

UNITED STATES

NUCLEAR REGULATORY COMMISSION

REGION IV

611 RYAN PLAZA DRIVE, SUITE 400 ARLINGTON, TEXAS 76011-8064

January 2, 1998

Central Files Docket Files TSC3

Mats Tynell, General Manager Product Center-Steam Generator Tubing AB Sandvik Steel SE-811 81 Sandviken Sweden

SUBJECT:

NRC INSPECTION REPORT 99901326/97-01 AND NOTICE OF

NONCONFORMANCE

Dear Mr. Tynell:

On October 27-31, 1997, the U.S. Nuclear Regulatory Commission (NRC) performed an inspection at the AB Sandvik Steel (ABSS) steam generator tube manufacturing facility. The enclosed report presents the findings of that inspection.

The inspection was conducted to assess: (a) attributes and implementation of the ABSS quality assurance program in the areas of manufacturing process control, control of special processes and material identification and traceability, to ascertain whether they met NRC requirements; and (b) ABSS conformance to customer procurement requirements. In addition, the inspection reviewed the method of compliance with Part 21 of Title 10 of the <u>Code of Federal Regulations</u>.

Overall, the results of the inspection indicate that you have established appropriate program criteria for control of tube manufacturing and examination activities, with implementation noted generally to be good. During the inspection, the inspectors determined, however, that ABSS did not adequately implement its quality assurance program criteria or control of special processes to comply with NRC and customer requirements. Specifically, ABSS did not fully conform to its defined requirements for thermocouple locations to be used during thermal treatment of South Texas Projects, Unit 1, steam generator tubing. As a result, the specified thermal treatment hold period was commenced without the necessary assurance that the full length of steam generator tubing had reached the prescribed temperature range.

This issue is cited in the enclosed Notice of Nonconformance (NON), and the circumstances surrounding it are described in detail in the enclosed report. You are requested to respond to the nonconformance and should follow the instructions specified in the enclosed NON when preparing your response.

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9801140136 980102 PDR GA999 EFGSW 99901326 PDR 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's Public Dr.cument Room.

Sincerely,

Suzanne C. Black, Chief

Quality Assurance, Vendor Inspection,

Suspine C. Black

and Maintenance Branch

Division of Reactor Controls and Human Factors

Office of Nuclear Reactor Regulation

Docket No. 99901326

Enclosures: 1. Notice of Nonconformance

2. Inspection Report 99901326/97-01

CC:

Mr. R. Rehkugler Director, Quality STP Nuclear Operating Company P.O. Box 289 Wadsworth, TX 77483

Mr. F Renaud Manager, Quality Assurance Westinghouse Electric Corporation 8301Scenic Highway Pensacola, FL 32514