

Enclosure II.1



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D. C. 20555

DEC 11 1990

Docket No. 99900918/90-01

Mr. John R. Hendricks, President  
Farwell and Hendricks, Inc.  
1000 Ford Circle, Suite C  
Milford, Ohio 45150

Dear Mr. Hendricks:

I am responding to your letter of December 3, 1990, requesting an extension of 25 days to respond to the Notice of Nonconformance dated November 9, 1990. Your request is granted and we will expect your response by January 3, 1991.

Sincerely,

A handwritten signature in cursive script that reads "Alan R. Herdt".

Alan R. Herdt, Acting Chief  
Vendor Inspection Branch  
Division of Reactor Inspection  
and Safeguards  
Office of Nuclear Reactor Regulation

9108260213 910102  
PDR QA999 EMVFARWE  
99900918 PDR

*Farwell & Hendricks, Inc.*

December 3, 1990

United States Nuclear Regulatory Commission  
Vendor Inspection Branch  
Mail Code 9D4  
Washington, D.C. 20555

1000 Ford Circle  
Miford, Ohio 45150  
(513) 831-9390  
Telecopy (513) 831-9398

Telephone: 301-492-0995  
Telefax: 301-492-0260

Attention: Uldis Potapovs

Subject: Request For Extension On The Due Date For Response  
Reference: NRC Inspection Report No. 99900918/90-01

Dear Mr. Potapovs:

Farwell & Hendricks, Inc. has received the referenced Inspection Report. F&H is currently organizing and finalizing a written statement to address the non-conformances identified in the report. The written statement will be executed in accordance with the F&H QA program's corrective action system which will provide information to satisfy the requirements of items 1, 2, and 3 contained in paragraph 4, page 1 of the NRC letter stamped NOV 09 1990.

F&H, Inc. places great concern on satisfactorily addressing NRC directives. F&H, Inc. understands the importance of a timely response to the Inspection Report as well as the importance of an acceptable response.

F&H, Inc. requests a 14 working day extension on the date the response is due. The current response due date is December 9, 1990. In the event the extension is granted, the NRC would receive the response no later than January 3, 1991.

Please find enclosed Appendix A and Appendix B. Appendix A is information provided to show good cause for the NRC to extend the date. Appendix B is a Request For Extension Response sheet provided to facilitate the NRC response to this request.

F&H, Inc. apologizes for any inconveniences this request may cause the NRC. If you have any questions or need additional information, please feel free to contact me.

Sincerely,

*John R. Hendricks*  
John R. Hendricks, P.E.  
President

JRH/jss

cc: NRC QA Correspondence File

~~9012190083~~ 3PP

## APPENDIX A

## Information To Show Good Cause

This information is categorized per items 1, 2, and 3 of Appendix A, titled Notice of Nonconformance, enclosed with the NRC letter stamped NOV 09 1990 as follows:

1. F&H is currently reviewing the QA records associated with Data Package 60447.1 to properly assess the impact, define and implement appropriate corrective action to assure compliance to 10CFR50 Appendix B.

F&H Technical Procedure 13-004 and Technical Procedure 13-005 effectively assure that only MCCB's that have a documented traceable path from the CBM are utilized in F&H projects.

F&H is currently evaluating the functional inspection procedure for MCCB's to address the technical issues identified in the Inspection Report.

F&H operating practice requires that functional testing be performed on 100% of the MCCB's that are to be supplied to F&H clients. F&H attaches the resulting data to the applicable certification document which is submitted to the client.

2. F&H has reviewed the QA records associated with Data Package 60500. @ 25 projects completed circa May-June 1990, and the F&H QA Department has closely monitored this parameter in Data Packages since June 1990 which suggests that this is an isolated case. Also, discussions with the responsible engineer indicates other controls (not documented in Data Package 60500) were apparently utilized to address dimensions. These controls are being organized and will be detailed in the response.

F&H has made organizational and operational refinements which mandate dimensional verification as a part of the receiving inspection activity.

3. F&H is currently reviewing the QA records associated with Data Package 60058 to assure the materials were acceptable for a mild environment and seismic application. Specifically, what activities were performed to verify acceptability such as audit, lot qualification, etc.

F&H understood during the exit meeting that this would be identified as a nonconformance to be addressed via response to the Inspection Report. F&H understood this to be attributable to the data being presented in the older F&H format which is cumbersome to review. Since this matter was identified towards the end of the inspection, there was inadequate time available for detailed review and proper response during the course of the inspection.

F&H will submit objective evidence which supports the coils acceptability in the response.

## APPENDIX B

## Request For Extension Response Sheet

☐

The request for extension is granted, whereas the original due date was December 9, 1990 and the due date is now January 3, 1990.

Remarks: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
Uldis Potapovs, Acting Chief  
Vendor Inspection Branch

☐

The request for extension is denied, whereas the due date remains December 9, 1990.

Remarks: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
Uldis Potapovs, Acting Chief  
Vendor Inspection Branch

Enclosure 11.3



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D. C. 20555

NOV 09 1990

Docket No. 99900918/90-01

Mr. John R. Hendricks, President  
Farwell and Hendricks, Inc.  
1000 Ford Circle, Suite C  
Milford, Ohio 45150

Dear Mr. Hendricks:

This letter addresses the inspection of your facility at Milford, Ohio conducted by Messrs. Richard P. McIntyre, Uldis Potapovs, and Stephen D. Alexander, of the Vendor Inspection Branch on June 25 through June 27, 1990, and the discussions of our findings with you and other members of your staff at the conclusion of the inspection.

