SSM

SANDVIK SPECIAL METALS
CORPORATION

(509) 586-4131 • TELEX 152873

P.O. BOX 6027 • KENNEWICK, WASH. 99336

December 3, 1982

Mr. Uldis Potapovs
Chief, Vendor Branch Programs
U. S. Nuclear Regulatory Commission
611 Ryan Plaza Drive, Suite 1000
Arlington, Texas 76011

Dear Sir:

Re: Docket No. 99900764/82-01

We received your undated letter on November 15, 1982 requesting additional specific information; i.e., steps that have been or will be taken to prevent recurrence of each nonconformance on several items. Since the corrective action to prevent recurrence we felt were addressed in the comments of our letter September 15, 1982, we have now revised our comments on each item. We have listed each item as to the specific corrective action taken, to the steps that have been or shall be taken to prevent recurrence, and the dates for these corrective actions. We hope that our responses are sufficient in this regard.

We are sorry about any inconvenience this may have caused you and hope that the new format and additional comments have resolved the issue.

Very truly yours,

K. C. Bowles, Manager
Quality Assurance

KCB/bs

Attachment

Statement from Docket 99900764/82-01 and its attachments:
Enclosure 3 - Memo 3/5/79, F. Wesson to Prod. Supv., et.al.
Attachment B - New Employee Instruction Check Sheet, FP099
Attachment C - New Employee Instruction Check Sheet, FP099, 5/17/82

SSM

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ATTACHMENT

December 2, 1982

STATEMENT FROM DOCKET 99900764/82-01

NRC Nonconformance:

B. Quality Assurance Manual, Section 1-10, "Inspection," Revision 4, paragraph 10.0, states in part: "All routine inspections are performed . . . in accordance with written instructions contained in the Process Specification Manual and Quality Assurance Manual."

Contrary to the above, certain inspections were not being performed in accordance with written instructions, as evidenced by the following examples:

1. Identity of surface measurement equipment in use was not being documented, although required to be by QA-SP-45, Revision 2, paragraph 4.12.

2. Verification of the digital thermometer used for elevated temperature tensile testing was performed three times in the last 12 days of testing and not daily as required by Laboratory Procedure 1300.19, Revision 5, paragraph 8.2.

3. Contractile Strain Ratio testing was being performed without the applicable written procedure required by the QA Manual, Section 5, paragraph 5.0.j.

SSM RESPONSE:

1. Correction for Items

B.1 The form QC011 was revised to include identity of surface measurement equipment.

B.2 The laboratory log record for verification of the digital thermometer was reviewed. Even though there was a period during which verification was not performed daily, none of the verification checks indicated the instrument had been reading incorrectly. Therefore, results obtained with the thermometer during this period are considered valid. Laboratory personnel were verbally counselled regarding the need to adhere strictly to procedures.

B.3 Procedures 1300.27 and 1300.28 were written to provide procedural direction of the strain ratio test.

2. Description of steps that have been or will be taken to prevent recurrence:

In order to assure effectiveness in the area of inspections being performed, the following areas shall be reviewed to determine adherence to procedures and that procedures are available: (1) Receiving Inspection, (2) Final Inspection, and (3) Laboratory Testing.

3. Dates for corrective actions and preventive measures will be completed:

Corrective action for specific items B.1, B.2, and B.3 is complete. Preventive action to prevent recurrence is scheduled to be complete no later than December 31, 1982.

NRC Nonconformance:

C. Quality Assurance Procedure, QA-GA-5, "Receiving Inspection and Control of Starting Material," Revision 10, paragraph 3.1.1 states: "Quality Control shall complete and distribute Form QC110 (Appendix I) for each approved ingot." Form QC110 identifies that given ingots are acceptable to certain customers.

Contrary to the above, ingots were used but were not identified on QC110 form as being acceptable to the customer.

