



**UNION ELECTRIC COMPANY**

1901 Gratiot Street, St. Louis

Donald F. Schnell  
Vice President

February 21, 1986

→ Mr. Gary G. Zech, Chief  
Vendor Program Branch  
Office of Inspection and Enforcement  
U.S. Nuclear Regulatory Commission  
Washington, D.C. 20555

ULNRC-1261

Dear Mr. Zech:

DOCKET NUMBER 50-483  
CALLAWAY PLANT  
VALLEY STEEL CO. PROCUREMENT INFORMATION

Reference: NRC letter from G. G. Zech to  
D. F. Schnell dated 12/31/85

The enclosed information is provided to comply with your request for documentation related to procurements of material from Valley Steel Products Company.

The documentation enclosed includes the following:

1. Relevant portions of Purchase Order 7186-SR-66001 from Daniel International Corporation to Teledyne Brown Engineering (All safety-related tubular steel procured from Valley Steel Products Company for Callaway Plant was made through this purchase order.)
2. Quality Assurance Specification 10466-QA-1, Rev. 4, as called out on Purchase Order 7186-SR-66001 (Mr. James T. Conway requested this information to verify applicable QA requirements were specified in the purchase order.)
3. Certified Material Test Reports, as follows:
  - a. Welded Tube Company of America to Valley Steel Products Company (3 CMTR's)
  - b. DuBose Steel, Inc. to Teledyne Brown Engineering (1 CMTR)

(These CMTR's reference the same heat codes and provide traceability from Valley Steel Products Company to Callaway Plant )

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PDR ADOCK 05000483  
P PDR

*Foot Add: IE/DEPER/EAS 1 1  
1/1 IE/DQAVT/VPB 1 1 - Original  
Gary Zech 1 1*

4. General information from Receiving Inspection Reports (RIR's) regarding Teledyne Brown Engineering's cross-referencing of heat codes and application of the tubular steel in pipe supports (A substantial portion of the tubular steel procured from Valley Steel Products Co. was used by Teledyne Brown Engineering to manufacture pipe supports for Callaway Plant.)

If you have any questions or require additional information, please contact us.

Very truly yours,



Donald F. Schnell

JJW/lw

Attachments: 1 - Purchase Order 7186-SR-66001  
2 - Specification 10466-QA-1  
3 - CMTR's  
4 - General Information from RIR's

cc: Gerald Charnoff, Esq.  
Shaw, Pittman, Potts & Trowbridge  
1800 M. Street, N.W.  
Washington, D.C. 20036

Nicholas A. Petrick  
Executive Director  
SNUPPS  
5 Choke Cherry Road  
Rockville, Maryland 20850

C. W. Hehl  
Division of Projects and  
Resident Programs, Chief, Section 1A  
U.S. Nuclear Regulatory Commission  
Region III  
799 Roosevelt Road  
Glen Ellyn, Illinois 60137

Bruce Little  
Callaway Resident Office  
U.S. Nuclear Regulatory Commission  
RR#1  
Steedman, Missouri 65077

Paul O'Connor  
Office of Nuclear Reactor Regulation  
U.S. Nuclear Regulatory Commission  
Mail Stop 316  
7920 Norfolk Avenue  
Bethesda, MD 20014

James T. Conway  
Vendor Program Branch  
Office of Inspection and Enforcement  
U.S. Nuclear Regulatory Commission  
Washington, DC 20555



**DANIEL INTERNATIONAL**

Form 1040 (3-77)

ATTACHMENT 1

PURCHASE ORDER

Webster B12-01

REQUISITION NUMBER	DATES				ORDER NUMBER
86-SR-60005-01	Requisition	Purchase Order	St.	Delivery/Ship	Required Jobsite Pr.
9-17-76	10-1-76	See Below	See Delivery	210	7186-SR-66001
ITEM DESCRIPTION	COST CODE				TOTAL AMOUNT
Hangers - Non-Catalog	C	N	P	1.91.U 920	ESTIMATED \$ 4,000,000.00
REQUESTED BY D. Haas	TERMS	F.O.B.	SHIP VIA	TYPE	
C. R. Gardner	Net 30 Days	Carrier Job Site	See Below	"db"	
SELLER'S PERFORMANCE RATING <input type="checkbox"/> EX <input type="checkbox"/> SAT <input type="checkbox"/> UNSAT					

