

February 22, 2002

Mr. Douglas J. Walters  
Nuclear Energy Institute (NEI)  
1776 I Street, NW., Suite 400  
Washington, DC 20006-3708

SUBJECT: INSPECTION GUIDANCE RELATED TO EARLY SITE PERMITS SUBMITTED IN  
ACCORDANCE WITH 10 CFR PART 52

Dear Mr. Walters:

The staff is in the process of reviewing its guidance related to inspection activities for an early site permit submitted in accordance with Title 10 of the *Code of Federal Regulations* (10 CFR) Part 52. As you know, there was a meeting with NEI on January 10, 2002, related to early site permits (ESPs). During this meeting quality assurance (QA) issues for the application were discussed. The staff had an internal meeting in early February to discuss, among other things, the inspection procedures that would be used for an ESP application and identified a concern related to QA. Specifically, the staff believes that some of the guidance contained in Inspection Manual Chapter (IMC) 2511, "Light Water Inspection Program - Pre-CP Phase," and its associated inspection procedures is relevant to an ESP. The guidance contained in these documents suggest early interactions with applicants to discuss the ESP and QA related to the application. The staff would like to engage industry and other stakeholders as it develops the inspection guidance for ESPs.

Enclosed is the staff's current plan for developing the inspection guidance for ESPs. The staff would like to meet with the industry and other interested stakeholders to discuss the issue. Please contact Joseph Sebrosky, Senior Project Manager, at 301-415-1132 to make arrangements for the meeting.

Sincerely,

***/RA by M. Gamberoni for:/***

James E. Lyons, Director  
New Reactor Licensing Project Office  
Office of Nuclear Reactor Regulation

Project No. 689

Enclosure: As stated

cc w/encl: See next page

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\*See previous concurrence

<b>OFC</b>	<b>NRLPO</b>	<b>NRLPO</b>	<b>SC:IIPB</b>	<b>SC:IQMB</b>	<b>SC:RLSB</b>
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<b>DATE</b>	<b>2/22/02</b>	<b>2/ 21/02</b>	<b>2/22/02</b>	<b>2/22/02</b>	<b>2/21/02</b>
<b>OFC</b>	<b>SC:IOLB</b>	<b>DE</b>	<b>OE</b>	<b>DD:NRLPO</b>	<b>D:NRLPO</b>
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<b>DATE</b>	<b>2/22/02</b>	<b>2/20/02</b>	<b>2/21/02</b>	<b>2/22/02</b>	<b>2/22/02</b>

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Distribution for Letter to D. Walters dated February 22, 2002

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## Early Site Permit Inspection Development Plan

### **Purpose**

The purpose of this enclosure is to highlight the plan that the staff will use to develop the inspection guidance for early site permits submitted in accordance with Title 10 of the *Code of Federal Regulations* (10 CFR) Part 52. The details of the plan are contained in the 7 step process discussed below.

### **Background**

Inspection Manual Chapter (IMC) 2511, "Light Water Inspection Program - Pre-CP Phase," provides the initial guidance that the staff will use in developing the inspection guidance for early site permits (ESPs). It should be noted that IMC 2521 contained inspection guidance for the Pre-CP phase for gas cooled reactors. However, IMC-2521 simply referred to the inspection guidance in IMC 2511. IMC 2511 was written before 10 CFR Part 52 was promulgated, therefore, it does not recognize inspection activities associated with an ESP. The staff believes, however, that some of the guidance contained in this IMC and its associated inspection procedures is relevant.

### **Initial Issue**

The issue that the staff is most concerned with at this time relates to the quality assurance (QA) program that will be used by ESP applicants to collect the data and assemble the ESP application. IMC 2511 and its associated procedures call for early interactions with applicants for a construction permit in this area. The following is an excerpt from the objective section of IMC 2511:

The principal objective of the Light Water Reactor Inspection Program - Pre-CP Phase is to provide assurance that technical, quality and administrative requirements and activities important to health and safety are effectively implemented during the design, procurement and construction of the nuclear power plant.

To achieve this objective, substantial emphasis will be placed on verifying effective implementation of the quality assurance program as described, or otherwise required, in the application for a construction permit.

The three major portions of an ESP application are the environmental review, emergency planning, and site suitability. The staff believes that there is adequate guidance related to the environmental review and intends to perform audits in this area similar to what is currently done for license renewal applications. Regarding emergency planning, IMC 2511 does not address emergency planning issues and 10 CFR Part 52 allows several options in this area. For both emergency planning and site suitability, the staff is planning the following course of action to identify and resolve issues related to inspections and/or audits in these two areas promptly:

- 1) The staff proposes frequent interactions with its stakeholders.

- 2) Inspection procedures in IMC-2511 that are applicable to ESPs will be identified early in this process. Initially, the staff believes that some or all of the following inspection procedures are applicable to early site permits:
  - Inspection Procedure (IP) 30001, "IE/Utility Corporate Management Meeting"
  - IP 35002, "NRR/IE/Utility Early QA Meeting"
  - IP 35016, "Initial Pre-CP Quality Assurance Inspection"
- 3) The staff will request the methodology for collecting data for ESP activities from the applicant prior to the application.
- 4) The NRC will perform a review of the methodology and identify any issues associated with the methodology
- 5) The methodology will be used to determine what inspection procedures or audit guidance would need to be developed to support the ESP application. The methodology will also be used to form the basis for the acceptance criteria for the inspection procedures or audit guidance.
- 6) Inspections or audits will be performed as applicable and the results documented appropriately.
- 7) Nonconforming issues arising from inspections and/or audits, prior to an ESP application, would be resolved by the prospective applicant and the NRC. In general, the NRC's enforcement policy would not apply prior to the submission of an ESP application.

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