

February 4, 1997

Mr. Ronald J. Fitzgerald
Director, Quality Assurance
P.O. Box 500
1000 Prospect Hill Road
Windsor, CT 06095-0500

SUBJECT: ABB-CE JANUARY 16, 1997, REPLY TO NRC NOTICE OF NONCONFORMANCE
(NRC INSPECTION REPORT NO. 99901306/96-01)

Dear Mr. Fitzgerald:

Thank you for your January 16, 1997, letter in response to our December 4, 1996, Notice of Nonconformance (NON).

In your January 16, 1997, letter, you indicated that ABB-CE's annual supplier assessments shall include questions regarding audits of the supplier by other sources (i.e., customers, NRC, other ABB nuclear groups) within the past year, concerns identified during the audits or with any equipment or services recently provided, and the nature and status of any 10 CFR Part 21 reportable issues within the past year.

We have reviewed your letter and found it responsive to our concerns.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosures will be placed in the NRC's Public Document Room (PDR).

Sincerely,

ORIGINAL SIGNED BY
Robert M. Gallo, Chief
Special Inspection Branch
Division of Inspection and Support Programs
Office of Nuclear Reactor Regulation

Docket No. 99901306

Enclosure: ABB-CE letter dated January 16, 1997.

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EXT-97-003

January 16, 1997

U.S. Nuclear Regulatory Commission
ATTN: Document Control Desk
Washington, D.C.. 20555-001

Subject: **Reply to a Notice of Nonconformance**

Reference: NRC Inspection Report 99901306/96-01, dated December 4, 1996

Please find attached ABB Combustion Engineering Nuclear Operations (ABB CENO) response to the Notice of Nonconformance referenced in Inspection Report 99901306/96-01.

Thank you for the extension of time granted to allow us to respond to this Notice of Nonconformance.

If you have any questions, please call me at (860) 285-9816.

Very truly yours,

ABB CE Nuclear Operations

R. J. Fitzgerald
Director, Quality Assurance

cc: Chief, Special Inspection Branch
Division of Inspection and Support Programs
Office of Nuclear Reactor Regulation
Anil S. Gautam, Nuclear Reactor Regulation
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ABB Combustion Engineering Nuclear Operations

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Windsor, Connecticut 06095-0500

Telephone (203) 688-1911
Fax (203) 285-3306

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January 16, 1997

Synopsis of Notice of Nonconformance:

Contrary to the requirements of 10CFR50 Appendix B Criteria V and ABB CENO QA Manual QAM-100, System 7 (Control of Purchased Items and Services), ABB CENO failed to consider licensee findings regarding commercial grade dedication activities at ABB CENO's subvendor ABB Electro-Mechanics (ABB E-M). Two licensees identified problems with ABB E-M's commercial grade dedication of safety related instrumentation components, however, ABB CENO did not consider the licensee's findings when assessing whether safety-related items purchased from ABB E-M were compromised.

Description of Steps Taken to Correct Nonconformance:

In order to assure ourselves that our subvendor, ABB Electro-Mechanics (ABB E-M), was properly performing dedication activities, ABB CENO performed an audit at their facilities in December 1996. The audit encompassed a review of commercial grade dedication activities which ABB E-M performs for ABB CENO. The audit resulted in no findings, however, one observation was noted concerning documentation on dedication reports. The auditors concluded that the dedication activities were performed properly, however, a minor inconsistency was noted when comparing the actual dedication documentation (ABB E-M's Designation Work Order) with their Dedication Report. The auditors concluded that the inconsistency did not affect the final outcome of the dedication nor compromise concerns for safety-related functionality of the supplied items.

Description of Steps to Prevent Recurrence of Nonconformance:

The questionnaire form used by ABB CENO when performing Annual Supplier Assessments (in accordance with QAM-100, System 7 paragraph 2.5.4) has been revised to add questions to inquire into who the supplier may have been audited by within the past year, any systematic concerns identified during their audit(s) or with any equipment or services recently provided, and the nature and status of any 10CFR21 reportable issues within the past year.

It must be noted that information concerning some or all of the above questions may not be obtainable should the supplier decide that only information pertaining to the assessing customer (e.g., ABB CENO) will be provided due to proprietary or confidentiality concerns. If so, the supplier's position will be noted on the questionnaire. This was ABB CENO's reasoning prior to and during the NRC Inspection for not including such questions on our previous questionnaire in use and thus our lack of awareness into issues between ABB E-M and their other customers.

Scheduled Completion Date:

All actions are complete.

The audit of our subvendor was performed in December 1996. The questionnaire form for performing Annual Supplier Assessments was revised in September 1996 and has been used thereafter.