



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

August 26, 1985

Docket No. 99901015/85-01

Exo Sensors, Inc.  
ATTN: Mr. Don Stevens  
President  
1220-B Simon Circle  
Anahiem, California 92806

Gentlemen:

This refers to the inspection conducted by E. T. Baker of this office on May 28-31, 1985, of your facility in Anahiem, California and to the discussions of our findings with you and members of your staff at the conclusion of the inspection.

This inspection was conducted as a result of allegations that Exo Sensors, Inc. had not implemented a quality assurance program which met the requirements of Appendix B to 10 Part CFR 50. 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 determined that significant deficiencies exist in the implementation of the Exo Sensors QA program and that the allegations were, for the most part, substantiated. Deficiencies identified included the following: Exo Sensors has failed to train and qualify their inspectors; annual eye examinations were not performed; there were no controls on the origination of, modifications to, or issuance of shop travellers; rework and repairs were performed without documented procedures; design changes were implemented prior to approval; purchases were made from suppliers not on the approved vendor list; and nonconforming material was shipped to customers. The specific findings and references to the pertinent requirements are identified in the enclosures to this letter.

The enclosed Notice of Violation is sent to you pursuant to the provisions of Section 206 of the Energy Reorganization Act of 1974. You are required to submit to this office 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.

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Certified by Sherry Meador

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August 26, 1985

You are also requested to submit a similar written statement for each item which appears in the enclosed Notice of Nonconformance. Please reference the report number in all correspondence.

Should you have any questions concerning this inspection, we will be pleased to discuss them with you.

Sincerely,

ORIGINAL SIGNED BY:  
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 Violation
2. Appendix B - Notice of Nonconformance
3. Appendix C - Inspection Report No. 99901015/85-01
4. Appendix D - Inspection Data Sheets

cc w/enclosures:

All Affected Plants  
All Regions w/affected Plants  
P. Fredrickson, RII

DISTRIBUTION:

DMB:IE:09  
VPB Reading  
DQAVT Reading  
RVollmer  
JCollins  
JStone  
EMerschhoff  
EBaker  
EFox  
RBrady, NRR

OTB

VPB:DQAVT  
EBaker:sam  
8/5/85

SC

SC/VPB:DQAVT  
EMerschhoff  
8/7/85

GG

BC/VPB:DQAVT  
GGZech  
8/14/85

BSJ

DIR:DQAVT  
BKGrimes  
8/23/85