

December 12, 2000

MEMORANDUM TO: Stuart A. Richards, Director
Project Directorate IV & Decommissioning
Division of Licensing Project Management
Office of Nuclear Reactor Regulation

FROM: Jack Cushing, Project Manager, Section 2 */RA/*
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Office of Nuclear Reactor Regulation

SUBJECT: SUMMARY OF SEMIANNUAL MEETING HELD ON NOVEMBER 16,
2000, WITH COMBUSTION ENGINEERING OWNERS GROUP
EXECUTIVE COMMITTEE (TAC NO. MB0481)

On November 16, 2000, the staff held a public meeting with the Combustion Engineering Owners Group (CEOG) Executive Committee at the U.S. Nuclear Regulatory Commission (NRC) headquarters in Rockville Maryland. The purpose of this meeting was to exchange information and to provide a forum for discussion of topics related to NRC and CEOG activities. This was the second meeting of this nature in 2000. Attachment 1 lists the meeting participants. Attachment 2 provides a list of action items generated during the meeting. The meeting slides are available on the NRC's website in ADAMS under accession number ML003769934.

Feedback From NRR on CEOG Performance

Mr. Samuel Collins (Director, Office of Nuclear Reactor Regulation) provided the opening remarks. He acknowledged the importance of the CEOG/NRC Senior Management Meetings as a forum to exchange ideas and provide feedback on the performance of both the NRC and the CEOG. The feedback from the staff is that the CEOG has been very cooperative and professional. The staff appreciates the openness and responsiveness of the CEOG during our reviews of their topical reports. The staff feels that the topical reports are an effective use of resources. The CEOG is a leader in the area of risk-informed technical specifications and its work in the risk-informed area has helped advance the state of risk-informed analysis. The staff has frequent and effective communication with the CEOG on technical, scheduling and process issues and we would like to encourage the staff and the CEOG to continue to do so. In a couple of isolated instances, the quality of the submittals was not up to staff expectations. A contributing cause was that the quality assurance (QA) check on the topical reports was not performed prior to submitting the report to the staff. However, this has been addressed and QA checks are now performed by the CEOG prior to submittal of the topical reports. We expect this will improve the quality of submittals and thereby reduce the time required for staff review.

NRC Review of Topical Reports

Mr. Ed Weinkam of the CEOG licensing subcommittee discussed the status of topical reports under review, topical report submittal and review process, and NRC review fees for risk-informed topical reports.

Status of Topical Reports Under Review

CE NPSD-1184, "DC Power Source Allowed Outage Time Extension," provides the technical justification for extending the allowed outage time for batteries/DC bus to 8 or 24 hours depending on plant design. The benefit is that it will provide the opportunity for plants to make on-line repairs to batteries or chargers. San Onofre Nuclear Generating Station is the lead plant. The safety evaluation (SE) is due in December 2000.

CE NPSD-1186, "Technical Justification For the Risk-Informed Modification to Selected Required Action End States for CEOG PWRs [pressurize water reactors]" provides the basis for modifying 29 technical specifications end states to require the plant to go to hot shutdown instead of cold shutdown. Mr. Weinkam stated that the benefits of the report are: the plant is maintained in a lower risk mode, thermal transients are minimized, reduces the time required to return to Mode 1, eliminates the need to perform Mode 5 to Mode 4 surveillances. The SE is expected by the end of December 2000.

CE NPSD-683, "Development of a RCS [reactor coolant system] Pressure and Temperature [P-T] Limits Report for the Removal of P-T Limits and [low-temperature over pressure] LTOP Requirements From the Technical Specifications" supports the relocation of the P-T and LTOP requirement to the Pressure Temperature Limit Report (PTLR). The SE is expected in January 2000.

ZIRLO[™] Proposed Topical Report - Westinghouse/CE plans to submit a topical report justifying the use of ZIRLO[™] fuel cladding material in CE designed fuel. The CEOG stated that they planned to submit the topical report on January 15, 2001, and asked if the staff could support the following schedule: February 15, 2001 - complete acceptance review; July 15, 2001 - issue SE on topical report; and issue amendments for Palo Verde and Calvert Cliffs by January 2002 to support a plant refueling.

Staff Response:

The staff stated that we are on schedule to complete the topical reports. The staff stated for the ZIRLO[™] proposed topical report that if the topical report is submitted on schedule and is determined to be acceptable for review, the staff should be able to meet the proposed schedule.

