

**ANATEC INTERNATIONAL, INC.  
RESPONSE TO NOTICE OF NONCONFORMANCE  
DOCKET NO. 99901342/1999201-02**

## **REFERENCE '2'**



UNITED STATES  
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

October 28, 1999

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Mr. Blaine L. Curtis, President  
Anatec International, Incorporated  
930 F Calle Negocio  
Post Office Box 3758  
San Clemente, California 92673-3758

SUBJECT: NRC INSPECTION REPORT 999001342/1999201 (NOTICE OF VIOLATION  
AND NOTICE OF NONCONFORMANCE)

Dear Mr. Curtis:

On August 30 through September 1, 1999, the United States Nuclear Regulatory Commission (NRC) performed an inspection at the Anatec International, Incorporated (Anatec) facility in San Clemente, California. The enclosed report presents the findings of that inspection. The inspection was conducted to review portions of your program relating to personnel training records and certifications for eddy current data analysts, and the safety-related services that are provided to commercial nuclear power plant facilities. This inspection focused specifically on activities regarding supporting documentation associated with the qualification and certification of a selective sample of Level IIA and III eddy current qualified data analyst (QDA) personnel records at the Anatec facility in accordance with Appendix G, "Qualification of Nondestructive Examination Personnel for Analysis of NDE Data," of the Electrical Power Research Institute (EPRI) Document Technical Requirements (TR)-107569-V1R5, "PWR Steam Generator Examination Guidelines," and the recommended practice of the American Society for Nondestructive Testing, SNT-TC-1A, "Personnel Qualification and Certification in Nondestructive Testing." The inspectors assessed Anatec's conformance to their customer's procurement requirements and compliance with NRC regulations.

It was found that certain of your activities appeared to be in violation of NRC requirements. Specifically, the review of a potential 10 CFR Part 21 issue regarding suspect training and certification records that was received by Anatec in May 1999 was not appropriately dispositioned in accordance with 10 CFR Part 21. The issue questioned the accuracy and validity of QDA records that were not obtained directly from the previous employer. The inspectors found that Anatec neither evaluated the issue in accordance with §21.21 of 10 CFR Part 21, nor informed the applicable licensees in order to cause the potential defect to be evaluated by the licensee as discussed in §21.21(b) of Part 21. This matter is cited in the enclosed Notice of Violation (NOV), and the circumstances surrounding the NOV are described in detail in the enclosed report. Please note that you are required to respond to this letter and should follow the instructions specified in the enclosed NOV when preparing your response. The NRC will use your response, in part, to determine whether further enforcement action is necessary to ensure compliance with regulatory requirements.

In addition, the NRC inspectors found that the implementation of your quality assurance program failed to meet certain NRC requirements imposed on you by your customers. Specifically, the inspectors determined that your certification of certain NDE personnel did not conform to the guidance contained in Appendix G of EPRI TR-107569-VIR5 and Anatec's certification of NDE personnel procedure in that Anatec certified certain NDE personnel based upon outside organization training and certification records that were not received directly from those organizations and that were not verified by Anatec. This nonconformance could have caused an NRC licensee to be in violation of Criteria VII, "Control of Purchased Material, Equipment, and Services," and IX, "Control of Special Processes," of Appendix B to 10 CFR Part 50, "Quality Assurance Criteria for Nuclear Power Plants and Fuel Reprocessing Plants." This nonconformance is cited in the enclosed Notice of Nonconformance (NON), and the circumstances surrounding it are described 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.

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 Document Room.

Sincerely,



Theodore R. Quay, Chief, IQMB  
Division of Inspection Program Management  
Office of Nuclear Reactor Regulation

Docket No. 99901342

Enclosures:   1. Notice of Violation  
                  2. Notice of Nonconformance  
                  3. Inspection Report 99901342/1999201

## NOTICE OF VIOLATION

Anatec International, Incorporated  
San Clemente, California 92673-3758

Docket No.: 999001342/1999201

During an NRC inspection conducted at the Anatec International, Incorporated (Anatec) facility at San Clemente, California on August 30 - September 1, 1999, a violation of NRC requirements was identified. In accordance with the "General Statement of Policy and Procedure for NRC Enforcement Actions," NUREG-1600, the violation is listed below:

