

March 29, 2002

Dr. Arkal Shenoy
Director, Modular Helium Reactors
General Atomics Company
3550 General Atomics Court
Building 15-226
San Diego, CA 92121-1194

SUBJECT: GENERAL ATOMICS PLANS FOR GT-MHR PRE-APPLICATION
INTERACTIONS

Dear Dr. Shenoy:

Thank you for your letter of February 18, 2002, forwarding your document, *U.S. Pre-Application Licensing Plan for the Gas Turbine - Modular Helium Reactor (GT-MHR)*, February 2001. We have reviewed your document and proposed plan for GT-MHR pre-application review, including the proposed schedule and milestones. We believe the plan is consistent with the Commission's Policy on Advanced Reactors that encourages the earliest possible interaction with applicants for early identification of safety and policy issues and pathways to resolution.

We intend to use a GT-MHR pre-application review process similar to the one currently being used for the Pebble Bed Modular Reactor (PBMR). That review has allowed interested parties, including the public, to interact and perform timely independent assessment of the safety characteristics of the proposed design. We are currently in the process of preparing a Commission paper that will transmit our proposed GT-MHR pre-application review plan to the Commission. The paper will identify the activities, schedule, and resource needs based on your letter to us. The paper will also relate our own experience with the pre-application reviews, including the PBMR, and earlier pre-application review of the DOE-sponsored Modular HTGR. Our pre-application review plan will be based on General Atomics submittals that are timely and of high quality, and on responses to staff requests for additional information at the level necessary to draw conclusions with a sound technical basis. The output from our pre-application review plan will be an assessment of the GT-MHR pre-application that will be provided to the Commission. We will continue to discuss and respond to your plan as the activities are conducted. Finally, as was discussed in our meeting of December 3, 2001, the NRC review effort will be conducted on a fee recoverable basis in accordance with 10 CFR Part 170.

While your plan outlines the broad areas for a pre-application review, we will need to expand the outline to cover specific critical issues for review (e.g., claims of no core melt, PRA qualifications, resource constraints). This expansion of the broad areas will impact our pre-application review. We need to interact frequently with GA to plan each meeting so that GA may prepare a detailed agenda.

A. Shenoy

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We are ready to discuss and arrange for the next public meeting. If you have any questions on this, please feel free to contact me or Ron Lloyd of my staff at (301) 415-7479.

Sincerely,

/RA/

Farouk Eltawila, Director
Division of Systems Analysis and Regulatory Effectiveness
Office of Nuclear Regulatory Research

We are ready to discuss and arrange for the next public meeting. If you have any questions on this, please feel free to contact me or Ron Lloyd of my staff at (301) 415-7479.

Sincerely,

/RA

Farouk Eltawila, Director
Division of Systems Analysis and Regulatory Effectiveness
Office of Nuclear Regulatory Research

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*See Previous Concurrence

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