

## APPENDIX B

Joseph Oat Corporation  
Docket No. 99900251/85-01

### NOTICE OF NONCONFORMANCE

During an inspection conducted September 23-27, 1985, the implementation of the Quality Assurance (QA) Program at the Joseph Oat Corporation's fabrication plant in Camden, New Jersey was reviewed with respect to the fabrication of canisters which will be used during the defueling and subsequent storage of TMI-2 core debris. The applicable Quality Assurance (QA) Program requirements are 10 CFR Part 50, Appendix B, 10 CFR Part 21, ANSI N45.2, and the ASME Boiler and Pressure Vessel Code, Section VIII, Part UW (Lethal) (1983) as imposed by Bechtel Purchase Order (PO) TC-022111 dated August 5, 1985, and Bechtel Technical Specification for Fabrication of Defueling Canisters for GPU Nuclear Corporation TMI-2 Nuclear Power Plant, Specification Number 15737-2-M-101A(Q), Revision 2, dated June 19, 1985. Based on the results of this inspection, it appears that certain activities at the Joseph Oat Corporation facility were not conducted in accordance with commitments made to the NRC. These items are listed below.

1. Criterion V of Appendix B to 10 CFR Part 50 states: "Activities affecting quality shall be prescribed by documented instructions, procedures or drawings, of a type appropriate to the circumstances and shall be accomplished in accordance with these instructions, procedures, or drawings. Instructions, procedures, or drawings shall include appropriate quantitative or qualitative acceptance criteria for determining that important activities have been satisfactorily accomplished."

Section 4.2.2 of the Joseph Oat Corporation (Oat) Quality Assurance Manual (QAM), Revision 8, dated June 26, 1985, requires that the manufacturing process (MP) be controlled by a shop traveler which is a written document which describes each step in the MP and specifies each inspection, test, non-destructive examination, cleaning operation, and any other treatment or operation to be performed to fabricate the item in accordance with the contract.

Contrary to the above, lifting lugs were installed and removed on canister 2476A1 without a description in the traveler of the operation steps for the lifting lugs.

2. Criterion V of Appendix B to 10 CFR Part 50 states: "Activities affecting quality shall be prescribed by documented instructions, procedures or drawings, of a type appropriate to the circumstances and shall be accomplished in accordance with these instructions, procedures, or drawings. Instructions, procedures, or drawings shall include appropriate quantitative or qualitative acceptance criteria for determining that important activities have been satisfactorily accomplished."

Section 4.2.2 of the Oat QAM requires that the shop traveler describe each operation step in the MP.

Contrary to the above, the shell of canister 2476A2 was formed with a steel bar and a hammer to achieve a concentric fit-up without a description in the shop traveler for this operation step.

3. Criterion V of Appendix B to 10 CFR Part 50 states: "Activities affecting quality shall be prescribed by documented instructions, procedures or drawings, of a type appropriate to the circumstances and shall be accomplished in accordance with these instructions, procedures, or drawings. Instructions, procedures, or drawings shall include appropriate quantitative or qualitative acceptance criteria for determining that important activities have been satisfactorily accomplished."

Section 4.3.3.1 of Bechtel Technical Specification 15737-2-M-101A, Revision 2, dated June 19, 1985, requires, in part, that procedures for removal of surface contamination on equipment items during and after fabrication shall be submitted to Bechtel for permission to proceed prior to fabrication.

Contrary to the above Turco Dy-Check Remover No. 3 was being used for cleaning canister parts and welds before Oat obtained Bechtel's approval for the procedure which permits the use of this cleaner.

4. 10 CFR 50 Appendix B Criterion XVI and ANSI N45.2 Section 17 require that measures be established to assure that conditions adverse to quality such as deviations, defective material, and nonconformance are identified and corrected.

Special Condition 19 to Bechtel Purchase Order TC-022111 requires in part that where Bechtel provides Oat certain materials or components for Oat's use, Oat shall receive, inspect, and assume responsibility for use and control of such material.

Section 9.1 of the Oat Quality Assurance Manual (QAM) requires, in part, that Oat personnel are responsible for reporting nonconformities. Nonconformities are defined as a deficiency in characteristic or document that renders an activity unacceptable or indeterminate.

Contrary to the above, the documentation package provided by Bechtel for the fuel canister recombiner elements contained both a Bechtel Certificate of Compliance indicating that the canister lower heads and recombiner elements met all design specifications, and a Nuclear Energy Services Manufacturing (NES) Supplier Deviation Disposition Request (SDDR) indicating that the verification of the catalyst weights had not been performed. This SDDR was not properly resolved by Bechtel after it was initiated by NES. NES fabricated the lower heads that were

supplied to Oat. The failure to identify this deficiency in the documentation and to assure that this condition adverse to quality was corrected renders the catalyst quantities indeterminate. This item had not been reported by Oat personnel and no action had been taken to resolve the indeterminate status of the catalyst installation.