

August 24, 2017

Mr. Alfred Angelone
Department Manager
Mitsubishi International Corporation
One Oxford Centre
301 Grant Street, Suite 3050
Pittsburgh, PA 15219-6401

SUBJECT: MITSUBISHI INTERNATIONAL CORPORATION – EXPORT OF NUCLEAR REACTOR COMPONENTS; EXERCISE OF ENFORCEMENT DISCRETION AND WITHDRAWAL OF NOTICE OF VIOLATION EA-16-249

Dear Mr. Angelone:

This letter refers to the Severity Level (SL) IV Notice of Violation (NOV) issued by the U.S. Nuclear Regulatory Commission (NRC) on December 5, 2016, to Mitsubishi International Corporation (MIC) for failing to report exports of nuclear reactor components, including equipment associated with reporting requirements under the Protocol Additional to the Agreement Between the United States of America and the International Atomic Energy Agency for the Application of Safeguards in the United States of America (hereinafter referred to as the Additional Protocol), as required by Title 10 of the *Code of Federal Regulations* (10 CFR), Section 110.54(a)(1).¹ MIC responded to the NOV by letter dated December 20, 2016, (ML17010A067).

Although it is not our normal practice to revisit non-disputed violations, the NRC, on its own accord, initiated a review of the circumstances surrounding the export reporting violations. Upon reconsideration of the information concerning this case, I have been authorized, after consultation with the Director, Office of Enforcement, to exercise enforcement discretion and not cite this violation in accordance with Section 3.5 of the NRC's Enforcement Policy. A copy of the current Policy is available via the NRC's Web site <http://www.nrc.gov/about-nrc/regulatory/enforcement/enforcement-pol.html>. As such, the NRC is withdrawing the NOV issued on December 5, 2016, and we will amend our records to reflect this decision. The NRC is exercising discretion because of: (1) the low safety significance of the violation; (2) the fact that MIC self-disclosed the shipment and export of components made in calendar years 2009, 2010, and 2011 that were omitted in previous quarterly and annual reports (ML16321A028); (3) the lack of clarity in the NRC's guidance associated with the applicability of reporting requirements for the specific items that were exported, and (4) the fact that your company has not been subject to any enforcement actions related to 10 CFR Part 110 requirements within the last two years. In addition, MIC promptly submitted amended quarterly reports required by 10 CFR 110.54(a)(1) to the U.S. Department of Commerce when it learned that these exports had not been reported as required (ML17010A067).

¹ The NOV is available via the NRC's Agencywide Documents Access and Management System (ADAMS) by referencing Accession No. ML16312A144.

Please note that this exercise of enforcement discretion does not change the fact that the specific items that were exported meet the description of nuclear facilities, equipment, and non-nuclear materials listed in Annex II of the Additional Protocol, and are thus reportable under 10 CFR 110.54(a)(1). The NRC expects that exports of these items will continue to be reported under the Additional Protocol in the future.

You are not required to respond to this letter. In accordance with 10 CFR 2.390 of the NRC's "Agency Rules of Practice and Procedure," a copy of this letter, and your response, if you choose to provide one, will be made available electronically for public inspection in the NRC Public Document Room or from the NRC's Agencywide Documents Access and Management System (ADAMS), accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html>. To the extent possible, your response should not include any personal privacy or proprietary information so that it can be made available to the Public without redaction.

Please contact Ms. Andrea Jones at (301) 287-9072 if you have any questions regarding this matter.

Sincerely,

/RA/

Nader L. Mamish, Director
Office of International Programs

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