

October 20, 2000

ORGANIZATION: NUCLEAR ENERGY INSTITUTE (NEI)

SUBJECT: SUMMARY OF MEETING ON PART 52 LICENSING ISSUES

The subject meeting was held on October 12, 2000, at NEI's office in Washington DC, with representatives of the nuclear industry and the Nuclear Regulatory Commission (NRC) staff. A list of the meeting attendees is provided in Enclosure 1 and my presentation handouts are provided in Enclosure 2.

The purpose of the meeting was to discuss the licensing process under 10 CFR Part 52 and to respond to questions from NEI's Part 52 Licensing Issues Task Force. Some of the questions are listed on the slide entitled, "Licensing Issues." The majority of the discussion was on the scope of inspections, tests, analyses, and acceptance criteria (ITAAC) that will be included in a combined license and what would the ITAAC look like for those regulations that require programs (programmatically ITAAC).

I began the presentation by discussing the licensing process under 10 CFR Part 50 and the NRC's inspection program that was used to make the findings required by §50.57(a) and Section 185 of the Atomic Energy Act. Then I explained that the NRC has to make the same findings in order to authorize operation under the licensing process in Subpart C of Part 52 (combined license). The draft version of the combined license process, which was issued for comment in 1988, referenced §50.57, but in the final version of Part 52 the findings were set forth in §52.97(b) and §52.103(g). Also, in response to industry comments, a new process was created for verifying that a facility conforms with the applicable regulations for authorizing operation. This process uses the ITAAC for a combined license. Therefore, the scope of the ITAAC for a combined license must include all regulations that require verification prior to the NRC's authorization to operate the facility, i.e. §50.47 and §50.120.

/RA/

Jerry N. Wilson, Senior Policy Analyst
License Renewal and Standardization Branch
Division of Regulatory Improvement Programs
Office of Nuclear Reactor Regulation

Project No. 689

Enclosures: As stated

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I began the presentation by discussing the licensing process under 10 CFR Part 50 and the NRC's inspection program that was used to make the findings required by §50.57(a) and Section 185 of the Atomic Energy Act. Then I explained that the NRC has to make the same findings in order to authorize operation under the licensing process in Subpart C of Part 52 (combined license). The draft version of the combined license process, which was issued for comment in 1988, referenced §50.57, but in the final version of Part 52 the findings were set forth in §52.97(b) and §52.103(g). Also, in response to industry comments, a new process was created for verifying that a facility conforms with the applicable regulations for authorizing operation. This process uses the ITAAC for a combined license. Therefore, the scope of the ITAAC for a combined license must include all regulations that require verification prior to the NRC's authorization to operate the facility, i.e. §50.47 and §50.120.

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Project No. 689

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PART 52 LICENSING ISSUES TASK FORCE
MEETING ATTENDEES
OCTOBER 12, 2000

<u>NAME</u>	<u>ORGANIZATION</u>
H. FONTECILLA	DOMINION
RON SIMARD	NEI
CHARLIE BRINKMAN	WESTINGHOUSE
STEVE FRANTZ	MORGAN LEWIS & BOCKINS UP
ADRIAN HEYMER	NEI
BEN GEORGE	SOUTHERN NUCLEAR
GEORGE DAVIS	WESTINGHOUSE
JENNY WEIL	MCGRAW-HILL
KENNETH HUGHEY	ENTERGY NUCLEAR
KEVIN BONTON	PECO ENERGY
JERRY WILSON	NRC/NRR/DRIP/RLSB
BOB BISHOP	NEI
STEVE CROCKETT	NRC/OGC

LICENSING under Part 52



Jerry N. Wilson, PE
Senior Policy Analyst
Office of Nuclear Reactor Regulation

Licensing Issues

- Schedule for Part 52 rulemaking
- What is the scope of COL-ITAAC?
- Will COLs be subject to existing regs?
- Will NRC use SRP, BTP, Inspection Manual, etc. to verify operational readiness?
- Why is ITAAC needed for programs other than emergency planning?
- Who would own an Early Site Permit?
- Can you transfer ownership of an ESP?
- Should we have further discussions on the NRC's revised inspection program?

