



## **DRAGON VALVES, INC.**

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November 26, 1996

U. S. Nuclear Regulatory Commission  
Washington, D.C. 20555

Attn: Document Control Desk

Subject: REPLY TO A NRC NOTICE OF NONCONFORMANCE

Reference: NRC INSPECTION REPORT 99900264/96-01

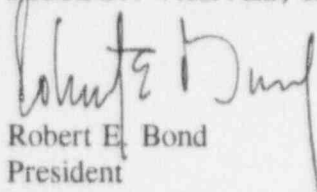
Gentlemen:

I have enclosed our "REPLY TO A NRC NOTICE OF NONCONFORMANCE" dated November 26, 1996 that has been prepared by our Quality Assurance Manager, Mr. Robert L. Snyder. In this reply you will find our responses to your NOTICE OF NONCONFORMANCE", Docket No. 99900264, that was sent to us under your Mr. Robert M. Gallo's letter dated October 29, 1996.

If you have any comments or need further explanations, please feel free to contact me.

Sincerely,

**DRAGON VALVES, INC.**

  
Robert E. Bond  
President

REB:wp

Enclosure

cc: Chief, Special Inspection Branch  
Division of Inspection and Support Programs  
Office of Nuclear Reactor Regulation

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PDR QA999 EMVDRAG  
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MANUFACTURER OF VALVES FOR INDUSTRY SINCE 1945

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IED091/  
ID+R-13  
Vendor  
Insp

**DRAGON VALVES, INC.**  
Norwalk, California

**REPLY TO A NRC NOTICE OF NONCONFORMANCE**

November 26, 1996

The following is our reply to the Notice of Nonconformance (NON) forwarded to us with NRC Inspection Report 99900264/96-01. The section identification correlates with those in the NON.

A. Nonconformance 99900264/96-01-01

- (1) The Unqualified Source Material Approved Vendors List is in the process of being developed and will be completed by December 31, 1996.
- (2) Procedure 17053 Revision N/C was written to meet the requirements of the ASME Section III Boiler and Pressure Vessel - Nuclear - Code (CODE) paragraphs NCA-3867.4(e) and (f). This section was renumbered in 1995 CODE edition and is now NCA-3855.5(a)(1) thru (a)(4). This procedure was revised to incorporate the new paragraph numbers of the 1995 CODE edition. It was later decided that we should leave 17053 as rev. N/C and write a new procedure for the 1995 CODE edition. This was done and it is Procedure 17375 Rev. N/C. The Rev. A and N/C of 17053 were both in the file and the wrong revision was shown to the NRC. The Rev. A has been removed from the file and made obsolete. The proper procedure for handling revised documents will be given additional attention during recurrent training sessions.
- (3) Procedure 17375 will be revised to provide that in addition to the performance of product analysis all other requirements of the material specification will be conducted on each piece of unqualified stock material. Following this procedure will prevent a recurrence of this nonconforming activity. Revision of Procedure 17375 will be completed before December 15, 1996.

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REPLY TO A NRC NOTICE OF NONCONFORMANCE (cont.)

B. Nonconformance 99900264/96-01-02

This was an oversight of the Q.A. Department. The material in question is 1.000 inch outside diameter seamless tubing with a 0.065 inch wall thickness, certified to ASME SA-213. The manufacturer was Sandvik Steel, Scranton, PA and when the tubing was made they held ASME QSC Certificates QSC-238 and QSC-239. The valves that this tubing was used on is DRAGON Part Number 8N0516SED2, which is a 600 LB, Packless Globe Valve. There were a total of 14 valves, with tubes in the inlet and outlet. The purchaser of these valves was Tennessee Valley Authority, Watts Bar Nuclear Station. Each valve passed a hydrostatic test at 2175 psi. The proper procedure for verifying that purchased material conforms to our procurement documents will be given added emphasis during recurrent training of the involved individuals.

C. Nonconformance 99900264/96-01-03

Procedure 16562 will be revised to add the following as paragraph 4.1.2.1:

"This material will be dedicated by cutting a sample piece from each size and heat and having a chemical analysis and mechanical properties test performed by an approved vendor."

This revision will be completed by December 15, 1996.

D. Nonconformance 99900264/96-01-04

The alleged nonconformance was communicated to us by a telephone conversation. The nonconforming valve manifold was not returned for our review and verification. The alleged mismarked valves were shipped to the Duane Arnold Plant and were limited to one shipment. We have checked our inventory and all valves are stamped with the correct "line" and "instrument" markings. In the future all valves that are reported to be "nonconforming" will be returned to us and will be inspected and the nonconformance verified and reported as required by our Quality Program.