The inspection was conducted to review the Farwell and Hendricks (F&H) program and process for the dedication of commercial-grade electrical and mechanical items ultimately sold to nuclear licensees as safety-related. Areas examined during the NRC inspection and our findings are discussed in the enclosed report. This inspection consisted of an examination of procedures and representative records, interviews with personnel, and observations by the inspectors.

During this inspection, we determined that F&H has developed a commercial-grade dedication program which, if properly implemented, should provide equipment suitable for nuclear safety related applications. However, our review of representative dedication packages identified certain deficiencies in the dedication process. In particular, F&H dedication of molded case circuit breakers (MCCBs) did not include a complete testing program which is necessary to verify the suitability of application and the ability for the MCCBs to perform their intended safety functions when placed in service. The specific findings and references to the pertinent requirements are identified in the enclosures of this letter.

Please provide us within 30 days from the date of this letter a written statement containing: (1) a description of steps that have been or will be taken to correct these items; (2) a description of steps that have been or will be taken to prevent recurrence; and (3) the dates your corrective actions and preventive measures were or will be completed. We will consider extending the response time if you can show good cause for us to do so.

The responses requested by this letter and the enclosed notice are not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, Public Law No. 96-511.

9011280/68 288

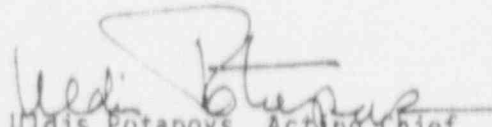
Mr. John R. Hendricks

-2-

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosures will be placed in the NRC Public Document Room.

Should you have questions concerning this inspection, we will be pleased to discuss them with you.

Sincerely,



Uldis Potapovs, Acting Chief  
Vendor Inspection Branch  
Division of Reactor Inspection  
and Safeguards  
Office of Nuclear Reactor Regulation

Enclosures:

1. Appendix A -- Notice of Nonconformance
2. Appendix B -- Inspection Report No. 99900918/90-01



NOV 09 1990

Enclosure 1

## APPENDIX A

Farwell & Hendricks, Inc.  
Docket No. 99900918/90-01

## NOTICE OF NONCONFORMANCE

Based on the results of an NRC inspection conducted on June 25-27, 1990, it appears that certain of your activities were not in accordance with NRC requirements which were imposed on you through purchase order contracts with NRC licensees:

- A. Criterion III of Appendix B to 10 CFR Part 50, "Design Control," requires, in part, that measures shall be established for the selection and review for suitability of application of materials, parts, equipment, and processes that are essential to the safety-related functions of the structures, systems and components. Criterion III also requires, in part, that design control measures shall provide for verifying or checking the adequacy of design. One of the methods of design verification stated is performance of a suitable testing program.

Farwell & Hendricks (F&H) Technical Procedure (TP) 3-001, Revision 0, "Procedure for Establishment and Procurement of Commercial-Grade Items For Use as Basic Component," Section 5.2, "Dedication" describes the dedication process used by F&H. Ten subsections go into detail in areas as such as: determination of critical characteristics, supplier/manufacturer selection, design, materials of construction, manufacturing process, environmental and seismic qualification, and QA verification.

Section 5.2.2.1, Determination of Critical Characteristics, requires that the engineer identify and quantify critical characteristics essential to the item's performance of its safety function and lists "dimensions" as an example of such characteristics.

Section 5.2.2.3, Design, requires the engineer to determine any inspection, condition, and/or functional test requirements necessary to assure the item will perform its function.

Section 5.2.2.4, Materials of Construction, states that the manufacturer of replacement parts may provide the materials of construction or a test analysis can be performed to determine the materials of the replacement item.

9011280170 2pp

NOV 09 1990

- 2 -

Contrary to the above, Farwell and Hendricks sold the following items as nuclear safety-related without completely evaluating their suitability for use in such applications:

1. Data Packages 60447.1, 74000, 74001, and 74003.3 - F&H procured molded case circuit breakers (MCCBs) as commercial-grade items (CGIs), processed them through their program for dedication of commercial-grade MCCBs for Class 1E (safety-related) nuclear plant service, and sold them to a nuclear utility, certifying their suitability for such service, without conducting a complete review for suitability of application to the safety-related functions. Also, F&H did not completely verify the adequacy of design through a suitable testing program in that (1) not all critical characteristics were verified by the program, (2) the acceptance criteria for some testing were inadequate to verify the applicable critical characteristics, (3) not all MCCBs to be dedicated were tested at all, and (4) not all items' performance was consistent with the stated basis for the acceptance criteria.

Also, F&H's measures for control of purchased material were not adequate to assure that commercial-grade MCCBs to be dedicated for safety-related service conformed to the procurement documents in that verifiable, documented traceability of a certain MCCB to the original circuit breaker manufacturer (CBM) and to objective quality evidence furnished by the CBM was not established.

2. Data Package 60500 - F&H purchased 20 amp Bussmann fuses as commercial-grade items and sold them as safety-related dedicated items without verifying the actual dimensions of the fuses. The dimensions are critical characteristics which should have been verified. F&H did verify the dimensions of the fuse holders. This dedication was completed in April 1989.
3. Data Package 60058 - F&H purchased Norgren poppet valves as commercial-grade items and sold them as a safety-related dedicated items without verifying that the coil materials were suitable for a mild environment or a seismic application. This dedication was completed in September 1986. Data Package 60600 for a coil purchased from Norgren and dedicated in May 1989 did attempt to verify the coil materials as part of verification.

Dated at Rockville, Maryland

This 9th day of November, 1990