



April 26, 1996  
LD-96-014

U.S. Nuclear Regulatory Commission  
Attention: Document Control Desk  
Washington, DC 20555

**Subject:** Reply to a Notice of Nonconformance

**Reference:** NRC Notice of Nonconformance to Combustion Engineering, Inc.  
dated February 28, 1996

Dear Sir:

This letter provides Combustion Engineering's (ABB-CE's) response to the referenced Notice of Nonconformance. The time for responding to the Notice was extended at ABB-CE's request to April 30, 1996.

ABB-CE has reviewed the identified nonconformance and will modify its future record keeping practices to be in accord with the interpretation of 10 CFR 21, *Reporting of Defects and Noncompliance*, represented in the Notice of Nonconformance.

The attachment provides details of the ABB-CE resolution for the identified nonconformance.

Please do not hesitate to call me or Dr. Ian Rickard at 860-285-9678 if you have any questions or wish to further discuss this topic.

Very truly yours,  
COMBUSTION ENGINEERING, INC.

Charles B. Brinkman  
Director, Nuclear Licensing

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cc: M. R. Johnson (NRC)  
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ABB Combustion Engineering Nuclear Power

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## **1.0 Nonconformance**

### **1.1 Statement of Nonconformance**

The nonconformance, stated in Section 1.4 of the inspection report, found that:

*Contrary to the requirements of Criterion V of 10 CFR Part 50, Appendix B, ABB-CE did not (with regard to reactor head studs supplied to Millstone-2 in 1990) and, as a matter of stated practice or policy, routinely does not document negative findings in evaluation of deviations or failures to comply in the manner prescribed by the procedures when the deviations or failures to comply are obviously not safety significant (i.e., could not create or are not related to a substantial safety hazard) or appear not to be safety significant upon initial review.*

Criterion V of 10 CFR 50 Appendix B provides that:

*Activities affecting quality shall be prescribed by documented instructions, procedures, or drawings, of a type appropriate to the circumstances and shall be accomplished in accordance with these instructions, procedures, or drawings. Instructions, procedures, or drawings shall include appropriate quantitative or qualitative acceptance criteria for determining that important activities have been satisfactorily accomplished.*

### **1.2 Reason for Nonconformance**

ABB-CE's existing procedure for implementing 10 CFR 21 lacks sufficient detail regarding documentation of the decision not to submit a deviation or failure to comply for further evaluation pursuant to 10 CFR 21 if, on initial review, the cognizant engineer believes that such deviation or failure to comply does not have the potential to create a substantial safety hazard. This lack of detail led to the nonconformance.

## **2.0 Corrective Actions and Results Achieved**

ABB-CE will direct all cognizant personnel reviewing deviations and failures to comply for basic components delivered to ABB-CE customers to document whether or not the facts indicate a further evaluation under the 10 CFR 21 implementing procedure is warranted.

## **3.0 Corrective Actions to Avoid Further Noncompliance**

ABB-CE believes that the action described above will resolve the identified nonconformance. ABB-CE will incorporate that action as a permanent change to the 10 CFR 21 implementing procedure.

## **4.0 Date when Corrective Actions will be Completed**

The corrective action described in Section 2 will be completed by June 28, 1996. ABB-CE will also initiate a revision to its 10 CFR 21 implementing procedure and expects that such revision will be completed by September 30, 1996.