KATI AUSTGEN

Project Manager, New Plant Licensing

NUCLEAR ENERGY INSTITUTE

1201 F Street, NW, Suite 1100 Washington, DC 20004 P: 202.739.8068 kra@nei.org nei.ora

May 31, 2013

Ms. Kerri A. Kavanagh Chief, Quality Assurance Branch (CQAB) Office of New Reactors, Mail Stop 07-D24 U.S. Nuclear Regulatory Commission Washington, DC 20555-0001

Subject: Industry White Paper on Proposed Regulatory Treatment of 10 CFR 50.55(e)

Project Number: 689

Dear Ms. Kavanagh:

On behalf of the nuclear industry, the Nuclear Energy Institute (NEI)¹ appreciates the opportunity to provide stakeholder feedback on the Draft Regulatory Basis to Clarify 10 CFR Part 21,"Reporting of Defects and Noncompliance," December 2012 (ML12248A200).

In general, we found the January 24 public meeting to be very beneficial in terms of helping us identify areas where further public interactions would help us to understand the logic behind the more significant changes proposed in the draft regulatory basis. One such area was "10 CFR 50.55(e) Redundancy" and a follow-up meeting to discuss this subject was held on April 10. During the April 10 meeting, the NRC staff's acknowledgment, per the Draft Regulatory Basis to Clarify 10 CFR Part 21, "Reporting of Defects and Noncompliance," December, 2012, Revision 0, that, "The requirements of 10 CFR 50.55(e) are largely redundant with Part 21" and the industry's proposed regulatory treatment of 10 CFR 50.55(e) were discussed.

As described during the April 10 meeting and in the attached white paper, 10 CFR 50.55(e) and Part 21 are nearly identical; historically, the percentage of 10 CFR 50.55(e) reports made under the significant breakdown in a quality assurance program clause is very small and these reports have followed the identification of the issues by other means; and the underlying purpose of 10 CFR 50.55(e) is achieved through the

¹ The Nuclear Energy Institute (NEI) is the organization responsible for establishing unified industry policy on matters affecting the nuclear energy industry, including the regulatory aspects of generic operational and technical issues. NEI's members include all entities licensed to operate commercial nuclear power plants in the United States, nuclear plant designers, major architect/engineering firms, fuel cycle facilities, nuclear materials licensees, and other organizations and entities involved in the nuclear energy industry.

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implementation of 10 CFR Part 21, the NRC's construction inspection and assessment processes, and the licensee's Appendix B corrective action program. Therefore, 10 CFR 50.55(e) should be deleted, and this can be done without any reduction to the health and safety of the public.

We look forward to further discussions on this topic. If you have any questions, please feel free to contact me.

Sincerely,

Kati Austgen

Katherine RAustgen

Attachment

c: Mr. Victor E. Hall, NRO/DCIP/CQAB, NRC NRC Document Control Desk