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UNITED STATES OF AMERICA

NUCLEAR REGULATORY COMMISSION

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PUBLIC WORKSHOP ON LICENSE RENEWAL

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TUESDAY,

OCTOBER 22, 2002

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ROCKVILLE, MARYLAND

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The workshop was held at 9:00 a.m. in the auditorium of the Nuclear Regulatory Commission, Two White Flint North, 11545 Rockville Pike, Alan Nelson of NEI, moderating.

PRESENTERS:

STEWART BAILEY	NRC
WILLIAM (BUTCH) BURTON	NRC
GREG GALLETTI	NRC
FRANK GILLESPIE	NRC
GREG HATCHETT	NRC
MICHAEL HEATH	NRC
CAUDLE JULIAN via telecom	NRC
PETER KANG	NRC
PT KUO	NRC
SAM LEE	NRC

PRESENTERS: (CONT.)

Y.C. (RENEE) LI	NRC
ALAN NELSON	NEI
ERACH PATEL	Exelon
KIMBERLEY RICO via telecom	NRC
PAUL SHEMANSKI	NRC
WILLIAM WATSON	Dominion Nuclear
ALICIA WILLIAMSON	NRC

I-N-D-E-X

I-N-D-E-X (cont.)

P-R-O-C-E-E-D-I-N-G-S

8:38 a.m.

MR. KUO: I'm sorry for the delay, good morning. Welcome to the NRC License Renewal Workshop. We appreciate you coming this morning, especially because of the situation today in the Washington area. We have a full agenda for today's workshop. Dr. Sam Lee will go over with you the agenda items later on. If you have any comments on the agenda, please bring it up with him at that time.

Just by way of background, as you may know, that the NRC has reviewed and approved five applications for ten operating units in the past, and currently we have eight applications for 16 operating reactors under review. In the year 2003 and beyond, we expect to have even more applications to be submitted for license renewal review. This is a tremendous workload for the NRC staff.

To maintain the plant safety during the period of extended operation and to increase the staff's review effectiveness and efficiency. The staff has issued standard review plan for license renewal and Regulatory Guide 1.188 to provide necessary guidance for the reviewers and for the applicants in the future.

The standard review plan for license renewal, or NUREG-1800, was developed based on a technical basis document, Generic Aging Lessons Learned, or GALL, report, which took the staff years to complete, and the regulatory guide which endorses the industry's document; that is, NEI 95-10, Revision 3 for Format and Content. These documents are there to really provide the staff guidance and for the future applicants to use. We have completed this document in the hope that these documents are living documents. As we learn the lessons learned, then we will continuously -- periodically update these documents.

Now, the first application that uses this document is Fort Calhoun, and we have a number of lessons learned from this review. These lessons learned and other issues will be the topics of discussion today. The goal is to make it easy to review and prepare the applications and make it easy for the public and other stakeholders to understand better the applications.

So with as a background, I will introduce our speakers for opening remarks. And the first one is Mr. Frank Gillespie, the Deputy Director for the Division of Regulatory Improvement Programs. And the

second speaker is Alan Nelson of NEI. And here is Mr. Gillespie.

MR. GILLESPIE: I guess I'm the morning entertainment. I'm the light fare while we're waiting for all the late people to come in. I feel like I'm at IEE or the UN, I was looking for the bank of interpreters up above. At least everyone -- it's not like church, everyone has kind of stepped up. For the people in the back who would like to sit at that table, there are still empty seats up here, though. We won't take a collection or pass a basket, so feel free to come up, either staff or licensees, and fill in the table.

For several licensees -- I've been going around visiting licensees trying to get a sense of our we incorporating the lessons learned, is there lessons learned that aren't necessarily coming out in the meetings. If you give someone a chance to tell you something face to face, sometimes it sounds a little different than when you hear it in a meeting. And I appreciate the licensees who have hosted us, and I've learned a lot. And PT's doing some things internally, he's been going with me that bear directly upon the meeting today.

Some of the things are in process and some

of the lessons I learned, and I won't ask anyone to raise their hand, but if you nod your head, I can see if I'm kind of hitting the right topic. One of the items is we've issued a number or have a number of interim staff guidance documents in the works, and we have a process for doing that which allows people to comment back and forth. But I would suggest that what we're doing now is looking at do we have rigor in the process? And what I mean by rigor in the process is do we have acceptance criteria on what is good interim staff guidance that has the word "safety" in it or is it just someone votes and says the literal words of the rule certainly must encompass this issue besides having safety in it?

And I'll pick on the one I love to pick on, and it's kind of maybe the weakest link in the chain, is fuse holders. If you're doing maintenance on a system and you periodically have to pull the fuses anyway and you're going to observe the fuses and so part of normal monitoring maintenance of this other system, although it doesn't say fuse holders or something in it that are going to be surveilled or monitored, they in fact are. So one might make a case that they're already included in current programs.

Well, I don't know that collectively we've

written down and talked about what are the criteria for, as the industry has told me, the ever-expanding scope of license renewal application requirements. And PT has a procedure out for comment which is going to try to -- it's been sent -- as I understand it, NEI has a copy of it, but think of it in terms of what are the criteria that we should have in there for future staff position proposals? What are the points that you'd like to discuss? Is it in a current program?

The basic premise of the license renewal rule from the beginning was if it's currently monitored, looked at, maintained and the current effort is good enough to catch age-related degradation, then we should need not carry it forward as part of the renewal or the license.

So criteria, there's a procedure out there for comment right now. We're looking for comments back. What would be the kind of criteria that would deal with safety, inclusiveness in current processes and would lead us to whether it really needs to be included or excluded? Now, that's for future. And I know that's not a specific topic, but it does bear upon the content of future applications, and I have a feeling Alan's going to have -- between Alan and PT they'll probably have a different meeting on that kind

of topic later.

It does bear upon future applications, how many new interim staff positions are going to come out? Let me talk a little bit about old interim staff positions. I'm going to key on the word "interim," and then I'm going to tell you why for the class of '02 and '03 that probably doesn't matter and ask for your help. It is an interim, and as PT said, we've obligated ourselves to the Commission to reevaluate GALL and SRP periodically, and our real obligation is -- I think our real obligation is to reevaluate the need to do any changes to it by the end of 2003. That's not to have it completed but to reevaluate the need.

Part of that reevaluation will be turning interim into final, and I think in the course of the next year if we can work out the procedure and some transparent criteria that would be rational, make sense, everyone could understand, we may not totally agree but at least let's have criteria that people could understand that uses the term "safety," and are not just blind compliance.

The other issue, and I'll tell you the staff is wrestling with on some of the interim staff guidance that's already being issued, is backfitting.

And the reason this kind of came up is we looked at it and said, well, if we take a position that it's required for compliance, then certainly we must be required to backfit it. And then we talked and said, well, you know what, people already have programs that really are kind of taking care of this potentially in place, and so it's not obvious that backfitting is warranted, because once you get a renewed license you're back in Part 50 space. So we've got this quandary of the backfit rule doesn't apply to Part 54, yet any final judgments we make on Part 54 will have an impact when your license reverts to being a Part 50 license.

So we need some criteria, we need to clean up that process and make it more than a process that describes how we exchange information but a process with decision points in it, decision criteria, technical criteria that people can understand. And I don't mean just us and you, I mean anyone who looks in can see why the decision was made. So that's going on, and we'll be doing that again with the interim ones now before they go final. Now all we have to do is collectively -- everyone in the room has to get their minds together at a different meeting than this and figure out what those criteria are.

That gets me to the class of 2002 and 2003, and it's interesting that that's kind of the title used on at least the staff's viewgraphs. What do we do in the meantime? I will not be one to suggest that we're going to do anything with the interim staff guidance that's already been issued lacking the development of those criteria. I don't think lacking having those criteria we're in a position to either take them arbitrarily or be viewed as arbitrarily taking them off the books.

How does that impact the class of '02 and '03? I was told by an industry -- fairly senior industry person, and this makes sense to me what I'm about to tell you, don't take it as a negative, that one of the reasons we're tending to continue to fight, if you would, the interim staff positions on things like II/I and some other things and not included in our application, is we don't see the NRC willing to commit to developing criteria to get it under control. I'm standing here saying PT has committed to developing criteria and getting it under control doesn't mean we always agree or we don't have interim staff positions, it means we at least understand why we're doing it and safety has to be in the mix, not just literal compliance. And literal compliance is a

very gray area because we're not talking about changing a rule, we're talking about inclusion and guidance documents. And so as a gray area I think we do need some criteria to measure it against going in.

Because I've just said I don't think we're going to arbitrarily act on the immediate ones without such criteria, that means the people in the class of '02 and '03 need to address it, and I really do mean you need to address it and in a sense -- because if you don't, you're going to get RAIs. And quite honestly, you guys pay us $160 an hour to ask you RAIs and review your answers, and it's going to be much cheaper if you just answer it the first time around and that's kind of a fact, and you're getting caught in kind of a time warp in '02 and 03 where we're putting the criteria in and then reevaluating how they'll go from interim to final and if they will.

That's life. I'm not going to arbitrarily compound a mistake and say we're going to take them out without it. I'm hoping that kind of makes sense. Does that make sense to people? I know if you're in the class of '02 and '03, you're saying, "Oh, shoot." Timing is everything, but we need to be very conscience about what we do to change what we've got because we are striving for stability and stability in

what's coming in.

Stability, and I'm going to build on PT's point in two ways, if you know you're going to need to address it because the staff is -- if we've got an established position, we are not going to uniquely probably back off that position unless there's a technical reason at a unique site. So you need to address it in your application. The other thing is if something in the SRP doesn't apply to you, don't remain silent on it, please say it doesn't apply. What we're trying to do is organize our review process and our reviewers are going to be using the SRP format, however it gets modified from this meeting, virtually as the index to their review. And if they see a void, they're not going to assume it doesn't apply. On the record, we have to have something that says why it doesn't apply.

I was recently at a licensee and the guy who did the technical work on the renewal team, put the application in, he says, "Well, we've been talking to the staff and it's obvious to all of us good engineers that this didn't apply." Well, the box we're in it's not obvious on the record that it didn't apply, so it has to be in your application. Doesn't have to be a lot of words but it has to be enough to

link into some technical reason, some technical document that's available onsite. And this one happened to be on fuse holders, on why what might have been didn't apply to this specific plant. So try to be complete in what you're sending in. You're not going to see immediate changes again.

So for 2003 and 2002, I have to ask some forbearance because you are caught in the middle of the correction process. We're taking this initial information from these plants that came in and we're adjusting them. And, unfortunately, it's probably going to be the class of 2004 that's going to benefit the most from this meeting today. And I'm just being practical on how I understand the QA process and stuff is for applications that are being worked. And am I about right in thinking that about six months in advance of it actually getting mailed to us is a minimum. It's really kind of basically frozen as it's going through a review process and peer review process and things at various licensees.

So I think you're really working today a little bit for 2003 for those that can probably act rapidly. It's going to be hard for those, I think, to change their application content right now. But there is hope for 2004 and I think we're going to be pretty

flexible in trying to get some lessons learned.

The other thing I want to ask your forbearance is major utilities, and I'll pick CP&L and Exelon, have organized better maybe than we have. And what I mean by organized better is you've got single teams who are going plant to plant, preparing applications for the next one and the next one and the next one and incorporating the lessons learned in, and you're on a learning curve. We're working, our Division of Engineering and DSSA, and we're in the throws now of trying to get similarly organized so that we'll have if possible the same or similar reviewers reviewing hopefully similar material from different licensees or the same one so that we get used to looking at it, people get familiar with the RAIs. There's been some criticism I think in the past that, and I'll pick because this was pretty vocal, the difference between Turkey Point and St. Lucy that they were a completely different set of RAIs, yet both plants looked the same. And the team who wrote the application thought they had already taken into consideration the additional information requested from the first one.

Okay. We're trying to organize internally, that's going on now, particularly as we as

an organization transition from having only a few applications in-house where we were basically learning from them and treating them as individual projects, not necessarily part of a consolidated program. And now we're recognizing as the numbers are building up that for us to be as efficient and effective as you are trying to be, that we also have to be more program-oriented, that multiple projects are part of a program, because we can't -- we won't be able to effectively look at 14 applications simultaneously if we don't do that. And so we're in the process of putting the systems and the thought processes, if you would, in place to do that. And I think over the course of the next year you'll see the fruits of that.

The other thing is everyone knows we've gone from 25 months to a 22-month commitment. And what does this mean to you? Well, for the class of '03, what it probably means is as soon as Steve works out what the new schedule is you're going to see some movement and some internal milestones. We're going to get to you as soon as possible because we know it's kind of a critical element in the whole process, because it might back up by 60 days when you're going to get RAIs from the current 585-day process.

Reasons for that. Right now at 22 months,

everything has to go absolutely perfect, i.e. there's only about two weeks or so after the last ACRS meeting, and if ACRS asks us even one question, it's likely we're going to miss the schedule. And so we're going to be relooking at the schedule and moving some things around. And I know that makes a difference for the people coming in in '03 on people availability for RAIs and stuff that you need to plan for. So the team is working up a new schedule and we're going to be probably in a month or so, PT, ready to start talking about that and sharing it, because we are conscience that that makes a difference on how you can support what we're doing.

So, again, we're learning, you're learning. I think for the applications coming in '03 we have a stable process. You may not like the interim staff positions, but I would ask you to address them all, because if you wait for the RAIs to come out and then address them and the staff sees it for the first time, we have the potential for exceeding schedule. And besides doing a confident quality review we have a mutual goal in mind, I think, and that's we all want to make schedule. We want to get you the license when you want it, but we need your assistance in doing it.

In one facility I went to, and this was right after station blackout came out, the facility said, "Well, yes, we know we could address station blackout and we could send an extra amendment in and just amend our application, and we even know what the answer is and, yes, we kind of ran it by the staff," and while I was there I saw the equipment involved. And they said, "But you know what, we just figured we'd see what the staff said and wait for the RAIs." Please don't take that attitude.

If you know there's something there that's missing, you haven't had time to get it in the initial application -- I can compliment Summer. Summer came in with an amendment shortly after once they had that discussion with the staff to help facilitate the review. Don't let -- the staff will catch it, we will catch the voids, and it can only add to the schedule. If you know there's something missing because you didn't have time to get it in, particularly if you're a plant coming in in the spring, and my six-month window is about right that you can't get really get a whole lot into it, call the staff, address it, send in the supplement a month later, we'll know it's coming in, and we'll get you one set of RAIs instead of having RAIs and open items in the draft SE and all

that other stuff that just eats up both of our times. And you're paying for it, you're paying for your time, you're paying for our time, and there may be actually no need for that.

With that, I think it's an important meeting today because part of going over what you're going over needs to address these kind of issues. So I guess in summary what I'd say do what you need to do in your plant-specific applications. I've given you some suggestions on how we'd like to see it, so you need to keep your application on schedule and keep the generic issues in a generic forum. If you start using the plant-specific submittals to fight generic questions, we're going to end up getting tied up and not delivering the product when you want it. So I've got to ask all the utilities your plant-specific submissions, particularly for next year, are caught in between while we're doing this correction. We need to ask you to think about it, give a little, let's have an application that we can review, the reviewers can review from the beginning, do it quickly, get it out and keep you on time. And I think everyone wants to stay on time, otherwise we're going to have to start reevaluating submissions and the goodness of them.

With that, any questions for me? I do

appreciate the hospitality and the insights from the people I've gone to, and I am going to try to at least get out to most of the sites. I think I'm going to Ginna when they have their environmental meetings beginning of next month, which is the next one coming in. Because quite honestly, other than granting you your initial license, this is the most significant action the Agency has taken at any utility for the life of the plant; and I truly believe that. And I think it's important enough that we've got to kind of do it smoothly and do it right.

Any questions on what I've said? Did it not make sense? Did it hit a familiar tone or did the five people I've gone and visited lie to me? I'm not going to tell you who the five people were. Okay, then thank you very much.

