

April 7, 2000

MEMORANDUM TO: William H. Bateman, Chief
Materials and Chemical Engineering Branch

THRU: Robert Hermann, Sr. Level Advisor */ra/*
for Materials Science
Materials and Chemical Engineering Branch

FROM: Meena K. Khanna
Component Integrity Section
Materials and Chemical Engineering Branch

SUBJECT: MEETING WITH NUCLEAR ENERGY INSTITUTE TO DISCUSS THE
DEVELOPMENT OF GUIDELINES FOR VOLUNTARY INDUSTRY
INITIATIVES

By a staff requirements memorandum (SRM) dated May 27, 1999, the Commission approved the use of voluntary industry initiatives (VIIs) as an appropriate substitute for NRC regulatory action, where the action to be taken is needed to meet existing requirements or for cases where a substantial increase in overall protection can be achieved with costs of implementation justifying the increased protection. The SRM was issued in response to SECY-99-063, "The Use by Industry of Voluntary Initiatives in the Regulatory Process," dated March 2, 1999. An initial public meeting on this issue with interested stakeholders was held in Chicago, IL, on September 1, 1998.

On September 8, 1999, an internal NRC meeting was held to specifically determine guidelines to allow the drafting of an initial regulatory framework that supports the implementation of VIIs. On October 27, 1999, a second stakeholders meeting was held in Rosemont, IL, to obtain input from the industry, the Nuclear Energy Institute (NEI), and the public for the development of a regulatory framework to support the implementation of VIIs. On December 21, 1999, a third stakeholders meeting was held at the NRC's headquarters in Rockville, MD, to further explore the concept of VIIs. Summaries of these meetings and all other documents referenced in this meeting summary are publicly available in ADAMS and on the NRC's VII web page at <http://www.nrc.gov/NRC/REACTOR/VII/index.html>.

On February 17, 2000, a meeting, as requested by NEI, was held between NRC senior management and NEI representatives. A copy of the transcript to this meeting is in ADAMS under accession number ML003690092. A list of the attendees of the meeting is provided as Attachment 1.

CONTACT: Meena Khanna, DE
415-2150

The NRC opened the discussion with a brief introduction and stated that the staff was concerned that no comments were received by the staff in response to the Federal Register notice dated December 13, 1999 (64FR238).

NEI provided a letter, dated February 17, 2000 (Attachment 2), to the staff which stated their perspectives on this subject. The letter was discussed extensively during the meeting, with particular emphasis on the need for VII guidelines and the NRC's use of generic communications. NEI also provided information regarding the historical perspectives on some industry guidelines and initiatives in which NEI has been involved. In addition, NEI stated that they would provide additional comments by March 17, 2000, to the NRC's letter, dated February 9, 2000, on "Staff Response to Nuclear Energy Institute Proposed Flow Chart on Process For Voluntary Industry Initiatives Activities."

Regarding the second issue, the industry indicated that generic communications should not be used to impose new requirements. The staff stated that the NRC's process for issuing generic communications and its implementation is separate from the subject of developing guidelines for VIIs. However, the staff stated that "*we do not impose requirements normally through the generic letter, and when they do, they go through the backfitting process.*" The staff then explained the process by which generic communications are presently instituted, and reiterated that draft generic letters are made available for public comment, and are approved by the Commission prior to final issuance.

NEI stated that there is no need to have formal guidelines for the use of VIIs, but stated that having an opportunity to have early and frequent interactions to discuss technical issues would be helpful. The staff reiterated the Commission's direction in the SRM on SECY 99-063, which states that the staff shall develop a formalized process to address VIIs. There was a discussion regarding the merits of a formalized process ensuring that future initiatives proposed by the industry are treated and evaluated in a known manner, thus allowing future VIIs to play a major role in achieving the NRC's regulatory goals of maintaining safety; reducing unnecessary regulatory burden; improving efficiency, effectiveness, and realism; and improving public confidence.

The NRC staff requested that NEI submit comments to the staff as early as possible, so that the staff could address them in their response to the Commission.

Attachments:

1. List of Meeting Participants
2. NEI Letter

The NRC opened the discussion with a brief introduction and stated that the staff was concerned that no comments were received by the staff in response to the Federal Register notice dated December 13, 1999 (64FR238).