Teledyne Brown Engineering  
 Nuclear Steel Fabrication Division  
 23 Second Street, S. W.  
 Decatur, Alabama 35601

**UNION ELECTRIC COMPANY**

As Agents for Union Electric Company  
 Callaway Plant  
 State Hwy. "CC", 3 miles N. of  
 State Hwy. 94  
 Portland, Missouri 65067  
 Telephone 314 676-3111

Please enter our Order as specified below subject to and expressly limited to all the instructions, terms and conditions, set forth on the face and reverse hereof.

ITEM	QUANTITY	DESCRIPTION	UNIT	UNIT PRICE	TOTAL PRICE
1	Approx. 1600 Tons	<p>I. SCOPE OF WORK</p> <p>Non-catalog pipe supports (per typical attached drawings)</p> <p><u>TYPICAL DRAWINGS</u></p> <p>0-EF01-C001/311(Q)            0-EF01-C003/311(Q)            0-EF01-H001/311(Q)            0-EF01-H003/311(Q)            0-EF01-R001/311(Q)            0-EF01-H007/311(Q)            0-EF01-R006/311(Q)            0-EF01-C005/311(Q)            0-EF01-C007/311(Q)</p> <p>to be fabricated in accordance with ASME Section III - Subsection NF, and the following:            Specification 10466-A-125(Q) Rev. 2            Specification 10466-M-216(Q) Rev. 2            Appendix "E"            Appendix "F"            Specification 10466-QA-1 Rev. 4            Specification 10466-A-130 Rev. 1            The material supplied shall be as specified on structural steel stock list or individual hanger sheets. Test reports for SA515-GR65 material in thickness</p>			

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QA RECORD

RECEIVED

SEP 30 1976

DANIEL DOCUMENT CONTROL PROJECT 1486

NO. 1 OF 17 PAGES

1. Acknowledgement copy and return to: DANIEL INTERNATIONAL CORPORATION, P.O. BOX 108, FULTON, MISSOURI 65251
2. Address five (5) copies of invoice including applicable cost code data invoice #24001, to: DANIEL INTERNATIONAL CORPORATION, AGENTS FOR UNION ELECTRIC CO., P.O. BOX 108, FULTON, MISSOURI 65251
3. Prices are firm, not subject to escalation and include all taxes, license duties, receipts and charges unless otherwise stated on the invoice.
4. Show Purchase Order number, including tag number if applicable, on each package, invoice, receipt, bill of lading and packing slip.
5. Invoice and Packing Slip must show item numbers shown on Purchase Order.
6. Each document must contain name of source thereof.
7. Invoices must show freight charges separately on all F.O.B. invoice items.

Daniel International Corporation  
 AS AGENTS FOR  
 UNION ELECTRIC COMPANY  
 [Signature]  
 PROJECT MANAGER  
 ACCEPTANCE  
 BY: [Signature]  
 TITLE: [Signature]  
 FOR: [Signature]  
 SELLER

Any additional or different terms presented by the seller are rejected unless explicitly accepted in writing. This order is to be processed by the Customer Center as set forth in the SWS in which the project is located. The attached acknowledgment copy must be signed and returned within five business days.

Purchase Order  
7186-SR-66001  
Page 2 of 17

over 5/8" shall include impact test results. The number of impact tests required shall be one (1) for each heat number. All welds shall be liquid penetrant examined. Welds for Class I hangers shall be radiographed in addition. All the exterior surfaces except threads and sliding surfaces shall be prepared for painting and painted with a gray colored primer as specified in Specification 10466-M-216(Q) Revision 2. The construction tolerances shall be in accordance with Appendix F, "The Pipe Support Fabrication Tolerance" requirements. Labor sheet to be provided by fabricator for each hanger isometric drawing and will accompany shipment of hanger. The complete hanger identification number shall appear on each piece of the hanger. If a hanger is shipped in several parts, the parts are to be banded together for shipment.