MR. NELSON: Thanks, Frank. I also want to thank you and welcome you all for coming here today. This is exciting. Not only will I offer you some welcoming remarks but also I'll come back as the, I guess, the workshop facilitator to some part. But let me warn you I'm no Chip Cameron, so I'll do what I can to keep it lively and communication flowing.

Last year, about this time, NEI had a workshop in Charleston, South Carolina, and while it

was well attended, there was something missing, and that was the fact that we weren't able to bring to the workshop a number of the reviewers and inspectors who would normally review these programs. Understand that there are about 20 to 30 reviewers per application. That's quite a resource on the NRC's part and development and review of these applications is extremely important.

Based on that, PT and I have had some discussions and the number one priority, I think I can speak for him, is really, and Frank as well, is communication and the dialogue. So rather than run a workshop out of town, we said let's do it in Rockville. That way we can get as many reviewers and applicants here today and tomorrow to go over some of the generic issues, lessons learned, information exchanged so that we can move forward into a more consistent process in the future, as Frank outlined for us.

I'd like to get a sense, though, how many actually NRC or contractor folks are with us today that actually participated in the review just so we can get an idea. So we have a pretty fair amount of folks that will be here, and I think that's all part of the process of engaging each other, learning as we

go. As Frank had mentioned, the previous applications do bring forth lessons learned.

In a nutshell, in the few remarks that I have, I'd just like to touch base on some of the industry status perspective, license renewal guidance documents and forecasting the future. In regard to the industry perspective, we're pleased that the Commission and Steering Committee continue in their interest in license renewal as a priority issue. With the Steering Committee I think we meet on a quarterly basis and with the Commission once a year to give them an evaluation and an update. That occurred this past June. More recently, a Steering Committee, NRC Working Group, which is headed up by Mike Tuckman from Duke, is scheduled for November 4.

We acknowledge that reviews are on schedule but feel further improvements can be achieved. The process is maturing but at the same time could even be more predictable. Enhancements as a result of this workshop should benefit licensees currently under review as well as those yet to apply.

As was mentioned, there's an awful lot of lessons learned. Early applications, Calvert Cliffs, Oconee, ANO, Hatch, followed up by Turkey Point, McGuire, Catawba, Surry, North Anna and Peach Bottom,

along with the demonstration project with Fort Calhoun and St. Lucie and then again with the more recent submittals of Robinson, Summer and Ginna.

Looking ahead in our license renewal application standard format that we're going to discuss, it will really be our first presentation that the industry and the staff has been working together on, we expect that this format, which has been agreed in principle by all the actually licensed 2003 beyond, will be the format of the future. As we said that Dresden and Quad City have already committed to the format that they're going to use, but those coming in 2003 have agreed to use the format that we're going to be laying out today and will be forwarding to the NRC for their concurrence. Our focus is once we have that concurrence we will bring it into 9510 for a later endorsement later in the year, along with the other documents that you're going to be submitting for updating as well, GALL and SRP.

The focus is on information exchange to improve the process and issue stability and predictability. We have met with the Steering Committee, the License Renewal Group, NEI task forces, staff interactions, actual applications and workshops have all been an avenue for communication, and we want

to proceed with that process today.

Looking toward the future, this is your workshop, and the purpose of the workshop is to exchange information between licensees and the NRC staff reviewers that lead to enhancing license renewal applications in a manner that provides for more efficient review by the NRC staff. The workshop is intended to allow for open exchange between license renewal applications and the NRC staff reviewers. It's your workshop. You need to answer the questions. We need to be able to respond in a manner and follow up. We may not be able to answer all questions today, but we'll take them on as action items and follow up with them in separate, more focused meetings. But we certainly appreciate because I think today has been a tough day for everybody, at least coming in, I know for me it was. Good thing I didn't turn on Howard Stern, I turned on WTOP to figure out which way the roads were working and seemed to get here on time along with everybody else.

It's a great turnout. We certainly appreciate everybody's coming and asking questions as we proceed through the presentations. On behalf of the NEI and the industry, welcome and thank you.

DR. LEE: Before we start, I'd like to say

we've got more chairs up front. Come up. Don't stand in the back there. We've got lots of seats up here. Sit up front here, don't stand in the back. We've got a great turnout today.

My name is Sam Lee. I'm the Section Chief in the License Renewal Section, NRC, and welcome to the workshop. As you have heard from previous presenters, license renewal is a very active area and these are high priority of the Agency. And we are now in the process of reviewing eight applications and we expect about four or five new applications a year. We are reviewing like 14 or 15 concurrent applications in about a year or two. And we had issued the last renewal guidance document about a year ago and some of the recent applicants have been able to take advantage of these guidance documents to improve the efficiency of the implementation process. And also while we are doing we identify certain gaps in the last renewal documents, which Frank had mentioned. Those we are now addressing using the interim staff guidance to fill the gaps. And in the future, we plan to update this guidance document to incorporate this interim staff guidance.

We also learned some issues today to make the format on our application match closer to the SRP,

the standard review plan. And we will hear about this in the morning today. So, again, the purpose of the meeting is to exchange information between all stakeholders based on lessons learned so we can further enhance the license renewal implementation process.

And before we start I would like to ask Ms. Alicia Williamson to go over the agenda, the format and other administrative details of the workshop.

MS. WILLIAMSON: Can you guys hear me okay? I'll try to move this over here. Good morning. My name is Alicia Williamson. I am the intern in the -- Nuclear Safety intern in the License Renewal section of NRR. First of all, I just want to talk a little bit about the format of the meeting just to give you all a little brief overview. It's going to be a two-day workshop -- well, a day and a half, actually. Today's workshop runs from 8:30 to four; tomorrow, from 8:30 to approximately noon. The first, day one, is going to focus specifically on 10 CFR Part 54 on the license renewal side, and tomorrow, day two, will focus on the environmental protection side or reviews, or 10 CFR Part 51.

Basically, I wanted to let everyone that

this is a category 3 meeting, meaning the public is invited to participate in these meetings while providing comments and asking questions throughout the meeting, so please feel free. Also, please, when you ask questions or make a comment, please state your name and your affiliation. We do have a court reporter here because the meeting has to be transcribed and put into the public reading room for documentation. So please don't forget to say your name and your affiliation.

Also, briefly, for you guys, I hope you can see in the back and on this side, I'm sorry, if I'm blocking your view. But this is our agenda. You also have one located in your notebook, I hope everyone got a notebook as they came in. This morning, we're just going to briefly talk a little bit about the license renewal application format as well as this afternoon we'll get into lessons learned and also some current issues for discussion. We will end the meeting briefly with a talk on document revisions as well as Mr. PT Kuo will take us out in a conclusion.

There are some modifications or changes to the agenda at this time. At the request of NEI, we're not going to discuss currently the LRA Chapter 4

format under the industry proposal, under license renewal application, so if you want to just cross that out of your agenda, that would be okay. If there are any modifications, something that you would like to add or delete to the agenda, please let me know as well as any of the other NRC participants. We'll be more than happy to accommodate you if you have any changes.

DR. LEE: But just to start things off, I guess, I have two additions I would like to recommend. This is based on ACRS comments we received on the level of details on TLAA. This is the time-limited aging analysis, such as the reactor vessel embrittlement analysis. The second item is on commitment tracking and Rani will talk about that later. I would add those two into the agenda.

MR. NELSON: Where do you suggest that we add those?

MS. WILLIAMSON: Would you like to add them in the afternoon or in the morning?

DR. LEE: One option is that we can add it at the 10:45 but that might run into the lunch hour. So maybe an option is to do it --

MR. NELSON: Fit them in in the afternoon?

DR. LEE: Maybe after the break, maybe two

o'clock. Is that okay?

MR. NELSON: That would be fine.

DR. LEE: Okay. Any comment? Any other suggested modification, any ideas that the audience would have?

MR. NELSON: One thing, while we have a lot of material to present, let's just be flexible with the breaks and the lunch as well, because if we have good information exchange, I don't want to disrupt it just for the sake. So people may have to take breaks on their own. Let's see how that flow goes, okay?

MS. WILLIAMSON: Yes. Let me go ahead and also add that at 10:45 we're supposed to have, coming back off of our break, Caudle Julian and Kimberley Rico will be calling in from Region 1, NRC Region 1. They're going to give a brief talk. They're listed here in the agenda as well. So we ask that everyone please come back from the break on time as well as whoever is -- if someone happens to be presenting at that time, just take in consideration that they're going to be calling in via conference call.

Now for administrative business. Basically, everyone should have received a security badge coming into the building. I wanted you all to

know that you can only move within the bottom level here, P1 area, and the first floor where the cafeterias are located. That's the only place where your badge will give you access, so please stay within those designated areas so as to you won't cause any trouble with security. Also, the bathrooms are located straight. If you go straight out the auditorium on the back wall, on the eastern wall, both the men and women bathrooms are there. The elevators will take you upstairs all the way -- if you go all the way to the top floor. There are two cafeterias, actually, there's one to the right and there's one to your left, so you can choose whichever you like. Also, if everyone's pretty much familiar with the Rockville Pike area, we have lots of restaurants and eateries if you like to grab lunch on the outside, if you don't want to grab lunch here on the inside or coffee or tea also upstairs.

Next I would like to bring your attention to the NRC Form 659. It should be located within your packet. This is your evaluation form. Please fill it out. You can leave it here, we'll pick it up and keep it at the end of the two-day workshop. Or you can mail it back, it should have a self-stamp addressed envelope via meter mail, so you can just drop it in

the mail and get it back to us.

Lastly -- or next, we'd like to ask everyone here on the panel roundtable to introduce themselves with their name and affiliation, and then we'll be about ready to begin.

DR. LEE: I'm Sam Lee, I'm NRC.

MR. ANAND: Raj Anand, NRC.

MR. NELSON: Alan Nelson, NEI.

MR. KUO: My name is PT Kuo, License Renewal.

MR. MEYER: I'm Jim Medoff. I'm a reviewer in the Materials and Chemical Engineering Branch of NRR.

MR. GILLESPIE: Frank Gillespie, NRR.

MR. HOWEY: Neill Howey, Illinois Department of Nuclear Safety.

MR. GALLETTI: Greg Galletti from NRR.

MS. FRANOVICH: Rani Franovich, NRR.

MR. HEATH: Mike Heath, Progress Energy.

MR. FLEMING: Carey Fleming, Winston & Strawn.

MR. AITKEN: Paul Aitken, Dominion.

MR. THICKMAN: Stuart Thickman, Dominion.

MR. LI: Chang Li, NRC/NRR.

MR. PAGLIA: Al Paglia, V.C. Summer.

MR. CLEMENTS: Talmage Clements, CP&L, Progress Energy.

MR. STEWART: Roger Steward, Progress Energy.

MR. PATEL: Erach Patel, Exelon.

MR. JOHNSON: Doug Johnson from NMC.

MR. COX: Alan Cox with Entergy.

MR. GRUMBIR: Richard Grumbir from D.C. Cook.

MR. FRIDRICHSEN: Jan Fridrichsen, Southern Nuclear.

MR. ADKINS: Gary Adkins, TVA.

MR. MEYER: Charlie Meyer, Westinghouse.

MR. NEWTON: Roger Newton, NMC Point Beach.

MR. KNORR: Jim Knorr, NMC Point Beach.

MR. HERRICK: George Herrick, Ginna Station.

MR. WILSON: Davis Wilson, Ginna Station.

MR. BURKE: Patrick Burke, NMC Monticello.

MR. PAIRITZ: Joe Pairitz, NMC Monticello.

MR. BLOCHER: Eric Blocher, Parsons.

MR. KLCO: Vincent Klco, NRR.

MS. LI: Renee Li, NRR.

MR. KANG: Peter Kang, License Renewal.

MR. NAIDU: Kamal Naidu, NRC/NRR.

MR. VAN SANT: Bernie Van Sant, Fort Calhoun Station.

MR. TALBOT: Frank Talbot, NRC/NRR.

MR. BAILEY: Stewart Bailey, NRC.

MR. TAPPERT: John Tapper, NRR.

MR. SHEMANSKI: Paul Shemanski, NRC/NRR.

MR. HATCHETT: Gret Hatchett, NRR.

MR. BURTON: Butch Burton, NRR.

MR. WATSON: Bill Watson, Dominion.

MS. WILLIAMSON: Everyone covered? Last, I would like to ask are there any opening remarks from the audience or anyone from the audience that would like to say any opening remarks or any words? Okay. Then I guess we'll go ahead and begin -- we're going to now begin with Mr. Stewart Bailey from the NRC, the license renewal application format.

MR. NELSON: Let me just even though there isn't enough space at the table, I want everybody around the room to feel that they are also part of this panel. So if there's any questions from those not at the table, you certainly have equal statute simply because there wasn't enough room for everybody at the table. Okay?

MR. BAILEY: Hi. I'm Stewart Bailey with

NRC. I'll try to be brief here and get us a little closer back onto schedule. In terms of the license renewal application format, this is an ongoing effort between the NRC and NEI. This is nothing new, and this really part of our effort to make sure that this whole process remains stable and predictable. If you take a look at the first slide there, when I bring out the background, those of you who have been involved in it will realize that this is very, very little of all the background involved.

In July of last year, when the Commission issued SRM-SECY-01-0074, this is what endorsed Reg Guide 1.188 and NUREG-1800. Reg Guide 1.188 is a format guide for license renewal applications and it endorses NEI 95-10, Rev. 3. NUREG-1800 is the standard review plan. And also going on at that time was the demonstration project, or the GALL demonstration project -- I think I've heard a couple of different names for this so far. Real intention of the demonstration project was to, again, gain efficiency in the staff review of license renewal applications and really it focused on how best to use the GALL in license renewal applications to reduce the time that the staff had to spend on it. The GALL, of course, really represents a compilation of approved

staff positions for certain aging mechanisms and how an applicant can effectively manage those. And the staff had no intention of reviewing those time after time, so really what we wanted to do was get a format that would allow us to quickly say, okay, we're in accordance with the approved staff guidance, let's go onto the next issue. That was really the intention.

Unfortunately, the result of what came out of the demonstration project, if you take a look at the applications that came in, starting with Fort Calhoun, one of the results was that the aging management of each individual system is, let's just say, a little bit less obvious than it was in the old six-column format. In order to follow how a given system is managed, you really have to follow all the links through all the tables to get a complete picture of this system and what's managing it.

And, unfortunately, while we thought that we had a stable format coming out of the demonstration project, each one that's come in has come in a little bit differently. I think each one of the applicants did their best to tailor the format the way they thought it was best and to make the most efficient use of their time and our time, but having them all different really kind of defeats the purpose. So here

we are again trying to work on the application format to come up with something that will be stable and predictable for all involved.

Another thing that I think that has compounded our efforts before is the concept of what exactly is consistent with GALL. That, again, is work in progress between NRC and the NEI, and we'll be getting to that -- I think you'll hear that mentioned several times and we might touch on that a bit more this afternoon, but I don't think we'll be able to get into a great level of detail on that in this particular forum.

The goals that the staff has going in -- I think both sides have, we want to make sure that we have a clear, concise and complete LRA. All of the stakeholders can readily see how -- exactly what systems are in scope and how the aging is going to be managed for them. We also want it to be efficient. We want it to be efficient in developing the application, and we want it to be efficient in reviewing the application.

Now, if you take a look at what Bill is going to present next, really we think that we've got the sort of information in the license renewal application that this is the way you do your

evaluation of your plant, and this is all the information that you would go through in doing your own internal review. Now, since we're in the business of looking over your shoulder, it should really be no surprise that we want to look at that same information, and the better it's packaged for us to more efficiently -- you know, to more effectively to see that, the faster and the more efficient our review will end up being.

We really want to maximize the use of the GALL, that's the whole point. We want it to be very clear when something is addressed by GALL and whether you are being consistent with GALL, because we'll know that we can just move on to the next item.

We've had a couple of meetings already on this new application format, and the next one, I believe, is being scheduled for November 6. Next slide, please.

The staff goals, really, we want -- in a license renewal application, we want it to be very clear what is in scope and why, okay? Clear Aging Management Review, the aging management of each system -- what's in it, how are you managing it? Clear GALL, okay? Whether the component material, environment aging effect is in GALL. We also want to be very

clear whether your aging management is in accordance with GALL. That was really one of the purposes of the demonstration project and how we wanted to get efficiency so we could stop reviewing all of your programs in that level of detail, okay?

