MEETING AGENDA FOR
MANAGEMENT MEETING WITH NUCLEAR ENERGY INSTITUTE
JULY 15, 2002
3:00PM - 5:00PM

I. INTRODUCTIONS

II. BACKGROUND

III. DISCUSSION OF NEW REACTOR LICENSING TOPICS

- A. Schedule of New Plant Activities
- B. Status of Early Site Permit Activities
- C. 10 CFR Part 52 Process Issues
- D. Significant Issues related to Inspections, Tests, Analyses, and Acceptance Criteria
- E. Modular Plant Issues
- F. Other Issues

IV OPPORTUNITY FOR PUBLIC COMMENT

II. SUMMARY/ WRAP UP

Enclosure 2

NRC/Industry Senior Management Meeting on New Reactor Licensing Issues

July 15, 2002

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Discussion Topics

- Updated integrated schedule chart
- Progress toward early site permits
- Part 52 process issues
- ITAAC implementation
- Modular plant licensing

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Fast Pace of Early Site Permit Interactions

- April 24 meeting on ESP inspection guidance
- May 20 NEI follow-up letter
- May 28 "Kickoff" and QA meeting
- June 13 meeting on seismic
- July 16 meeting on bounding PPE approach
- Aug. 22 and Sept. 25 meetings scheduled
  - Agendas TBD

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Good Progress Toward ESP Applications

- Agreement on:
  - Importance and voluntary nature of pre-ESP application interactions
  - Approach to quality assurance for ESP
  - Sharing of applicant plans for various on-site activities
  - General approach to seismic reviews
- Monthly meetings planned; additional generic issues to be discussed each month

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Topics for Discussion in Support of ESP Applications and Reviews

ESP Discussion Topic	Target Discussion Time Frame
1. ESP application template, including common Table of Contents	April 1 – Initial discussion (SMM) July 16 – Follow-up Aug. 22 – Follow-up
2. ESP inspection guidance	April 24 – Initial discussion May 20 NEI letter May 28 – Follow-up
3. QA requirements for ESP information	April 24 – Initial discussion May 20 NEI letter May 28 – Detailed discussion June 13 – Follow-up TBD – Applicant submittal of QA Plans
4. Nominal NRC review timeline	April 1 – Initial discussion (SMM) May 28 – Follow-up September 25 – Detailed discussion
5. Mechanism for documenting resolution of ESP issues	April 24 – Initial discussion May 28 – NRC proposal June 13 – Follow-up Implementation ongoing
6. Use of bounding plant parameter envelope approach	July 16 – Initial discussion
7. Guidance for satisfying §52.17(a)(1) requirement for description and safety assessment of the facility	July 16 – Initial discussion
8. Use of a bounding approach for providing fuel cycle and transportation info required by NEPA (Tables S-3 & S-4)	August 22 – Proposed
9. Criteria for assuring control of the site by the ESP holder	4Q02
10. Use for ESP of relevant findings from 10 CFR 51, Subpart B, Appendix B (License Renewal GEIS)	August 22 – Proposed
11. Criteria for determining the initial duration of an ESP (10-20 years)	4Q02
12. Guidance for satisfying NEPA requirement to evaluate severe accident mitigation alternatives	July 16 – Initial discussion
13. Guidance for seismic evaluations required by 10 CFR 50, Appendix S	June 13 – Detailed discussion July 16 – Follow-up
14. Applicability of Federal requirements concerning environmental justice	4Q02
15. Appropriate level of detail for site redress plans	4Q02
16. Guidance for ESP approval of emergency plans a) Major features b) Complete plans	a) 4Q02 b) 2003
17. Use of existing site/facility information (including, but not limited to, PRM-52-1)	August 22 – Proposed
18. NEPA-required review of alternatives (PRM-52-2)	September 25 – Proposed
19. Addressing effects of potential new units at an existing site	4Q02

July10, 2002

ESP Issue Tracking/Closure

- Industry and NRC agree on need for a license renewal-like issue management mechanism
  - Issue number and description
  - Outstanding questions for discussion
  - Industry approach
  - NRC position
- Important for documenting timely feedback and closure of ESP issues
- Agreement needed on approach

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Bounding PPE Approach

- ESP applicants are not required or expected to specify the type of plant to be built
- Bounding PPE approach is fundamental to ESP process
- A bounding PPE serves as a surrogate for specific facility information, providing
  - Flexibility for future COL applicants
  - Technical basis for NRC review and issuance of ESPs
- Obviates the need for separate SSARs and ERs for various reactor types and provides for selection of future designs

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Bounding PPE Approach (cont.)

