



Westinghouse
Electric Company LLC

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March 9, 2001

U.S. Nuclear Regulatory Commission
Document Control Desk
Washington, DC 20555

Attention: Theodore R. Quay, Chief IQMB
Division of Inspection Program Management, NRR

Re: Westinghouse Quality Management System (QMS), Revision 4 and Quality Assurance Program CENPD 210A, Revision 7A – Applicability after the Legal Merger of CE Nuclear Power LLC into Its Parent Westinghouse Electric Company LLC.

- References:
1. Letter dated September 21, 2000 from J. S. Galembush, Acting Manager Regulatory and Licensing Engineering, Westinghouse to T. R. Quay, Chief IQMB, Division of Inspection Program Management, Office of Nuclear Reactor Regulation, USNRC.
 2. Letter dated December 7, 2000 from T. R. Quay, Chief IQMB, Division of Inspection Program Management, Office of Nuclear Reactor Regulation, USNRC to J. S. Galembush, Acting Manager Regulatory and Licensing Engineering, Westinghouse.

Gentlemen:

In Reference #1, Westinghouse Electric Company LLC (“Westinghouse”) notified the Nuclear Regulatory Commission (“NRC”) that it would transition the functional organizations of Westinghouse, including, with certain listed exceptions, those of its wholly-owned subsidiary, CE Nuclear Power LLC (“CENP”)¹ to operation under the Westinghouse Quality Management System document (“QMS”), Revision 4 on or about January 2001. The listed exceptions within the CENP organization that would not begin operating under the QMS at that time, as stated in Reference #1, were to continue operation under the requirements of CENPD 210A, Rev. 7 until transitioned to the QMS or their operations were terminated. In Reference #2, the NRC accepted Westinghouse’s plan to transition all of its continuing operating organizations, including its CENP subsidiary’s continuing operating organizations, to the QMS and accepted Revision 4 of the QMS. Reference #2 acknowledged that Revision 4 of the QMS primarily

¹ CENP became a wholly-owned subsidiary of Westinghouse in connection with the acquisition by British Nuclear Fuels plc (“BNFL”) of the world-wide nuclear business of ABB Ltd. (“ABB”). The acquisition included the outstanding shares of stock of ABB C-E Nuclear Power, Inc. (“ABBCENP”), the entity that, prior to the acquisition, conducted the U.S. nuclear business of ABB. Upon closing of the acquisition on April 28, 2000, ABBCENP was merged into CENP, which became a wholly-owned subsidiary of Westinghouse and an indirect subsidiary of Westinghouse’s ultimate parent, BNFL.

reflects organizational changes as a result of the Westinghouse acquisition of CENP and does not reduce commitments in the QMS program previously accepted by the NRC.²

The purpose of this letter is to provide notice to the NRC of the now planned formal, legal merger of CENP, including all of its assets and personnel, into its parent, Westinghouse, to be effective as of April 2, 2001. The merger is being undertaken as a final step in connection with Westinghouse's on-going efforts to integrate its recent acquisition of CENP into the existing Westinghouse commercial nuclear business. From and after the April 2, 2001 effective date of the merger, CENP will cease to exist as a legal entity and Westinghouse will remain as the sole surviving company. In addition, from and after the date of the merger, subject to all required NRC approvals, Westinghouse will be the sole remaining entity undertaking activities currently being undertaken by both Westinghouse and CENP under the QMS and currently being undertaken by those operational organizations within CENP that have not yet transitioned to the QMS (or been terminated) under CENPD 210A. Rev. 7.

All NRC quality activities under the QMS, and until transitioned (or terminated) under CENPD 210A. Rev. 7, will be the same before and after the contemplated merger of CENP into Westinghouse. The merger will not involve any change in the operating organization, location, facilities, equipment or procedures associated with approved activities; and there will be no changes in the quality assurance programs previously approved by the NRC as result of the merger. All personnel having responsibility for activities under the approved quality assurance programs will remain the same. These personnel simply all will be employees of Westinghouse, instead of employees of Westinghouse or CENP. Westinghouse will continue to meet all representations and commitments under the accepted quality assurance programs, including financial and technical qualifications. By virtue of the merger of CENP into Westinghouse, Westinghouse simply will remain as the sole entity under the programs. Westinghouse has established April 2, 2001 as the effective date of the merger.

Should there be any questions regarding this matter please contact either Lisa A. Campagna, Westinghouse Assistant General Counsel at 412/374-4614/email campagla@westinghouse.com, or John Papai, Westinghouse Quality Systems at 412/374-2434/email papaijs@westinghouse.com.

Very truly yours,



F. Ramsey Coates
Vice President and General Counsel
Westinghouse Electric Company LLC

Cc: Stephen H. Lewis, Esq., Office of General Counsel, NRC
Robert S. Bell, Jr., Esq., Vice President, Secretary & General Counsel, CE Nuclear Power LLC
Theodore Alexovich, Westinghouse Quality Systems
John S. Papai, Westinghouse Quality Systems

² Although not specifically noted in Reference #1, as with other elements of CENP's functional Operations transitioning from use of CENP 210A Rev. 7A to the Westinghouse QMS Revision 4, any future activities undertaken by Westinghouse in Docket No. 52-002 (System 80+ Design Certification) that require the applicability of an accepted NRC quality program also will be taken under the QMS.