NEI provided a letter, dated February 17, 2000 (Attachment 2), to the staff which stated their perspectives on this subject. The letter was discussed extensively during the meeting, with particular emphasis on the need for VII guidelines and the NRC's use of generic communications. NEI also provided information regarding the historical perspectives on some industry guidelines and initiatives in which NEI has been involved. In addition, NEI stated that they would provide additional comments by March 17, 2000, to the NRC's letter, dated February 9, 2000, on "Staff Response to Nuclear Energy Institute Proposed Flow Chart on Process For Voluntary Industry Initiatives Activities."

Regarding the second issue, the industry indicated that generic communications should not be used to impose new requirements. The staff stated that the NRC's process for issuing generic communications and its implementation is separate from the subject of developing guidelines for VIIs. However, the staff stated that "*we do not impose requirements normally through the generic letter, and when they do, they go through the backfitting process.*" The staff then explained the process by which generic communications are presently instituted, and reiterated that draft generic letters are made available for public comment, and are approved by the Commission prior to final issuance.

NEI stated that there is no need to have formal guidelines for the use of VIIs, but stated that having an opportunity to have early and frequent interactions to discuss technical issues would be helpful. The staff reiterated the Commission's direction in the SRM on SECY 99-063, which states that the staff shall develop a formalized process to address VIIs. There was a discussion regarding the merits of a formalized process ensuring that future initiatives proposed by the industry are treated and evaluated in a known manner, thus allowing future VIIs to play a major role in achieving the NRC's regulatory goals of maintaining safety; reducing unnecessary regulatory burden; improving efficiency, effectiveness, and realism; and improving public confidence.

The NRC staff requested that NEI submit comments to the staff as early as possible, so that the staff could address them in their response to the Commission.

Attachments:

1. List of Meeting Participants
2. NEI Letter

Distribution: EMCB RF RZimmerman MMayfield File Center RWessman
 KWichman MVirgilio GHolahan SCollins JCraig
 Meeting Attendees

DOCUMENT NAME: G:\EMCB\VOL-INIT 99-063\ncrneimtgsummary.wpd

INDICATE IN BOX: "C"=COPY W/O ATTACHMENT/ENCLOSURE, "E"=COPY W/ATT/ENCL, "N"=NO COPY

OFFICE	EMCB:DE	E	EMCB:DE	E	EMCB:DE	E	EMCB:DE	N	D:DE	N
NAME	MKKhanna:MKK		CECarpenter:CEC		RAHermann:RAH		WHBateman:WHB		JRStrosnider:JRS	
DATE	03/15/2000		03/15/2000		03/21/2000		04/07/2000		03/29/2000	

FEBRUARY 17, 2000, MEETING PARTICIPANTS

1. B. Sheron, NRR
2. J. Strosnider, NRR
3. W. Bateman, NRR
4. C. Carpenter, NRR
6. M. Khanna, NRR
7. T. Misra, NRR
8. N. Dudley, ACRS
9. G. Vine, EPRI
10. A. Marion, NEI
11. B. Bishop, NEI

Brian W. Sheron
Deputy Director

NUCLEAR ENERGY INSTITUTE

Alexander Marion
DIRECTOR, PROGRAMS
NUCLEAR GENERATION

Deputy Director

Mr. Brian W. Sheron
National Nuclear Security Administration
Office of Nuclear Energy Research and Development
U.S. Nuclear Energy Research Administration
Washington, DC

SUBJECT: The proposed energy efficiency program for commercial nuclear facilities and the role of
the Department of Energy. With the nuclear energy research and development program and the role of
the Department of Energy. *Fed. Reg.* [redacted] [redacted] [redacted]

ssssJECTssUsBEs:ssss

Dear Mr. Sheron:

The nuclear energy research and development program is an important part of our energy and security strategy in the
Department of Energy. The role of the nuclear energy research and development program is to support the
Department of Energy's research and development program and the Department of Energy's research and
development program. The role of the nuclear energy research and development program is to support the
Department of Energy's research and development program and the Department of Energy's research and
development program. The role of the nuclear energy research and development program is to support the
Department of Energy's research and development program and the Department of Energy's research and
development program.