I see that we've added to the agenda about TLAAs. We want to make sure that we get complete information for the TLAAs the first time around, and we need to make sure that we have all of the information required for us to complete our review. Now I'll admit right here that some of the information that we're asking for is not strictly required by the rule to be provided, but it is something that the staff has to look at in doing its review. So it either gets provided in the LRA or else the staff has to go out and find it. Our recommendation is that you include it in the LRA for completeness and to reduce the number of staff hours in review.

I think there's probably room for improvement in all sections of the LRAs, Chapters 2, 3, 4 and the appendices, and we're trying to address all of those in our ongoing meetings with NEI. As has been stated, this is really very important for our future as we're going to have a large number of these in-house. We need to be able to review these as

effectively as possible.

I think a lot of people have talked -- will talk in the future and have already talked about the number of RAIs you get. To put that into context, an RAI is really a reflection that the staff ran into difficulty during its review and thought that it needed additional information to get through it. So things might be stated as numbers of RAIs. There's certainly no quota, nothing like here. The implication, though, is the ease of staff review, which, of course, is my interest.

Let's see, in terms of providing comments, this is a public meeting, and we do encourage comments. I think in terms of the LRA format that Bill is going to bring up, I'd like to keep the comments at a relatively high level for right now. All comments and especially public comments, if you don't want to give a comment at this meeting, it should be funneled through Sam Lee. Sam Lee is our focal point for this unless he has since delegated that. But right now I would say pass your comments on to Sam Lee. And that's really all that I have. So, Bill, if you'd like to go ahead.

MR. NELSON: Yes. Before Bill gets on, we've had several meetings with the industry and the

staff in regard to license renewal applications. Bill's going to provide an overview. You should have picked up out at the desk a rubberband copy of Bill's package along with replacement pages that we've made at the last minute. We certainly appreciate Bill's efforts as well as the class of 2003 and the lessons learned in putting together this activity.

Our hopes right now over the next hour or so is to provide you an overview of the work that's been done to date in standardizing the license renewal application. We will meet with the staff November 6 to hopefully clean up any of the details that need to be followed up, and NEI will submit a package shortly thereafter for NRC concurrence and later embedded into 95-10 for endorsement. As I said earlier, it's important for everybody to recognize that the class of 2003 is unanimously on board and following this format.

So we understand Stu's direction and some of the interactions that the NRC has made to us are good practices, and we're going to do our best to include those good practices. You'll find in the last couple pages of the larger handout were the notes from our previous meeting on what we think were agreed upon as good practices.

One thing I'd like to, as part of a housekeeping thing, I've asked Eric Blocker -- Eric, raise your hand -- he's going to be our action scribe for the industry. So if there are follow-up actions that we need to be taking in the license renewal application and some of the more specific technical topics, we'll be taking note of those, and what follow-up actions we as an industry need to take, we will do so. Okay?

So let me turn it over to Bill who will be our spokesperson on license renewal application standard format.

MR. WATSON: Good morning. Can everybody hear me? Do I need to turn this up? How about that, is that better? Oh, too better. Good morning. As Alan said, my name is Bill Watson, and I'm going to be presenting the proposal that the class of '03 is making to the NRC and to the industry for standard license renewal format for Section 3, a portion of Section 2 of the LRA.

First of all, I'd like to say that the focus of this presentation is on format, not content, so we do have good examples in the example application, but I'd like us to be focusing on the format that we're talking about presenting for the

industry as a standardization tool.

Secondly, I'd like to mention that this is really the class of '03's presentation, not my presentation, so I'd like to ask the members of the class of '03 to sort of pipe up and if I say anything incorrect, correct me, or if I don't say enough about a particular topic area, go ahead and fill in the blanks.

Also, I'd like to point out that you should have six handouts in that rubberband package, or six pieces to that handout. The first piece is the presentation that you see up here. It's in two-up format, so two slides per page. So because it's in the two slides per page, it's kind of tough to read some of the tables, and I'd like you to be able to read the tables, so you'll find a tables handout also in there so you can refer to those and see them a little bit more clearly.

Also, there's a piece in there that's a description of the tables. We ended up -- you'll see as I move forward, we'll be discussing the fact that we came up with two table types for LRA Section 3. And so what I did was I put together a pretty detailed description of how those tables work together to present the information that the staff needs to do its

review.

Then there's a piece that's subdivided into several sections. It starts with Section 2, goes to Section 3, and then all the subsections are Section 3. In other words, it is our LRA sample for you. That's followed by some notes from the meeting that we had with the NRC on the 9th. We will not be going over these notes in any great detail, but I did use these notes when I put together the presentation so that we could fold in the feedback we heard from the staff on the 9th. And, Butch and Greg, some of the things that you brought out, I folded in as much of that as I could into this presentation, so some of those items will be covered by me and you can refer back to them.

Also, you'll find notably when we put these things together, we put them together and then were planning the workshop, but of course some changes do come about afterwards. So the whole description on the tables had a change in several different areas, small areas, but I included that in the change package, and you'll see this change package -- or your presentation changed several different sections. The tables changed a little bit and that sort of thing. And as I go through the presentation, I'll try to let

you know where some of the slides that I put up here are different in your handout and where the changes have occurred so you can refer back.

Also, as Stu mentioned, I would like to ask that if you have particular questions about why we did something, I'd like to leave those questions to the end of the presentation. There will be some time for that. But if you need to have something -- a statement I made clarified or need a little bit of further information on a particular statement I make, then certainly ask the question as I move along, and I'll try to answer it.

The presentation has three major pieces to it. I'm first going to talk about the Section 3 body, the text area of Section 3 of the license renewal application. Then I'll talk about the pieces of Section 2 that we have standardized in order to support the standardization of Section 3. So we haven't standardized the entire Section 2, although what we didn't standardize -- there's very little left of what we didn't standardize. You can already fill in the blanks as to where that's headed, probably.

And then there will be a focus on the Section 3 tables. Section 3 tables really are the meat of the application. They are the results from

the Aging Management Reviews. There are two tables, I'll get into more detail later on. The first table is sort of a summary as to how the applicant aligns with the programs credited in GALL. And the second piece is all of the information, including how we aligned with GALL, but also all the parts that are not in GALL and systems, structures and components that are also not in GALL. It's everything from the standpoint of our Aging Management Review results.

I'm going to be trying to use two forms of visual media here, so bear with me. The first one, this is kind of the million dollar rhetorical question; in fact, it could end up being close to that if we're not careful about how do we answer it. Do utilities want to spend thousands, tens of thousands, hundreds of thousands or more dollars and get no additional benefit from the review from the staff? Of course not, rhetorical question. But that potential does exist if an application is confusing or if the staff has to go looking for information, and that has been happening in many cases. In addition, the industry as a whole could be wasting large sums of money if reviewers have to adjust to different LRA formats each time an application comes in, and in fact that has happened. And that's not -- I wouldn't say

that's any particular party's fault. The staff's looking for information, it becomes clear to an applicant, gee, this information is necessary, the other applicants try to follow suit, and sometimes they try to improve and sometimes there are good improvements that occur. Then everyone else has to follow suit with those improvements, and you can see how it can go on and on and get very expensive and have us going back and forth.

So the class of '03 decided that rather than do this on an individual basis why don't we get together as a group, dialogue with the staff and see if we can come up with a standard format that they would be able to find useful as we move from each new application that comes in. And I know that Frank talked this morning about it may be a little late for the class of '03 to gain advantage from the standardization but we're good, so I think we'll find a way to gain as much as we can. In fact, we do expect the unnamed applicant that will be coming in sometime in July to be the first application to come through with that standard format. And because we've had very good meetings, very productive meetings with the staff and feel we feel confident in the direction in which we are heading, some of these applicants of

class of '03 have already moved in this direction. So we have to be proactive and move quickly in order to make sure that we can take full advantage.

So I'm going to move now over to Section 3, Section 3 text or body piece, not the tables at this point in time. And that, as a matter of fact, you can see up on the main screen here -- I apologize to you guys over there, I know this screen is blocking you, that's one of the drawbacks of this format -- but the main screen that the computer is displaying actually shows you the piece of the handout, if you want to follow along with me, of the application that you can use.

Coming right into Section 3 it's really the front matter, I call it an introduction to Section 3, but it's really a front matter, and it actually gives us a road map to the LRA sections, other LRA sections, where you can find various pieces of information. There's an identification of the internal service environments and external service environments tables to indicate the environments to which the SSCs are subject -- that are subject to AMR are exposed.

So what you'll find is if we just said -- let me just bring one up -- if I say air, gas, well

water, it may not necessarily be that clear. What do you mean by air? Is it moist air, is it dry air, are we talking about steam, talking about gas? Just to air means a lot of different things to a lot of different people. Hence we're talking about -- Stu already mentioned we're talking about needing to be clear to the staff what we are talking about. What the class of '03 has decided to propose is that we have tables that identify the internal environments and the external environments to which our SSCs would be exposed.

There's also a description of the two tables, and I apologize, we got that description into that example handout just the day before yesterday, I guess, so it was a little too late for the workshop. You don't have this piece in your handout, but you do have the detailed description from which I took this. So as we move along -- as Alan mentioned, it's a work in progress, so as we move along you'll see this starting to get folded into the examples. And then any other information that's deemed pertinent by the applicant that applies to the entire Section 3, that's what you'll find coming in. Next, Alan.

I'm on Slide 4 of the presentation. After the front matter of Section 3, we move into the main

contents, and Section 3 contains six subsections, 3.1 through 3.6. Shouldn't be any surprise, that would be RCS, ESF, aux systems, steam power conversion systems, the containments and structures and electrical components. Next slide.

This is the first slide that needs replacement, although it's a small change so I'll just tell you what it is. Instead of introduction -- I mean instead of "Scope," which is in your handout, you see that we've renamed that to "Introduction." That was some feedback we got from the staff. Scope means something very, very specific within the realm of license renewal, so that wasn't deemed a very good title. So we changed that to "Introduction." So there are four subsections within each main subsection of Section 4 of the LRA. So for each main subsection, I'll see an introduction, a results, a conclusions, and a references section. Now, for example, today we're going to be using engineered safety features subsection.

Slide 6 is another slide that needs to be in place. We made a couple of different changes there. In the introduction section, you will find the systems, structures and components addressed by the subsection. So in this case, we see that coming right

into Subsection 3.2 of the application we've got containment -- under ESF, we have containment spray, containment isolation, ECCS and any other plant-specific system.

The section then presents Table 3.x.1, I'm going to explain that a little bit later, let's just call that Table 1 for now. Presents the Table 1 summary data of how the applicant aligns with the programs in GALL. And then there's general information that's applicable to the entire subsection. Next slide, please.

From there we move to the results section. The results sections contains really the heart of what we've been trying to come to terms with from a standardization standpoint. It's Table 2. It is now, if you've been following what we've been doing in the industry, went from a five-table and six-table column format to two and three tables, and now we're to a nine-column format table. We think we got it right this time, though, so we're trying to hold at nine columns. I'm going to be going into more detail on Table 2 a little bit later, so for now we'll just state that the results of the Aging Management Reviews, the entire results of the Aging Management Reviews are contained within this table in Section 3.

And a reviewer is able to see how the results, if you would, of the evaluations align with GALL.

Then is the identification of Aging Management Programs. You can follow down through -- if you keep going down through this section here, you will be able to follow what I'm talking about, we're in 3.221 now. This identification of all the Aging Management Programs that are relied by the SSCs within the subsection, Scope. So all of the programs. So this means for all of ESF, containment spray, containment isolation, ECCS and any other systems, these are the Aging Management Programs in summary that are utilized.

Notice, if you'll look up here, you'll see that on the main screen, you'll see magenta-colored text. That indicates hyperlinked right to the location. So whenever you see that magenta color, it indicates you can travel right from that portion of the application. Now, we are not standardizing the hyperlinks, but we are presenting the suggestions to the applicants of where you might want to place these hyperlinks. So here if a reviewer came in and wanted to look at the various programs that are referenced by engineered safety features within Section 3 of the license renewal application, they could click on any

one of those and go to the description of that program.

Then there's a disposition of further evaluation recommended items. If you've been through the SRP, you'll note -- actually, I should say both. In GALL and the SRP; there's "Further Evaluation Recommended" column within the tables. Within GALL Volume 2, the "Further Evaluation Recommended" column really only says yes or no, does the staff need to do further evaluation. But in the SER -- excuse me, SRP -- I want to get an SER, I guess -- in the SRP, you will see that it says, "Yes, further evaluation required and recommended," and there's an actual subsection that gets referenced. What the staff has fed back to us is it would be nice when we say, "further evaluation recommended, yes," if we could help them figure out where to go find that information, explain what we know the SRP is looking for, meaning we know what the reviewer is looking for, give them that information in a section of the license renewal application, that they don't have to go hunting for it.

So we decided to place that in Section 3, and then we've suggested hyperlinks right from the tables so when a reviewer is going through the tables,

"further evaluation recommended, yes," I'm going to hit that hyperlink and go right to the section that describes what the reviewer needs to know, and they can lift that right out and place that in the SER. So you see our goal is to try to get the information presented to the reviewer in the best way possible so that we can help them write the SER because they have all the information necessary to make their evaluations.

And then, finally, the identification of any applicable TLAAs associated with this particular subsection. In this case, I guess there were two, but, again, that's just for the sake of example. There's one on fatigue, and the other was on leak before break. Next slide, please, Alan.

Okay. You should be on Slide Number 8. This is a conclusions section, which you would expect to say -- you would expect this section to say that we've covered all bases and we conclude that we have the appropriate programs in place to manage the effects of aging on the systems, structures and components that are within the scope of license renewal for the extended period of operation. That's a mantra, obviously I can say that in my sleep. I think I was last night as a matter of fact.

Anyway, what we do here is don't just say that, but if there's some particular aspect of the way we align, we might also want to restate that in the conclusions. Yes, we know you might have had questions about how we are going to adequately manage the effects of aging on the systems, structures and components. Here again is a summary of our answer in this particular area, so you've got the information you need right here. So that's what the conclusion section does. And then on to the next slide.

References section, what more could you say about references. It's all the references that were utilized to develop this particular section of the license renewal application.

So what we know now is that the class of '03 is proposing to the industry and the staff, at least as much as we know right now, there's going to be two tables in Section 3 and within Section 3 we're going to divide it into the major areas that NUREG-1801 is divided into, GALL's divided into; that would be RCS, ESF, aux systems, steam power conversion, containments and structures, electrical components and I&C. So we're going to be dividing into those subsections, and then we're going to divide each of those subsections into four other subsections which

will have an introduction, results, conclusion and references. Anybody need any clarification on that so far? Okay. Next slide, please, Alan.

What I'd like to do now is move into Section 2, show you what we've done there to support Section 3. We are now on Slide 10 of the presentation. Some of these other slides you'll see later on are just reference slides for you, so if you look at 32 slides and go, "Okay, that's about another hour and a half," but it won't be; I'll get through it much quicker than that.

Section 2 is divided into five subsections that we've standardized anyway. Obviously, you've got your scoping and screening section, and I haven't even put an example up for that where you describe your whole methodology and so forth. That's not part of this particular piece. But what we need to support Section 3 are these five subsections. We have intended functions and abbreviations definitions table, system description, FSAR references, license renewal drawings lists, components subjects to AMR.

Now, at this particular point, you can see I have up on the main screen the -- showing from the computer up on the main screen Section 2. So in your handout if you want to follow along with me in the

package of the example LRA, we're now into Section 2. Next slide, please, Alan.

We have the intended functions and abbreviations definitions table. Everybody really has already had the intended functions identified in section 2 of the LRA, but what we tried to do is make this even more standardized. Let's put it in tabular format. Let's explain what we mean. Obviously, it conducts electricity. It doesn't need a lot of explanation. So it's got CE and conducts electricity. And we know CE only stands for conducts electricity these days.

(Laughter.)

