



KHNP

KOREA HYDRO & NUCLEAR POWER CO., LTD

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August 9, 2017
Document Control Desk
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

Attention: Kerri A. Kavanagh, Chief
Quality Assurance Vendor Inspection Branch-3
Division of Construction Inspection and
Operational Programs Office of New Reactors

Project No.0782
MKD/NW-17-0199L

Subject: Reply to a Notice of Violation

Reference: 1) “NUCLEAR REGULATORY COMMISSION INSPECTION OF KOREA
HYDRO & NUCLEAR POWER CO., LTD., REPORT NO. 05200046/2017-
201” dated July 10, 2017

The purpose of this letter is to submit KHNP’s response to Violations identified in the NRC’s Inspection Report No. 05200046/2017-201 (Enclosure 2).

On May 22 through May 26, 2017 the USNRC staff conducted a limited scope inspection to assess KHNP’s implementation of Applicable requirements of Appendix B, “Quality Assurance Criteria for Nuclear power Plants and Fuel Processing Plants” and Title 10 of the Code of Federal Regulations (10CFR) Part 50 Domestic Licensing Of Production and Utilization Facilities and 10 CFR Part 21, “Reporting of Defects and Noncompliance.”

As a result of this Inspection the NRC determined that four Severity Level IV Violations of the NRC requirements occurred. KHNP will not be contesting these violations and is taking action to fully address the NRC findings.

Enclosure 1 contains a copy of the associated affidavit. Enclosure 2 contains the reasons for the violations, the corrective steps that have been taken and additional corrective actions. Enclosure 3 provides sample review sheets and related information for corrective actions (Proprietary). Enclosure 4 provides sample review sheets and related information for corrective actions (Non-Proprietary).

In response to Violation 05200046/2017-201, KHNP expects to be in full compliance by the end of March 2018. The actual corrective actions will be fully implemented January 31, 2018. KHNP will be performing audits or self-assessments of itself and its suppliers to verify proper implementation of the corrective actions by the end of March 2018.

If additional information or clarification is required, please contact Daegeun Ahn, director of KHNP Washington DC center at ahn.daegeun@khnp.co.kr or 703-388-0592.



Sincerely,

A handwritten signature in black ink that reads 'Kim Han Gon'.

Han-gon Kim
Project Manager
Advanced Reactors Development Laboratory
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Enclosures:

1. Affidavit KAW-17-0199
2. Reply to a NOV 05200046/2017-201
3. Review sheets and related information for corrective actions (Proprietary)
4. Review sheets and related information for corrective actions (Non-Proprietary)

CC: Mike McCoppin Branch Chief DNRL LB2
William Ward, PM DNRL LB2

Enclosure 1

Affidavit KAW-17-0199

I, Yun-ho Kim, state the following:

1. I am the General Manager of Korea Hydro & Nuclear Power Co., Ltd. (KHNP), and as such I am authorized to request withholding the information transmitted with this letter from public disclosure and to execute this affidavit.
2. I am familiar with the criteria applied by KHNP to determine whether certain information is proprietary, and with the policies established by KHNP to ensure the proper application of these criteria.
3. The information, Review sheets and related information for corrective actions (KHNP Proprietary), transmitted with this letter has been classified by KHNP as proprietary in accordance with the policies for the control and protection of proprietary and confidential information. The information regarded as proprietary is identified and marked consistent with the requirements of 10 CFR 2.390, § (b)(1)(i). Accordingly, the proprietary information is enclosed within brackets and the right-hand bracket carries a notation of “TS” to indicate that the trade secret nature of the information claimed to be proprietary is the basis for proposing that the information so identified be withheld from public disclosure.
4. Pursuant to the considerations set forth in 10 CFR Section 2.390(a), KHNP considers the information classified as proprietary to be “trade secret” information since it is design, analysis, or test information that would be difficult for a competitor to reproduce and hence provides an economic and competitive advantage to KHNP.
5. The need for designating the information as proprietary has been raised within KHNP. The information is being treated proprietary and confidential and has not been disclosed by KHNP to the public.
6. Nondisclosure of the proprietary information transmitted with this letter is vital to the competitiveness held by KHNP and, hence, disclosure of the proprietary information transmitted in with this letter would have negative commercial impacts on the competitive position of KHNP in the U.S. nuclear market.
7. In accordance with KHNP policy, proprietary information contained in this document may be, or may have been, made available on a limited basis to regulatory bodies, customers, potential customers, and their agents, suppliers, and licensees, and others under suitable agreements providing for nondisclosure and limited use of the information.



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I declare that the foregoing statements are true and correct to the best of my knowledge, information and belief.

Executed on August 9, 2017.

Yun-ho Kim
General Manager
APR1400 Licensing Team
Korea Hydro and Nuclear Power Co., Ltd