



Namco Controls
2100 West Broad Street | Elizabethtown, NC 28337 | U.S.A.
December 5, 2023

U.S. Nuclear Regulatory Commission
Attn: Document Control Desk
Washington, DC 20555-0001

Kerri A. Kavanagh, Chief
Quality Assurance and Vendor Inspection Branch
Division of Reactor Oversight
Office of Nuclear Reactor Regulation

Subject: Reply to a Notice of Nonconformance
Docket No: 99901470
Reference NRC Inspection Report No. 99901470/2023-201
Non-conformance 99901470/2023-201-01

Dear Sir/Madam:

Namco Controls has reviewed NRC Inspection Report No. 99901470/2023-201-01 and is enclosing responses to said non-conformances.

Should there be any questions or need for additional information, Namco Controls will be pleased to provide information as needed. I may be contacted by phone at (910) 574-7169 or by email at cornell.turrentine@sptech.com.

Sincerely yours,

Cornell Turrentine
Quality Assurance Manager
Namco Controls

Attachment: Namco Controls Response to NRC Notice of Nonconformance

Distribution: S. Szuchman, R. Felts, P. McKenna, A. Zoulis, NRR_DRO_IQVB Distribution, A. Allen, A. Badders, R. Skalski, T. Carson, B. Roos

Nonconformance 99901470/2023-201-01

- A. *Criterion XVI, "Corrective Action," of Appendix B "Quality Assurance Program Criteria for Nuclear Power Plants and Fuel Reprocessing Plants," to 10 CFR Part 50 "Domestic Licensing of Production and Utilization Facilities," states, in part that, "measures shall be established to assure that conditions adverse to quality, such as failures, malfunctions, deficiencies, deviations, defective material and equipment, and nonconformances are promptly identified and corrected."*

Section XVI, "Corrective Action," Paragraph 2.1, "Corrective Action" of the Namco Controls Corporation Quality Manual, Revision R, dated November 2022, states in part that, "Conditions adverse to quality identified on internal product, Quality Program nonconformances, or supplier product shall be promptly identified and corrected in a Corrective Action System."

Contrary to the above, as of September 29, 2023, Namco failed to promptly identify and correct conditions adverse to quality. Specifically, no corrective actions were implemented by Namco to address two of the four findings in the 2016 NRC inspection report No. 99901470/2016-202, dated August 29, 2016 (ADAMS Accession No. ML16238A509). As a result, the NRC inspection team identified the following examples of the reoccurrence of issues identified in the August 2016 inspection:

- 1. Namco failed to provide objective evidence that nonconforming items dispositioned as "re-work" were re-inspected to original specification requirements, as required by Namco Standard Procedure 60-0004 "Processing Nonconforming Material, Parts, Components and Services". This issue was previously identified as part of NON 99901470/2016-202-02.*
- 2. Namco failed to ensure that for mandatory hold points specified in procedures, the work did not proceed beyond such hold points until the required inspections were complete. This issue was previously identified as part of NON 99901470/2016-202-04.*

This issue has been identified as Nonconformance 99901470/2023-201-01.

Namco acknowledges Nonconformance 99901470/2023-201-01(1).

(1) The reason for the noncompliance, or if contested, the basis for disputing the noncompliance.

- 1) In regard to NON 99901470/2023-201-01(1), Namco acknowledges that there were occurrences of the failure to provide objective evidence for the re-inspection of “re-worked” nonconforming items. During the review of a variation of Inspection Reports (IR) that had been dispositioned for “re-work”, there is evidence of re-inspection results documented in the remarks section on most occasions, however there is not a standard process for documenting the re-inspection results. NSP 60-0004 requires that reworked or repaired material is to be re-inspected and then documented on the appropriate form(s) (i.e., IR and/or Dimensional Inspection Record (DIR)). Therefore, NSP 60-0004 allows the inspector to determine where the results are documented, which is not in a consistent location with each IR that was reviewed.

(2) The corrective steps that have been taken and the results achieved.