And under enclosure protection, EN, you might say, yes, that's in an enclosure, but that doesn't necessarily tell the whole story. So it provides enclosure, shelter or protection for in-scope equipment, including radiation shielding and pipe whip restraint, so you can see why there's a need to define our intended functions more clearly. It makes it clearer to the reviewer.

Next piece, system description. And it's a description of the system structures or commodities within the scope of the subsection. We give an example here, containment spray, because that's what

we're going to use for our entire table and examples for our tables later on. But what I'd like to point out, again, I think Greg and Butch will be happy to hear me say that, is that we heard from the staff that you don't just put a system description in there and state, for example, why the system is in scope. But let's talk about why the system is in scope specifically for license renewal, and to the extent it's not necessarily clear, let's describe a little bit about the boundaries, especially -- this is not so important in this section here for containment spray, because that's pretty clear cut, but once you get into the aux systems it gets a little more difficult to figure this all out.

So what we're proposing to the industry and to the staff is that we would have clearer descriptions in this section that talk about the system boundaries and make that clear and why the system's in scope for license renewal. Now, here in this example, you can see the -- there's a whole description of the system kind of the FSAR and then this last paragraph is just an example but containment spray system meets 10 CFR 54.4(a)(1) and (a)(3), so we're saying which pieces of the rule apply and the component is subject to an AMR from the RWST and the

containment sump system to the spray nozzles located inside containment. So now we've given the reviewer a pretty good big picture of why we're in scope and what's in scope. I didn't steal your thunder, did I? No, good, okay. I was worried about that.

Also, you can see that there was some discussion we had on the 9th that the license renewal drawings are not really being submitted as part of the application. However, it's good to submit them electronically if you can as a reference tool. And so the request is made, gee, if you do submit them electronically as a reference tool, can we hyperlink to them? And the answer to that is yes. So if you see a listing of the license renewal drawings, the reviewer can see that listing and actually we're suggesting making it so that they can click on that hyperlink and go right to the license renewal drawings. And, of course, since this is Acrobat, I could spend some time magnifying sections and going through and looking to see do I have a component that I'm looking for and kind of double check and get that reference. Next slide, please, Alan.

Slide 13, USAR references or FSAR references in your plant. Now, we've done something that is an example of -- well, actually, I should say

we chose an example that wasn't the best for my next description. We said under FSAR references there really is only one major section for containment spray, so it's listed. But what we heard from the staff is, "Geez, when you have several sections of the FSAR that are applicable, don't just give us one or two sections." And I know I've seen that in reviewing some of the applications, I understand that, because I've gone and had to look for the information myself. So make sure your listing of FSAR references is complete, especially when you get into the aux system. If you're talking about vents and drains, it could be all over the place within the FSAR. So put the listing up here so that the reviewer can find that information, because if they have to go hunt for it, we're back to Slide 2, how much money do you want to pay? Next slide, please, Alan.

Slide 14. I already hit on the licensing -- I jumped ahead and hit on the license renewal drawing list -- I told you I'd speed up. And now go to Slide 15 for me, please. Components subject to AMR. So here's a list of components that are subject to Aging Management Review. I want you to look at this because I'm going to refer to it later on. Between what we've got here and what we're proposing

for Section 3 tables, this is our link. No longer do we need another reference table just to get us back and forth between 2 and 3. If you look at that table up there, it says for the containment spray system what components are subject to Aging Management Review. Those component types are going to go directly into the Section 3 tables. They're going to be a column in the Section 3 table, a direct link. No more mystery.

Questions for clarification on Section 2 standardization that we've proposed? All right. Let's move into --

MR. NELSON: Bill, just a second.

MR. WATSON: Yes.

MR. NELSON: If people -- normally we'd take a break at this time, but in order to continue the continuity of the presentation, if you feel the need you need to take a break, please do so, but we're going to continue on with the presentation, okay?

MR. WATSON: So that doesn't include me then.

MR. NELSON: No.

(Laughter.)

MR. WATSON: Okay. All right. I'll keep going then. All right. There are two table types in

Section 3 of the proposed standard license renewal application. The first type is NUREG-1801 Volume 1 style table, and let me just get my AV equipment back where it belongs here. And I'm on Slide 16 for anybody if you're following along with the presentation. So it looks just like NUREG-1801 Volume 1 with a couple of changes in two of the columns, and I'll describe that in more detail in a bit.

Also, there's a second table. It's called the Summary of Aging Management Evaluations Table, and that's the nine-column table. So, first, next slide, please, on Slide 17, I'd like to go into a description, a little more detail of what Table 1 is all about.

If you look a little further in your handout, two or three slides down, you'll find the example of Table 1. I'm going to actually put it up here for us to look at also on the main screen as soon as I get to it. I was a little verbose in the description of these tables, but we got some feedback from the staff that it would be good to describe for the public as well how you actually use these tables.

The first table, I'm going to keep referring to that as Table 1. It's so much easier to discuss Table 1 than 3.x.1, it's a lot easier. You

can see that the 3 indicates we're in license renewal application Section 3, the x just indicates the subsection number. So for RCS, it would be 3 what? Right, 3.1.1 ESF, 3.2.1 aux systems, 3.3.1. And the one just stands for the fact that it's Table 1. It's taken directly from NUREG-1801 Volume 1.

And then we've made some changes, and you can see them in my bullets. The item number column replaces the type column. If you look, if you remember GALL Volume 1 has a type column, BWR or PWR. Well, obviously, these tables are going to be submitted for one reactor type, so we don't need that column. And we've replaced it with an item number column which allows us to reference back from Table 2 to Table 1. And if we look at it, because this is taken right out of GALL Volume 1, it's really the row number in GALL Volume 1 so that a reviewer can look at what you submitted for your tables and make sure there is correlation in the first place.

And then there's a discussion column. Next slide, please. We're on Slide 18. Discussion column has examples -- excuse me --

MR. NELSON: By the way, Bill --

MR. WATSON: Yes.

MR. NELSON: -- you mentioned that we

agreed to put in BWR only as it applies to --

MR. WATSON: That's a good point, right.

MR. NELSON: There's a sequence.

MR. WATSON: Right. As Alan points out -- see, Alan, you're the class of everything, it's just not '03, so I count on you to help me out here. Notice that Item Number 3202 is BWR only. What we decided for accounting purposes to do was just if we're submitting for a PWR, and I apologize to the BWR folks, I don't have a BWR background, so all these examples are PWR examples, but they came from Entergy in helping build this presentation, and they had PWR units as well. So what you'll see is there's just BWR only and blank across for a PWR --

MR. NELSON: Just a placeholder for sequence.

MR. WATSON: Yes, for sequencing. Okay. That's good help, Alan. Okay. Now, under further -- excuse me, under the discussion column, what goes into this discussion column? Well, let me first explain why we put in Table 1. In fact, we were asking ourselves for a little while until it finally came clear. Actually, Stu Bailey made it clear to us why we need a Table 1, but it took us a while to figure that out, because we have all of our data in Table 2.

But why was GALL developed in the first place? It was the staff's effort to evaluated programs that are out there in the industry for their ability to manage the effects of aging on systems and structures and components within the scope of license renewal for the extended period of operation.

So GALL Volume 1 summarizes those results. So it's a good place for a reviewer to go and see how you align with GALL when you're trying to take credit for GALL. And Stu mentioned a little bit about consistent with GALL, what does consistent with GALL mean? We'll see. In Table 2, I think we've taken the mystery out of that, and we don't need to really talk about what's consistent with GALL anymore. And I'll show you examples as to why I believe that.

But it's not just enough to say, and this is the problem we had before, it's not just enough to put in Table 1 and say, "I'm consistent with GALL across the board," because you may be but you may also have one attribute or some portion of your program that doesn't match the GALL description of the GALL's program, and therefore you really are not consistent necessarily with GALL. So we added this discussion column to provide us additional -- or provide additional detail to the reviewer. So you'll find

information such as further evaluation recommended information or a reference to where it's located. In the case of my example here, I do say that a TLAA -- oops, I got to get to the right -- I guess I'm not linking up for the moment, but I will on the next slide, next couple slides down. We've suggested that we put hyperlinks in there if you need to go to a reference section and get more of that further evaluation recommended information.

So if GALL said, here's the program, but there's some further evaluation recommended on this program to see how it fairs out in license renewal extended period of operation, then in that case we would need to give some information so that when the reviewer is writing the SER, they've got all the information needed to do that.

Then there's also the name of the plant-specific program if there is one. You notice as you go through GALL it says -- a lot of times it says here is the environments and aging effects on management, here's the programs, Aging Management Programs, I should say, and then it says -- but the Aging Management Programs says plant-specific, right? Well, we would say, " guess I'm consistent with GALL in that I have a plant-specific program,"but of course that's

not the whole story. So a plant-specific program would be listed by title in the column for Aging Management Program, but then, in addition, in the discussion column, you'd have a reference to Appendix B where you could go find out more information about that plant-specific program and any additional information that you feel is required to assist the reviewer in writing your SER.

Then there's a discussion of how the row is consistent with the corresponding row in NUREG-1801 Volume 1 if it's not obvious. In other words, how am I consistent with GALL if that's not obvious. Or sometimes you have the reverse where it looks like it's identical to GALL but it's not. Why? Because your Aging Management Program has some different element and you have to highlight that. So when the reviewer comes into Table 1 to look at the summary of how you align with GALL and how you're taking credit for GALL Aging Management Programs, they need to know where some differences exist, if there are any differences that exist. And so that information gets contained in this discussion column.

Next slide, Slide 19, is just for reference only because it's up here on the chart and I've been talking about it already. So I'd like to

move onto Slide 20 and go onto Table 2. Before I discuss Table 2, are there any questions, clarifying information, not necessarily at this point in time why we did it the way we did it, but just do you understand what's there? If you don't, then speak up and I'll --

DR. LEE: I just want to add one comment. This Table 1 is also in the standard review plan, in addition to GALL Volume 1.

MR. WATSON: Yes, it is. It is in the standard review plan, and the topic for another day is that the two tables don't always directly correlate, so you may have to note that in your application until we get them to correlate exactly. You'll find that GALL Volume 1 may have some more information than the SRP table does in a couple instances. In fact, one of our examples has that.

So Table 2. Table 2 is the Aging Management Review results in their entirety. Now we're not talking about just whether or not you align with GALL, but all the other things that GALL doesn't have in it. I mean it was a daunting task for the staff to take on trying to get a really good full sample of Aging Management Programs out there and all of the materials and environments and aging effects

that would be needed to be managed by these Aging Management Programs. And so, obviously, it's hard to be 100 percent complete. So your plant's going to have additional information that's not in GALL. And so Table 1 is not going to cut it by itself. So Table 2 has all of the results.

It's designated 3.x, meaning which section we're talking about, RCS, ESF, whatever. So in my example, it's going to be 3.2.2. Two indicates it's the second table, it's Table 2, and y indicates a table system number, because now we're down in ESF but we don't want to just jumble the entire engineered safeguards features data into one lump table. It's harder to review that. So we've split it out into the same systems that GALL split it out into. So you're going to see dash 1 ESF is going to be containment spray; dash 2, containment isolation; dash 3, ECCS and so forth. It contains, as I mentioned, ARMR information, whether or not it aligns with GALL. Okay. Next slide, please, Alan.

The table is a nine-column table. It includes component type, where do those component types come from?

PARTICIPANT: Section 2.

MR. WATSON: Ah, good, you're not all

sleeping. It comes right from Section 2 -- but it was a class '03 that answered. It comes from Section 2. Remember I said earlier on keep this table in mind. You saw heat exchangers shell, heat exchangers tube and so forth. So I said keep this table in mind. That's because here is heat exchangers shell. So I would expect heat exchangers tubes to follow this and so on as we move on down, valves, piping, whatever, to follow this as I move on down through Table 2.

Intended function, and that was defined where? Intended function, in Section 2, that's correct. There was an intended functions table in Section 2. Material environment, aging effect requiring management, Aging Management Program being used to manage the effects of aging, GALL Volume 2 item if there happens to be a corresponding item. So if you go to GALL Volume 2 -- I mean if you go to this table and something's filled in in the NUREG-1801 Volume 2 column, that means you align with GALL for this particular item. And if it's blank, you don't. Table 3.x.1, or Table 1 item number so we can reference back to Table 1 and get the further evaluation recommended information and more information on the Aging Management Program and anything else we had put in the discussion column.

And then notes.

And what I'd like to point out -- okay, Alan's already ahead of me, that's great, he's moving me along -- is these notes really take care of what do we mean by "consistent with GALL?" We're not going to -- I know people refer to that as play games, it's not what we're trying to do, but we're not going to oversummarize or look at too far a distance. Let's just explain how we align with GALL or not, and that's what these notes do. In fact, the industry realized early on in this particular effort that you would have several instances where you would align with GALL, right? Do I want a discussion column that keeps saying over I align with GALL in every aspect except for this or I align in GALL -- no, it takes up a lot, a lot, a lot of table space, and it's the same thing repeated over and over again.

So the idea came up, well, why don't we just put a note and reference to that note? That at least keeps the table clean, and the reviewer can have the note sitting in front of them or they can hyperlink to the notes, as you've seen, I've hyperlinked this particular presentation.

MR. NELSON: So, in essence, the generic notes will be numeral.

MR. WATSON: I'm not really there yet, but that's where I was headed. Exactly. What we decided was not only at the individual plant do you have notes that would be repeated over and over again but that would be the same across the industry to a large point, as Alan points out, to a large extent. So what we decided to do is we said let's number those notes that we can agree on as standard notes. So think of that. A reviewer now opens an application and sees Note 2. Here comes a new application. They see Note 2. It means the exact same thing to them. Isn't that a lot easier for them? Yes. They'll start to pick up as they go through the review what is Note 1, what is Note 2 probably ad nauseam. By the time we're halfway through an application they're sick of seeing the number, but the bottom line on that is that when the next application comes in they know what it means, no mystery.

And then also we understand that in certain instances with individual plants there would be a reason to get a little bit more specific and it won't be a standard note necessarily, so we decided to number all standard notes, put a letter in front of all plant-specific notes. And these notes do explain, as you can see, exactly what we're talking about when

we're looking at alignment with GALL. First one is NUREG-1801 -- I'm not going through them all, don't worry -- first one is consistent with 1801 items for component material, environment, aging effects, so we're completely consistent, including the Aging Management Program.

Note 2 is everything's consistent except the Aging Management Program may not, there's some exceptions there that the reviewer is going to have to go look at or make sure gets reviewed, I should say. Components different. You know, it's not in GALL, but, geez, the material, environments, aging effects, they're all there. So in that case, we would like to take credit for the GALL Aging Management Program. And so forth. So you can read through these yourself, but that's the idea. And it takes the mystery out of what does consistent with GALL mean? There's not really much question anymore. And the better you explain that the easier the review goes. Next slide, please.

And the next slide I think is just a -- you can just go right beyond that because we've already had it up here on the screen, so that's just a reference slide for you. It does need to be replaced, though. So the features of these tables.

I think for the sake of expediency, you got the idea, so I'm going to move past this particular slide. They allow us to see clearly how the applicant aligns with GALL.

So I'd like to go into an integrated example at this point in time using engineered safety features. If you move to Slide 28, that's one that needs to be replaced, but I just want to follow through this a little bit with you. As we move along from left to right, we've already talked about the component type, intended function, material, environment, aging effect required management and Aging Management Programs column. Now I would like to talk a little bit about GALL Volume 2 item column. You see that this one in this particular example it's filled in. It's VE 1-b. If you go to the next slide for me Alan.

