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

March 2, 1987

Docket No. 99901080/87-01

Peerless-Winsmith, Inc.
ATTN: Mr. Steven Pop
General Manager
1401 West Market Street
Warren, Ohio 44485

Gentlemen:

This refers to the inspection conducted by Mr. Jeffrey B. Jacobson of this office on January 12-14, 1987, of your facility at Warren, Ohio and to the discussions of our findings with you and members of your staff at the conclusion of the inspection.

This inspection was made as a result of various reported failures of Peerless motors installed in Limitorque motor operated valve actuators and as a result of a recent NRC inspection performed at Limitorque where it was learned that a number of manufacturing changes had been made to previously qualified Peerless motors. Areas examined during the inspection and our findings are discussed in the enclosed report. Within these areas, the inspection consisted of an examination of procedures and representative records, interviews with personnel, and observations by the inspector.

During the inspection it was found that the implementation of your QA program failed to meet certain NRC requirements. Peerless has not developed a procedure required for evaluating Part 21 deviations nor have the documents required by Part 21 been posted in designated areas. The specific findings and references to the pertinent requirements are identified in the enclosures to this letter.

The enclosed Notice of Violation is sent to you pursuant to the provisions of Section 206 of the Energy Reorganization Act of 1974. You are required to submit to this office 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.

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In accordance with 10 CFR 2.790 of the Commission's regulations, a copy of this letter and the enclosed inspection report will be placed in the NRC's Public Document Room.

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

Sincerely,

original signed by
Uldis Potapovs

for Ellis W. Merschoff, Acting Chief
Vendor Program Branch
Division of Quality Assurance, Vendor
and Technical Training Center Programs
Office of Inspection and Enforcement

Enclosures:
1. Appendix A-Notice of Violation
2. Appendix B-Inspection Report 99901080/87-01

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