



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

ENCLOSURE

March 21, 1996

Mr. Ahmad E. Amer, President,
Amer Industrial Technologies, Inc.
1000 south Madison Street
Wilmington, DE 19801

SUBJECT: NRC INSPECTION NO. 99901292/96-01

Dear Mr. Amer:

This letter addresses the U.S. Nuclear Regulatory Commission (NRC) inspection of your facility at Wilmington, Delaware, conducted by Messrs. U. Potapovs, R. McIntyre and S. Matthews of this office on January 29 through February 2, 1996, and the discussions of their findings with you and members of your staff at the conclusion of the inspection. The inspection was conducted to evaluate your quality assurance program and its implementation in selected areas including (1) design control, (2) control of the manufacturing process, procurement and upgrading of stock material, (3) internal and external audits, and (4) indoctrination and training of personnel. Your program for compliance with the requirements of Part 21 of Title 10 of the Code of Federal Regulations (10 CFR Part 21) was also reviewed during this inspection.

The inspection was accomplished through objective evaluation of selected procedures and records, discussions, and observations of ongoing activities by the inspectors. The specific areas examined during the NRC inspection and the findings are discussed in the enclosed inspection report.

Based on the results of this inspection, we determined that certain of your activities appeared to be in violation of NRC requirements. Specifically, (1) the document describing your policy for compliance with 10 CFR Part 21 did not provide for evaluating deviations and reporting defects in accordance with 10 CFR 21.21(a), and (2) the evaluations conducted to determine if a reportable condition existed were inadequate.

You are required to respond to this letter and should follow the instructions specified in the enclosed Notice of Violation when preparing your response. In your response you should document the specific actions taken and any additional actions you plan to prevent recurrence.

Additionally, during this inspection, we identified several instances where the implementation of your quality assurance program failed to assure that the products supplied by your company complied with the applicable technical or quality requirements specified in the applicable procurement documents. The specific findings and references to the pertinent requirements are identified in the enclosures to this letter.

Please provide us within 30 days of this letter a written statement in accordance with the instructions specified in the enclosed Notice of

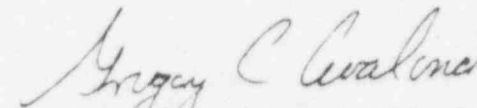
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Nonconformance. We will consider extending the response time if you can show good cause for us to do so.

The response requested by this letter and the enclosed Notices 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. In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and the enclosed inspection report will be placed in the NRC Public Document Room.

If there are any questions concerning this inspection we will be pleased to discuss them with you.

Sincerely,



Gregory C. Cwalina, Acting Chief
Special Inspection Branch
Division of Inspection and Support Programs
Office of Nuclear Reactor Regulation

Docket No.: 99901292

Enclosures: 1. Notice of Violation
2. Notice of Nonconformance
3. Inspection Report 99901292/96-01

Mr. D. F. Schnell

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