

APPENDIX A

Velan Valve Corporation
Docket No. 99900346/82-01

NOTICE OF NONCONFORMANCE

Based on the results of an NRC inspection conducted on August 30-September 3, 1982, it appears that certain of 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. Section 4 of Quality Control (QC) Procedure VELW-QC-156.8, "Examination Tests and Inspection," (January 26, 1982) states in part, "Inspection Department shall verify that all items used in the assembly of valves have successfully passed shop inspection . . . Evidence of this is provided by the Shop Inspector's Stamp"

Contrary to the above, a review of Operation and Routing Sheets (ORS) and Nuclear Valve Assembly Routing Sheets (NVARs) for domestic nuclear orders indicated the absence of an inspector's stamp and date for the following inspection activities: (1) verification of transfer of marking on an ORS for PO P3-5500-N; and (2) assembly and final inspection on an NVARs for Data Package W810408.

- B. Section 4 of QC Procedure VELW-QC-156.15, "Records - Contents and Storage," (April 7, 1981) states in part, ". . . records listed in Exhibit 39 shall be retained for the period specified therein." Calibration Records are listed as item 12 in Exhibit 39.

Section 5.2.3 of VELW-QC-156.15 states in part, "These records shall be stored in fire retardant vault"

Section 5.2.4 of VELW-QC-156.15 states in part, ". . . The Quality Control Documentation Manager shall maintain a log for records distributed to control retrieval."

Contrary to the above, a review of record maintenance indicated that calibration records were neither identified in the QC Documentation Manager's log nor stored in the vault.

- C. Section 2.4 of QC Procedure VELW-QC-156.13, "Control of Nonconforming Items and Corrective Action," (April 7, 1981) states in part, "The committee will . . . review the effectiveness of corrective action to prevent recurrence."

Section 2.13 of QC Procedure VELW-QC-156.13 states in part, "The Quality Assurance Department shall be responsible for issuing a Report of the Review of the Corrective Action Statements on the Rejection Report which shall address the effectiveness of the Corrective Action . . . and for the followup on Corrective Action resulting from the report."

Contrary to the above, a review of the Quality Assurance Department Reports relating to Corrective Action implementation from December 1981 through July 1982 did not address either the review of or the effectiveness of corrective action.