



August 31, 2009

US Nuclear Regulatory Commission
Attn: Document Control Desk
Washington, DC 20555-001

Mr. Juan Peralta
Chief, Quality and Vendor Branch 1
Division of Construction Inspection and Operational Programs
Office of New Reactors

Subject: **"REPLY TO A NOTICE OF VIOLATION"**
Violation 99901356 / 2009-201-01

Dear Mr. Peralta,

I am writing in response to the **NOTICE OF VIOLATION # 99901356 / 2009-201-01** addressed to me in the NRC Inspection Report No. 9901356 / 2009-201.

In accordance with the instructions outlined within the subject Notice of Violation, Flowserve Corporation, Raleigh, NC offers the following reply:

1. The reason for this violation, as stated in the Flowserve Quality Problem Corrective Action Plan (QPCAP #517) issued during the NRC Inspection (see attached) states: The Manager Quality Assurance (Chairman) of the 10CFR21 Committee failed to pay attention to the timeline requirements specified within Flowserve Plant Internal Operating Procedure (PIOP) 36-40-03-07; as a result Part 21 Evaluation #32 opened September 27, 2007, exceeded the 60 days from date of discovery, completion requirement, closed January 28, 2008 and Flowserve failed to submit an interim report to the NRC when the evaluation had not been completed within the sixty (60) days.
2. As stated in Flowserve QPCAP #517, the corrective steps that have been taken are:
 - a. The Manager, Quality Assurance attended the NRC Workshop on Vendor Oversight for New Reactor Construction – Subject Presentation: 10CFR Part 21: Requirements and Guidance presented by Kerry Kavanagh on December 08, 2008. This NRC Workshop heightened the Manager, Quality Assurances' awareness to the time line requirements contained within 10CFR Part 21.

FLOWSERVE US INC.
FLOW CONTROL DIVISION

1900 S SAUNDERS
RALEIGH, NC 27603 USA

Telephone 919 831 0525
Facsimile: 919 831 3369
www.flowserve.com

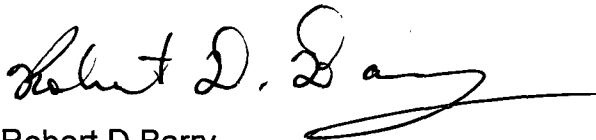
IE09
IE19

- b. As a result of the Manager, Quality Assurance heightened awareness Flowserve PIOP 36-40-03-07 was revised on February 16, 2009 (PIOP 36-40-03-08) to include a Timeline Checklist within the Part 21 Evaluation form, used by the Part 21 Evaluation Committee, to complete the evaluation process. Upon issuance of the revised PIOP 36-40-03-08 the other members of the Part 21 Evaluation committee (Robert Sherman – Manager Sales , James Tucker – Manager Engineering) were made aware of the Timeline Requirements via Training to the revised PIOP 36-40-03-08, as documented on "Procedure Review" records attached to QPCAP #517 as Objective Evidence of Training along with the NRC 10 CFR Part 21 Workshop Cover Page attesting to the Manager Quality Assurance participation and training along with his approval of PIOP 36-40-03-08.

A review of 10 CFR 21 Evaluations issued since the revision and addition of the Timeline Checklist to PIOP 36-40-03-08 revealed no further non conformances since that time. (See evidence of review dated 7/09/09 attached to QPCAP #517).

3. The corrective steps that have been taken as described in this response and Flowserve QPCAP #517 have been implemented and will avoid further violations.
4. Full compliance has been achieved since the implementation of Flowserve PIOP 36-40-03-08 dated February 16, 2009, as evidenced by the review of Flowserve Part 21 Evaluations issued since that time.

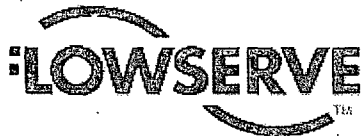
Respectfully Submitted,



Robert D Barry
Manager, Quality Assurance
Flowserve US Inc
Flow Control Division
Raleigh, NC 27603

Attachments:

Flowserve Quality Problem Corrective Action Plan No 517 and supporting objective evidence.



1900 South Saunders Street
P.O. Box 1961
Raleigh, North Carolina 27603

Nº. 517

DATE: July 9, 2009
SIZE & FIGURE NO.: USNRC Inspection Violation
PART / VALVE NAME: 10 CFR Part 21
PART / VALVE NUMBER: _____

QUALITY PROBLEM CORRECTIVE ACTION PLAN

TRACEABILITY NO.: _____ REJECT TICKET NO.: _____ RESPONSIBLE DEPT.: QA
INITIATED BY: R.D. Barry Assigned to: R.D. Barry ☐ CODE MATERIAL ANI REVIEW _____

PROBLEM (to be completed by QA or responsible Department) ☐ Not Required -- Reject Ticket Attached
Contrary to the requirements of 10 CFR Part 21 it was found that Part 21 Evaluation # 32, the evaluation process exceeded the required 60 days from the date of discovery of the deviation or failure to comply, and an interim report had not been filed.