That means there's a corresponding listing in GALL. So if you look at VE 1-b or -- I call it VE 1, but, obviously, it's Roman numeral V, E being carbon steel components, and then if you look down the item number line, this is right out of GALL, so this is GALL Volume 2. You got to VE 1-b, which is in the second row, it's carbon steel components, carbon steel, alloy steel; air is the environment, maybe a

moist environment; loss of material is the aging effect requiring management; and then a plant-specific program is required being utilized, it needs to be evaluated by the staff. So I just went to GALL to show you what the reviewer would find when they see that. And in fact we have a line. If you look back up on the main protection screen from the computer, you see that that's what we come up with. It's heat exchangers pressure boundary, but the material is carbon steel, it's in air, external, loss of material is the aging effect, the Aging Management Program is system lockdown, it is highlighted to indicate a hyperlink so they can go look at that program, and then it aligns with VE 1-b. If you continue on over, you'll see that there's a Table 3.2.1 item filled in, which is what you'd expect. Table 3.2.1 aligns with GALL. Wherever it aligns with GALL, obviously, you're going to see these two columns filled in. If I go to Row 3.2.1-10, I'm going to try to do that up here by hyperlink.

MR. NELSON: Yes, I got it.

MR. WATSON: Okay. But I'm going to hyperlink over to it because that's what the reviewer can do, go over to 3.2.1-10 you will see the alignment as soon as I get to it. So 3.2.1-10 in our Table 1

says the component is external surface of carbon steel components, aging effects is loss of material due to general corrosion, Aging Management Program is plant-specific. We said what for a plant-specific program, system lockdown. And it needs to be further evaluated by staff, yes. So in the discussion column, we say we're consistent with GALL, but system lockdown is the plant-specific program that's credited, so see Appendix B. We hyperlink to that, and then C Subsection 3.2.2-2 -- actually, there's an additional 2 that's required here -- but it indicates where we're going to describe what elements the standard review plan says the reviewer should be looking at, so they don't have to go searching all over the place for it, it's right there for them. They can lift that out and that can help them in writing the SER.

So final slide, bottom line to all this, with a proposed standard format we believe a reviewer is able to go from component subject to Aging Management Review in LRA Section 2 from those tables all the way through the evaluation of the programs using Table 1, that will be used to manage the effects of aging on those components using Table 2 as well, reasonably efficiently. Go right across the board reasonably efficiently, hence saving ourselves from

having to endure these wasted dollars. Okay? So now I'll take some questions if you have any specific questions on our proposed format.

DR. LEE: Before we take some questions, I just want to say before we said Caudle Julian from Region 2 is going to call in at 10:45, except we're having some telephone problems, so we're trying to get it fixed. So as soon as we get it fixed then Caudle can call in.

MR. NELSON: And also I guess, Mr. Howey, the message for you to call somebody. I should say that it's a pretty detailed package that we've provided the staff to take a look at, and our hope is that you might be able to provide to us a list of questions you may think that we need to address come November 6. If you could help us out by providing that in advance to some degree, we're going to -- we have a working group meeting on November 4, we have our own task force meeting on the 5th to prepare to meet with you on the 6th. So any questions that you may have, a level of detail would certainly be appreciated prior to that so that we can develop responses for those so that we can move ahead. I believe there's example in the package, right, Bill?

MR. WATSON: That's correct.

MR. NELSON: And take a hard look at the definitions as well so that we can take the next step going forward.

DR. LEE: Yes. I have one comment on your Slide 24 where you talk about the footnotes. This is A, B, C, D footnotes.

MR. WATSON: Yes.

DR. LEE: Okay. the first one you have is the system temperature is below the threshold for cracking. I said define your -- and provide a basis.

MR. WATSON: Well, and that's good feedback. Really these examples that I've provided, especially for the plant-specific, are really just to get some fill-ins next to the letter. So there will be much more information included in there, but I appreciate you pointing that out.

DR. LEE: I guess my comment is when you have footnotes like that, then put a "because" in there, why it's okay because.

MR. WATSON: Sure. Yes. And that's the feedback we've been getting from the staff all along. It's important. Don't just leave them hanging, tell them why. I think I must be standing in the way of a break or something.

(Laughter.)

MR. NELSON: Are there any other questions?

MR. FRIDRICHSEN: Yes, I've got a question. Jan Fridrichsen from Southern Nuclear.

MR. WATSON: You can't ask questions.

MR. FRIDRICHSEN: Sure, I can, it's a workshop.

MR. WATSON: All right. Go ahead.

MR. FRIDRICHSEN: The question is referencing the notes and plant-specific notes versus the standardized generic notes. Realizing that there could be a grander population of plant-specific notes, wouldn't it make more sense to number them and then have the standard notes as alphabetized? It could get kind of ugly having xx, xxx, zzz, et cetera for the plant-specific notes, and I wondering what the workshop, what the group felt about that?

MR. NELSON: I think that's a good point. It doesn't matter one way or the other, right?

MR. WATSON: Right. That's a good point.

MR. NELSON: Good point.

MR. WATSON: Something we need to look into, see which way we go. The main focus is standardizing, and as you point out, maybe we want to flip that around and have numbers be for plant-

specific and the letters for the standard.

MR. FRIDRICHSEN: Thank you.

MR. WATSON: Good. Any other questions? All right. Well, thank you very much?

MR. NELSON: Thank you, Bill. Appreciate the effort that you guys have put into this, and we probably could have spent the whole day laying out this process, but I think we've made giant steps forward and look forward to your follow-up questions and concerns based on the approach we've taken and our further discussion on November 6. So thank you very much. Sam, do you want to take a ten-minute break?

DR. LEE: Ten-minute break. And we'll try to fix the telephones so that Caudle can call in.

MR. NELSON: All right. Let's come back at five after 11, okay, so we can move on to the next topic. Thank you very much.

(Whereupon, the foregoing matter went off the record at 10:56 a.m. and went back on the record at 11:08 a.m.)

MR. NELSON: The next session is Lessons Learned from License Renewal Applications, and these are some of the historical lessons learned and lessons learned to go forward so we can improve the applications and the submittals, and follow up RAIs as

well.

I guess -- Are we going to hear from Caudle first? Is that the game plan? We had hoped to bring some of the inspection process -- regional inspection process to the workshop, and I understand there is an inspection going on right now, I guess, at St. Lucie. Is that it? We got into a kind of a standoff. They wouldn't move the inspection, and we wouldn't move the workshop. So the next best thing is to have Caudle Julian, I guess the lead inspector, give us some feedback over a conference call, which I understand -- Is he hooked up now, Raj? Okay.

MR. ANAND: Okay, go ahead.

MR. NELSON: Let me just explain. Your slides are on the Vu-Graph. So if you want to talk from your slides, you will need to let the projection person know that you are going on to the next slide. Okay? Thank you. It's yours.

MR. JULIAN: Can you hear us okay?

MR. NELSON: Yes, we can.

MR. JULIAN: Very good. The first slide that I had up just has my name on it. My name is Caudle Julian from Region 2, and I have participated in most of the license renewal inspections so far. We are currently on this one at St. Lucie, which we had

a hard schedule with the applicant, and we could not inconvenience them to change it, and I apologize for not being there.

In the next slide we just have the overview of the license renewal inspection program. We have written a manual chapter, License Renewal Manual Chapter 2516, which is publicly available, which describes the inspection program, and a sub-tier procedure of that is License Renewal Inspection Procedure 71002, which describes exactly what we do. That is also publicly available.

For each inspection, we write a site specific inspection plan where we look at the application and pick from that the systems that we are going to focus on, and we get that to the applicant ahead of the inspection time, and it also made publicly available.

Our schedule has been supporting NRR in following the standard 30 month schedule, and the resources allocated is normally a team of five to six inspectors. That has been consistent throughout so far.

In the next slide, we talk about the scoping and screening results inspection. That is the first one, and we do there a one-week visit to the

corporate office is what we have on the slide. Actually, we go where the work has been done. Several applicants have done that at their corporate office, and several are doing it at the site. Of course, the site at St. Lucie is better, we think, both for us and for the applicant, because we have ready access to site engineering people in going out, looking at hardware to settle questions.

We take a sample of systems and structures to be inspected, which is in our inspection plan, and the objective of the first inspection is to confirm that the applicant included all systems, structures, and components required to be included by the rule. We are looking for the output on the scoping and screening process.

Our findings in this area so far have been very light, because the applicants, as time has gone on, has been more and more conservative. That is our observation. So we don't typically find big problems in this area. We think that the conservatism that is being used is a good thing.

In the next slide I wanted to explain the second inspection, which is aging management programs inspection. That is two weeks in duration, and normally we have gone a week to the site, gone back to

the regional office for a week, and then a second week out at the site.

We've tried running them two weeks back to back, and we find that that is very inefficient, because we tire out, and the applicant tires out in the middle of the second week. So we think the break is a good thing in a two-week long inspection.

There we have been looking at the output of the aging management programs process, and we have so far been able to look at all of the aging management programs that have resulted from the program. So it is not a small sample. It has been all of the programs.

The objective of this inspection is to confirm that existing aging management programs are effective, and to examine the applicant's plans for enhancing certain existing programs and for establishing new ones.

This is a somewhat different inspection with respect to new inspection programs because, really, all we are looking at is your plans in the future.

The findings that have resulted from those inspections so far have not been of dire consequences. We do a lot of plant walkdowns there also. The team

is assigned systems, and they go out with plant engineering, walk down the assigned systems that they have been given, and we have come upon a few existing plant conditions that are unwholesome, I'll say, but we have found none that caused equipment to be inoperable.

When we find something that questions operability, or if we were to find something that comes into the enforcement arena, we pass those issues to the resident inspector. Part 50 issues, we move over to the resident inspector and the regional office, because they are in the current program.

A third inspection is optional. If it is done, it is typically an open items inspection looking at things resulting from the first two, and we may include in that also any confirmatory items that NRR wants us to take a look at. We have, for example, a batch of those that we are doing here this week.

The third inspection depends, as a lessons learned, heavily on how far along the applicant is in the implementation of plant procedure changes and establishing programs and establishing a tracking system to ensure that commitments are going to be implemented in the future.

We have come upon people who, in the first

and second inspections, are well down the road and can show us draft changes to plant procedures and drafts of programs, and we have a real good feeling that things are well in hand and are going to get done; and we have come upon the opposite where all that exists, really, is the application, and all we have is promises that someday things are going to get done. So at that point in time, we have gone back on the third inspection to look for at least a tracking program to see that they have moved these issues over into the plant's work program to make sure that they get done.

I was thinking this morning about what to speak on, on lessons learned. I think primarily we need to do that with questions and answers, but a few thoughts do come to mind.

When we get to the site, we have asked ahead of time for certain documents to be available. We, of course, are going to the site for this inspection to look at site detailed documentation which supports your scoping and screening process and your aging management program.

Everybody has a different format for those. Some people have a detailed write-up for every aging management program separately. Some people have

a detailed write-up, for example, for scoping and screening, each system, to explain what the function of this system is and why it is in scope or is not in scope. The more detailed documentation we have lets us get a clearer picture of what the situation is.

We also ask to have available, whatever your name for it is, a set of design basis documents for the systems, so that if we have a question about the function of the system, we can go to the existing design basis document.

We ask for a copy of the FSAR to be available, and we ask for access to plant maintenance records, corrective action documents and whatever computerized management -- maintenance management systems you have. The purpose for that is to take a look at the past performance of maintenance and what corrective maintenance has been necessary, what failures have occurred in existing plant systems, and get a feel for whether or not the intended aging management program will correct those things.

We don't necessarily need bundles and bundles of records. Most people have them computerized now. All we need is a person who can work a computer to give us access to the records. That's all we have asked for.

We also look into the history of performance of existing aging management programs. Some of these routinely, of course, are things that have been in existence for a long time, and so we would like to look at their boric acid inspection program for PWRs and look at the records, say, from the last outage.

We've looked at past results of the integrated leak rate tests. We look at past results of chemistry programs and how that is going. We've looked at past records and reports from in-service inspections, from inspections of containment IWE/IWL which is fairly recent, and those have turned up some really information that is helpful, I think, to the whole industry.

It is helpful if the site people will identify a lead contact for us to get with for mechanical, electrical, and a structural person for license renewal. We interface with the license renewal staff, but we also like to get through to talk to the system engineer when we are doing walk-throughs.

We don't find that -- We find that no one can be totally knowledgeable in all things. So we find that getting this definitive information often it

is helpful to talk to the system engineer.

That kind of concludes the thoughts that I had on lessons learned. Are there any questions that I could answer?

MR. KUO: Thank you, Caudle. Are there any questions for Caudle?

MS. FRANOVICH: I have one. Caudle. This is Rani Franovich. You had requested several months ago that the staff develop an ISG on the scoping of fire protection equipment, because you were finding that the inspections were being consumed, to a large extent, by questions in this area.

I just wanted to offer this as an opportunity to talk about the kinds of resources that this particular aspect of the scoping inspection are consumed. Did you want to discuss that at all or make any comment on that?

MR. JULIAN: Yes. Thank you, Rani. That's a good point. One of the most contentious areas that we have, I believe, in the scoping and screening process has been fire protection.

The rule, of course, requires things that support fire protection to be in scope, and some applicants have said automatically anything that has the label fire protection on it is in scope for

license renewal.

Other applicants that we have encountered have taken a more narrow definition and have felt that the only equipment that needs to be in scope for fire protection license renewal is equipment that -- the fire protection components that protect safety related equipment and those that are credited with safe shutdown of the plant in the event of a fire.

We have debated that quite strongly, and we are currently working on -- The NRR staff is working on a position paper which we may send along to NEI soon for comments. Our position, as I understand it currently -- Bonnie can probably tell me more clearly -- is that all fire protection equipment that is described in regulatory documents such as the FSAR should be in scope for license renewal.

MS. FRANOVICH: Thanks, Caudle. This is Rani Franovich again. The position paper is about like you described, Caudle. We'll talk about it a little bit later this afternoon, I think, but it is basically really establishing the realm of licensing basis documents that should be reviewed by the applicant and by the staff to determine what should be within the scope of license renewal, what is relied on to comply with 5048, which is the fire protection

rule.

Thank you, Caudle. I just wanted to make that opportunity available to you to comment on that.

MR. JULIAN: Are there any other questions?

MR. NELSON: Thank you. This is Alan Nelson from NEI. I can't say I'm looking forward to your fire protection guidance, but we'll appreciate it and comment on it just as well as -- I suppose it will be before the first of the year? Any kind of target date? I know we've got to talk about it a little bit later.

MS. FRANOVICH: Let me just give a brief status. It is current under concurrence. It's under review. Unfortunately, I've been the owner of that document, and I've had to put it aside to support the Duke license renewal application review. But I would say within the next month it should be issued to NEI.

MR. NELSON: Great. Thank you very much, Caudle. I appreciate your participating in the workshop. I hope it's sunny weather down there in St. Lucie, as it usually is.

MR. JULIAN: It is indeed, and I apologize again for our scheduling conflict, but the applicant has already committed significant resources to this, and we couldn't afford to waste that, and it was

impossible for NRR to modify their date.

MR. NELSON: Thank you. We appreciate your comments.

MR. JULIAN: Is Kimberley to be next?

MR. KUO: Yes.

MR. JULIAN: Do we have to announce who Kimberley is?

MR. KUO: Yes. Kimberley Rico. She is with the license renewal, involved in the Impact Program, and she is going to speak to the website requirements. Am I correct, Kimberley?

MS. RICO: Yes. There should be a handout provided.

MR. NELSON: Okay. The handout is on the screen. People should be able to follow in their handout -- paper handout as well. Okay, Kimberley, if you want to proceed.

MS. RICO; Okay, thanks. As everyone knows, as soon as we receive the application from a licensee, we try to post it on our website as soon as possible, and following these instructions from OCIO and from the License Renewal Section really helps facilitate this, and we are able to get it up much faster with as little modifications that we have to make to the document.

I just wanted, for number 1, to emphasize breaking down your PDFs as the application itself, environmental report, and then groupings of the appendices for the environmental. There's usually PDF scanned copies of letters from government agencies, and they take up a lot of memory, and it's really hard for the end user to download these documents if they are greater than 5 megabytes.

Also, making sure that your bookmarks are cleanly formatted and include both the section number and title is very important for navigating through the application, since most of the internal links have to be removed.

Number three, if you follow all three of these guidelines, the links inside the documents and your bookmarks should work for us, but in the past we've found that they don't always link to the different files. So we end up just having to remove it and rely on the bookmarks for your navigation only.