Section 21.21, "Notification of failure to comply or existence of a defect and its evaluation," of 10 CFR Part 21, requires, in part, that each individual, corporation, partnership, dedicating entity, or other entity subject to the Part 21 regulation adopt appropriate procedures to (1) Evaluate deviations and failures to comply to identify defects and failures to comply associated with substantial safety hazards as soon as practicable, and, except as provided in paragraph (a)(2) of §21.21, in all cases within 60 days of discovery, in order to identify a reportable defect or failure to comply that could create a substantial safety hazard, were it to remain uncorrected, and (2) Ensure that if an evaluation of an identified deviation or failure to comply potentially associated with a substantial safety hazard cannot be completed within 60 days from discovery of the deviation or failure to comply, an interim report is prepared and submitted to the Commission through a director or responsible officer or designated person. Section 21.21(b) requires that if the supplier of basic components determines that it does not have the capability to perform the evaluation to determine if a defect exists, then the supplier must inform the purchasers or affected licensees within five working days of this determination.

Contrary to the above, Anatec failed to recognize that it was required to perform an evaluation of information contained in a letter received approximately May 17, 1999, indicating that the validity and accuracy of certain non-destructive examination qualified data analyst testing personnel records were suspect. Additionally, Anatec also failed to recognize that it was required to inform the applicable utility customers if it determined that it did not have the capability to evaluate the issues in accordance with Part 21. (Violation 99901342/1999201-01)

This is a Severity Level IV violation (Supplement VII).

Pursuant to the provisions of 10 CFR 2.201, Anatec International, Incorporated is hereby required to submit a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555-0001, with a copy to the Chief, IQMB, Division of Inspection Program Management, Office of Nuclear Reactor Regulation, within 30 days of the date of the letter transmitting this Notice of Violation. This reply should be clearly marked as a "Reply to a Notice of Violation" and should include for each violation:

Enclosure 1

(1) the reason for the violation, or, if contested, the basis for disputing the violation, (2) the corrective steps that have been taken and the results achieved, (3) the corrective steps that will be taken to avoid further violations, and (4) the date when full compliance will be achieved. Your response may reference or include previous docketed correspondence, if the correspondence adequately addresses the required response. Where good cause is shown, consideration will be given to extending the response time.

Dated at Rockville, Maryland  
this 28<sup>th</sup> day of October 1999

## NOTICE OF NONCONFORMANCE

Anatec International, Incorporated  
San Clemente, California

Docket 99901342

Based on the results of an inspection conducted at the Anatec International, Incorporated (Anatec) facility at San Clemente, California on August 30 - September 1, 1999, it appears that certain Anatec activities were not conducted in accordance with NRC requirements.

Criterion V, "Instructions, Procedures, and Drawings," of 10 CFR Part 50, Appendix B requires that activities affecting quality be prescribed by documented instructions and procedures and shall be accomplished in accordance with those instructions and procedures.

Section 5.5.4 of Anatec Procedure ANATEC-08, "Certification of NDE Personnel," states, "Training programs administered by other companies or organizations prepared in accordance with this written practice will be considered adequate." Section 5.9, "Certification," of ANATEC-08 states, "If an outside agency is used [for certification], ANATEC executes its responsibilities for certification by assuring that training, examination and certification of NDT personnel are in accordance with this procedure, as a minimum."

Contrary to the above, Anatec certified NDE personnel based upon training and certification records from other organizations which were not verified to be in accordance with Anatec's written practice. Anatec accepted certification records from other organizations (provided by incoming Anatec employees) without auditing or otherwise assuring the other organization's training, examination and certification of NDE personnel met the requirements of ANATEC-08. (Nonconformance 99901342/1999201-02)

Please provide a written statement or explanation to the U.S. Nuclear Regulatory Commission, ATTN: Document Control Desk, Washington, D.C. 20555-0001 with a copy to the Chief, IQMB, Division of Inspection Program Management, Office of Nuclear Reactor Regulation, within 30 days of the date of the letter transmitting this Notice of Nonconformance. This reply should be clearly marked as a "Reply to a Notice of Nonconformance" and should include for each nonconformance: (1) the reason for the nonconformance, or, if contested, the basis for disputing the nonconformance, (2) the corrective steps that have been taken and the results achieved, (3) the corrective steps that will be taken to avoid further noncompliances, and (4) the date when your corrective action will be completed. Where good cause is shown, consideration will be given to extending the response time.

Dated at Rockville, Maryland  
this 28<sup>th</sup> day of October 1999

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