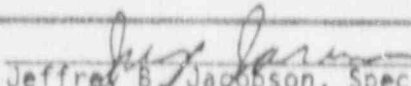
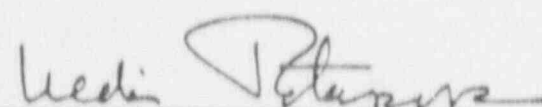


ORGANIZATION: NSSS, INC.  
JACKSON, MISSISSIPPI

REPORT NO.: 99901117/88-01	INSPECTION DATE: 8/9/88 - 8/10/88	INSPECTION ON-SITE HOURS: 12
CORRESPONDENCE ADDRESS: W. L. Strickland, President NSSS, Inc. 5000 Highway 80E Jackson, Mississippi 39208		
ORGANIZATIONAL CONTACT: Kay Fisher TELEPHONE NUMBER: (601) 932-1934		
NUCLEAR INDUSTRY ACTIVITY: NSSS, Inc. has supplied safety-related and commercial grade components to the nuclear industry. These components have been typically obtained from cancelled nuclear plants, distributors, and various other supply sources.		
ASSIGNED INSPECTOR:	 Jeffrey B. Jacobson, Special Projects Inspection Section (SPIS)	10/6/88 Date
OTHER INSPECTOR(S):		
APPROVED BY:	 Udis Potapovs, Section Chief, Special Projects Inspection Section (SPIS)	10-13-88 Date
INSPECTION BASES AND SCOPE:		
A. <u>BASES</u> : 10 CFR 50, Appendix B and 10 CFR Part 21		
B. <u>SCOPE</u> : This inspection was conducted to review the NSSS, Inc. supply of various components to the nuclear industry. The inspection concentrated on NSSS Inc.'s sources of supply, their representation of the components sold, and the basis for certifications made by NSSS, Inc. regarding these components.		
PLANT SITE APPLICABILITY: Hope Creek 50-354/355, Nine Mile Point 2 50-410, Beaver Valley II 50-412, Davis-Besse 50-346, River Bend 50-458/459, Clinton 50-461.		

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A. Violations

None

B. Nonconformances

Contrary to Criterion IV of Appendix B to 10 CFR Part 50, NSSS, Inc. has not established measures to assure that applicable regulatory requirements, design bases and other requirements which are necessary to assure adequate quality are suitably included or referenced in the documents for procurement of material supplied by NSSS, Inc. as safety-related. Specifically, safety-related power supplies and temperature switches supplied to Gulf States Utilities for the River Bend Nuclear Plant, Agastat relays supplied to Illinois Power for the Clinton Nuclear Plant, and control panel meters supplied to Niagara Mohawk Power Corporation for the Nine Mile Point Nuclear Power Plant were said to be procured commercially from General Electric without invoking any regulatory or design requirements. Additionally no certification was received from General Electric as to the performance of the material in question. (88-01-01)

C. Status of Previous Inspection Findings

None

D. Other Findings and Comments

During the inspection a review was conducted of NSSS, Inc.'s supply of components to several nuclear utilities. Of specific interest was the manner in which the components were sold, NSSS, Inc.'s representation of these components, and the basis for any certificates of conformance supplied. In order to accomplish these objectives both components supplied commercial grade and those supplied safety-related were reviewed.

Circuit Breaker Review

NSSS, Inc. provided a list which contained information relative to their supply of several hundred molded case circuit breakers to several utilities. The list delineated the date, description, purchaser, and supplier for all orders of circuit breakers. It should be noted NSSS, Inc. acts as a storage warehouse or as an expeditor only. They are engaged in no manufacturing activities and perform no testing on the material they obtain. All the purchase orders reviewed for the molded case circuit breakers were commercial grade and none involved any specific nuclear requirements.

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Purchase orders 59085, 59047, 59380, and 59886 from Niagara Mohawk Power (Nine Mile Point) Corporation specified approximately 475 ITE circuit breakers of various types and sizes. NSSS, Inc. procured these breakers from various sources including HLC Electric Supply Co., General Circuit Breaker, General Magnetics, ERCO, PM Sales Co., Inc., and ROMAC. Several of these companies had been identified in NRC Information Notice 88-46 as supplying potentially defective refurbished equipment. In lieu of this information NSSS, Inc. was asked what basis it had to verify the circuit breakers furnished in this order as being "exact, in form, fit, and function" to the specified requirements. NSSS, Inc. stated that they had no knowledge that the breakers they had procured had been refurbished and that they had performed a visual and physical inspection of the breakers which included checks for trip tension, arc chute damage, lug damage, and other signs of previous usage.

