



UNITED STATES
NUCLEAR REGULATORY COMMISSION
REGION IV
611 RYAN PLAZA DRIVE SUITE 1000
ARLINGTON, TEXAS 76011

January 17, 1984

Docket No. 99900334/83-02 and 83-03

Transamerica Delaval, Incorporated
Engine and Compressor Division
ATTN: Mr. C. Mathews
Vice President and General Manager
550 85th Avenue
Oakland, California 94261

Gentlemen:

This refers to the inspections conducted by Mr. J. W. Sutton of this office on September 6-15 and October 17-21, 1983, of your facility at Oakland, California, and to the discussions of our findings with you and members of your staff at the conclusion of the inspections.

These inspections were made at the request of NRC Headquarters and Regional Offices as a result of the identification of numerous deficiencies in emergency diesel generators that have been furnished to various nuclear sites.

Areas examined during the inspections and our findings are discussed in the enclosed reports. Within these areas, the inspections consisted of an examination of procedures and representative records, interviews with personnel, and observations by the inspector.

During the inspections it was found that the implementation of your QA program failed to meet certain NRC requirements. The specific findings and references to the pertinent requirements are identified in the enclosures to 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. Consideration may be given to extending your response time for good cause shown.

The responses requested by this letter are not subject to the clearance procedures of the Office of Management and Budget as required by the Paperwork Reduction Act of 1980, PL 96-511.

It is apparent from the results of these and prior inspections that serious deficiencies have existed in the implementation of your committed quality assurance program for manufacture of emergency diesel generators. What concerns us greatly is that certain of these findings are of a nature which brings into question both the adequacy of existing manufacturing process controls and the level of compliance by manufacturing and quality control personnel. When reviewed in the context of the numerous deficiencies which have been identified to the NRC in 10 CFR Part 21 and 10 CFR Part 50.55(e)

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reports, we believe that significant concern is warranted with respect to the existing assurance that as furnished emergency diesel generators will reliably perform their intended safety function. Accordingly, this matter is being referred to the NRC Headquarters staff for consideration of generic actions required to produce a necessary level of confidence in this equipment.

In accordance with 10 CFR 2.790 of the Commission's regulations, a copy of this letter and the enclosed inspection reports will be placed in the NRC's Public Document Room. If this report contains any information that you believe to be exempt from disclosure under 10 CFR 9.5(a)(4), it is necessary that you (a) notify this office by telephone within 10 days from the date of this letter of your intention to file a request for withholding; and (b) submit within 25 days from the date of this letter a written application to this office to withhold such information. If your receipt of this letter has been delayed such that less than 7 days are available for your review, please notify this office promptly so that a new due date may be established. Consistent with Section 2.790(b)(1), any such application must be accompanied by an affidavit executed by the owner of the information which identifies the document or part sought to be withheld, and which contains a full statement of the reasons on the basis which it is claimed that the information should be withheld from public disclosure. This section further requires the statement to address with specificity the considerations listed in 10 CFR 2.790(b)(4). The information sought to be withheld shall be incorporated as far as possible into a separate part of the affidavit. If we do not hear from you in this regard within the specified periods noted above, the report will be placed in the Public Document Room.

Should you have any questions concerning these inspections, we will be pleased to discuss them with you.

Sincerely,

Original Signed By:
Uldis Potapovs
Uldis Potapovs, Chief
Vendor Program Branch

Enclosures:

1. Appendix A - Notice of Nonconformance (83-02)
2. Appendix B - Inspection Report No. 99900334/83-02
3. Appendix C - Inspection Data Sheets (11 pages) 83-02
4. Appendix D - Notice of Nonconformance (83-03)
5. Appendix E - Inspection Report No. 99900334/83-03
6. Appendix F - Inspection Data Sheets (7 pages) 83-03