## II. SCHEDULE

Delivery and fabrication of material as described herein shall be required over the period of five (5) years from the date of issuance of this Purchase Order.

Seller agrees by acceptance of this Purchase Order that the approximate fabrication time shall be sixty (60) days from receipt of a fabrication drawing contingent on the availability of structural members required for the fabrication; however, it is understood that it is the Seller's responsibility for inventory control and sufficient lead time should be allowed for procurement of material as trade conditions dictate.

The Buyer will furnish to the Seller fabrication drawings and also the order in which these drawings are to be fabricated. The Seller shall process for fabrication and follow the drawings schedules as dictated by the Buyer.

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- b. Seller will at the end of the six month period determine the labor adjustment factor.
- c. The Seller will submit a single invoice for the total labor price adjustment required for the preceding six month period.

NOTE: As referenced herein the following will apply as the definition of invoices which will be considered to compile a given six month billing period and thereby subject to the single six month adjustment invoice:

All invoices applying to shipments physically shipped from the Seller's shop location within any six month billing period.

#### X. RIGHT TO AUDIT

The Seller shall allow the Buyer, Owner and/or a mutually acceptable third party to audit the Seller's pertinent accounting records, as such records are related to the work covered hereunder. The cost of such auditing shall be borne by the Buyer.

#### XII. BUYER'S RESIDENT REPRESENTATIVE

The Seller shall provide adequate facilities at his shop for a Buyer's representative. These work facilities will be provided at no charge to the Buyer.

#### XIII. SHOP ACCESS

Access will be granted to the Seller's shop at all times by the Buyer's and Owner's representatives.

#### XIV. RELEASE OF LIENS AND CLAIMS

Partial release of lien and general release will be required of Seller on a semi-annual basis to be submitted with the Labor Price Adjustment invoice on a form suitable to the Buyer.

#### XV. F. O. B. CARRIER JOB SITE

The Seller agrees that shipments will be made at carload and truckload lots when the quantity to be delivered to the job site is sufficient to constitute a carload or truckload shipment, except as may otherwise be permitted by the Buyer. Rail carload or truckload shipments of material/equipment being supplied against this Purchase Order shall be shipped by flat car

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the hazardous properties of nuclear materials: "Hazardous properties" shall include but not be limited to radio-active, toxic, or harmful properties of any nature of nuclear, contaminated or related material; "Nuclear Material" shall include but not be limited to source material, special nuclear material or by-product material as the same are defined in the Atomic Energy Act (42 USC Section 2014).

6. Notwithstanding any guarantee, warranty or other provisions of this Contract, any material, equipment, work, or parts thereof constructed, manufactured, or furnished by an Indemnitee which must be repaired, replaced, or installed pursuant to any Contract obligations of any Indemnitee shall be decontaminated and made safely accessible by Owner without cost to each Indemnitee, to the full extent necessary to perform such work.

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ROLL FRAME

#### XXI. ATTACHMENTS

Dwg. 0-EF01-C001/311(Q)  
Dwg. 0-EF01-C003/311(Q)  
Dwg. 0-EF01-H001/311(Q)  
Dwg. 0-EF01-H003/311(Q)  
Dwg. 0-EF01-R001/311(Q)  
Dwg. 0-EF01-C007/311(Q)  
Dwg. 0-EF01-H007/311(Q)  
Dwg. 0-EF01-R006/311(Q)  
Dwg. 0-EF01-C005/311(Q)  
Specification 10466-M-216(Q) Revision 2  
Appendix "E"  
Appendix "F"  
Specification 10466-QA-1 Revision 4  
Form 224  
Form 224-4  
Attachment "A" Pages 1 through 61  
Specification 10466-A-125(A) Rev. 2  
Specification 10466-A-130 Rev. 1



# CHANGE ORDER

3124

Form 11-52 (Rev. 1-76)

