

October 30, 2006

Mr. David Hinds, Manager
ESBWR
General Electric Energy
P.O. Box 780, M/C L60
Wilmington, NC 28402

SUBJECT: GENERAL ELECTRIC NUCLEAR ENERGY (GE) RESPONSE TO
U.S. NUCLEAR REGULATORY COMMISSION (NRC) INSPECTION REPORT
05200010/2006-201 AND NOTICE OF NONCONFORMANCE (NON)

Dear Mr. Hinds:

Thank you for your July 21 and September 26, 2006, letters in response to the NRC Inspection Report 05200010/2006-201 and NON dated June 14, 2006.

We have reviewed your submittal and find that your replies to the NON are responsive to our concerns. The staff understands that GE has responded or will respond to the following Corrective and Preventive Actions according to the below schedule:

NON 05200010/2006-201-01

Issue A Corrective Action #1 completed on May 11, 2006.
Issue A Corrective Action #2 completed on June 29, 2006.
Issue A Preventive Action #1 completed on July 28, 2006.
Issue A Preventive Action #2 completed on May 19, 2006.
Issue A Preventive Action #3 completed on July 7, 2006.
Issue B Preventive Action #1 completed on October 2, 2006.
Issue B Preventive Action #2 completed on July 12, 2006.
Issue B Preventive Action #3 staff believes GE may have inadvertently skipped this number.
Issue B Preventive Action #4 completed on July 11, 2006.

Nonconformance 05200010/2006-201-02

Corrective Action #1 completed on June 6, 2006.
Corrective Action #2 completed on July 20, 2006.
Corrective Action #3 completed on July 20, 2006.
Corrective Action #4 will be completed by October 31, 2006.
Corrective Action #5 completed on September 29, 2006.
Preventive Action #1 completed on June 30, 2006.
Preventive Action #2 completed on July 28, 2006.

In addition, the staff requests that you submit:

- (1) Revision 2 of NEDO-33181, "NP-2010 COL Demonstration Project Quality Assurance Plan," for staff review when it is issued; and,
- (2) The latest revision of NEDC-33260, "NP-2010 COL Demonstration Project SQAR - ESBWR QA Requirements for Procurement of Engineering Services and Equipment."

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

If you or your staff have any questions regarding this matter, we will be pleased to discuss them with you.

Sincerely,

/RA/

David B. Matthews, Director
Division of New Reactor Licensing
Office of New Reactor Licensing

D. Hinds

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/RA/

David B. Matthews, Director
Division of New Reactor Licensing
Office of New Reactor Licensing

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OFFICE	NRO/DNRL/NGE1	NRO/DNRL/NGE1	NRO/DNRL/NGE1	D/DNRL/NRO
NAME	S. Williams	A. Cubbage	J. Colaccino	D. Matthews
DATE	10 /16/2006	10 /17/2006	10/25/2006	10/30/2006

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ESBWR Mailing List

cc:

Mr. David Lochbaum, Nuclear Safety
Engineer
Union of Concerned Scientists
1707 H Street, NW., Suite 600
Washington, DC 20006-3919

Mr. Paul Gunter
Nuclear Information & Resource Service
1424 16th Street, NW, Suite 404
Washington, DC 20036

Mr. James Riccio
Greenpeace
702 H Street, Suite 300
Washington, DC 20001

Mr. Adrian Heymer
Nuclear Energy Institute
Suite 400
1776 I Street, NW
Washington, DC 20006-3708

Mr. Paul Leventhal
Nuclear Control Institute
1000 Connecticut Avenue, NW
Suite 410
Washington, DC 20036

Mr. Ron Simard
6170 Masters Club Drive
Suwanne, GA 30024

Mr. Brendan Hoffman
Research Associate on Nuclear Energy
and Environmental Program
215 Pennsylvania Avenue, SE
Washington, DC 20003

Mr, Jay M. Gutierrez
Morgan, Lewis & Bockius, LLP
1111 Pennsylvania Avenue, NW
Washington, DC 20004

Mr. Glenn H. Archinoff
AECL Technologies
481 North Frederick Avenue
Suite 405
Gaithersburg, MD 20877

Mr. Gary Wright, Director
Division of Nuclear Facility Safety
Illinois Emergency Management Agency
1035 Outer Park Drive
Springfield, IL 62704

Mr. Charles Brinkman
Westinghouse Electric Co.
Washington Operations
12300 Twinbrook Pkwy., Suite 330
Rockville, MD 20852

Mr. Ronald P. Vijuk
Manager of Passive Plant Engineering
AP1000 Project
Westinghouse Electric Company
P. O. Box 355
Pittsburgh, PA 15230-0355

Mr. Ed Wallace, General Manager
Projects
PBMR Pty LTD
PO Box 9396
Centurion 0046
Republic of South Africa

Mr. Russell Bell
Nuclear Energy Institute
Suite 400
1776 I Street, NW
Washington, DC 20006-3708

Ms. Sandra Sloan
Areva NP, Inc.
3315 Old Forest Road
P.O. Box 10935
Lynchburg, VA 24506-0935

Mr. Robert E. Sweeney
IBEX ESI
4641 Montgomery Avenue
Suite 350
Bethesda, MD 20814

Mr. Eugene S. Grecheck
Vice President, Nuclear Support Services
Dominion Energy, Inc.
5000 Dominion Blvd.
Glen Allen, VA 23060

Mr. George A. Zinke
Manager, Project Management
Nuclear Business Development
Entergy Nuclear, M-ECH-683
1340 Echelon Parkway
Jackson, MS 39213

E-Mail:
tom.miller@hq.doe.gov or
tom.miller@nuclear.energy.gov
sfrantz@morganlewis.com
ksutton@morganlewis.com
jgutierrez@morganlewis.com
mwetterhahn@winston.com
whorin@winston.com
gcesare@enercon.com
jerald.holm@framatome-anp.com
erg-xl@cox.net
joseph_hegner@dom.com
mark.beaumont@wsms.com
steven.hucik@ge.com
patriciaL.campbell@ge.com
bob.brown@ge.com
david.hinds@ge.com
chris.maslak@ge.com
James1.Beard@ge.com
kathy.sedney@ge.com
mgiles@entergy.com
tansel.selekler@nuclear.energy.gov or
tansel.selekler@hq.doe.gov
Frostie.white@ge.com
David.piepmeyer@ge.com
george.stramback@gene.ge.com
Jim.kinsey@ge.com