- Supports safety, environmental and emergency planning review by NRC
- The bounding PPE will be used to meet ESP application requirements in 10 CFR 52.17(a)(1) for:
  - "Analysis and evaluation of the major SSCs of the facility that bear significantly on the acceptability of the site under the radiological consequence evaluation factors identified in 50.34(a)(1)"
  - Description of:
    - Number, type and thermal power of the facilities
    - Anticipated maximum levels of radiological and thermal effluents that each facility will produce
    - Type of cooling systems, intakes and outflows that may be associated with each facility

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Bounding PPE Approach (cont.)

- Detailed discussion with NRC staff planned for tomorrow (July 16)
  - ESP-6, Use of bounding PPE approach
  - ESP-7, Meeting 10 CFR 52.17(a)(1)
- Part 52 change recommended to clarify acceptability of bounding PPE approach going forward

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Maximizing Efficiency of ESP Applications and Reviews

- Resolve as many issues as possible, generically, during the pre-application phase
- Standardize form and content of ESP applications
  - Common Table of Contents
  - Common section content, as appropriate

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Additional Efficiencies

- Consider topical approach to ESP reviews, e.g., safety; EP; environmental
- Consider use of common RAIs and responses
- Other preparations for handling concurrent ESP applications

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Part 52 Process Topics

Topic #	Topic	Resolution Vehicle	Resolution Time Frame
P52-1	"Programmatic ITAAC	SRM	3Q02
P52-2	Part 52 NOPR, including a. 52.99/FRN process b. COL testing requirements c. Change criteria for severe accident info	NOPR	2Q03
P52-3	Petition for rulemaking PRM-52-1 (avoidance of duplicative reviews)	Staff recommendation expected in September 2002	
P52-4	Petition for rulemaking PRM-52-1 (elimination of NEPA review of alternative sites, sources and need for power)	Staff recommendation expected in September 2002	
P52-5	ITAAC Implementation a. "Sign-as-you-go" process for construction practices b. Engineering design verification c. Section 52.99/FRN process d. Section 52.103 process e. Transition to operation	• Industry white paper • SECY/SRM	1Q03
P52-6	Modular plants a. Licensing approach b. Duration of design approval	• Industry white paper • SECY/SRM	4Q02

Major Topics related to ITAAC Implementation

- Sign-as-you-go process
- Engineering design verification
- Section 52.99/FRN process
- Section 52.103 process
- Transition to operation

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Sign-as-you-go Process

- Process for early NRC assessments of normal construction practices (e.g., concrete, cable tray, etc.) and published reports of acceptable performance
- Objectives
  - Positive stakeholder feedback re: construction progress
  - Method for adjusting allocation of inspection resources

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SAYGO - Status

- General agreement on need for process to provide stakeholders timely info on construction progress
- More discussion needed re: NRC ability to make positive statements about licensee performance

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Engineering Design Verification

- NRC process for determining that detailed plant design is consistent with the approved (e.g., certified) design
- Objectives
  - Provide basis for NRC construction inspection program
  - Provide confidence prior to bulk of plant construction and investment

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EDV - Status

- Areas of agreement
  - EDV should begin around the time of COL application and contracts for major components
  - EDV should be completed ASAP, ideally at time of COL issuance
- Further discussion needed
  - Potential that EDV could be complete after the COL is issued
  - Published form of EDV conclusion

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Section 52.99/FRN Process

- Part 52 clearly requires NRC verification and *Federal Register* notification that ITAAC have been successfully completed
  - Section 52.99
  - Part 52 Statements of Consideration
  - Design certification rules
- SECY-02-0077 proposes notification of licensee claims that ITAAC have been met
- July 12, 2002, NEI letter asks the Commission to resolve this policy matter prior to, not as part of, the Part 52 NOPR

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Section 52.99 - Status

- Agreement that NRC would establish a process for making ITAAC conclusions ("interim" ITAAC conclusions); disagreement that Section 52.99 already requires this
- Agreement that guidance would be useful on when an NRC staff ITAAC conclusion could be withdrawn, e.g., based on significant new information (NRC staff action)

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Section 52.99 - Status (cont.)

