

October 14, 2010

Richard E. Gallagher, Manager  
Quality Services  
Bechtel Power Corporation  
5275 Westview Drive  
Frederick, MD 21703-8306

SUBJECT: BECHTEL POWER CORPORATION RESPONSE TO NRC INSPECTION  
REPORT NO. 99901365/2010-201, NOTICE OF VIOLATION

Dear Mr. Gallagher:

Thank you for your letter dated September 28, 2010, in response to the Notice of Violation (NOV) that was discussed in the U.S. Nuclear Regulatory Commission (NRC) Inspection Report 99901365/2010-201 dated August 30, 2010.

We have reviewed your letter and find that your reply to the NOV is responsive to our concerns. We have no further questions or comments at this time and may review the implementation of your corrective action during a future NRC staff inspection to determine that full compliance has been achieved and maintained.

Additionally, the staff reviewed your concern related to the enforcement characterization of the violation. The section in NUREG 1600, "General Statement of Policy and procedure for NRC Enforcement Actions," Enforcement Policy – May 1, 2000, that you requested be considered by the staff to support a reduction in the classification of the violation, is not directly applicable to vendors (non-licensees). Section X, "Enforcement Action Against Non-Licensees," prescribes staff guidance to be applied in this instance. The staff determined that the appropriate guidance was applied for the classification of the violation.

If you or your staff has any questions regarding this matter, we will be pleased to discuss them with you. Please contact Mr. Paul F. Prescott at (301) 415-3026 or via electronic mail at Paul.Prescott@nrc.gov, if you have any questions or need assistance regarding this matter.

Sincerely,

*/RA/*

Patrick L. Hiland, Director  
Division of Engineering  
Office of Nuclear Reactor Regulation

Docket No. 99901365

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