

May 11, 2015

Mr. James Gresham, Manager
Regulatory Compliance
Westinghouse Electric Company
1000 Westinghouse Drive, Building 3
Cranberry Township, PA 16066

SUBJECT: NUCLEAR REGULATORY COMMISSION RESPONSE TO WESTINGHOUSE
WESTERN ZIRCONIUM REVISED NOTICE OF VIOLATION /2013-201 AND
ENFORCEMENT ACTION EA-13-176

Dear Mr. Gresham:

The U.S. Nuclear Regulatory Commission (NRC) received your letter, "Reply to a Notice of Violation: EA-13-176," dated April 6, 2015, in response to the revised Notice of Violation (NOV) discussed in NRC inspection report (IR) 99901426/2013-201 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML13163A042) dated February 4, 2015. In your April 6, 2015 letter, Westinghouse acknowledged that the second example associated with the violation of Title 10 of the *Code of Federal Regulations* (10 CFR) Section 21.21(a) is correct and committed to implement corrective actions. The letter attributed the violation to "a failure to follow the Westinghouse procedures rather than a deficiency in the procedures." The letter also noted that Westinghouse is concerned that the NRC staff believes that a referral by the Issue Review Committee to the Safety Review Committee constitutes "discovery" *in all instances*.

On March 27, 2015, the NRC held a public meeting at your request to discuss the revised NOV issued on February 4, 2015 (ADAMS Accession No. ML13361A245). During the meeting, the NRC staff reiterated its position on "discovery" and the NRC's reporting requirements defined in 10 CFR Part 21, as well as reiterated existing concerns about Westinghouse procedural guidance relating to the implementation of Part 21 requirements. The NRC staff notes that the reporting violation was based on how a specific non-conforming condition was dispositioned by Westinghouse. The NRC staff will continue to assess potential apparent violations on a case-by-case basis, and will make a determination regarding the timing of discovery based on the facts of each case. The NRC has no further comments on this subject at this time.

The NRC staff notes that the implementation of your Part 21 program and any corrective actions is subject for review during future inspections at Westinghouse facilities. These inspections will determine if full compliance is being achieved and maintained.

J. Gresham

- 2 -

Please contact Aaron Armstrong at 301-415-8396, or via electronic mail at Aaron.Armstrong@nrc.gov, if you have any questions or need assistance regarding this matter.

Sincerely,

/RA/

Kerri Kavanagh, Chief
Quality Assurance Vendor Inspection Branch
Division of Construction Inspection
and Operational Programs
Office of New Reactors

Docket No. 99901426

J. Gresham

- 2 -

Please contact Aaron Armstrong at 301-415-8396, or via electronic mail at Aaron.Armstrong@nrc.gov, if you have any questions or need assistance regarding this matter.

Sincerely,

/RA/

Kerri Kavanagh, Chief
Quality Assurance Vendor Inspection Branch
Division of Construction Inspection
and Operational Programs
Office of New Reactors

Docket No. 99901426

DISTRIBUTION:

RFretz
PJehle
ERoach
greshaja@westinghouse.com
weave1dw@westinghouse.com
gutmanmm@westinghouse.com

ADAMS ACCESSION NUMBER: ML15106A604

NRO-002

OFC	NRO/DCIP/QVIB	NRO/DCIP/QVIB	NRO/DCIP/MVIB	OE/EB
NAME	AArmstrong	KKavanagh	ERoach	RFretz*
DATE	4/21/2015	4/21/2015	4/21/2015	5/11/2015

OFFICIAL RECORD COPY