



December 18, 2014

U.S. Nuclear Regulatory Commission
Washington, D.C. 20555-0001

ATTN: Document Control Desk

Subject: Bechtel Quality Assurance Program for Nuclear Power Plants Topical Report, BQ-TOP-1, Revision 2

- Reference:
- 1) NRC Letter from Ho K. Nieh (U.S. NRC) to J. E. Reinsch (Bechtel), Final Safety Evaluation for Bechtel Topical Report (TR), BQ-TOP-1, 2007 Revision, "Quality Assurance Program for Nuclear Power Plants" (TAC NO. MD5365), dated January 22, 2008.
 - 2) Bechtel letter from J. E. Reinsch (Bechtel) to Document Control Desk (U.S. NRC), "Bechtel Quality Assurance Program for Nuclear Power Plants," Topical Report, BQ-TOP-1, 2007 Edition, Rev. 1A (TAC NO. MD5365) NRC Project # 1365, dated April 3, 2008.
 - 3) Bechtel letter from V. Chirjapin (Bechtel) to Document Control Desk (U.S. NRC), "Bechtel Quality Assurance Program for Nuclear Power Plants Topical Report, BQ-TOP-1, Revision 2" dated March 4, 2014.
 - 4) Letter from Joseph J. Holonich (U.S. NRC) to Rajwant S. Jolly (Bechtel), "Request for Additional Information Related to Bechtel Quality Assurance Program for Nuclear Power Plants Topical Report, BQ-TOP-1, Revision 2" dated August 18, 2014.
 - 5) Bechtel letter from R. Jolly (Bechtel) to Document Control Desk (U.S. NRC), "Bechtel Quality Assurance Program for Nuclear Power Plants Topical Report, BQ-TOP-1, Revision 2" dated October 13, 2014.

On November 6, 2014, the NRC and Bechtel participated in a conference call to have a follow-on discussion related to the NRC's Request for Additional Information originally submitted to Bechtel on August 18, 2014 (Reference 4) and Bechtel's response submitted on October 13, 2014 (Reference 5), related to Bechtel QA Topical Report, BQ-TOP-1, Rev. 2, which is currently being reviewed by the NRC. The RAI had requested a clarification of Section 2.6 of BQ-TOP-1 Rev. 2 on how positions identified within Section 2.6 maintained "sufficient independence from cost and schedule when opposed to safety considerations" in accordance with Criterion I, "Organization" of Appendix B to Title 10 of the Code of Federal Regulations (10 CFR) Part 50. Bechtel's response clarified that Section 2.6 of BQ-TOP-1 primarily provides a discussion identifying the personnel that are responsible for the resolution of disputes which are not resolved at lower levels within the organization. BQ-TOP-1, Section 1, "Organization," Para. 1.2, "Power GBU – Nuclear Business Line," Para. 1.4.5, "Quality Assurance," and Figure 2, "Organization Relationship for Nuclear Quality Assurance Program," provide the responsibilities for the Quality Assurance Program and the Quality Assurance Function, and the reporting relationships for the Quality Assurance Function which provide for sufficient independence from cost and schedule when opposed to safety considerations. The information presented in Section 2.6 of BQ-TOP-1 is in no way intended to contradict or modify the responsibilities and reporting relationships defined in Section 1, Paras. 1.2 and 1.4.5, and Figure 2, however, if Section 2.6 is viewed without considering those requirements, there is the possibility of a misunderstanding or misinterpretation of Bechtel's QA Program requirements in this area.

BQ-TOP-1, Section 1, Para. 1.2 identifies that the President, Nuclear Business Line is responsible for Bechtel Nuclear Quality Program functions implemented within the company and authorizes (approves for use) Quality Policies. It further states that the President of Bechtel Power Corporation (BPC) has delegated the responsibility for establishing the quality assurance program for nuclear power projects work to the President - Nuclear Business Line, and that he is responsible for the adequacy and overall effectiveness of the quality assurance program described in the manual. The Execution Unit (EU) Manager is responsible for effective implementation of the quality assurance program.

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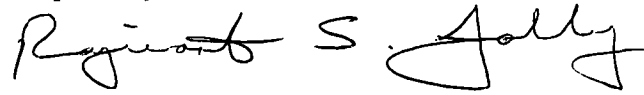
BQ-TOP-1, Section 1, Para. 1.4.5 states that the Manager of Quality & Six Sigma is assigned the responsibility of the Quality Assurance function, and provides technical and administrative direction to the Manager of Quality Assurance, who provides technical and administrative direction to the Quality Assurance group. The Manager of Quality Assurance reports directly to the Nuclear Business Line management and has authority to perform quality assurance activities including verification of quality affecting activities to determine the effectiveness of quality assurance program implementation.

BQ-TOP-1, Figure 2 depicts the reporting relationships of the various BPC Functional Departments and their respective Nuclear Power-related managers that participate in Bechtel's Nuclear Quality Assurance Program. All such Nuclear Power-related managers are shown as receiving administrative direction from the Manager of Operations – Nuclear Business Line, with the exception of the Manager of Quality Assurance, who receives such direction from the President – Nuclear Business Line, who again, as stated above, authorizes the Quality Policies and is responsible for the adequacy and overall effectiveness of the quality assurance program.

We believe this documents the discussion that took place on November 6, 2014, and we also regret any misunderstanding that may have occurred by viewing Section 2.6 of BQ-TOP-1 out of context from the organizational information provided in Section 1 and Figure 2.

If you have any questions or further requests for additional information, please contact me at (301) 228-6788.

Respectfully,

A handwritten signature in black ink, appearing to read "Rajwant S. Jolly". The signature is fluid and cursive, with the first name "Rajwant" being more prominent and the last name "Jolly" following in a similar style. The middle initial "S." is written in a smaller, more formal script between the first and last names.

Rajwant Jolly
Manager of Quality Assurance

RSJ/rsj

Enclosures: None

cc: Joseph Holonich, NRC, Senior Project Manager, NRR
Lydiana Alvarado-Guilloty, NRC, Project Manager, NRR