Problems with Part 50 Licensing

- Public participation difficult at CP phase because few design details available
- Final safety decisions not made until plant complete
- Construction had to wait for design
- Construction rework needed for design changes and safety backfits
- Public participation difficult at OL phase because plant was nearly complete
- Major costs expended before design complete – economic risk

Goals for Part 52

- Stable and predictable licensing process
- Reduce financial risks to licensee
- Resolve safety and environmental issues before start of construction
- Enhance safety and reliability through standardization

Advantages of Part 52 Licensing

- More factored public participation at design, siting, and licensing phases
- Agreement on inspection requirements and acceptance criteria prior to construction (ITAAC)
- Design complete prior to construction
- Facilitates standardization
- Reduces financial risk

History of COL-ITAAC

1986 - AEP report on "Standardization of NPPs in the U.S."
1989 - Part 52 contains COL-ITAAC in 52.97, 52.99, 52.103(g)
1992 - Energy Policy Act puts ITAAC in AEA, Section 105(j)
1994 - #294, "Construction Inspection & ITAAC Verification"
1996 - #028 - ITAAC verification #Commission & industry
1997 - ITAAC In Design Certification Rules (App. A & B)
2000 - COL-ITAAC in "Combined License Review Process"

Section 185.a

Upon the completion of the construction or modification of the facility, upon the filing of any additional information needed to bring the original application up to date, and upon finding that the facility authorized has been constructed and will operate in conformity with the application as amended and in conformity with the provisions of this Act and of the rules and regulations of the Commission, and in the absence of any good cause being shown to the Commission why the granting of a license would not be in accordance with the provisions of this Act, the Commission shall thereupon issue a license to the applicant.

Issuance of Operating License

20.5 (a) . . . an operating license may be issued by the Commission . . . upon finding that:

- (1) Construction of the facility has been substantially completed, in conformity with the construction permit and the application as amended, the provisions of the Act, and the rules and regulations of the Commission; and
- (2) The facility will operate in conformity with the application as amended, the provisions of the Act, and the rules and regulations of the Commission; and

Combined License Finding

§2.97(b) The Commission shall identify within the combined license the inspections, tests, and analyses, including those applicable to emergency planning, that the licensee shall perform, and the acceptance criteria that, if met, are necessary and sufficient to provide reasonable assurance that the facility has been constructed and will be operated in conformity with the license, the provisions of the Atomic Energy Act, and the Commission's rules and regulations.

§2.103(g) Prior to operation of the facility, the Commission shall find that the acceptance criteria in the combined license are met if the

Combined License ITAAC

Program for verifying that the facility has been constructed and will be operated in conformity with the license, the provisions of AEA, and the Commission's rules and regulations.

[§50.57(a) → §52.97(b) & §52.103(g)]

Section 185.b

b. After holding a public hearing under section 189a(1), A, the Commission shall issue to the applicant a combined construction and operating license if the application contains sufficient information to support the issuance of a combined license and the Commission determines that there is reasonable assurance that the facility will be constructed and will operate in conformity with the license, the provisions of this Act, and the Commission's rules and regulations. The Commission shall identify within the combined license the inspections, tests, and analyses, including those applicable to emergency planning, that the licensee shall perform, and the acceptance criteria that, if met, are necessary and sufficient to provide reasonable assurance that the facility has been constructed and will be operated in conformity with the license, the provisions of this Act, and the Commission's rules and regulations. Following issuance of the combined license, the Commission shall ensure that the prescribed inspections, tests, and analyses are performed and, prior to operation of the facility, shall find that the prescribed acceptance criteria are met.

COL Comment Letters

06/19/01 - NEI letter on Draft COL Review Process (NEI 01-020) - Westinghouse letter on NEI 01-020 (COL)
07/02/00 - NEI letter on NEI 00-0092 (COL)
02/23/00 - EPRI letter on NEI 00-0092 (COL)

Industry comments

Prog. ITAAC not required by AEA, PSD, or Common Policy.
Existing regulations will ensure compliance with programmatic requirements.
Prog. ITAAC will be general, subjective, and opaque.
Lead in emergency and increased potential for litigation.
Prog. ITAAC are unnecessary and must be avoided.
PSD rulemaking provides excellent opportunities - explore.