- Further discussion needed to assure NRC ITAAC verification focuses on matters directly material to determining ITAAC acceptance criteria are met

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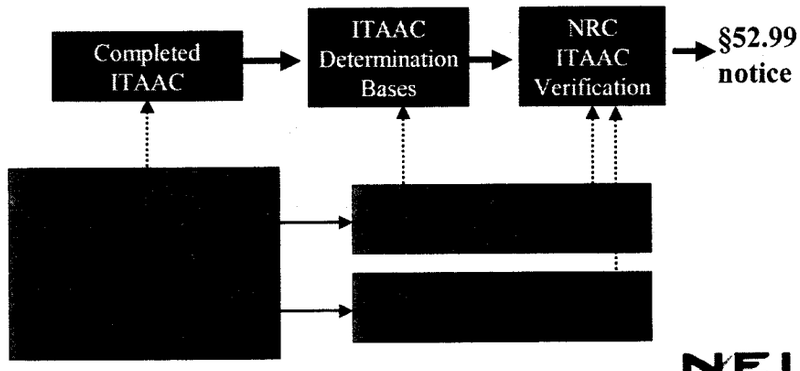
ITAAC Implementation Process



Section 52.103 Process

- NRC process for inviting and dispositioning requests for hearing on matters of ITAAC noncompliance
- Discussed in Section 6 of NEI white paper
- NRC staff to provide detailed comments

Transition to Operation

- Resolution pending re: use of PITAAC vs. ROP-based safety-focused inspections of operational program readiness
- Further discussion needed on need for NRR approval of low power testing and full power operations
  - Part of COL form and content approved in Sept. 5, 2000, SRM on SECY-00-0092

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ITAAC Implementation Process – Path Forward

- Further detailed discussion based on draft industry white paper
- Refine/expand white paper as necessary
- SECY paper on ITAAC implementation
  - Document common understandings
  - Identify policy issues
- Commission SRM

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Modular Plants

- SECY-01-0207
- March 27 NRC workshop
- May 22 public meeting
- June 17 NEI white paper on modular plant licensing
- Revised SECY in the works

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Objectives for Modular Plant Licensing

- Single NRC technical/safety review and single public hearing
- Approval to operate each module for 40-years
- Assessment of a single retrospective Price-Anderson premium
- Assessment of a single NRC annual fee

Goal: No undue regulatory barriers to modular plants

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Design Approval Under a COL

- Regardless of licensing scenario, the SECY-01-0207 proposal for modular design re-reviews every five years is:
  - Unnecessary in light of the backfit rule (10 CFR 50.109)
  - Contrary to the intent that COLs resolve all safety issues and have a 40 year term
  - Adverse to Part 52 goal of standardization
- Duration of design approval embodied in a COL is coincident with the license term

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Summary

- Vigilance needed to ensure safety focus, efficiency and certainty in Part 52 processes
- Timely progress/closure needed on ESP issues
- Need to ensure adequate resources and effective organization for concurrent ESP reviews
- ESPs that determine the suitability of sites while preserving flexibility on design selection
- Constructive engagement that leads to clear guidance on ITAAC implementation process

