



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

October 30, 1985

Docket No. 99900844/85-01

Technology for Energy Corporation
ATTN: Dr. J. E. Mott
Senior Vice President
10770 Dutchtown Road
Knoxville, Tennessee 37922

Gentlemen:

This refers to the inspection conducted by Ms. N. J. Miegel and other inspectors of this office on July 22-23, 1985, of your facility at Knoxville, Tennessee, and to the discussions of our findings with you and members of your staff at the conclusion of the inspection.

The purpose of this inspection was to review Technology for Energy Corporation's (TEC) methods for qualifying and determining the qualified life for TEC safety relief valve (SRV) acoustic monitoring systems and to review the implementation of the TEC quality assurance 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 inspectors.

During the inspection it was found that the implementation of your QA program failed to meet certain NRC requirements. Significant findings included: failing to prepare QA plans as required, maintaining vendors on the qualified vendors list that had not been audited or evaluated, failing to maintain complete records regarding employee training and certification, and failing to develop a calibration procedure or schedule. 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,

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 Nonconformance
2. Appendix B-Inspection Report 99900844/85-01

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