

NOTICE OF DEVIATION

Based on the results of an NRC inspection conducted on June 26-30, 1978, it appeared that certain of your activities were not conducted in full compliance with NRC requirements as indicated below:

- A. Criterion 2 of Appendix E to 10 CFR 71 states in part, "Activities affecting quality shall be accomplished under suitably controlled conditions. Controlled conditions include the use of appropriate equipment; suitable environmental conditions for accomplishing the activity, such as adequate cleanness. . . ."

ASME Code, Section III, NA-4133.2(a), which is a commitment of the Excelco Developments QA Manual, states in part, "The Program shall provide for the accomplishment of activities affecting quality under suitably controlled conditions. Controlled conditions include the use of appropriate equipment, suitable environmental conditions for accomplishing the activity, and assurance that prerequisites for the activity have been satisfied."

Contrary to the above, the program did not provide for the accomplishment of activities under suitably controlled conditions. For example, a cutting lubricant (Habcool-318) which is not recommended to be used on stainless steel by its manufacturer because of its high sulfur content was observed being used on stainless steel parts.

- B. Criterion 5 of Appendix E to 10 CFR 71 states in part, "Activities affecting quality shall be prescribed by documented instructions . . . and shall be accomplished in accordance with these instructions. . . ."

Excelco QA Manual, Revision 0, Section 11.4.1 states, "It is the responsibility of the inspector performing tests and examinations to record all serial numbers of gages and testing equipment used by him on the inspection report."

Contrary to the above, none of the inspection reports reviewed identified the gages and equipment used by the inspector.

Excelco personnel, 1) corrected all inspection reports currently on file, 2) reinstructed the inspectors to prevent recurrence. Both corrective and preventive measures were implemented concerning this deviation before the end of this inspection, therefore, no response to this item is necessary.

- C. Criterion 5 of Appendix E to 10 CFR 71 and NA4134.5 of Section III of the ASME Code states in part, "Activities affecting quality shall be prescribed by documented instructions, procedures, or drawings . . . and shall be accomplished in accordance with these instructions, procedures or drawings."

ASME Code, Section IX, QW 201.1, which is a commitment of the Excelco Developments QA Manual, states in part, "The welding procedure specification (WPS) shall list in detail the various base metal P Numbers to be joined by welding, the filler metals to be used, the range of preheat and postweld heat treatment, thickness, and other variables described for each welding process as either essential or nonessential. The WPS is intended to provide the welder, or welding operator, with the direction he needs to weld in accordance with the Code and shall be available for reference by the welders, or welding operators, and the Authorized Inspector."

Contrary to the above, it appears that the pipe to flange welds for parts 1030, 1032 and 1033 were not made in accordance with the applicable welding procedure, WS-5-10. Whereas WS-5-10 specifies type 308 filler metal and current range of 130-150 amps, the corresponding weld parameter sheets for these parts indicate that type 347 filler metal and 75 amp current were actually used.

- D. Criterion 4 of Appendix E to 10 CFR 71 states, "Measures shall be established to assure that applicable requirements of this part which are necessary to assure adequate quality are suitably included or referenced in the documents for procurement of material, equipment, and services, whether purchased by the licensee or by his contractors or subcontractors. To the extent necessary, the licensee shall require contractors or subcontractors to provide a quality assurance program consistent with the pertinent provisions of this part."

Excelco QA Manual, Revision 0, Section 3.2.1.5, provides that the purchase orders include all the required quality requirements.

Contrary to the above, only one of approximately thirty (30) subvendors, were required to provide a quality assurance program consistent with Appendix E. Some of these subvendors were supplying safety significant components such as safety heads, relief valves, etc.

- E. Criterion 7 of Appendix E to 10 CFR 71 states in part, "Measures shall be established to assure that purchased material, equipment, and services, whether purchased directly or through contractors and subcontractors, conform to the procurement documents. These measures shall include provisions, as appropriate, for source evaluation and

selection, objective evidence of quality furnished by the contractor or subcontractor, inspection at the contractor or subcontractor source, and examination of products upon delivery. Documentary evidence that material and equipment conform to the procurement specifications shall be available prior to installation or use of such material and equipment."

Excelco QA Manual, Section 3, requires qualified vendors be selected, and documentary evidence that material conforms to specification.

Contrary to the above, in some cases there was no evidence that qualified vendors were selected and that material conformed to specifications. (See Details Section D.3.)

- F. Criterion 10 of Appendix E to 10 CFR 71 states, "A program for inspection of activities affecting quality shall be established and executed by or for the organization performing the activity to verify conformance with the documented instructions, procedures, and drawings for accomplishing the activity."

Excelco procedure, QC-0211, Section 3.1, dated January 18, 1968, states in part, "Quality Engineering shall: . . . 2. Determine quality requirements that must be assessed during inspection. 3. Initiate a Receiving Material Inspection (RMI) Form ED-0001. 4. Detail inspection requirements on the (RMI) noting print dimension, description, and enter tools, gages, etc., to be used in Remarks Column."

Contrary to the above, receiving inspection was not prescribed by documented instructions. On several complex and significant parts such as safety heads and fire valves receiving inspection was generally limited to tag identification.

- G. Criterion 18 of Appendix E to 10 CFR 71 states, "A comprehensive system of planned and periodic audits shall be carried out to verify compliance with all aspects of the quality assurance program. . . . The audits shall be performed . . . by appropriately trained personnel. . . ."

Excelco QA Manual, Revision 0, Section 12.1.1. states in part, "The Q.A.M. will be responsible for planning, conducting and reporting of audits. The plan includes the scheduling and the criteria of the audits."

Section 12.3.5, states in part, "These Auditors shall be qualified."

Contrary to the above, it could not be verified that a system of planned and periodic audits by appropriately trained personnel was implemented. (See Details Section E.3.)