Also, the files on the CD should not be locked or password protected. Currently, the NRC is using Acrobat-5, but we would just request that it be saved in Acrobat-3 compatible format.

Embedded font options should be set to 100 percent, and the font file should be stored on the CD.

Number 7 is very important, to optimize your PDF in Acrobat. If you make changes since the initial creation, then make sure the old information is removed and you keep your file as small as possible.

Then also, if you have any graphics like pictures in your document, OCIO requests that the EPI list it, which helps the presentation on the monitor more than so as the printed, and it also helps to not include extraneous pictures, especially in the environmental section. If it's important to relay information, but if it's just a sign of this is the lake in front of some trees, it's really not that beneficial, and it just takes up space.

So we just would appreciate that past applicants help in this, and hope that future applicants find this information helpful. If you all have any questions?

MR. KUO: Thank you, Kimberley. Any questions for Kimberley?

MR. NELSON: Yes. Thank you, Kimberley. I think we would like to now -- not that there aren't any questions. I think, if there are follow-up questions, we'll take note of them and provide them and so forth, and then we'll try to follow up on anything that comes to mind.

Let me turn now, I guess, to Bill Burton and Greg Hatchett, license renewal lessons learned.

MR. BURTON: Okay. Thanks, Alan. My name is Butch Burton. I am the lead reviewer on the Fort Calhoun license renewal application, also served as the lead reviewer on Plant Hatch renewal application.

In this section we are going to be talking about lessons learned, things that we have learned over the past several years looking at previous applications.

Given where we are in the schedule, we've got a lot to cover in this section. So I don't know. I'll leave it up to Sam Lee to decide whether we need to take an appropriate break for lunch, that sort of thing.

What we are going to do is I am going to start by introducing Greg Hatchett, who is lead reviewer in the Plant Systems Branch. He is going to be discussing some of the lessons learned on the scoping side, and after Greg I will pick it up from there, and I will go until we decide to break for lunch and then pick it up after that. So, Greg?

Oh, and by the way, for this section the accompanying slide in your binder are under the first, second and third green dividers. It's kind of spread

out amongst there, but Greg's slides are right after the slides that Stu Bailey had earlier. Greg's will be right after that in Section 1, and then I will pick it up with the slides in Sections 2 and 3.

MR. HATCHETT: Good morning. Can everybody hear me okay? All right.

As Butch said, I am going to talk a little bit about lessons learned with regard to scoping and screening results. As an opener, if you will, one of the things that we are concerned about is how you got the results you got in the application with respect to scoping.

The reason why it is such a great concern is because, in order to do an adequate aging management review, one has to understand the results. So I always tell the story that all three sections, to the extent that I'm not excluding Section 4 but the methodology, the results in the aging management review should in some way reflect how I got the results and how I ended up where I ended up with respect to the application.

So with that in mind, when we do the review, we don't just review Section 2, plant level scoping in absentia of the methodology, because the methodology should help explain how you got the

results. So with that, I'll get started.

With respect to boilers, we've seen two things. In particular, the Hatch plant and the Peach Bottom plant, two different ways to try and capture all those structures and components requiring aging management.

So what Hatch did was they used a functional boundary approach. Let me say that all this is, is a method by which an applicant chooses to capture everything they feel is required for license renewal, and it may cause some confusion with respect to the methodology explaining how you got those results.

So Hatch used a functional boundary approach. Essentially, what they did was, at a very high level, they said here is the primary system, and for that primary system they listed a bunch of intended functions. But if there was another system that had the same intended function, it necessarily fell underneath the primary system, and it wasn't clear to the staff that that other system had been moved to be subordinate of the primary system. That wasn't clear in the application, as an example.

For the system boundary realignment, Peach Bottom tried to get away from functional boundaries,

and the way we understand it, the industry had decided not to do that again with regard to the way Hatch did it. So, hopefully, no one tries to use this functional method again, because it caused quite a bit of confusion.

Now all Peach Bottom did was say, look -- Again this is another way to try to capture those SCs that they felt required aging management review. They said, look, we have these systems that we don't think meet the rule at 54.4. So, really, at a system level scoping effort, they said, hey, look, we go down to the criteria, and we don't feel that it meets any of these criteria. However, there are components in that system that may necessarily be required for license renewal.

So all they did was expand the boundaries of a system that was already in scope to include those components. Now what ended up happening here, not intentionally, but it obscures intended function.

With respect to Hatch, going back to Hatch, staff did its review, looked through the USFSAR and said, hey, wait a minute, this system which is not listed in the plant level scoping table, which is typically 2.2-1, is not listed as being in scope, and we feel the intended functions of this system meet the

requirements of the rule, but it was necessarily excluded. But that doesn't mean that the components requiring aging management had not been captured. It wasn't clear to the staff that it had been captured, and the staff couldn't account for it because of the way it was done and the methodology and how the results were subsequently reported, because there was no connection between how you excluded a system that the staff felt should have been in scope and how you actually captured those SCs requiring aging management.

So in essence, certain systems would be deemed to be out of scope. In the staff review process, the staff would find, hey, wait a minute, we feel that this system meets the rule of 54.49(a)(2). It provides a supporting function, but subsequently what happened under a system boundary realignment and/or a functional boundary regime was that that system with those components were recategorized to meet the rule of that other in-scope system.

So that other system meeting the rule under 54.4(a)(1) included those "components" that would, had they been left in the other system and the other system been included within scope, it would have met the rule under 54.4(a)(2). But how you

recategorize it wasn't clear. Not to say that you can't recategorize it and realign components or expand the boundaries, but the methodology didn't explain it. Therefore, the staff couldn't understand how you got the results, and ended up with a question.

So what I'm saying to you here is that leads to a weakness in the methodology in explaining how you got the results.

So then the staff has to understand how you captured those SCs requiring aging management review. So when you go to -- and I don't mean to pick on Peach Bottom, but I'll use it, because I'm more intimately familiar with it than Hatch. Butch was the PM on that job, and I didn't do any review on Hatch, but with respect to Peach Bottom, realigning the boundaries -- the staff needs to understand, well, this system is out of scope, but Peach Bottom told us, however, certain components were included in XYZ system.

So then the staff would go to the RCSE system and try to ascertain how those components were captured. There would be no description and subsequently no understanding for how those components were captured. Although they provided drawings, provided some information to it, the application in

and of itself didn't reflect what the drawings were trying to tell us. Okay?

So that ended up in a question of accountability. How can one be sure that all components requiring aging management review were, in fact, included? That is where the discussion and all of the questions came in. So we got to a point on the Peach Bottom where we came to an agreement of how realignment was done and how that led to ensuring that the components requiring aging management review had been included, but it was very detailed, and I think it was a process that we could have resolved had the method by which it was done been understood in the beginning.

So, really, what we did was we spent a lot of time going back and forth between the staff and Exelon just trying to understand that process, and I think, as the clock was ticking, it cost us a little bit of time. But we were still able to, Erach, get this thing issued by the 5-85 milestone date with all the trouble we went through trying to get there. So I'm going to cover this slide after Erach does his talk on 54-4(a)(2). So this slide is in your booklet twice. It's here, and it's in the ninth green tab. I think it's more appropriately left to that

discussion.

Having said all that that fast, are there any questions?

MR. LI: This is Chang Li. I'm a reviewer for many of the PWR systems. As Greg pointed out, there are two methods. He has examples of Hatch and Peach Bottom which used different methods, function methods, to grouping system realignment. But for most of the PWR systems that we have reviewed, we don't have problems, because it all follows what's in the USFSAR system grouping. Don't need to regroup in it. Just follow the USFSAR which has a good description of how you group it, and based on that, based on the system intended function, you identify your system, what's in scope, what's not in scope.

So I would just add that. Just follow your natural USFSAR grouping methods.

MR. HATCHETT: Just to sort of say one thing about what Chang is saying, that's not to say that you folks with PWRs don't do some sort of boundary recategorization, but to the extent that you do it and it's not explained and understood, remember, the staff is trying to understand how you got the results that you did and to ensure itself that you have adequately included all those structures and

components requiring aging management review.

So again, if it's not clear, you're going to get the questions. I would still say that that's a reflection on your methodology. If your methodology doesn't explain with any reasonable detail how you got your results, I believe that's where you get a lot of questions in the scoping area, particularly with respect to auxiliary systems.

So not to pick on boilers, I think they have a greater challenge in trying to identify how they captured the SCs requiring aging management review. But it seems to be, at least to date, a little bit easier to do it if you have a PWR.

So having said that one more time, are there any other questions, concerns, issues? Then I'm going to turn it over to Butch Burton.

DR. LEE: I guess we are running late. So Butch is going to talk until like twelve o'clock, and then we will take an hour break and come back at one. So I'm going to interrupt Butch at about twelve o'clock.

MR. BURTON: Okay. Can everybody hear me?

Again, my name is Butch Burton. I served as the lead project manager on the Hatch review, and I'm currently the lead project manager on the Fort

Calhoun review which, as you all know, is the first plant to fully implement this new GALL SRP process.

As Sam mentioned, I'm probably not going to be able to get through my entire review, my entire discussion, before lunch. So I'll probably break somewhere in the middle. Sam, you tell me when you want me to do that.

The slides I'm getting ready to show you are in the second green divider. I'm starting there and, when I get to the SER template, I'll have a slide on that, and that will be the third green divider. So let me just start.

First thing, system realignment: That's just what Greg was just talking about. We have no problem with you realigning components in one system into another system functionally, if you need to, as long as it is currently -- as long as it is adequately described in your methodology and that you adequately describe those components in the right places in your scoping and screening results section.

In Table 2.2-1 you need to identify as a footnote or something like that that this particular system where the staff would ordinarily expect it to be in scope because of the functions that we know it serves, if you have realigned some components out such

that that system now is not in scope, have a footnote or something in your Table 2.2-1 explaining that.

Likewise, the receiving system, the system that received those components, also have a footnote or something to tell us that you have done that. Also in your system descriptions, when you come up to that in scope system that has received some of those realigned components, make sure you have some discussion about that, that this system also includes some components from some other systems that have been realigned.

Number two -- this really is more what Bill Watson was talking about. Each deviation from GALL needs to be clearly defined, explained, justified. I think that what Bill proposed with some of the format changes would probably go a long way in helping in this regard, but the idea is that -- The whole idea of GALL was to standardize things to help both you and the staff have a much more efficient and effective LRA development process as well as review process; and to the extent that you deviate from GALL, that's the extent to which we have to track all that down, and all of that is more hours charged, more money spent.

So we're not saying don't do it, but if

you have to do it, make sure that it is explained. Next slide.

DR. LEE: I guess I just want to interject one point, Butch. Some of the applications we see, when they deviate from GALL, they just say we deviate from GALL in this area. They don't say why it's okay, "we did this because," for the staff. Otherwise you get RAIs and just cycling back and forth. So put your "because" right there in the application.

MR. BURTON: Okay. The next issue is interim staff guidance. I'm sure everybody knows what that is, but let me just say it very quickly.

As we have gone through these reviews, issues come up, and those issues have to be resolved. We've tried to develop an interim staff guidance process, which Peter Kang will talk about a little bit later, to try and get our arms around it and disposition it in some kind of clear, visible, technically sound way.

To the extent that you can't because this is an ongoing process, at any given time the population of ISGs is going to vary, but depending on where you are in the development of your application, it is better to try and address them in the application as opposed to us generating an RAI later.

This is a listing of the ISGs that are in various stages of development. Several of them have already been issued final, SBO, concrete. Some of them, we are in discussions with NEI specifically. The one that comes to mind, since I worked on it, was 54.5(a)(2). That's the seismic II/I, and the scoping criteria.

We just issued -- We issued a couple of letters putting out the staff position on that, and we are waiting on comments from NEI, but right now those are the things that are on the table. Depending on how far back you are in terms of the queue in terms of your LRA submittal, you may or may not be able to address all of these in the application. That's okay, but to the extent that you can, it's better to do it. If you can't because of the schedule, your submittal schedule, we'll just resolve them through the RAI process.

Number 4, items of interest: What we've found over the last couple of years is that there are some items that, because of heightened public awareness, because the ACRS keeps bringing it up -- that's a big one -- we find that we need to be prepared to address them.

Some of us question whether we should have

to address them, but when you're standing up in front of the ACRS and they ask you the question and they ask it to you consistently, you cannot be silent on these things.

Most obvious is the first one, Davis Besse. That's a right-now issue. We cannot be silent on that. What they have consistently asked us is, okay, we see this age related degradation on the head of Davis Besse. How are these aging management programs -- how could they -- Are they structured such that they would have identified that? We cannot be silent on that.

V.C. Summer -- most of these things you all are aware of. Overflooding of underground cable vaults -- that's wetting of cables. We have some issues with that. Groundwater monitoring. One-time inspections for buried components -- very population question with the ACRS.

What we have accepted up until now is that, for most buried components, what the industry has said is, well, when we have an opportunity to dig them up, we'll look at them. And we have accepted that. However, the ACRS is starting to say, well, yeah, that's fine, but it would be nice if they did that on a regular frequency.

Now you all know as well as I do the practicality of that, but we need to address it. In fact, with Fort Calhoun we've asked a couple of RAIs, not that we can fully answer the ACRS to their satisfaction, but we think we've asked some questions that will reasonably address that.

So anyway, to the extent that you can, try to deal with some of these. And for those of you, your project manager will know at any given time what the ISGs and what items of interest are on the table. So you should be able to have a contact here on the staff that can tell you. If you have any questions about what you should be addressing, there is someone on staff who can tell you that. But that's what is currently on the table.

MR. RYCYNA: I'm John Rycyna from Constellation Nuclear Services. I wanted to ask about the basis for the groundwater monitoring. Have you actually seen a plant where the groundwater chemistry has changed significantly, to the extent it is going to affect aging?

MR. BURTON: Well, that's very interesting. Okay. Yes, the problem with the groundwater monitor: What we have said is that there is no problem with aging management of structures and

stuff that are buried if the environment is benign, if it is not an aggressive environment.

What the ACRS has asked us is, well, how do you know that. In particular, the last ACRS meeting we had on Duke Mcguire, they -- or Catawba McGuire, I should say, they specifically said, well, how do you know what the trend is? Things off-site; there's development. How do you know what the status is compared to how it was during construction versus how it is now? Has the groundwater table changed? Has the pH changed, sulfates, and all that kind of stuff? So --

MS. FRANOVICH: But, you know, another question that the ACRS asked -- This is Rani Franovich at the staff -- is how do you know it won't change in the future? I think that was the bigger stick.

MR. BURTON; Right. So, see, these are the kinds of questions that ACRS is asking, not that we can always necessarily have the right answer or certainly an answer that will satisfy them, but to the extent -- Again, we can't be silent on it.

They want to understand whether the applicant has considered these issues. If they have, it is in the application? Whether it is or not, has the staff dealt with that some kind of way, either

through an RAI or something like that? So that is another thing that we struggle with.

So to the extent that you can -- and I don't have any hard and fast answers here. But to the extent that you can, try to address that, because we know it is something that is going to come up. But I don't have any hard and fast answers for you.

Rani talked about fire protection scoping, and Alan made his thoughts known about that. It is -- You know, every fire protection licensing basis varies so much from plant to plant, and we have consistently gotten into very energetic dialogue -- let me put it that way -- on what should or should not be in scope to meet 50.48.

We are in the process, as Rani said, developing an ISG. This ISG is not going to say so much that we expect X, Y and Z components to be in scope, because we believe it meets 50.48. Rather, what we are going to try and do in that ISG is to clearly communicate the review path that we follow to capture the components that ultimately we believe, for your plant, would meet 50.48.

I think -- Well, a big part of the problem is that the way that you all document your fire protection system, whether in your FHA or your FSAR,

you have it all in there, and according to your licensing -- your fire protection license condition, it says -- and I don't have the exact thing; you can help me out. But basically it says anything that is in your FSAR or your approved fire protection plan, which again references the FSAR and stuff -- anything that is in there is there to meet 50.48, and that's where we often butt heads with the industry.