Other important organizations have developed programs and initiatives to support the
Department of Energy's research and development program and the Department of Energy's research and
development program. The role of the nuclear energy research and development program is to support the
Department of Energy's research and development program and the Department of Energy's research and
development program. The role of the nuclear energy research and development program is to support the
Department of Energy's research and development program and the Department of Energy's research and
development program. The role of the nuclear energy research and development program is to support the
Department of Energy's research and development program and the Department of Energy's research and
development program.

¹ The role of the research and development program for energy efficiency in commercial nuclear facilities and the role of
the nuclear energy research and development program in supporting the research and development program of the
Department of Energy's research and development program and the Department of Energy's research and
development program. The role of the nuclear energy research and development program is to support the
Department of Energy's research and development program and the Department of Energy's research and
development program. The role of the nuclear energy research and development program is to support the
Department of Energy's research and development program and the Department of Energy's research and
development program.

Brian W. Sheron
Executive Director

Other actions have been authorized. The analysis of the proposed project is included in the following *ss des s s es s s s s s s s gs s g s Rs s s s s s s es s s s s s ges*

In the appropriate jurisdiction, the proposed project is authorized in accordance with the provisions of the applicable laws and regulations. The proposed project is authorized in accordance with the provisions of the applicable laws and regulations. We believe that the proposed project is in the public interest and that the proposed project is authorized in accordance with the provisions of the applicable laws and regulations.

Since the proposed project is authorized, the proposed project is authorized in accordance with the provisions of the applicable laws and regulations. We believe that the proposed project is in the public interest and that the proposed project is authorized in accordance with the provisions of the applicable laws and regulations.

- There is no objection to the proposed project in accordance with the provisions of the applicable laws and regulations.
- The proposed project is authorized in accordance with the provisions of the applicable laws and regulations.
- The proposed project is authorized in accordance with the provisions of the applicable laws and regulations.

The proposed project is authorized in accordance with the provisions of the applicable laws and regulations. We believe that the proposed project is in the public interest and that the proposed project is authorized in accordance with the provisions of the applicable laws and regulations.

During the proposed project, the proposed project is authorized in accordance with the provisions of the applicable laws and regulations. We believe that the proposed project is in the public interest and that the proposed project is authorized in accordance with the provisions of the applicable laws and regulations.

- When the proposed project is authorized, the proposed project is authorized in accordance with the provisions of the applicable laws and regulations.
- When the proposed project is authorized, the proposed project is authorized in accordance with the provisions of the applicable laws and regulations.

The proposed project is authorized in accordance with the provisions of the applicable laws and regulations. We believe that the proposed project is in the public interest and that the proposed project is authorized in accordance with the provisions of the applicable laws and regulations.

a. **SSSSSSSSSS**

- Section B(a)(1) of the Act
- The jurisdiction of the Office of the Inspector General
- The Office of the Inspector General

b. **SSSSSSSSSS**

- The Office of the Inspector General of the Department of Justice
- The Office of the Inspector General
- The Office of the Inspector General
- The Office of the Inspector General

1. In the initial phase of the investigation, the Office of the Inspector General has been informed that the Office of the Inspector General is an appropriate agency of the Department of Justice or the Office of the Inspector General.

a. **SSSSSSSSSS**

- Section B(a)(1) of the Act
- The Office of the Inspector General

b. **SSSSSSSSSS**

- The Office of the Inspector General

1. In the initial phase of the investigation, the Office of the Inspector General has been informed that the Office of the Inspector General is an appropriate agency of the Department of Justice or the Office of the Inspector General.

a. **SSSSSSSSSS**

- The Office of the Inspector General
- The Office of the Inspector General

Brian W. Sheron
e-r-ar 000 0000

1. **ssssssssss**
S000000

1. n0000r ini0ia0ie an 00i0e0ine 0ha 0 ere 0a0en 0o a00re00 in0000r00 non0
re000a0or i000e0.

a. **ssssssssss**

- n0000r 0on0en000
- Shor0a0e o0 00a0i0ie 0er0onne0
- 0i0ne00 0or 0000 0a0a 0o00e00ion
- 0e000in 000o 0a0i 0ri00
- 0a0ia0ion 000o00re 0on0ro0

1. **ssssssssss**

- 0er0onne0 000e00 0a0a S000e0 00000000