APPENDIX A

Pacific Air Products Company
Docket No. 99900769/82-02

NOTICE OF NONCONFORMANCE

Based on the results of an NRC inspection conducted on July 12-15, 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."

Nonconformances with these requirements are as follows:

A. Paragraph 2.3 of the QA Manual Procedure No. 12.0, Revision 1, in regard to calibration, requires that all measuring and testing equipment shall be identified with a label sticker showing the date of the last calibration and the due date of the next calibration.

Contrary to the above, the labels on several micrometers and calipers did not show the date of the last calibration, and neither date on the label attached to the "Porto-Lab" testing console was legible.

B. Paragraph 2.6 of the QA Manual Procedure No. 12.0, Revision 1, in regard to storage of measuring and testing equipment, requires that the equipment shall be stored under suitable conditions and be protected from damage by use of suitable containers.

Contrary to the above, certain micrometers and calipers were stored loose and unprotected among other tools in a portable tool box.

C. Paragraph 3.1 of the QA Manual Procedure No. 12.0, Revision 1, requires that Quality Control shall tag all measuring and testing equipment found defective to prevent their inadvertent use.

Contrary to the above, a broken air pressure gage was not tagged to prevent its inadvertent use.

D. Paragraph 5.3 of the QA Manual Procedure No. 15.0, Revision 0, in regard to responsibilities of Quality Assurance personnel, requires that they review completed nonconformance reports (NCR).

Contrary to the above, two completed NCR's No. 6291-1, dated March 23, 1982, and No. 6351-1, dated May 10, 1982, were not reviewed by Quality Assurance, as evidenced by the absence of a signature in the "Final Review" signature space.

E. Paragraph 2.2 of the QA Manual Procedure No. 18.0, Revision 2, in regard to internal audits, requires that the entire QA program be audited on an annual basis, as a minimum.

Contrary to the above, an internal audit of the entire QA program had not been performed since July 1, 1981.

F. Paragraph 3.1 of the QA Manual Procedure 18.0, Revision 2, in regard to audit documentation, requires that four QA Manual exhibit forms (i.e., No. 18.0-1, No. 18.0-2, No. 18-03, and No. 18.0-4) be used in preparing the Yearly Audit Schedule, the Quality Element Checklists, records of Quality Audit Finding, and closeout of audit findings, using the Quality Audit Log.

Contrary to the above, forms other than those specified, were used for the Yearly Audit Schedule and the 1981 Audit Checklist. Also, there were no records to verify that the Quality Audit Finding form and the Quality Audit Log form had ever been used.