The industry says, no, that's not true, we only have this component in here for insurance purposes. We are not against that, but we need the paper path that describes that, that shows that. If you can provide that, you know, then we can say, okay, that's fine, it's only there, not for 50.48, but for insurance purposes. But often that is where the conflict comes in, because a lot of times you guys don't have that documented real well.

So anyway, that is what -- We need to talk early about fire protection scoping.

Number 6, understand what is required for the TLAAs. We have -- This is enough, really. This came from the ACRS. What they would like to see is for the staff to be able to independently confirm some of the analyses and calculation results and things like that, which will require in some instances for us

to get some fairly detailed information so we can do that.

What we've found is that we sometimes have a conflict if that information is proprietary. We have talked with our General Counsel to see what options we have short of submitting proprietary information with an affidavit, going through the whole nine yards.

We've tried to advocate that we can do something less than that. The lawyers have shot us down. So as you are putting together your TLAAs and you know that some of these analyses are based on data or information that is proprietary, you need to start thinking now about just doing what you need to do to go on and submit it, because we've tried to fight that battle to use some alternate means, like to have you guys bring the information to Headquarters and look through it or have us go down as part of the inspection, and they really didn't buy that. So that's just one thing to keep in mind.

Seven -- and both Greg and Chang have already talked about system functions -- It is not required by the rule that you all provide in the application a list of system functions. But we have found -- What subsequently happens, though, is you get

hit with a lot of RAIs if it's not in there. Fort Calhoun is going through that right now, because from the staff's point of view, ultimately what we are trying to ensure is maintain during the extended term is the system function that initially brought it within scope.

So we would prefer, and it will help with the staff's review, the efficiency and the effectiveness of our review, to provide to us the functions that met the scoping criteria, not necessarily all the functions of that system. Some folks like at Ginna, although we personally liked it, we understand you guys got some flak because you kind of provided even more than that. But all we really ask you to do is to provide the functions that actually brought that into scope, and Ginna did that very well.

We've had other applicants, not just GALL SRP but other applicants, some have provided it, some haven't. But we've found that, when it is provided, it helps the staff with its review.

Oh, and I should say again, some of the stuff that Bill Watson has talked about helps to address some of these, and I think that is another item that some of the LRA format changes that have

been proposed will help to deal with.

Again, number eight, things that we have found that again Bill Watson's proposed format changes will address this, that we need to understand both the internal and external environments that components are exposed to.

Again, some applicants have provided it; some haven't. But when you don't provide it, obviously, we have to ask the question, because it's not clear to us what environments are a given component exposed to, so we can adequately determine whether the aging effects that you all have identified are correct.

MR. WATSON: Butch, I just want to make one statement about that. In the example LRA, we were not trying to standardize those environments across the industry. I did get that question on the break. It was just an example of what you might find for the environments.

The point we were trying to make, and Butch made it here very well, is that we would like to have a table that defines the environments that are used within the application.

MR. BURTON: Correct. Number 9: This is a request from the staff to the industry. When we are

trying to make our initial reviewer assignments, your table of contents for the LRA is what we really base that on. We divvy up assignments based on how the application is coming in.

Obviously, we would prefer to do that before you actually submit the application. Also, in particular, and for folks in the class of 2003 and later, you know, we anticipate that we are going to be using a lot more contractor help. When it comes to contractors, we have to have our contracts in place approximately 45 days or so before we get the application.

So to the extent that you can give us your table of contents ahead of time, and ideally it would be like 60 days -- you're not required to do this, but it would help the staff immensely in terms of getting our contracts out, getting our reviewers assigned, so we can hit the ground running as soon as your application comes in.

MR. NELSON: Butch, would that -- I mean, that's a good practice, if we provide something like that as a draft, because a lot of people are going to do final touches, that would satisfy it?

MR. BURTON: Yes. We know even that far out you may not have things in absolute final form,

but I'm sure, once you get within 60 days, I mean, you have a pretty good idea of how you are laying things out. But again, to whatever extent you can, it will be helpful.

Provide the AMP distribution table. What is that? If you go to the next slide, that's an example of what I am talking about. What we've found is, when we look at all of the aging management programs, as you all know, some are common, meaning that they are credited with managing components across more than one system or structural group.

Water chemistry is the most obvious example. That is used to manage aging in reactor systems in 3.1, in ESF 3.2, in aux systems, 3.3. Those are examples of what we call common AMPs.

There are also AMPS that are unique to one system group, like reactor vessel internals inspection. That is unique to 3.1. You are not going to see that in any of the other system or structural groups.

Again, for our making reviewer assignments, we've found that it is best that the system reviewer also review the system specific aging management program. So our reactor systems reviewer should also be the person who is reviewing the reactor

vessel internals inspection. It just makes sense.

So now what you see up here is what I pulled out of Fort Calhoun, and I sat there and went through all the tables and marked them all down and mixed and matched, and got it altogether. With Robinson and some of the other ones, I think the project manager actually asked you guys for that distribution table.

We would like to have that ahead of time, again to help with initial reviewer assignments. So what you see, this slide here, is a list of all the common AMPs. The next slide goes through each system group and lists all the AMPs for that system group, some of which are common and some with the U means unique, unique to that system or structural.

So to the extent that you could provide that to us, that also is very helpful.

DR. LEE: I would like to break off this morning's session. This is about twelve o'clock. We will pick up at this point at one o'clock. So this is lunchtime.

MR. BURTON; Okay. Before you do, though, any questions on anything I have talked about so far? I want to make a clean break with this stuff. Anything? Okay.

DR. LEE: Okay. So we'll see you all back here at one o'clock.

MR. NELSON: Thank you very much.

(Whereupon, the foregoing matter went off the record at 12:03 p.m. and resumed at 1:04 p.m.)

MR. NELSON: Well, it looks like everybody is back. Maybe we'll get started. I've got a few audibles on the agenda, I guess. One of the things, as a procedural activity, I'm wondering if I could get the NRC's presentations emailed to me, you know, the Power Point presentations. Then I can package them all, and then I can send them out to the NEI Members and people that want them, and that way if you just email them to me, and then I can work in the total agenda and so forth. We can do that.

MR. KUO: We will do that.

MR. NELSON: Yeah, appreciate that. We're going to modify the agenda slightly again. We need to hear from Butch, but we're going to postpone Butch's continual discussion. Right now, if you're looking at the agenda, we're going to go to the Criteria 2 discussion in the 1:00 to 1:45 discussion, and then come back to Butch to finish up Lessons Learned and the SER activities that need to be discussed. And then we'll pick up with Mike Heath on the cable, and

then with Fred and John Fair on the EAF discussion.

And one point I'd like to make in these topical discussions, a lot of the discussions are either in draft or being developed from the industry's perspective. And what we plan to do is after the workshop, finalize our either submittal, or guidance, or project under development and then forward it to you, you know, with some correspondence. Each one of these, and we can discuss them when we get to them, are in a different level of progress, so we'll take a look at those individually. But I wanted to bring to your attention that we owe you follow-up discussion and draft or white papers in regard to each one of these.

There were a number of follow-up questions that we probably want to come back to in regard to format and content. I know Bill received a number of those questions during the break and during the lunch, that we'd certainly like to come back to those, so what I'm thinking is that probably within the -- possibly after 3:00, or the 3 to 3:45, or the roundtable discussion, we've left ourselves some time for just open-ended and pick up any loose - I don't want to say loose parts, but any loose questions that we need to tie in together.

So we'll target a spot for, you know, a potpourri of questions and answers, if we can jot them down. If you have second thoughts on any presentations that have been given so far, and we need to follow- up on them, you know, one for the record, and one to clarify the process that we've laid out during the last couple of sessions. Okay?

MR. KUO: We are behind schedule a little bit, so let's try to make it up, if possible.

MR. NELSON: Okay. With that, I'd like to -- I guess, Greg, you're going to kick it off? Okay. Great. Thank you.

MR. GALLETTI: Thank you. Good afternoon. My name is Greg Galletti. I'm in the Equipment and Human Performance Branch of NRR. I typically lead a team of inspectors that go out, and we're responsible for the scoping and screening methodology audits that you all will have the opportunity to get together with us at your site, and we'll go over scoping and screening methodology.

The reason I'm up here today is specifically to discuss one of the criterion, the 54.4(a)(2) criterion, essentially the non-safety/effective safety. What I'll do is I'll give a general overview of what the issue is, how

we've tried to address it, what has been the response of current applicants in looking at this, and what we think perhaps will be future implementation of the guidance, as well as industry experience.

After I present, Greg Hatchett will talk about the scoping results as it relates to the (a)(2) issue, and then Renee Li will talk about the aging management programs, as it results to the scoping issues for (a)(2).

Just as a little background, the first two bullets - and let me apologize up front. I looked at the slides in the book, and you cannot see them. What I plan to do is after I give the presentation, I'm going to go back and reprint just a basic set of slides that will have the text so you can see it.

Essentially, the Regulation 54.4(a)(2), as it's stated up here, and I'm not going to go through it. You can read it for yourself. Essentially what it's asking the applicants to do is go through and review their system structures and components, and identify any of those non-safety related components that affect the safety-related components and, therefore, affect the safety functions that those components provide for.

When you go and you start reading in-depth

stage, that staff and the industry have to dialogue more on those and come to agreement on the final resolution. But I found what he had to say very interesting, and I'm sure you will too.

Please, any questions? Is everybody asleep?

MR. HATCHETT: Anybody need to take a stretch break after that nice long lunch? Well, we're all just going to be sullied away to sleep after that meatloaf or whatever it was you had in the cafeteria starts to take effect.

At any rate, what I want to talk about is basically an extension of the Lessons Learned. And primarily, piggybacking on Greg's discussion, and typically when it comes to this issue, I have a tendency to work with Greg on any questions that we ask because one affects the other. And in doing so, in working with Greg Galletti on these issues, try to reduce the amount of questions that are presented to an applicant, because it's the same issue. You know, methodology precedes the results. And so as we're reviewing the results, and we don't understand how you got the results, or we don't believe that the adequate SSCs have been captured to deal with the (a)(2) issue, we go back and ask those questions.

about what was this Commission thinking about when they came up with this regulation, and you start looking at the statements of consideration, really what they were trying to establish is that you maintain your current licensing basis for how your safety systems and non-safety systems perform a function that you've credited those systems with performing. And in doing so, what you're asked to do is go beyond just the licensing basis, and take into consideration your own plant-specific experiences, and industry operating experiences as it could affect the ability of those system structures and components from carrying out those intended functions.

Next several slides. Okay. Why did we even come up with this dialogue? Essentially, just as background, when we were doing the Hatch review, we were looking at some of the auxiliary system write-ups and questions started to get asked whether or not certain auxiliary system pipings systems were in scope or not in scope.

During th course of that dialogue, the Staff and the Hatch applicant started to delve a little bit further into the question and started looking more intently at the rule and the statements of consideration. And lo and behold, we found upon

reflection, that really the issue of non-safety over safety is more than just what's been characterized as a seismic II/I issue. In fact, it encompasses a lot more potential systems that are non-piping systems, or non-fluid filled piping systems that perhaps early on during these applications, that sort of dialogue between the staff and the applicants just didn't occur. So as a result of the Hatch application, the staff and the industry got together, and essentially the interim staff guidance, and also through our audit process where myself and our team would go out and do the methodology audits, we've had a lot of dialogue on this issue.

The culmination of those dialogues has rolled up into basically two guidelines. The first one, as you'll see up there, was issued back in 2001. And essentially what that dealt with was the fluid-filled non-safety related piping systems that are either attached directly to safety-related systems or are in proximity to those safety systems, and could have an affect should those non-safety piping systems fail in some way.

Again, upon reflection and dialogue with the industry, we realized that this was somehow somewhat limiting in scope, and that really the issue

of a II could encompass systems that are not necessarily fluid-filled systems, either non-fluid-filled piping systems or other support systems, or other types of systems that may, in fact, be in the vicinity of a safety-related component or system. And should some failure occur in those non-safety systems, impact that safety related component or system.

As a result, we issued that follow-up letter in March of 2002. Now since we've issued the interim staff guidelines, we've had at least one good fruitful discussion with NEI, and we've had several audits of you, the applicants. And during those audits we've tried to better articulate what our position has been, and tried to help establish essentially what sort of methodology would be acceptable to the staff in terms of you looking at th is issue.

Next slide please. And to date what we have found so far is that the applicants, starting with Hatch, going through Turkey Point and North Anna, et cetera, the current plants in 2001/2002, is that in looking at this problem, if you will, they initially considered what I'll characterize as an areas-based approach, and that is to first identify well, what is

the safety-related equipment I'm trying to protect from this potential interaction? And once I know what that safety-related equipment is, and I know where it is, I can make some sort of reasonable engineering judgment as to what other systems in that area could potentially impact those safety-related component in a negative way; hence, the term "areas approach".

Now in going through that areas approach, there's really two things to keep in mind. And the first is, there's two ways to skin the cat here. I could either look and find non-safety systems that could affect those safety systems, bring those into scope. And in doing so, it's what we characterize as a preventative approach. That is, in order to prevent a negative interaction, I'm going to bring into scope this non-safety system that could potentially have an interaction, and manage it in such a way to preclude that interaction, so that is what we call preventative.

A second and as plausible approach would be to look at the system, and the design of the system, the plant to date, and say hey, I've already considered a lot of these potential interactions as part of my initial design, or perhaps through modification to the plant. And in those cases, I've

created or built into the system what I'll characterize as mitigative features. I've got shields, I've got curbs, I've got all kinds of things, supports that I've proactively built into the system because I know as a good engineer I want to preclude certain interactions, and I've taken that into account. In those cases, we call that a mitigative approach.

And we see to date is that applicants have actually combined the two approaches in their method of addressing this issue; and that is, to the extent they have already analyzed for and included mitigative features like curbs, and shields, and baffles or supports, they've included those things in scope, and given rational reason as to why those things are in scope, and what that's going to preclude from occurring.

In addition, applicants have gone back and they've said hey, for those systems that perhaps I didn't initially design a mitigative feature for, or perhaps I didn't consider an interaction that now I should consider as plausible, I've either got to put an additional mitigative feature in place, or I can bring that system into scope in a preventative manner. So to date what we've seen is applicants have done

both of those things.

In doing the reviews, and again after the March 15th letter, what we had asked applicants to do is look beyond just the fluid-filled piping systems and look at both non-fluid-filled piping systems and other systems that may have no fluid whatsoever. And to date during the audits, we've seen that the way that applicants have tried to explore these non-piping related systems is to go back into their own operating experience, and go back into the industry operating experience, and document those reviews to either afford them an opportunity to exclude something from scope, vis a vis, they have no operating history that a failure of this particular system, or component, or whatever that particular item would be, has ever had some sort of impact on a safety-related component.

And to date, we've reviewed those sorts of responses and often we find that favorably. As long as you document the approach you've taken, and document the specific operating experience, and that's the key. Document the operating experience you used to bear on that problem of either excluding or including something.

And finally, what we're finding out is that most recently, and I'll say the Ginna application

is the first one I'm aware of, where there's been some proactive application of this methodology directly into the initial application that we receive. And any of you that have gone through this with us know coming out of the audit, you're almost guaranteed at least one question on the AT methodology. And I'm hoping in the future, certainly the class of 2003 or 4, once you get further understanding and dialogue with each other to get an understanding of what it is the staff is really trying to gain from this approach, and incorporate that directly into the application. That will save both you and the staff considerable amount of time trying to go through that RAI process.

And with that, I just would either open it up for questioning, or I'd like to have Greg Hatchett discussion some of the scoping results that we've seen to date. Any thoughts or questions?

Let me just point out one other thing. After our presentation, Erach is going to prepare a presentation from the industry. And I've looked at the slides there, and Erach is going to go into some of the criterion that you all might want to include in your evaluation. Now as he goes through that, I'll just have to say that the criterion and the ideas that Erach are going to pass on are really in the formative

One thing I'll note here is, and I had what Butch Burton calls an "igno" second, where the minute you lock your keys in your car, and you realize that you did it after the door shut. You know, it occurred to me, hey wait a minute, this 54.4(a)(2) issue deals with not only spatial interaction, but the subsequent support systems.

