

APPENDIX A

East-West Technology Corporation
Docket No. 99900919/83-01

NOTICE OF NONCONFORMANCE

Based on the results of an NRC inspection conducted on April 18-22, 1983, it appears that certain of your activities were not conducted in accordance with NRC requirements as indicated below:

- A. Criterion V of Appendix B to 10 CFR Part 50 states, in part, "Activities affecting quality shall be prescribed by documented instructions, procedures, or drawings, of a type appropriate to the circumstances and. . . ."

Contrary to the above, the written procedures contained in the East-West Technology (EWT) Quality Assurance Manual (QAM) reflect that EWT is committed to establishing a quality assurance program in accordance with the requirements contained in 10 CFR Part 50, Appendix B; however, the procedures in a number of instances are not of a type appropriate to the circumstances. That is, they are general and do not describe or state in detail how control is to be accomplished. Examples of these instances are: (1) a general statement that EWT will control procurement documents to assure that the requirements of the applicable specifications, regulations, and codes are passed to the supplier/vendor, but no detailed description to show what methods will be used to establish this control; (2) a statement that EWT will conduct internal audits covering quality-related operations, but no procedures or checklists to use to accomplish these audits; and (3) a statement that EWT will use qualified personnel to conduct audits, but no detailed description as to what training is required and/or how auditor qualification is established.

- B. Criterion V of Appendix B to 10 CFR Part 50 states, in part, "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.

Nonconformance with these requirements are as follows:

1. Paragraph 3.1.1 of Section XIII of the EWT QAM states, in part, "Audits covering quality related operation, shall be performed annually."

Contrary to the above, no documented evidence was available to indicate that any internal audit(s) had been performed.

2. Paragraph 3.3.2 of Section XIII of the EWT QAM states, in part, "East-West Technology Corporation shall audit vendor/suppliers who provide services such as equipment calibration and non-destructive testing."

Contrary to the above, no documented evidence was available to indicate that EWT has performed a vendor/supplier audit of the firm that was providing them with equipment calibration services.