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December 3, 2018

Mr. Michael C. Layton, Director
Division of Spent Fuel Management
Office of Nuclear Material Safety
and Safeguards
U.S. Nuclear Regulatory Commission
One White Flint North
11555 Rockville Pike
Rockville, MD 20852-2738

Via Regular Mail & Email
Michael.Layton@nrc.gov

Ref: 1: USNRC INSPECTION REPORT 07201014/2018-201 and Attached letter dated
November 29, 2018
NRC Docket # 72-1014

Dear Mr. Layton:

Thank you for providing a well-composed Inspection Report ("Report") [Ref 1] based on NRC's May 14-18 inspection at our Camden, N.J. facility. We have carefully considered the contents of the Report and concluded that much of the premise underlying the (two) apparent violations described therein would benefit from an in-depth dialog with the NRC through your PEC process. Accordingly, we request a pre-decisional enforcement conference at a date convenient for your organization.

As suggested in your letter, during the conference proceedings, we will provide information that addresses the following areas:

1. Additional information on our actions and activities before and after the discovery of certain stand-offs damaged during manufacturing ("Event") that would provide a factual portrayal of the Event's materiality and significance, and our evaluations thereof. Thus far, we have not been able to communicate the relevant information to the NRC under the Commission's rules-of-engagement which has evidently fostered some misunderstandings and misperceptions.
2. Summary of the root cause evaluation effort and the resulting corrective steps that have been implemented to root out the genre of violations noted in Ref [1]
3. Status of the resulting corrective actions.

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4. Information on the schedule of the planned appraisal of the effectiveness of the implemented corrective measures by our Quality organization before this work effort can be closed out.

We appreciate the transparent and interactive process envisaged under the PEC, which we believe will help NRC reach well-founded conclusions as to the scope and severity of the violations noted in Ref [1], familiarize the NRC and our other stakeholders with the thoroughness of our completed and planned corrective actions aimed to preclude recurrence.

We appreciate your continued support of our efforts to improve our quality program, for which I remain.

Sincerely,

Dr. Kris Singh, President & CEO
Holtec International

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