- 1) Internal Corrective Action Request # 23-075, initiated 9/28/2023.
 - a. Define the specific form to be used when documenting re-inspection results.
 - i. Moving forward, Namco will generate a new DIR and notate “Re-work Inspection” in the operations field of the DIR. The original dimension and any other impacted dimensions will be re-inspected and documented on the new DIR. This documentation will be routed and stored with the original DIR and IR.
 - b. Revise NSP60-0004 to require that re-inspection results are documented on the DIR form QF-43 and routed with the IR form QF-66.
 - i. NSP60-0004 is currently being revised for release.
 - c. Re-train the Quality Inspector to use the DIR to document re-inspection results.
 - i. The Quality Inspector has been retrained and displayed competence of adhering to the new process.

(3) The corrective steps that will be taken to avoid further noncompliance.

- 1) The Namco Quality Manager or designee will review the “Rework” DIR and IR forms to confirm that the parts meet the requirements prior to closure of the IR.

(4) The date when corrective action will be completed.

- 1) All Corrective Actions identified in the Namco response will be completed by 12/15/2023.
 - a. 2.1.a) Completed
 - b. 2.1.b) Due 12/15/2023
 - c. 2.1.c) Completed
 - d. 3.1) Due 12/15/2023

Namco acknowledges Nonconformance 99901470/2023-201-01(2).

(1) The reason for the noncompliance, or if contested, the basis for disputing the noncompliance.

- 2) In regard to NON 99901470/2023-01(2), Namco acknowledges the failure to ensure that for mandatory hold points specified in procedures, the work did not proceed beyond such hold points until the required inspections were complete. It was identified that cleaning of the contacts was performed before the Slow / Broken Latch Test when the QF-24A Rev T Assembly Inspection Record (AIR) required the cleaning to take place after the Slow / Broken Latch Test. The cleaning process was previously evaluated by a cross-functional team, and the decision was made to clean the contacts prior to the Slow / Broken Latch Test in an effort to minimize the risk of any foreign debris being introduced after the test was completed. Although the best practice was being followed by operations, the AIR was not updated to reflect the current process.

(2) The corrective steps that have been taken and the results achieved.

- 2) Internal Corrective Action Request # 23-071, initiated 9/28/2023.
 - a. Review the current process and compare it to QF-24A Rev T AIR to identify any process steps that are not in accordance with the AIR.
 - i. Namco performed a review and identified process steps on the QF-24A that should be modified, removed, and/or added.
 - b. Issue a Quality Alert allowing a deviation to the process steps incorrectly documented in QF-24A Rev T AIR.
 - c. Update QF-24A to include the suggested modifications.
 - i. Namco will make corrections to the QF-24A Rev T AIR.
 - d. Review the revised QF-24A Rev U AIR draft and compare it to the actual process to ensure that it adheres to revised draft.
 - i. Namco will perform a process review on the next order to validate the changes prior to releasing the updated QF-24A Rev U AIR.
 - e. Release revised QF-24A Rev U AIR and document training.
 - i. The revised QF-24A Rev U AIR will be submitted to Document Control for review and approval, along with the appropriate training.

(3) The corrective steps that will be taken to avoid further noncompliance.

- 2) Namco will obtain documented training for the Operations and Quality associates indicating that anytime process steps are not in sequence with the AIR, they must have approval in writing from the Quality Manager or Designee allowing a deviation to the current process until permanent corrections are made to the QF-24A AIR.

Namco Controls Response

NRC Notice of Nonconformance Inspection Report 99901470/2023-201, Dated November 3, 2023

(4) The date when corrective action will be completed.

- 2) All Corrective Actions identified in the Namco response will be completed by 12/27/2023.
 - a. 2.2.a) Completed
 - b. 2.2.b) Completed
 - c. 2.2.c) Due 12/8/2023
 - d. 2.2.d) Due 12/15/2023
 - e. 2.2.e) Due 12/22/2023
 - f. 3.2) Due 12/27/2023