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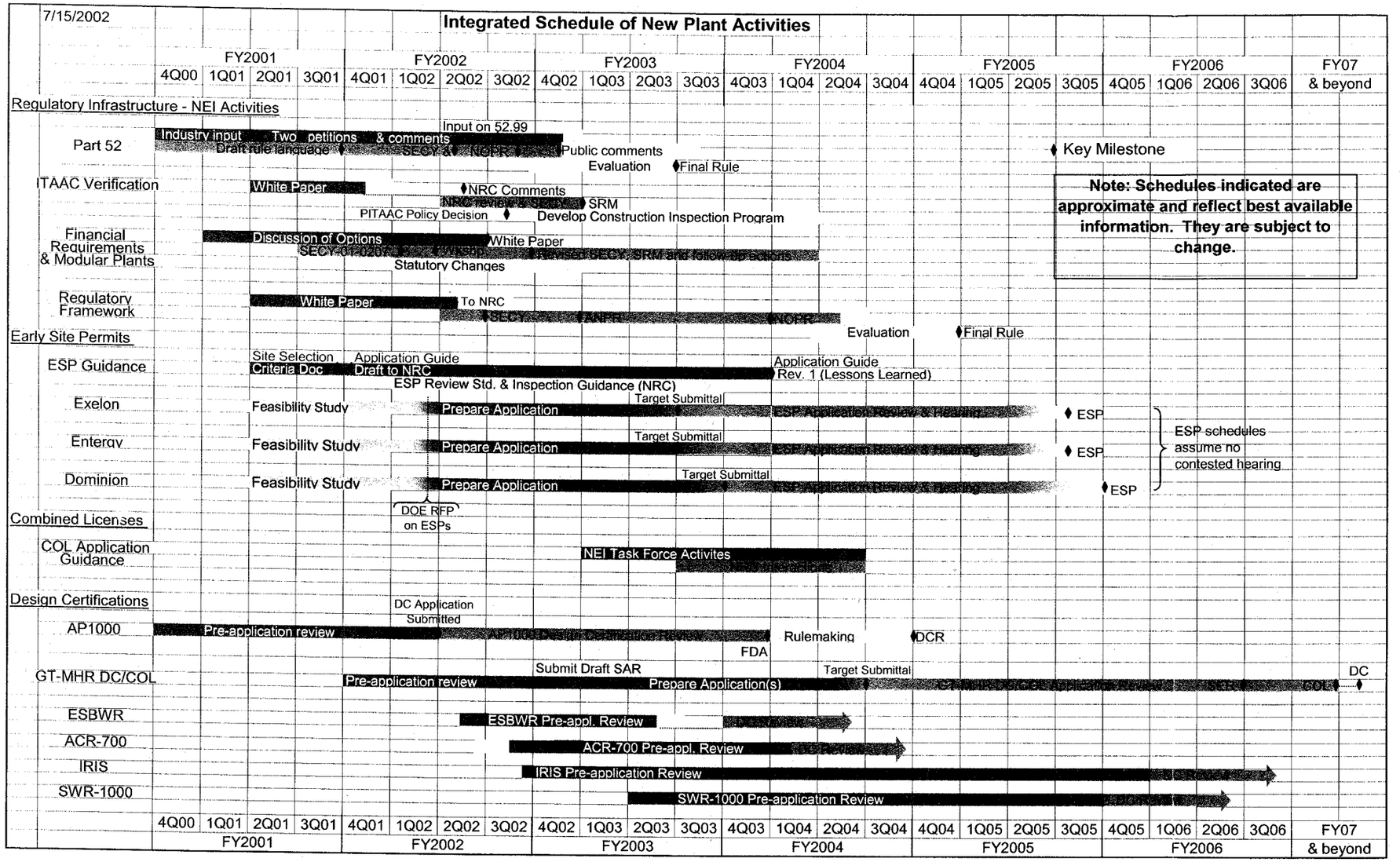
7/15/2002
Integrated Schedule of New Plant Activities
FY2001
FY2002
FY2003
FY2004
FY2005
FY2006
FY07 & beyond
4Q00 1Q01 2Q01 3Q01 4Q01 1Q02 2Q02 3Q02 4Q02 1Q03 2Q03 3Q03 4Q03 1Q04 2Q04 3Q04 4Q04 1Q05 2Q05 3Q05 4Q05 1Q06 2Q06 3Q06
Regulatory Infrastructure - NEI Activities
Part 52
Industry input
Two petitions & comments
Input on 52.99
Draft rule language
SECY & NOPR
Public comments
Evaluation
Final Rule
Key Milestone
ITAAC Verification
White Paper
NRC Comments
SRM
PITAAC Policy Decision
Develop Construction Inspection Program
Note: Schedules indicated are approximate and reflect best available information. They are subject to change.
Financial Requirements & Modular Plants
Discussion of Options
White Paper
SECY, SRM and follow up actions
Statutory Changes
Regulatory Framework
White Paper
To NRC
SECY
ANPR
NOPR
Evaluation
Final Rule
Early Site Permits
ESP Guidance
Site Selection Criteria Doc
Application Guide Draft to NRC
Application Guide Rev. 1 (Lessons Learned)
ESP Review Std. & Inspection Guidance (NRC)
Exelon
Feasibility Study
Prepare Application
Target Submittal
ESP Application Review & Hearing
ESP
Entergy
Feasibility Study
Prepare Application
Target Submittal
ESP Application Review & Hearing
ESP
Dominion
Feasibility Study
Prepare Application
Target Submittal
ESP Application Review & Hearing
ESP
ESP schedules assume no contested hearing
DOE RFP on ESPs
Combined Licenses
COL Application Guidance
NEI Task Force Activites
Design Certifications
DC Application Submitted
AP1000
Pre-application review
AP1000 Design Certification Review
Rulemaking
DCR
FDA
GT-MHR DC/COL
Submit Draft SAR
Target Submittal
DC
Pre-application review
Prepare Application(s)
ESBWR
ESBWR Pre-appl. Review
ACR-700
ACR-700 Pre-appl. Review
IRIS
IRIS Pre-application Review
SWR-1000
SWR-1000 Pre-application Review

Enclosure 3