

August 23, 2012

GE Hitachi Nuclear Energy
Attn: Mr. Jerald G. Head
Senior Vice President, Regulatory Affairs
3901 Castle Hayne Road
P.O. Box 780 M/C A-18
Wilmington, NC 28402

SUBJECT: GE HITACHI NUCLEAR ENERGY APPROACH FOR HANDLING OF CERTAIN
SENSITIVE INFORMATION

Dear Mr. Head:

I have received your letter of August 1, 2012, which identified the GE Hitachi Nuclear Energy (GEH) approach for handling certain sensitive information. In that letter, you referenced correspondence with the Director, Office of International Programs (OIP) dated February 2, 2012, and April 3, 2012. That previous correspondence with OIP contained a two part request in which you: (1) requested that the U.S. Nuclear Regulatory Commission (NRC) work in a timely manner to support GEH receipt of sensitive documents from a foreign customer in support of a competitive bid process, and (2) that the NRC work in a timely manner to grant formal approval for GEH to transmit Safeguards Information (SGI) that's governed by U.S. regulations or applicable NRC Orders, to a foreign customer.

In addition to confirming GEH commitment to compliance with NRC regulations and Orders, your August 1, 2012, letter stated that GEH will share design guidance information that is either publicly available or categorized as Sensitive Unclassified Non-Safeguards information. Your letter also stated that NRC formal approval was no longer necessary because the SGI that would be shared with foreign customers, would not be information derived from NRC inputs. Additionally, you indicated that the sharing of SGI would be contingent upon NRC's approval of the foreign customers access to that information, and that the sharing would be in accordance with the provisions of Title 10 of the *Code of Federal Regulations*, Part 73.59(f) (10 CFR 73.59(f)).

Your planned procedures for sharing SGI, that is not derived from NRC input, is in keeping with regulatory requirements prescribed by 10 CFR 73.22 "Protection of Safeguards Information: Specific requirements" for the protection of SGI. GEH is reminded that information that is governed by the September 12, 2007, NRC Order (EA-07-231) may only be shared and stored in accordance with the provisions stated in Section III of that Order.

J. Head

-2-

Should you have any questions regarding this issue, please feel free to contact me, or have a member of your staff contact Mr. Robert Norman, Sr. Program Manager, Safeguards Information, at (301) 415-2278.

Sincerely,

/RA by Barry C. Westreich for/

Patricia K. Holahan, Director
Division of Security Operations
Office of Nuclear Security and Incident Response

cc: Margaret Doane

J. Head

-2-

Should you have any questions regarding this issue, please feel free to contact me, or have a member of your staff contact Mr. Robert Norman, Sr. Program Manager, Safeguards Information, at (301) 415-2278.

Sincerely,

/RA by Barry C. Westreich for/

Patricia K. Holahan, Director
Division of Security Operations
Office of Nuclear Security and Incident Response

cc: Margaret Doane

DISTRIBUTION:

NSIR-12-0366 DSO r/f ISB r/f

Accession No.: ML12223A226

OFFICE	RNorman	MLayton	MAfshar-Tous Via E-mail	MMayfield Via E-mail	PHolahan
NAME	NSIR/DSO/ISB	NSIR/DSP	OIP/ICAB	NRO/DARR	NSIR/DSO
DATE	08/10/2012	08/21/2012	08/23/2012	08/24/2012	08/23/2012 for by BWestreich

OFFICIAL RECORD COPY