Topical Report Submittal and Approval Process

The CEOG plans to streamline the process for receiving a license amendment that involves a topical report and a change to standard technical specifications. The current process is to submit a topical report and have it reviewed and approved, then submit the change to the Nuclear Energy Institute (NEI) technical specification task force (TSTF) for review. The NEI

TSTF then submits the change to the NRC for review and approval. The NRC reviews and approves the NEI TSTF submittal and then the licensee can send in their amendment request referencing the TSTF submittal.

In the new process the CEOG topical reports and NEI TSTF submittals will be sent in at the same time. The CEOG and NEI submittals will reference each other and the staff will be asked to coordinate the reviews so that the topical report and the TSTF will be approved at the same time. The new process should shorten the time for a licensee to receive an amendment.

Staff Response:

The staff agrees with the new process and will coordinate reviews.

NRC Review Fees

The CEOG believes that the NRC review fees for risk-informed topical reports are too high. Specifically, the CEOG believes that they should have received a fee waiver for topical reports CE NPSD-994, 995, and 996. The staff denied the fee waiver request for CE NPSD-994, 995 and 996 by letter dated May 27, 1997. The CEOG plans to submit a letter asking the staff to reconsider its decision on the fee waiver request for CE NPSD 994, 995 and 996. The CEOG also plans to ask for a fee waiver for CE NPSD-1186 (Action Item 1c). The CEOG also asked the staff if it could provide an up-front fee estimate for topical reports (Action Item 1d).

The staff responded by stating that it was planning to improve the topical report process by developing an office instruction for topical reports using input from the owners groups and other interested stakeholders. The office instruction would establish clear standards and expectations for submittals and reviews of topical reports. The standards and expectations will be set for quality, schedule, fee estimates and plant implementation (Action Item 1a).

Mr. James Turdici of the NRC fee branch addressed the general requirements that need to be met for the NRC to waive the fees. The Code of Federal Regulations, 10 CFR 170.21, contains the specific requirements that must be met for a fee waiver. Fees for topical reports qualify for a waiver in response to an NRC request (at the Associate Director level or above) or as a means of exchanging information between the industry and the NRC for the purpose of supporting generic regulatory improvement. Review of the topical report must assist the staff in developing a generic regulatory improvement and not merely be a first of its kind review that may benefit others that follow in your path. Mr. Turdici stressed that a fee waiver does not mean that the NRC does not charge for the review, only that the fee will not be assessed to the organization that requested the review. The cost of the review when a waiver is granted is paid by the general licensing fees. The NRC has been directed by Congress to keep these fees as low as possible.

Mr. Collins directed the staff to conduct a self-assessment of the review of CE NPSD 994, 995 and 996 to determine the reason for the fees and for lesson learned (Action Item 1b).

CE Owners Group Report

Mr. Richard Bernier, Chairman of the CEOG, discussed their priorities and strategic technical issues. The priorities include collaboration between the CEOG and the Westinghouse Owners Group (WOG), project excellence and industry relationships. The CEOG and the WOG plan to work together on several new programs. The goals of the project excellence program are on-time and on-budget delivery of products with consistent quality. Part of the program is addressing resource issues. The resource issues include skill retention and maintenance of the CE design knowledge as experienced workers retire. The strategic issues the CEOG is addressing are, steam generator integrity, reactor plant materials, plant performance improvements, shorter refueling outages, capital cost reduction, engineering self assessments, and license renewal. The CEOG performs engineering self assessments on systems or processes and would like to brief the staff on their self assessments. Mr. Bernier would like to meet with the staff during the first quarter of 2001. Also, the CEOG would like representatives of the NRC to participate in one or more of the six inspections planned in 2001.

Mr. Collins responded that the staff is willing to have a public meeting with the CEOG and that headquarters and regional staff should be involved (Action Item 2a).

With respect to license renewal, Mr. Collins alerted the attendees to a new Regulatory Information Summary (RIS 2000-20), "Importance of Industry Providing NRC Advance Notice of Intent to Pursue License Renewal." It contains a provision for keeping commercially valuable information proprietary to allow utilities to let the NRC know about plans for license renewal without releasing the information to their competitors.

