



babcock & wilcox nuclear operations group

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January 30, 2009

U.S. Nuclear Regulatory Commission
Attn: Document Control Desk
Washington, D.C. 20555-0001

SUBJECT: Reply to a Notice of Violation and a Notice of Nonconformance

Reference: Letter, J. Peralta (NRC) to G. Bryant (B&W), dated December 18, 2008, "Babcock and Wilcox (B&W) Nuclear Operations Group's Response to U.S. Nuclear Regulatory Commission Inspection Report 99900042/2008-201, Notice of Violation and Notice of Nonconformance."

Dear Mr. Peralta:

In response to the referenced request, B&W provides the following additional information:

NON 9900042/2008-201-02

Additional explanation to address the noncompliance

For all products and services that were purchased from suppliers with ASME certificates, without first completing supplier evaluations, B&W had, prior to use of such products or services: 1) reviewed and approved documentation provided with the product/service to confirm compliance with the ordering requirements; and 2) performed a receipt inspection of the products. Additionally all products purchased from suppliers with ASME certificates, without first completing supplier evaluations, will be tested for confirmation of material requested before use. B&W will also perform an evaluation of all such suppliers.

Corrective steps that have been taken and the results achieved

B&W reviewed all purchase orders for safety related components issued to N certificate holders to identify those for whom supplier evaluations were not completed, and took the corrective actions set forth above in those cases.

B&W has revised Policy Number 12-QA-07 of the B&W QA Manual to be in compliance with Appendix B to Title 10 Part 50 and Supplement 7S-1 to NQA-1-1994. Procedure NE/C-1722-02-Q will be revised to be in compliance with Appendix B to Title 10 Part 50 and Supplement 7S-1 to NQA-1-1994. Training will be performed to provide an understanding of the revisions.

Date when corrective action will be completed

The material testing will be completed by 2/28/09.

The supplier evaluations will be completed by 3/31/09.

NE/C-1722-02-Q will be revised, approved, and training completed by 3/15/09.

NON 9900042/2008-201-03

Additional explanation to address the noncompliance

The B&W NOG facilities in Mt. Vernon and Barberton do not currently possess the properly calibrated equipment to perform thermocouple calibration. However, B&W wants to have the option to perform these calibrations in the future if the required equipment becomes available and is properly calibrated in accordance with the current M&TE Calibration program. That program was found to be acceptable during the U.S. Nuclear Regulatory Commission (NRC) inspection conducted on August 26–29, 2008, at the Babcock and Wilcox (B&W) Nuclear Operations Group, Inc. facility in Mount Vernon, Indiana. B&W's current intention, however, is to procure all thermocouple wire from a qualified vendor on the ASL, making independent testing unnecessary.

Corrective steps that have been taken and the results achieved

Administrative Procedure NE/C-1211-13-Q, "Purchase, Certification, and Release System for Thermocouple Wire and Assemblies", has been revised, approved and training has been completed. This revision assures thermocouple wire is either supplied by a vendor on the Approved Suppliers List or the thermocouple wire is tested by a vendor on the Approved Suppliers List prior to being released for use.

Date when corrective action will be completed

All corrective action has been completed.

NON 9900042/2008-201-04

Additional explanation to address the noncompliance

The work required to be performed by the vendor on the nine identified purchase orders was destructive testing. As a requirement of the original purchase order, the vendor provided documented verification of the testing and the results of the testing in accordance with the purchase order. These documents were reviewed and accepted by B&W.

Corrective steps that have been taken and the results achieved

Work Instruction PUR-1711-02-01, Standard Clauses N10 and N79, and Administrative Procedure NE/C-1711-02-Q have all been revised, approved, and training has been completed.

Date when corrective action will be completed

All corrective action has been completed.

NON 9900042/2008-201-08

Additional explanation to address the noncompliance

All internal and customer audit reports and survey results are sent to the Quality Manager, who is responsible for ensuring Corrective Action Requests are documented for all audit findings. In addition to the corrective actions already identified, training will be conducted with B&W Lead Auditors, Quality Manager, Quality Assurance Engineers, and the Database Administrator to ensure an understanding of NE/C-1717-03-Q, highlighting that all audit findings, internal and customer, are documented in the Corrective Action Program.

Corrective steps that have been taken and the results achieved

The CAR Database Administrator uses the "Mt. Vernon" only CAR database to track and report the Corrective Action Requests. The weekly discussions of the Corrective Action Requests in the Quality Department meeting have brought a greater awareness to the open Corrective Actions.

Date when corrective action will be completed

The training will be completed by 3/31/2009.

Babcock & Wilcox views this matter with the utmost seriousness and we are committed to the courses of action described in this reply.

Yours truly,
BABCOCK & WILCOX
NUCLEAR OPERATIONS GROUP, INC.



Gary Bryant
Quality Control Manager

cc: Juan Peralta, Chief
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Division of Construction Inspection and
Operational Programs