Part 21 evaluation required ☐ Yes ☒ No Department Manager Signature: R.D. Barry R.D. Barry Date: 7/9/09

ROOT CAUSE and PROPOSED CORRECTIVE ACTION within 30 days, which is 8/8/09:

The Manager, Quality Assurance (Chairman) of the 10 CFR 21 Committee failed to pay attention to the Timeline requirements specified Within PIOP 36-40-03- 07; as a result Part 21 Evaluation # 32 exceeded the 60 Day requirement. Corrective action would require the training Of the Manager, Quality Assurance in the Part 21 Time line requirement and revision of PIOP to include a checklist to maintain awareness of the Timeline Requirements. By: R.D. Barry R.D. Barry Date: 7/9/09

CORRECTIVE ACTION will be completed by 07/09/09 (to be completed by responsible Department):

PIOP 36-40-03-08 was revised and issued as a result of the NRC Seminar on December 10, 2008, which provided training to the Mgr, QA And heightened awareness to the timeline requirements contained within 10 CFR Part 21. Reviewed 10CFR 21 Evaluations issued since the Revision and addition of the PIOP Checklist, with no further non conformances noted.

By: R.D. Barry R.D. Barry Date: 7/9/09

REVIEW/TRAIN RESPONSIBLE INDIVIDUAL (If Applicable)

Training at NRC Vendor Seminar and revision, review and approval of PIOP 36-40-03-08 is sufficient to assure that future 10 CFR 21 Evaluations will be completed within the required time requirements.

R.D. Barry	<u>R.D. Barry</u>	7/09/09	R. D. Barry	07/09/09
Name of Responsible Individual	Signature	Date	By:	Date:

CONFIRMATION OF CORRECTIVE ACTION TAKEN to be verified by Q.A within 30 days of completion date, which is 08/09/09:

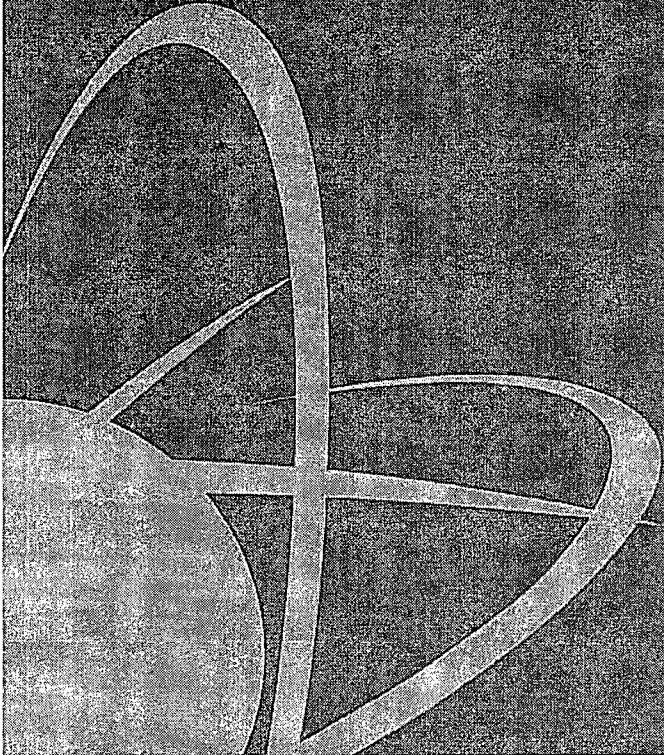
Verified review of 10 CFR 21 Evaluations completed 7/9/09 by R.D. Barry are within Timeline Requirements specified in revised PIOP 36-40-03-08. Training Documentation of participation at NRC Workshop Dec. 10, 2008.

CORRECTIVE ACTION REVIEWED BY: R.D. Barry 7/9/09 J. Chell Date: 7/9/09
Manager, Quality Assurance or Designee Gen. Hgt.

	Discovery	EVAL. Comp
10CFR 21 - 40	1/13/09	1/14/09
10CFR 21 - 41	2/19/09	3/26/09
10CFR 21 - 42	3/2/09	3/20/09
10CFR 21 - 43	3/23/09	3/30/09
10CFR 21 - 44	4/3/09	4/15/09

H. D. Dwyer 7/9/09

PIOP 36-40-03-08 Revised 2/16/2009
 10CFR 21 EVALUATION COMMITTEE
 Summary & Timeline - Checklist Added
 to PIOP.