REQUISITION NUMBER		DATES				ORDER NUMBER	
7186-SR-66001-07	032778	041078		N/A	N/A	210	7186-SR-66001-06
MASTER DESCRIPTION		ESTY CODE				TOTAL AMOUNT	
Hangers - Non-Catalog (Perm. Plant)				1.61	0224		-0-
REQUESTED BY	TERMS	F.O.B.		SHIP VIA		T. UNIT	
T.K. Davis(22)	N/30	See Below		Motor Freight		DB	
SELLER'S PERFORMANCE RATING <input type="checkbox"/> EX <input type="checkbox"/> SAT <input type="checkbox"/> UNSAT							

Teledyne Brown Engineering "TAX EXEMPT"  
 Nuclear Steel Fabrication Division  
 23 Second St. S.W.  
 Decatur, AL 35601

**Ship To: DANIEL INTERNATIONAL**  
 At Agents for Union Electric Company  
 Callaway Plant  
 State Hwy. "CC", 3 miles N. of  
 State Hwy. 94  
 Portland, Missouri 65067

ABOVE NUMBERED PURCHASE ORDER IS HEREBY REVISED AS FOLLOWS:

ITEM	QUANTITY	DESCRIPTION	UNIT	UNIT PRICE	TOTAL PRICE
		Refer to original purchase order 7186-SR-66001 and add change order 06 as follows:  Incorporate the following requirement:  "This contract is subject to 10 CFR Part 21 which may require notification to the NRC and/or Daniel of any known defects in material or workmanship."  MINIMUM SALES AND USE TAXES DISTRICT OF COLUMBIA  Only those states which have enacted laws imposing a minimum sales and use tax on the sale of tangible personal property shall be included in this list. The following states are included in this list: AL, AR, AZ, CA, CO, CT, DE, FL, GA, HI, IL, IN, IA, KS, KY, LA, MA, MD, ME, MI, MN, MO, MS, MT, NC, ND, OH, OK, OR, PA, RI, SC, SD, TN, TX, VA, VT, WA, WI, WY.  F.O.B.: Carrier Jobsite, with freight prepaid and billed at actual cost.  All other conditions and requirements of the original purchase order are to remain the same.		\$	\$
PREVIOUS TOTAL					4,000,000.00
ADDITIONS					-0-
DEDUCTIONS					
NEW TOTAL					4,000,000.00

POLL  
 00682  
 0138  
 8888

Confirming contract to seller's Bryant Castellon on 041078 by Mike Rowlette, Phone: 800/631-2090  
 No. 1 of 1 Pages

ALL OTHER TERMS AND CONDITIONS REMAIN UNCHANGED.

**IMPORTANT INSTRUCTIONS (MANDATORY)**

- Execute Acknowledgment copy and return to: DANIEL INTERNATIONAL CORPORATION, AGENTS FOR UNION ELECTRIC CO., P.O. BOX 158, FULTON, MISSOURI 65251.
- Attach five (5) copies of itemized invoice, including applicable cost code data involved herein, to: DANIEL INTERNATIONAL CORPORATION, AGENTS FOR UNION ELECTRIC CO., P.O. BOX 158, FULTON, MISSOURI 65251.
- Prices are firm, not subject to escalation and include all taxes, freight duties, insurance and handling unless otherwise stated on the item receipt.
- Show Purchase Order Number, including tag number if applicable, on each package, correspondence, invoice, bill of lading and packing list.
- Invoice and Packing List must show item description from the Purchase Order.
- Each document marked with date time receipt of invoice received.

Daniel International Corporation  
 AS AGENTS FOR  
 UNION ELECTRIC COMPANY  
*(Signature)*  
 ACCEPTANCE  
 BY: \_\_\_\_\_ (PRINT)  
 FOR: \_\_\_\_\_ (TITLE)

Any additional or different terms proposed by the buyer are rejected unless explicitly specified in writing. This order is to be governed by the Uniform Commercial Code as amended in the State in which the contract is made. The attached acknowledgment copy must be signed and returned before any invoice is issued. If a change order will be sent.