71-0230

Babcock & Wilcox

NNFD RESEARCH LABURATORY

a McDermott company

P.O. Box 11165 Lynchburg, VA 24506-1165 (804) 522-6000

February 15, 1991

U.S. Nuclear Regulatory Commission ATTN: Charles E. MacDonald, Chief Transportation Branch Division of Safeguards and Transportation, NMSS Washington, DC 20555

Reference: Notice of Nonconformance (NRC Inspection Report No. 710230/ 90-08), dated January 25, 1991.

Gentlemen:

The Babcock & Wilcox Company, Naval Nuclear Fuel Division Research Laboratory (NNFD-RL), is providing the attached reply to the referenced notice of nonconformance as requested.

If you have any questions regarding this matter, please feel free to contact me.

Very truly yours, BABCOCK & WILCOX Naval Nuclear Fuel Division

A. K. Trent

Manager, Safety & Safeguards

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REPLY TO A NOTICE OF NONCONFORMANCE

The following response is the Babcock & Wilcox Company, Naval Nuclear Fuel Division Research Laboratory's (NNFD-RL), reply to the notice of nonconformance which was issued as part of Inspection Report No. 710230/90-08.

Nonconformance

10 CFR 71.109 requires that measures be established to ensure adequate quality in the documents for procurement of materials, equipment, and services, whether purchased directly or through contractors or subcontractors.

Contrary to the above, Requisition No. 003404 was issued to FBF, Inc., to manufacture one Model DOT-6M, Type B packaging (Certificate of Compliance 5908). At the time of the order, FBF, Inc. was not on the Research Laboratory's Approved Supplier List, nor was it on the Approved Supplier List maintained at the Babcock & Wilcox Company, Naval Nuclear Fuel Division.

Response

1. The corrective steps which have been taken and the results achieved:

FBF, Inc. had been previously listed on the NNFD-RL Approved Supplier List based upon an audit of FBF conducted by the B&W Commercial Nuclear Fuel Plant (CNFP). A copy of the CNFP audit is maintained in the Quality Assurance files at the NNFD-RL. Because the audit interval for FBF had expired, FBF was removed from the NNFD-RL Approved Supplier List pending reevaluation.

FBF, Inc. has been reevaluated by NNFD-RL Quality Assurance (dccumented in a report dated August 3, 1990). FBF, Inc. was placed back on the Approved Supplier List and a new list published August 9, 1990.

2. The corrective steps which will be taken to prevent recurrence:

To prevent recurrence, reevaluation of suppliers will be made prior to the expiration date of the evaluation. If for some reason a reevaluation cannot be performed within the necessary time interval, the supplier will be listed as conditionally approved pending completion of the evaluation.

3. The date when corrective actions and preventive measures were or will be completed:

NNFD-RL was in full compliance on August 9, 1990.