SSM RESPONSE:

1. Corrective Action for Item

C.1 The procedure QA-GA-5, Paragraph 3.1.1 does not require that material be coded for customers. The form QC110 referenced in Paragraph 3.1.1 identifies those customers to whom the material is assigned. The form was coded for a customer and distributed per procedure. The procedure was revised to read: "If the material is to be used for a customer or customers other than those specified, the Materials Manager shall notify Q.C. for reapproval." The form will be revised and reissued.

2. Descriptions that have been or will be taken to prevent recurrence:

The revision of the procedure and awareness of this revision to those departments should preclude recurrence of the observed nonconformance.

3. Dates for Corrective Action

Corrective action for item C.1 is complete.

NRC Nonconformance:

D. Quality Assurance Manual, Section 1-12, Revision 4, paragraph 12.0 states in part: "Instruments critical to product and quality measurement are calibrated at established frequencies . . . . Quality Assurance Procedure lists the critical instruments and defines the calibration frequency methods and reports required . . ." Quality Assurance Procedure No. QA-GA-15, Revision 5, paragraph 4.0 states in part: "The items listed in Appendix I shall be calibrated at the prescribed maximum interval or prior to use . . . . The responsible section, as shown in Appendix I, shall maintain calibration records for the items listed therein . . . . In addition, the calibration record card or file shall be updated to show the current status."

Contrary to the above, the following conditions were observed:

1. The ultraviolet light, an instrument critical to quality measurement during fluorescent penetrant examination, was neither listed in Appendix I nor were there records to show that its light intensity has been verified.

2. The Weston light meter, which could be used to verify the intensity of the ultraviolet light, was neither listed in Appendix I nor were there records to show if it had been calibrated.

3. Ultrasonic Test (UT) 3D standard no. 2018, being used as a reference for inside and outside tube diameter measurements, did not have a calibration record card available.

4. UT standard F-2002-3, used for flaw detection, could not be located, and the calibration record card did not identify the standard as being out of service.

SSM RESPONSE:

1. Correction to Items

D.1 The ultraviolet lamps have been serialized and added to Calibration Procedure QA-GA-15, Appendix 1. Documentation of adequate light intensity was submitted on September 13, 1982 to the Document Coordinator and placed on file.

D.2 The Weston 703-67 ultraviolet light meter was properly calibrated to NBS standards July 29, 1982. The instrument was added to the Calibration Procedure QA-GA-15, Appendix 1, on September 9, 1982.

D.3 The ultrasonic standard number 2018 was measured and again recertified and a new calibration card was completed on April 6, 1982. A duplicate copy of all ultrasonic Calibration Record Cards was made and now kept on file by the Q.C./Mfg. Supervisor. This was completed by May 30, 1982.

D.4 UT Standard F-2002-3 was not in plant as it was sent off-site for conducting a special test. The Calibration Specialist was instructed in May that if standards cannot be located or are out-of-service that it be so noted on the Calibration Card.

2. Descriptions that have been or will be taken to prevent recurrence:

With the placement of the ultraviolet lamp and Weston 703-67 light meter under the calibration program; the making of duplicate copies of all ultrasonic calibration records; and the instructions to the Calibration Specialist for the standard should preclude recurrence.

The Q. A. Manager again reviewed the list of equipment under the calibration and compared them with the items to be certified and judges the equipment under calibration to be adequate. The corrective actions should preclude recurrence of the observed nonconformance.

3. Dates for Corrective Action

Corrective action for items are complete.

NRC Nonconformance

E. Quality Assurance Procedure No. NDT-PT-1, Revision 3, paragraph 4.1 states in part: "Use the following materials for fluorescent post emulsified liquid penetrant inspection of thimble tubes.

Penetrant	ZL-22A
Emulsifier	ZR-1
Developer	ZP-9 . . ."

Contrary to the above, ZR-10 emulsifier was being used during fluorescent penetrant examination of thimble tubes rather than the required ZR-1 emulsifier.

CSM RESPONSE:

1. Corrective Action for Item

Procedure NDT-PT-1, Rev. 3, was revised August 27, 1982 to reflect proper emulsifier.

