

NOTICE OF NONCONFORMANCE

BW/IP International, Inc.
Vernon, California

Docket No.: 99900030/93-01

Based on the results of an NRC inspection conducted on December 6-9, 1993, it appears that certain of your activities were not conducted in accordance with NRC requirements.

- A. Criterion V of Appendix B to 10 CFR Part 50, "Instructions, Procedures, and Drawings," states, in part, that 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.

BW/IP Procedure L-A-16, "Product Defect Reporting In Compliance with 10 CFR Part 21 Requirements," dated March 9, 1990, states in "General," that a defect report must be sent to both the NRC and any affected purchaser. Item 21 of "Procedure," also states that the Cognizant Project Manager advises purchasers or licensees with like equipment which may be subject to the reported defect.

Contrary to the above, BW/IP could not produce documentation to support notification to 5 of 15 licensees of the results of BW/IP's 10 CFR Part 21 Evaluation Board for Deviation CFR 91-004. The Deviation related to cast components supplied by ACME Castings, Incorporated (ACME), who failed to pass down the requirements of 10 CFR Part 21 to its subvendors providing heat treatment services, and had an unacceptable 10 CFR Part 50, Appendix B, quality assurance program. BW/IP reported the defect to the NRC on October 2, 1989.

A review of the BW/IP Deviation Evaluation Summary Sheet indicated closure of the evaluation on October 2, 1991, and also requested program managers to notify 15 pump and valve customers of the Board's results. The notification stated that in the absence of supporting documentation, the potential exists for improper heat treatment of items produced by ACME and recommended that inspections be performed to assure that the parts will perform their intended safety function. (93-01-01)

- B. Criterion V of Appendix B to 10 CFR Part 50, "Instructions, Procedures, and Drawings," states, in part, that 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.

BW/IP Policy and Procedure L-A-16, "Reporting of Defects and Failures to Comply in Nuclear Products and Services," dated July 29, 1992, (which supersedes L-A-16, dated March 9, 1990), states, in Item 23 of "Procedure," that the Cognizant Project Manager advises purchasers or licensees with like equipment which may be subject to the defect.

Contrary to the above, the inspectors identified two instances (NRC 93-055 and 93-057, and NRC 93-071) in which BW/IP notified the NRC of known check valve defects (CFRN-9301, dated February 12, 1993, and CFRN-9302, dated February 18, 1993), yet did not notify its customers of the defect until November 30, 1993, after the NRC contacted BW/IP concerning the scope of the December 6, 1993, inspection.
(93-01-02)

- C. Criterion VII of Appendix B to 10 CFR Part 50, "Control of Purchased Material, Equipment and Services," requires, in part, that measures shall be established to assure that purchased material, equipment, and services conform to the procurement documents.

BW/IP Specification PS-1535, paragraph 3.3.3, which is referenced as a procurement document in Purchase Order (PO) V 407811, dated April 28, 1992, to Delta Centrifugal Corporation for ASTM A-743 castings, limits the maximum hardness level of Type 420 castings to 255 Brinell hardness number (BHN).

Contrary to the above, on June 17, 1992, BW/IP quality control accepted a Type 420 casting procured under this PO having a hardness of 262 BHN as indicated on the Certified Material Test Report (CMTR). (93-01-03)

- D. Criterion VII of Appendix B to 10 CFR Part 50, "Control of Purchased Material, Equipment, and Services," requires, in part, that measures shall be established to assure that purchased material, equipment, and services conform to the procurement documents.

Paragraph B of BW/IP PO V 413444, dated January 11, 1993, to Nova Machine Products Corporation (NOVA) for eight ASME SA-193 Grade B6 studs, requires that if subtier suppliers not holding ASME Quality System Certificates are used, their quality system program revision and date and the name of the approving organization to whom the material is being supplied must appear on the subtier CMTR. Paragraph K of the same PO requires the identification of the mill supplying the material.

Contrary to the above, the material certification provided by NOVA for this material did not identify the supplying mill or identify the mill's quality system program or the approving organization. (93-01-04)

Please provide a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555 with a copy to the Chief, Vendor Inspection Branch, Division of Reactor Inspection and Licensee Performance, Office of Nuclear Reactor Regulation, within 30 days of the date of the letter transmitting this Notice of Nonconformance. This reply should be clearly marked as a "Reply to a Notice of Nonconformance" and should include for each nonconformance: (1) a description of the steps that have been or will be taken to correct these items; (2) a description of the 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.

Dated at Rockville, Maryland
this 14th day of March, 1994