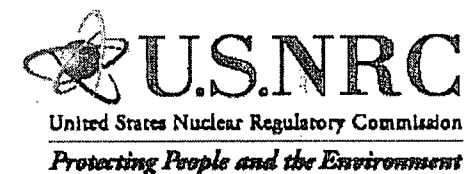
NRC Workshop on Vendor Oversight for New Reactor Construction

10 CFR Part 21: Requirements and Guidance

Kerri Kavanagh

Quality and Vendor Branch 1
Office of New Reactors

December 10, 2008



This is to document TRAINING
of R.D. Barry and participation at this NRC
workshop. R.D. Barry 7/9/09.



Raleigh, NC

EXHIBIT IV

Procedure No.	36-40-03-08
Effective Date	12/12/77
Revision Date	1/26/2009

TITLE
10CFR21 Evaluation Committee Summary and Timeline - TYPICAL

PLANT INTERNAL
OPERATING PROCEDURE

Page 2 of 2

10 CFR 21 EVALUATION COMMITTEE SUMMARY & TIMELINE		10 CFR 21 FILE NO.																																																
<small>This form is for internal use only. It will be used to track 10 CFR 21 timeline requirements for the associated evaluation.</small>																																																		
DATE DEFECT IDENTIFIED: _____																																																		
CAN FLOWSERVE EVALUATE? Y / N DATE DETERMINED: _____																																																		
<small>If no, the deadline to notify all potentially affected parties is <u>5 days</u> from date determined.</small>																																																		
IS THE ABOVE ANSWER "NO"? DATE NOTIFIED: _____																																																		
<small>If the evaluation isn't complete, the NRC to get interim report within <u>60 days</u> of identification.</small>																																																		
WILL EVALUATION TAKE <60 DAYS? Y / N INTERIM DUE: _____																																																		
WAS INTERIM REPORT SUBMITTED? Y / N DATE SUBMITTED: _____																																																		
<table border="1"><thead><tr><th>ACTION</th><th>DATE</th><th>SIGNATURE</th></tr></thead><tbody><tr><td>EVALUATION COMPLETE:</td><td>_____ BY: _____</td><td></td></tr><tr><td>REPORTABLE CONDITION?</td><td>Y / N</td><td></td></tr><tr><td colspan="3"><small>If reportable, a director or responsible officer must be notified within <u>5 days</u>.</small></td></tr><tr><td>OFFICER NOTIFIED:</td><td>_____ BY: _____</td><td></td></tr><tr><td colspan="3"><small>The director or responsible officer must make initial NRC notification by fax within <u>2 days</u>.</small></td></tr><tr><td>NRC NOTIFIED:</td><td>_____ BY: _____</td><td></td></tr><tr><td>FAX RECEIPT CONFIRMED:</td><td>_____ BY: _____</td><td></td></tr><tr><td colspan="3"><small>NRC Receipt of the fax must be confirmed by phone.</small></td></tr><tr><td>CUSTOMERS NOTIFIED:</td><td>_____ BY: _____</td><td></td></tr><tr><td colspan="3"><small>A complete written report is due to the NRC within <u>30 days</u> of evaluation completion.</small></td></tr><tr><td>FULL REPORT TO NRC:</td><td>_____ BY: _____</td><td></td></tr><tr><td>WEBSITE VERIFIED:</td><td>_____ BY: _____</td><td></td></tr><tr><td colspan="3"><small>Receipt of the complete report shall be verified by checking the NRC website</small></td></tr><tr><td colspan="3">ALL RECORDS ASSOCIATED WITH EVALUATION AND NOTIFICATION OF 10CFR21 ISSUES MUST BE RETAINED A MINIMUM OF 5 YEARS.</td></tr><tr><td colspan="3">THESE RECORDS SHALL BE RETAINED UNTIL: _____</td></tr></tbody></table>			ACTION	DATE	SIGNATURE	EVALUATION COMPLETE:	_____ BY: _____		REPORTABLE CONDITION?	Y / N		<small>If reportable, a director or responsible officer must be notified within <u>5 days</u>.</small>			OFFICER NOTIFIED:	_____ BY: _____		<small>The director or responsible officer must make initial NRC notification by fax within <u>2 days</u>.</small>			NRC NOTIFIED:	_____ BY: _____		FAX RECEIPT CONFIRMED:	_____ BY: _____		<small>NRC Receipt of the fax must be confirmed by phone.</small>			CUSTOMERS NOTIFIED:	_____ BY: _____		<small>A complete written report is due to the NRC within <u>30 days</u> of evaluation completion.</small>			FULL REPORT TO NRC:	_____ BY: _____		WEBSITE VERIFIED:	_____ BY: _____		<small>Receipt of the complete report shall be verified by checking the NRC website</small>			ALL RECORDS ASSOCIATED WITH EVALUATION AND NOTIFICATION OF 10CFR21 ISSUES MUST BE RETAINED A MINIMUM OF 5 YEARS.			THESE RECORDS SHALL BE RETAINED UNTIL: _____		
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APPROVALS: GENERAL MANAGER _____ DEPARTMENT MANAGER _____