, Jr. and R.P. McIntyre of this office on December 6-9, 1993. At the conclusion of the inspection, the findings were discussed with those members of your staff identified in the enclosed report.

The inspection was conducted to review documentation related to reports submitted to the NRC pursuant to Title 10 of the Code of Federal Regulations, Part 21 (10 CFR Part 21), which involve equipment supplied by BW/IP, and to review the implementation of BW/IP corrective actions which resulted from our previous inspection performed in 1989. Areas examined during the inspection and our findings are discussed in the enclosed report. This inspection consisted of an examination of procedures and representative records, interviews with personnel, and observations by the inspectors.

Based on the results of this inspection, it was found that the implementation of your quality assurance program failed to meet certain NRC requirements. Specifically, the NRC inspection team identified instances in which BW/IP failed to notify its customers of defects in equipment for those cases in which BW/IP reported the defect to the NRC pursuant to 10 CFR Part 21. BW/IP procedures implementing 10 CFR Part 21 require such customer notification. The NRC inspectors also identified instances in which BW/IP accepted material from suppliers which did not conform to purchase order requirements.

The specific findings and references to the pertinent requirements are identified in the enclosed Notice of Nonconformance and inspection report. Please provide us within 30 days from the date of this letter a written statement in accordance with the instructions specified in the enclosed Notice.

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

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PDR GA999 EMVBYRON  
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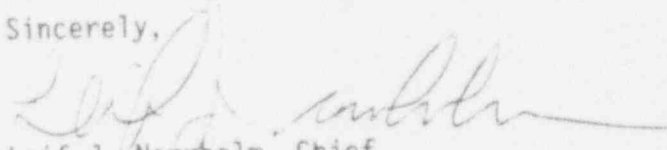
TEC9 /

Mr. Peter C. Valli

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The responses requested by this letter and the enclosed Notice are 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.

Sincerely,



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 No. 99900030/93-01

The responses requested by this letter and the enclosed Notice are 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.

Sincerely,

*LS*  
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 No. 99900030/93-01

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