2. Descriptions that have been or will be taken to prevent recurrence:

The procedure NDT-PT-1, Rev. 3, which listed ZR-1 should have also included ZR-10. There are two dye penetrant procedures, NDT-PT-1 and NDT-PT-3. The procedure NDT-PT-3 listed both emulsifiers and when procedure NDT-PT-1 was issued, it was probably an oversight not to include ZR-10. Revisions to both procedures to reflect current usage should preclude the recurrence of this observation.

3. Corrective Action Dates

The corrective action for this item is complete.

NRC Nonconformance

F. Quality Assurance Manual, Section 1-1, "Quality Assurance Program," Revision 1, paragraph 1.2 requires that all employees be indoctrinated and trained in QA.

Contrary to the above, there was no evidence or documentation of some QA training. For example, six out of seven QA files for inspectors did not contain the Job Training Progress Record required by paragraph 3.4 of QCI No. 4, Revision 0 on inspection activities, and there was no evidence that the seven inspectors had received indoctrination and training in QA activities in general. In addition, the QA files for six exempt employees in the QA organization contained no documented evidence of QA indoctrination and training.

SSM RESPONSE

1. Corrective Action for Items

QCI-4 outlines the training for new inspectors hired after April 4, 1978 so the inspectors can be permitted to work without supervision. Records are available for the inspectors hired after this date, but the records were not forwarded to the Documentation Coordinator. Records for these inspectors were forwarded to the Documentation Coordinator.

A memo (See Enclosure 3) on March 5, 1979 was sent to both Production and Inspection requiring all persons attend the QA audio-visual presentation to assure all employees, exempt included, currently on the payroll received the lecture on the Quality Assurance Manual and supporting documents after March 1979. Though the presentation was given to all new employees, there was no formal documentation as the personnel form FP099, Attachment B, did not have a specific check-off for this training. However, Form FP099 did have a specific check-off when the employee has reviewed the specifications and procedures applicable to the work station.

All exempt personnel on payroll as of March 5, 1979 were requested to attend the lecture. However, since no formal documentation exists for the exempt personnel for this training, a letter will be written to exempt employees asking whether he has received the training. Those employees who have not attended this training session will be required to attend. In both cases, documentation will be placed on file.

2. Descriptions that have been or will be taken to prevent recurrence:

The form FP099 was revised on May 17, 1982 (Attachment C) wherein line 1.f specifically lists the requirement that this indoctrination be given to all new employees and that the employee signs that the various instructions were completed. Furthermore, line 7 lists the review for specifications appropriate to the work stations. By including the indoctrination on form FP099 "New Employee Instruction Check Sheet", the observed nonconformance should not recur.

3. Dates for Corrective Action

The form FP099 has been so revised and the corrective action is completed.

The letter and documentation for the exempt employees will be completed on or before January 15, 1983.

NRC Nonconformance:

G. Quality Assurance Manual, Section 1-17, "Quality Assurance Records," Revision 4, states in part: ". . . the retention period for . . . specifications and procedures . . . is 10 years minimum . . . ."

Contrary to the above, certain records were not being retained for 10 years, in that superseded revisions for two laboratory procedures (Nos. 1300.19 and 1300.20) and one process specification (No. Z431) were missing from the historical files.

SSM RESPONSE:

1. Corrective Action for Items

Quality Assurance Manual, Section 1-17, Rev. 4, states: "Retention periods range from one to ten years minimum, depending upon the type of record. The Laboratory Procedures are not listed as one being retained for ten years. The records show the Process Specification Z431, Rev. 0, was originally issued December 10, 1976. This procedure was again revised October 1, 1977, and then on February 22, 1979 was revised again. However, due to clerical error, the revision was noted revision 3. This revision will be changed to read revision 2.

2. Descriptions that have been or will be taken to prevent recurrence:

Since the records show that the procedures in question were being retained per the requirements and the error for this was a clerical error in noting the correct revision, no further action is warranted nor taken.

3. Corrective Action Dates

The correct revision was noted on procedure Z431 and it was reissued with the new revision. Action completed by September 15, 1982.

