



Westinghouse

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Attn: Theodore R. Quay, Chief
Equipment and Human Performance Branch
Division of Inspection and Program Management

Your ref: NRC Letter dated May 27, 2003
Our ref: LTR-NRC-03-37

July 11, 2003

Subject: Response to NRC Letter Regarding Westinghouse Part 21 Reviews

The purpose of this letter is to formally respond to NRC letter dated May 27, 2003 from Theodore R. Quay, Chief, Equipment and Human performance Branch, Division of Inspection and Program Management, to the undersigned. We are also in receipt of a second letter wherein you correct an error indicating that the original letter did not represent a Notice of Nonconformance though it was so stated.

The substance of the original NRC letter indicates that based upon information from an individual the NRC, **“remains concerned regarding Westinghouse’s interpretation of Part 21. It appears that Westinghouse does not adequately address the requirements of Part 21 to evaluate deviations and failures to comply that could create a substantial safety hazard if left uncorrected”** (emphasis added).

Westinghouse has always performed full and complete evaluations of deviations or failures to comply that are entered into the Westinghouse 10 CFR Part 21 program. These evaluations look at each situation in exacting detail including any systems or other synergistic effects. Our evaluation into the specific issue of the CEA’s at Palo Verde Nuclear Generating Station did consider the “left uncorrected” case as we assessed the situation and determined that it is not a credible situation. CEA’s are tested and inspected at the beginning and end of every operating cycle thus providing a limitation on any issues that may arise. Notwithstanding that the foregoing was a part of our 10 CFR Part 21 evaluation, Westinghouse acknowledges that this information may not have been explicitly stated in our documentation of this issue. In addition, regarding the issue of the Control Element Assemblies (CEA) at Palo Verde Nuclear Generating Station, we agree with the NRC statement that there was no deviation or failure to comply on the part of Westinghouse.

Westinghouse remains sensitive to its obligation to continue meeting the requirements specified in 10 CFR Part 21. The following actions have been or will be taken: 1) As a process enhancement, Westinghouse will explicitly state in all future evaluations that the issue in question was assessed assuming that it could create a substantial safety hazard if it were left uncorrected. This wording is already included in Westinghouse Policy/Procedure WEC 21.0 Rev. 3, Page 1, Paragraph 1 and training on this requirement already is provided to Westinghouse employees.


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2) This information has been provided to our regulatory compliance staff and the aforementioned language will be included in our 10 CFR 21 evaluations. 3) We will confirm that all recently closed and current issues evaluated in the WEC 10 CFR 21 program considered "deviations and failures to comply that could create a Substantial Safety Hazard if left uncorrected," by August 31, 2003.

If there are any additional questions, please do not hesitate to contact the undersigned.

Very truly yours,



H. A. Sepp, Manager
Regulatory Compliance and Plant Licensing