



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

July 17, 1985

Docket No. 99901006/85-01

A&G Engineering Co. II, Inc.
ATTN: Mr. Marvin Thomas
President
4640 E. LaPalma Avenue
Anaheim, California 92806

Gentlemen:

This refers to the inspection conducted by Ms. Nancy J. Miegel of this office on April 29- May 2, 1985, of your facility in Anaheim, California, and to the discussions of our findings with you and members of your staff at the conclusion of the inspection.

This inspection was performed as the result of an allegation made to the NRC concerning inadequate implementation of the A&G Engineering Co. II, Inc. (A&G) quality assurance program. The allegation was not substantiated. 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. Significant findings include a failure to provide objective evidence to support and/or substantiate the decision to accept a vendor as a qualified supplier. 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 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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Certified by Sherry Meador

July 17, 1985

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,



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 99901006/85-01

AAG Engineering Co. II, Inc.

July 17, 1985

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