Managing the RCS Pressure Boundary

The staff was pleased that the CEOG was being pro-active in its response to the Virgil C. Summer Nuclear Station (VC Summer) weld issue. The staff is awaiting the completion of the root cause analysis before determining a course of action. However, there appears to be several issues that will warrant further study including leak detection, construction/operations issues and the reliability of nondestructive examinations. One question for the CEOG to consider is whether there are locations (similar to VC Summer) where meaningful visual inspection is precluded due to obstructions.

Mr. Pilmer of the CEOG requested a meeting on a proposed topical report on mechanical nozzle seal assembly (MNSA) clamps and half nozzle repairs. The staff agreed to a public meeting (Action Item 2b).

Work Planning Center (WPC)

Jacqueline Silber (Director, Division of Program Management, Policy Development and Analysis Staff) briefed the CEOG on the WPC. The briefing covered the concept, objectives and a overview of current and future activities of the WPC. The WPC is needed to better predict and manage the workload, maintain the quality, and optimize process efficiency. The staff appreciated the suggestions the CEOG management provided.

Closing

The CEOG and the staff scheduled two meetings between the CEOG and NRC management, one on May 17, 2001 and the other on November 8, 2001 (Action Item 2c).

The CEOG and the staff summarized the action items listed on Attachment 2 and then the meeting was adjourned.

Project No. 692

Attachments: 1. Meeting Attendees
2. List of Action Items

cc w/atts: See next page

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Project No. 692

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LIST OF MEETING ATTENDEES

SEMIANNUAL MEETING HELD WITH COMBUSTION ENGINEERING OWNERS GROUP

EXECUTIVE COMMITTEE

NOVEMBER 16, 2000

CEOG

Raj Kundalkar
Richard Bernier
Gordon Bischoff
David Pilmer
Alan Hackerott
Michael Barnoski
Charles Brinkman
Roger Huston
Charles Turk
Peter Leombruni
Rick Etling
Ralph Phelps
Ed Weinkam
Gregg Overbeck
Charles Cruse
Stephen Lurie

NEI

Michael Schoppman

NRC

S. Collins
J. Strosnider
J. Silber
J. Cushing
R. Dennig
S. Dembek
J. Turdici
E. Poteat
M. Mayfield
J. Wermiel
M. Rubin
N. Gilles

**ACTION ITEM LIST FROM
CEOG NOVEMBER 16, 2000, MEETING**

1. NRC Review Fees

a. Action

Improve the topical report process. Establish clear standards and expectations for submittals and reviews of topical reports. The standards and expectations will be set for quality, schedule, fees and plant implementation.

Resolution:

Develop an office instruction for topical reports using input from the owners groups and other interested stakeholders.

Due Date: July 2001

Responsible Party: NRC

b. Action

Review fees charged to CE NPSD-994, 995 and 996 to determine why the fees were high and develop a lesson learned that can then be fed into the topical report process to make the process more cost efficient.

Resolution:

Provide input to the Topical Report Process.

Due Date: March 2001

Responsible Party: NRC

c. Action

The CEOG will submit a fee waiver for CE NPSD-994, 995,996 and 1186.

Resolution:

The NRC will review the fee waiver request against the requirements of 10 CFR 170.21

Due Dates: CEOG submits fee waiver: February 2001
NRC issues determination: April 2001

Responsible Party: CEOG/NRC

d. Action

Provide up-front a fee estimate for topical reports.

Resolution:

If a fee waiver is to be requested, it will normally be done so at the time the topical report is submitted. The staff will provide an estimate of fees at the time the acceptance review is performed, this only an estimate, and not a contract price. This will be done for all new submittals. This will be incorporated into the office instruction for topical reports.

Due Date: Completed

Responsible Party: NRC

2. Meetings

a. Action

Schedule a public meeting during the first quarter of 2001 between the CEOG and the Inspection Program Branch and the Regions regarding the CEOG's engineering initiatives.

Resolution:

The CEOG will contact the NRC and request a meeting.

Due Date: March 2001

Responsible Party: CEOG

b. Action

Schedule a public meeting on a proposed topical report on mechanical nozzle seal assembly and half nozzle repairs.

Resolution:

The CEOG will contact the NRC and request a meeting.

Due Date: February 2001

Responsible Party: CEOG

c. Action

Schedule two management meetings in 2001 for CEOG.

Resolution:

Meeting dates are May 17, 2001, and November 8, 2001.

Due Date: Complete

Responsible Party: NRC/CEOG