In addition to the Niagara Mohawk orders it was determined that NSSS, Inc. also supplied circuit breakers to Public Service Electric and Gas (Hope Creek) under Purchase Order 945745, Stone and Webster (Beaver Valley) under Purchase Order 2BV-66040, and Toledo Edison (Davis-Besse) under Purchase Order 016858ST. The following is a list of suppliers to NSSS, Inc. for those circuit breaker orders.

<u>PURCHASE ORDER</u>	<u>MATERIAL DESCRIPTION</u>	<u>PURCHASER</u>	<u>SUPPLIER</u>
945745	Breaker Parts	PSE&G	GE Supply Co. Two Wire Electric
2VB66040	Circuit Breakers	Stone & Webster	HLC
016858ST	Circuit Breakers	Toledo Edison	Circuit Breaker Sales

#### Safety-Related Orders

NSSS, Inc. currently performs no dedication activities and is only capable of supplying safety-related components that they have purchased with the necessary certification. NSSS, Inc. provided documentation relative to their supply of seven safety-related orders to several utilities.

Purchase Order GP100463 from General Physics (Nine Mile Point) was for 54 GE Type 180 panel meters. The purchase order invoked 10 CFR Part 50, Appendix B, 10 CFR Part 21, GE qualification specification 225A6034, and GE environmental specifications on drawing 164C5288. NSSS, Inc. said they procured the subject meters from GE San Jose commercial grade and received

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no certification from GE on the meters. However, the meters were affixed with GE stickers delineating individual serial numbers and indicating that they were safety-related material. Based upon these stickers and the fact the meters were procured from GE, NSSS, Inc. certified the meters as being in compliance with the purchase order specifications.

This is not an acceptable basis for upgrading (dedicating) these meters due to the fact that NSSS, Inc. has no proof that the subject meters do indeed meet the purchase order specifications. NSSS Inc. performed no testing or analysis nor did NSSS, Inc. receive certification from GE as to the meters performance characteristics. Nonconformance (88-01-01) is cited in Section B.1 of this report as a result of NSSS, Inc.'s failure to properly upgrade these meters.

Purchase Orders 7-1Q-75257 and 8-1Q-70255 from Gulf States Utilities (River Bend) for the procurement of three safety-related power supplies and two temperature switches were also reviewed. This material was also said to be obtained by NSSS, Inc. from GE under commercial purchase order GEN 785. NSSS, Inc. certified this material to the Gulf States Utilities purchase order based upon the fact that the items were procured from General Electric and carried safety-related designation numbers. Nonconformance (88-01-01) is cited in Section B.1 of this report as a result of NSSS, Inc.'s failure to properly upgrade these components.

Purchase Order 63792 from Niagara Mohawk (Nine Mile Point) for a 16-inch globe valve was reviewed. The purchase order stated that NSSS, Inc. should certify the "whereabouts of the valve from the time of original shipment by the manufacturer." Also the P.O. specified "the valve shall be inspected, stored, handled, and shipped in accordance with the NSSS Divesco QA Program." Certification to material requirements and specifications was provided by Anchor Darling the original manufacturer of the valve. No deficiencies were noted in the review of this purchase order.

Purchase Order 8-1Q-72141 from Gulf States Utilities (River Bend) for the supply of a RWCU pump was reviewed. This pump was said to have been procured from GE and was originally intended for use at the cancelled Black Fox Plant. Certifications and material specs for this pump were not available at NSSS, Inc. for review as they had been sent to River Bend for their approval.

#### Other Purchase Orders Reviewed

In addition to the specific safety-related and commercial purchase orders reviewed, a random selection of five purchase orders were selected for review. Four of the five purchase orders selected were commercial grade

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and invoked no specific nuclear requirements. No deficiencies were noted with these purchase orders as listed below.

<u>P.O. No.</u>	<u>Description</u>	<u>Purchaser</u>
6-07820-1	Pressure Switches	PA Power & Light
62N73396	Agastat Relays	Gulf States Utilities
500142	Agastat Relays & Meters	Illinois Power
P2-265611	Pressure Gage	PSEG

One of the randomly selected Purchase Orders X-39502 from Illinois Power invoked Appendix B and 10 CFR Part 21, however, it did not indicate that it was for a safety-related application. This purchase order was for 10 Agastat Relays which NSSS, Inc. had said were procured commercial grade from General Electric. The relays carried a nuclear designated Agastat Part Number and were certified based upon that designation. This is also a case of improperly dedicated components as no testing was done by NSSS, Inc. nor was certification received from GE which would indicate the subject relays met the purchase specifications.

E. Exit Meeting

At the completion of the inspection an exit meeting was held. The following people were in attendance:

Jeff Jacobson, Inspector, USNRC  
Bill Strickland, President, NSSS, Inc.  
Tom Westbrook, Jr., NSSS, Inc.  
S. Kay Fisher, QA Manager, NSSS, Inc.