



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

JUL 12 1985

cket No. 99900400/85-01

Babcock & Wilcox, A McDermott Company
Utility Power Generation Division
ATTN: Mr. D. E. Guilbert
Vice President and General Manager
Post Office Box 1260
Lynchburg, Virginia 24505

Gentlemen:

This refers to the inspection conducted by Mr. P. M. Sears of this office on February 4-8, 1985, of your facility at Lynchburg, Virginia, and to the discussions of our findings with Mr. Frank Fahland and members of your staff at the conclusion of the inspection.

The purpose of this inspection was to ascertain the status of previous inspection findings, and to inspect the implementation of your QA program. 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. These findings include the failure to implement procedures which specify that potential safety concerns for safety-related equipment are promptly evaluated; the failure to assure that purchased components conform to procurement documents; and, the failure to properly verify and test computer programs prior to use. The specific findings and references to the pertinent requirements are identified in the enclosures to this letter.

Please provide us 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 response requested by this letter is 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,

A handwritten signature in cursive script, appearing to read "Gary G. Zech".

Gary G. Zech, 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 Nonconformance
2. Appendix B-Inspection Report No. 99900400/85-01
3. Appendix C-Inspection Data Sheets (11 pages)

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