



**UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, DC 20555 - 0001**

January 13, 2004

Mr. W.E. Cummins, Director
AP600 and AP1000 Projects
Westinghouse Electric Company
Nuclear Power Plants
P.O. Box 355
Pittsburgh, PA 15230-0355

Dear Mr. Cummins:

Thank you for your letter of December 3, 2003, in response to the Notice of Nonconformance (NON) that was issued by the Nuclear Regulatory Commission (NRC) on November 4, 2003, as a result of an NRC inspection associated with AP1000 design certification activities (NRC Inspection Report 99900404/03-01). The NON documented Westinghouse's non compliance with their quality program and procedures used to support the basis for qualification and evaluation of suppliers used for AP1000 design certification activities.

We have reviewed your reply and found it responsive to the concerns raised in the NON and Open Item 17.3.2-2 of the staff's AP1000 draft safety evaluation report (DSER). It is our understanding that you will be in full compliance with the quality assurance requirements of 10 CFR Part 50, Appendix B, for the AP1000 project upon completion of the Obayashi Corporation supplier audit, currently expected to be complete by January 30, 2004.

We have also reviewed your November 13, 2003 letter from Mr. R. Vijuk which responded to the staff's concerns related to the effectiveness of quality assurance audits and self-assessments noted in Inspection Report No. 99900404/03-01. To address these concerns, we understand that you intend to: (1) revise the lower tier AP1000 Level 3 procedures to require that all AP1000 safety-related suppliers be placed on the Westinghouse Qualified Suppliers List in accordance with the higher tier Level 2 Westinghouse supplier qualification procedures; (2) evaluate all AP1000 safety-related suppliers in accordance the Level 2 Westinghouse supplier qualification procedures; and (3) enter the issue into your corrective action program. With regard to the execution of self-assessments, you provided additional information clarifying the process used to perform the July 2003 self-assessment of calculations performed by the AP1000 department. Your responses to these issues adequately addressed the staff's concerns and no further information is required at this time. The staff has also reviewed your letter of January 9, 2004, which provided a status of the resolution of the NON.

Please note that the staff intends to maintain DSER Open Item 17.3.2-2 in an open status until you have completed all supplier qualification activities for AP1000 safety-related suppliers.

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The NRC may review the implementation of your corrective actions during a future inspection to determine that full compliance has been achieved and will be maintained.

In accordance with 10 CFR 2.790 of the NRC's "Rules of Practice," a copy of this letter and its enclosures will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's document system (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>.

Sincerely,

/RA/

Theodore R. Quay, Chief
Emergency Preparedness & Plant Support Branch
Division of Inspection Program Management
Office of Nuclear Reactor Regulation

Docket No. 99900404

W.E. Cummins

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Theodore R. Quay, Chief
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Office of Nuclear Reactor Regulation

Docket No. 99900404

IEHB R/F

Accession Number: ML040160577

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