NRC Nonconformance:

H. Quality Assurance Manual, Section 1-0, "Introduction," Revision 3, states in part: "The intention of this manual is to describe a system which meets the requirements set forth in . . . ANSI N45.2 - 1971 . . . ."

Section 19, "Audits," of ANSI N45.2-1971 states in part: "A comprehensive system of planned and documented audits shall be carried out . . . ."

Contrary to the above requirements, the audit system was not comprehensive in that internal audits were not scheduled to be performed in all applicable areas. For example, some areas that were not addressed were procurement, control of materials, QA records, nonconforming materials, indoctrination, and training.

SSM RESPONSE:

1. SSM takes exceptions to comments in this paragraph. Procedure QA-GA-22, Rev. 2, "Internal Audits" which is also referenced in the Q.A. Matrix outlines those areas and procedures that are audited. Indoctrination of Personnel, Record Storage, and Document Control are areas specifically listed in QA-GA-22 as areas to be audited. Material control (as outlined in procedure QA-GA-8) is a procedure listed to be audited when several areas, namely Inspection and Production, are audited. Likewise, Procurement or Section 1-7 in the Q.A. Manual is listed as a procedure to audit when Receiving Inspection is being audited.

   We therefore feel that the statements in paragraphs above are not appropriate.

2. Descriptions that have or will be taken to prevent recurrence:

   Not applicable.

3. Corrective Action Date

   Not applicable.

NRC Nonconformance:

I. Quality Assurance Procedure No. QA-GA-22, "Internal Audit Procedure," Revision 2, states in part in the following paragraphs:

2.1 - "Audits shall be performed in areas listed in Attachment 1. Each area shall be audited a minimum of twice per year."

2.4 - "Deficient areas are reaudited . . . ."

2.6 - "Any finding . . . (will be) responded to in writing by the department manager . . . within 30 days of the date of issue of the Deficiency Report."

5.4.1 - ". . . audit report . . . distributed to: . . . E. Production Manager . . . ."

Contrary to the above, a review of the internal audit reports (nine) for 1981 indicated that:

1. Of the 16 scheduled audit areas; 5 were not audited and another 5 were audited only once.

2. There were no followup audits in three of six areas in which deficiencies were found.

3. For six findings, the reply from management in the affected area exceeded two months in one case, and in two cases management had still not replied 8 months after the issue of the Deficiency Reports.

4. The Production Manager was not on the distribution for five of none audit reports.

SSM RESPONSE:

1. Corrective Action for Items

I.1 Verbal instructions were given to the auditor that each area, as scheduled, shall be audited. Adherence to schedule will permit each area to be

I.1 continued
audited at least twice.

I.2 Verbal instructions were given to the auditor that follow-up is necessary and to be completed.

I.3 It is intended that management respond in a timely manner; however, there are some issues where Q.A. and the department manager disagree and it will take time to resolve the issues.

I.4 Paragraph 5.4.1 in QA-GA-22, Rev. 2, does not read ". . . audit report . . . distributed to . . . E. Production Manager" but as follows:

" . . . audit report . . . distributed to: . . . E. Manager, Operations"

Review of the distribution of audit reports shows that the Operations Manager or acting delegate received a copy of the report. Likewise, the Production Manager received a copy of the report until August 1981. When the Production Manager terminated, no one was immediately appointed until the hiring of a new manager on 12/21/81. During the interim period, the Operations Manager assumed the responsibilities of the Production Manager since he reported to the Operations Manager.

2. Description of the steps that have been or will be taken to prevent recurrence:

The procedure QA-GA-22 will be revised to reflect the timeliness of replies on issues which are in disagreement between Q.A. and the departments that are audited.

Since May 1982, all areas as outlined have been audited and follow-up to the audits have been completed. Verbal instructions have been given to those involved with the audit program, the importance of adhering to and conformance with the audit procedure.

3. Corrective Action Dates

Items I.1, I.2, and I.3 are completed. The revision to the procedure to reflect timeliness of replies on issues will be completed on or before January 31, 1983.

KCB/bs

SANDVIK SPECIAL METALS

MEMORANDUM

ENCLOSURE 3

Date: March 5, 1979

MEMO NO.:

To: Prod. Supv. W. A. Kline
Insp. Supv. W. L. Hangartner
A. W. Brock R. E. Smith
C. Stacey W. C. Mayer

File No.:

Distribution: JW Nickolaus
TD Naylor
DH Bangerter
KC Bowles
WG Ruff
DM O'Sullivan

From: F. S. Wesson

SUBJECT: QUALITY ASSURANCE AUDIO-VISUAL PRESENTATION

The SSM slide presentation will be shown in the upstairs' lunchroom on March 7, 8 and 12 in accordance with the following schedule.

March 7 (Wednesday)

10:15 a.m. Production Crew - 1/2 Day Shift
10:45 a.m. Others
2:45 p.m. Production Crew - 1/2 Day Shift
3:15 p.m. Others

March 8 (Thursday)

4:45 p.m. 1/2 Swing Shift
5:15 p.m. 1/2 Swing Shift

March 12 (Monday)

4:45 p.m. 1/2 Swing Shift
5:15 p.m. 1/2 Swing Shift

Persons who ha e already seen this presentation are not required to attend.

/sf

DESIGNATED ORIGINAL
Certified by Rheanne Clark

NEW EMPLOYEE INSTRUCTION CHECK SHEET

ATTACHMENT B

Employee: _____

Payroll No: _____

The following orientation check list must be completed by new employee's supervisor or manager and returned to Finance and Personnel.

1. Tour of work location. _____
2. Introduction to appropriate personnel. _____
3. Assignment of locker. _____
4. Review of Industrial Safety Manual (Read Standards 1.0 through 15.0 and 24.0.) _____
5. Issue a pair of safety glasses if required. _____
6. Review specifications appropriate to work locations and equipment. _____
7. Review special personnel procedures (lunch periods, break times, shift schedules). _____
8. Withdrawal of small tools and supplies. _____
9. Review work clothes, gloves, safety shoes, appropriate dress codes. _____
10. Review time card and TDR card. _____
11. Review Planning Job Card and explain planning procedures. _____
12. Review safety glass areas as shown by red dots on floor areas for appropriate equipment. Tour Chem Bay, explain safety glass area plus acid tank locations and type of acids and safety showers. _____
13. Review disciplinary policy. _____

Completed by: _____ Date: _____

Employee's Signature: _____

SANDVIK SPECIAL METALS CORPORATION ATTACHMENT C

NEW EMPLOYEE INSTRUCTION CHECK SHEET

EMPLOYEE: _____ PR #: _____

The following orientation checklist must be completed for all new employees and returned to Human Resources.

1. Material covered in orientation:
   a. Letter from W. L. Traub re 90-Day Probation/Appraisals (copy to employee).
   b. Letter from W. L. Traub, "Absences" and Policy and Procedure (copy to employee).
   Disciplinary Policy and Guidelines (copy signed in Personnel File and copy to employee).
   Employee Agreement Relating to Trade Secrets, Inventions, and Patents (copy signed in Personnel File).
   Affirmative Action Policy Statement (copy signed in Personnel File)
   Slide preview of "Shooting for Quality"

2. Tour of work location. _____

3. Introduction to appropriate personnel. _____

4. Assignment of locker. _____

5. Review of Industrial Safety Manual (read Standards 1.0 through 15.0 and 24.0). _____

6. Issue a pair of safety glasses, if required. _____

7. Review specifications appropriate to work locations and equipment. _____

8. Review special personnel procedures (lunch periods, break times, shift schedules). _____

9. Withdrawal of small tools and supplies. (To be initialed by VRV) ☐

10. Review work clothes, gloves, safety shoes, appropriate dress codes. _____

11. Review time card and TDR card. _____

12. Review Planning Job Card and explain planning procedures. _____

13. Review safety glass areas as shown by red dots on floor areas for appropriate equipment. Tour chem bay, explain safety glass area plus acid tank locations and types of acids and safety showers. _____

14. Review disciplinary policy. _____

Completed by: _____ _____ Date: _____

Employee's Signature: _____