And going back to, you know, functional boundaries or realignment, and I hate to harp on this, but if you decide to do some sort of recategorization, something that could have been considered an (a)(2) function that supports a safety-related under 54.4(a)(1), so that particular case, as well as the spatial interaction case is all part of the (a)(2) issue. Okay?

Specifically, the discussion here deals with more of the spatial interaction-type issues, so what is an intended function? With respect to things being brought into scope that have a spatial interaction, it's not always obvious that that system structural component that has a spatial interaction with something that's required to be managed, going forward with respect to license renewal, you're saying to yourself well, it really has no intended function. And so the only reason why it's in scope is because it

meets 54.4(a)(2), and could potentially prevent an intended function or system from performing its intended function.

So having said that, when Dominion -- when we got in doing the Dominion review and we went back for one of the inspections, Dominion actually did a report and developed what they called the limited structural integrity-type of intended function. And in fact, it seems appropriate because if the structural integrity of those SSCs that have a spatial interaction with the system of concern and the intended function we're concerned about maintaining through the renew period would be affected by that, then the structural integrity of that system would have to be maintained, so I thought it was an appropriate creation of an intended function.

However, generally speaking, the only why it's been brought into scope is because it has an interaction; and therefore, the structural integrity could be in question, because if it fails, it could interact with an intended function that the staff is concerned about.

So how do we handle this? I want to use the example from the Peach Bottom SER. Two things we decided, we were thinking about doing. The first

thing was, hey, wait a minute. They're bringing in eleven or so additional systems. Do we need to have separate SER sections to deal with these systems, or should we create an individual section that simply deals with non-safety related systems affecting safety-related systems?

After going through some bit of discussion, the staff decided hey, wait a minute. It's probably too much to create all these new sections to the SER, when in fact, the only reason why it is in scope is because of the 54.4(a)(2) criterion with respect to spatial interaction. So let's create our own one additional section that pulls in all these systems that meet this particular criteria, and not deal with these systems individually, because they all have the same sort of affect on ensuring that intended functions that are required to be maintained are not affected by the spatial interactions from these other systems. So we created -- if you've seen that SER, we created a section in the SER that particularly only dealt with that issue, to say that the staff looked at what the applicant did, and then subsequently the staff is trying to verify the results of that to come to its reasonable assurance finding.

So going forward, in talking to Alan in

the last meeting that we had, he said the industry was putting together a white paper to sort of deal with this issue. And like Greg said before, you know, we've only seen to date one application that seems to capture some of the stuff with respect to methodology so, you know, basically what that says is, in the past we've always had to ask RAIs on this issue. And the application, one, didn't deal with the methodology. And two, didn't adequately deal with the particular results of this issue, so I mean, I would even pose a question to Alan, should it necessarily be a white paper, or should it be some sort of recommended practice or guidance going forward, and what's the intent of that?

Is the intent to be guidance, or recommended practice, or is the intent just to be, you know, a white paper. I mean, I'm trying to get a feel for what you're doing with that, because the staff with respect to the results part of this issue has to be able to verify that the system structures and components that are subject to license renewal have been adequately captured.

And the staff can subsequently make a reassurance finding on that, and in some way verify it. And what we've been doing to date, at least more

recently is, because it's not included in the application, and not necessarily represented in any way in any of the reference documents, it's kind of been coming up through the RAI process and through inspections.

One could still have an application that addresses this issue, and the staff could still potentially do its verification by inspection, and have an inspection that would be more fruitful at the scoping inspection stage, if it were included in the application up front. And that the inspection report could document and help the staff in making its reasonable assurance finding, so those are really just kind of thoughts or potential suggestions on where we go with this.

Having said all that, are there any questions?

MR. NELSON: We had received, I guess -- I think we're getting hung up on white paper. It's probably one and the same thing. The industry, I have received two guidances on criteria. It was our understanding that one was going to be developed that brought the two together, which has yet to be done.

That being said, the mechanical group took it upon themselves to provide guidance. I,

unfortunately, called it -- and then once we have reviewed that, you know, with you all at this workshop, or in another subsequent meeting that we may want to schedule after this to, you know, submit it formally for review.

But if it's warranted prior to submitting it, we're interested in your comments and our presentation on, I'm going to call it guidance. And then we can then focus on when and where we need to meet to follow-up on that. Or you could take the white paper - I think I sent it to the license renewal folks, the guidance that was developed, and comment on that as a draft, and then we could meet on the subsequent comment or the substance of the comments. We can do it a number of different ways, but before we get into a game plan going forward, let's let Erach give us a layout of what the industry guidance is, and then we can make some determinations after that.

MR. HATCHETT: Any more comments or questions? If there are no more comments or question, I'll be followed by Renee Li, I believe.

MR. NELSON: Okay. Sorry, Renee.

MS. LI: No problem. This is Renee Li, and I'm with Mechanical Engineering Branch. Since my presentation will be short and sweet, so I'm just

going to use -- may I have that slide?

MR. NELSON: I apologize for not introducing you in- between.

MS. LI: No problem.

MR. NELSON: This slide should be in your hand-out?

MS. LI: Yeah. This is the last review spec for this issue. That's the aging management of 54.4(a)(2) SSCs. So after going through the scoping and the screening, as Greg indicates, the applicant may determine that in order to protect the non-safety system structure and the component, you will need to include a combination of either the mitigative feature, or the non-safety related SSC into the scope of license renewal.

Once the components are identified, the applicant needs to identify all the applicable aging effects for those non-safety related SSCs, and also the mitigative features. The last step is to identify the aging management program, or any other activities that they can credit for managing those applicable aging effects.

And also, is important to demonstrate that those aging management programs and activities are adequate to identify the aging effects. And as Greg

mentioned earlier, so far for the application, most of the application we've received the response, you know, as a results of RAI, so you usually, typically when we receive the aging management review for those additional components, after the staff already finished the review for the rest of the component that originally included in the application. So so far, our review will be focused on to make sure the applicant identifies aging effects and aging management program that are consistent with the other component we've already gone through the review, and subject to the same involvement. And that basically is, you know, how we perform the aging management review for the 54.4(a)(2) components. Any questions?

MR. NELSON: Okay. So we'll pull up, I guess Erach's presentation. That would be it.

MR. PATEL: Good afternoon. I'm Erach Patel. I'm with Exelon, specifically on the Peach Bottom license renewal project. I'm also a member of the License Renewal Mechanical Working Group since its inception in 2000, just before the GALL originally came out, the initial GALL.

We had a meeting on 54.4(a)(2) scoping criterion over the last six months. I think we met about three times to develop an industry guidance that

we could use as a talking tool with the NRC, and also have it available for the industry.

Since we met last time, we didn't know how many of us were going to be here in this meeting. I volunteered to make this presentation, so it's really the Mechanical Working Group presentation that I'm providing over here, not a Peach Bottom or an Exelon presentation.

I also have a couple of friends who can help me out, if need be, over here. I've got Roger here, and I think Ted Ivy and Alan Cox are here too, if there are any other questions that need to be answered.

Not knowing what NRC was going to present, the first five or six slides that I had really addressed background information. But since they've already presented the background information, we can just skip over the slides, and go down to -- that looks good.

What we did is we looked at some of the recent applicants. We had quite a few since Hatch that had addressed this requirement, so we used that as a starting point to arrive at this guidance. Next slide.

We used operating experience as the basis

to eliminate certain things. For example, we looked at operating experience, industry experience, plant experience on air and gas filled systems, what we call non-fluid systems. And obviously, they're not going to affect safety-related component systems due to leakage or spray, so we have eliminated those from the scope of license renewal.

Also, based on studies done, as referred to in NUREG- 6239 on nuclear plants, as well as industry plants in the aftermath of earthquake, we found that if the pipe supports are subject to aging management and scope, the piping is not going to fall down. And that's borne by the NUREG-6239 study, so as long as in your safety-related Seismic Category I structures, we have included supports within the scope of license renewal, then what we originally called II/1 concept, we don't need to address by falling down.

The next slide. We looked at some general considerations. And I'm trying to give some examples as we go through this slide. One item was potential loss of safety- related component lead to failure of NSR components should be identified. We found in some cases that for a target component, a safety-related component may be designed to failsafe, made failsafe

by design, so they achieved a safety-related function as a result of failure.

So if I have an RPS instrumentation, for example, in my turbine building, and I've got some water leaking on it, what's going to happen? It's going to fail, and when it fails it goes into its safety function, so I don't need to bring that particular safety-related piping into scope, because I have a failsafe device out in that system. So that's one of the rational, one of the considerations that we take into account.

The other consideration is where you may have a system where you may have some initial conditions. Like for example, an ice condenser, it has a refrigerator system to maintain the ice during normal operation. But once an accident starts, you don't really need that system, so from that perspective, the refrigerator system does not need to come into scope, because you only need it from a normal operation perspective not related to an accident scenario.

Same thing, you may have some chemistry monitoring equipment, for example, that you use to monitor chemistry in an existing safety-related system. So even if the monitoring equipment fails,

for example, you are not really impacting the function of the safety-related system. So again, it's another consideration that could be used. Some of this could be plant- specific considerations.

Next slide. The third consideration we took into account was that malfunctions of non-safety related equipment which result in a challenge to the safety-related equipment are not considered a basis for including it in scope. Again, the example could be, I could have a condensate pump, a loss of condensate pump may result in a reactor trip and challenge some of the systems, but it does not really prevent the accomplishment of the safety-related function, so I don't need to bring the condensate pump into scope of license renewal. But these are some of the general considerations that we looked at.

The next slide talks about vulnerable equipment. Here we looked at potential for failure due to short-term exposure to water, so you would be talking mainly about active components. So you have an active component, it needs to function. It could fail immediately and fail to function, so the active component is vulnerable equipment.

Again any components that are not failsafe, we talked about earlier. If it's a failsafe

component, I don't need to include that as a vulnerable equipment. And the third thing was, if it's not qualified or designed for the potential environment, so obviously, if I've got a component in there that's not qualified to function with water falling on it, then it needs to be in scope with licensing renewal.

Again from a guidance perspective, we took into account any piping that has fluid in it, so it could be high energy piping, for example, which could have a potential of pipe drip, jet impingement, spray, harsh environment. It's in scope, unless it's in a location where it's by itself and doesn't impact anything else. Then it doesn't need to come in scope, but as far as line break is concerned, it's in scope.

Again, it's going to age at any location. Just because it's a high energy pipe doesn't mean you're only going to say that it's going to break in one particular location. It could have aging all over the pipe, so the whole piping system comes into scope. Low energy piping, again the same thing. Your potential for spray and/or leakage, you could have a regular domestic waterline, low pressure, low temperature. But again, if you have an aging effect it leaks. It could impact the safety-related

function.

So those are some of the considerations and guidance that we took into account. And we found that most of the plants have used what we call the preventative option, rather than the mitigative options. There may be some plants which may have some spray shields installed on MCCs, for example. You could have a wall that you may have put in there that could affect -- that could allow you to have a non-safety related failure. But in most of the cases, we found going through our review of the plants that they used the preventative option.

Again, the approach would be we determine the plant structures that house 54.4(a)(1) equipment, so generally, your Seismic Category I structures, they're the diesel generator building, reactor building, containment, those would be the ones that you would have 54.4(a)(1) equipment. Then you determine the safety-related systems or portions of systems that are within the structures, so you take a look at the drawings, plant walkdowns, plant equipment lists, things like that, that could identify the non-safety systems that would be in there, and miss a non-safety system that would include a safety-related system where you may have taken safety-related up to

a certain seismic anchor. After that, it's non-safety, but it would still be non-safety, so that needs to be taken into account, as well.

Then you determine what I call the vulnerable safety- related equipment that we talked about in four or five cases that we have two components, non-failsafe components, things like that. Next slide.

A review of the documentation and/or perform walkdowns, so in some cases some plants have done specific walkdowns in the plant to identify rooms, locations, et cetera, where the particular systems come in scope. In some cases, you may come to a conclusion that it doesn't have any significance to me to walk everything down. Say if I have a reactor building, I may just assume that all non-safety piping in reactor building and fluid- filled systems come in scope to limit my walkdowns. So that would be again plant-related, so you may have documentation, or you may use walkdowns to identify those systems, or portions of systems that have special interaction, potentially vulnerable equipment.

Sometimes the walkdowns will help if you are in a non- seismic building, like turbine building. You may not want to put everything in scope, so you

walk it down, you look around the room and say ahh, my pipe goes there. My safety-related equipment is on that wall. As Greg said, use engineering judgment. I don't need to bring this pipe in scope because it's not going to impact the safety-related equipment.

The fifth approach would be we add these non-safety systems or portions of systems identified through the scope of license renewal. And as Renee said, you go do your screening, perform your screening and aging management review as appropriate. That will identify the components that need to come into scope, what aging effects it will have, and what aging management program you need to use.

Again, summary-wise, the last slide is guidance. It's consistent with the NRC's position. We looked at the NRC documents, and I say it will be included in attachment. We don't know how we will address that. Maybe Alan will send it out to NRC, come to some agreement, and if 95-10 does get revised in the future, maybe that can be an attachment to 95-10.

But as Greg Hatchett mentioned, in the SER that we got for Peach Bottom, for example, they asked a lot of questions. And by providing them with the procedure that we had, or the instruction that we had

for methodology, really helped out. So I think this was a very good point, that if you write the application, if you put the methodology right in there, here's what we looked at, here's what we don't consider air lines in scope, here's why active components are in scope, here's why we don't consider failsafe in scope, and that goes along with the industry result. Any questions?

MR. WATSON: Are you just suggesting that in that last slide, that the guidance be included as an attachment? Are you just saying it's going to go somewhere in 95-10 when we figure out, when we do the revision?

MR. PATEL: Yeah. We were not sure how we would handle that from the Mechanical Working Group. We send that to NEI Task Force to review it. It could be a response to the ISG that NRC sent out, and it could be an attachment to 95-10.

MR. WATSON: Just incorporate it somehow. Got it.

MR. KUO: Erach, I just want to make sure that I understand what you said earlier. You referenced a NUREG document, and you stated that for piping systems that -- based on the operating experience, piping systems basically, all you'd have

to look at is the support, the piping supports, and the pipe itself won't fail. Do I understand you correctly?

MR. PATEL: No. What we said was that the original concept that came out was II/I. And that concept was based on pipes falling down. What we're saying is that pipes falling down is not a concern if the supports are already in scope of license renewal. We do need to be concerned about the aging effects of that particular pipe, and the aging effect would be creating a pinhole. It could have water leaking out of it, it could have cracks in there, could have water leaking out of it, so those are the things that we need to consider. So that pipe itself has come into scope for that particular reason, for the aging effect, not because it's going to fall down.

MS. LI: I want to follow this issue. When you say, sir, if there's aging effects. For example, if there's erosion corrosion and just think about; in 1986, the Surrey event, a piece of elbow, two by four foot sections thrown out due to erosion corrosion, even the support is in place. So I think to limit to the failure mode of pinhole, or leak, or crack is not -- you know, it doesn't capture the failure mode that I just described.

MR. KUO: Renee, I don't necessarily want to argue this issue here. All I tried to do is to understand what Erach has said. Okay? So what you are saying is that as long as the supports are in scope, you really don't have to look at the piping itself for falling down. But there might be some other aging effect.

MR. PATEL: That is correct. And this is based on experience from looking at review of earthquake activities in Japan and in California over the last 60 years.

MR. TAORMINA: Ernie Taormina, Constellation Nuclear. My question relates to the low energy piping systems. Your one slide you had, you looked at high energy and low energy. The cases for the low energy piping systems were looking for leaks or sprays. Wouldn't this be a case where we could look at operating experience, to say that there is no operating experience that shows that this type of failure will affect safety-related equipment? I'm addressing in particular low energy, because the high energy piping systems, we do have operating experience that shows those failures can affect safety-related equipment. I'm talking about the low energy piping systems where --

MR. PATEL: It again depend on your plant operating experience. For example, if you've got a raw water system that is sitting over there, and you could have leakage already on your raw water system that you looked at. On safety-related systems, you could have raw water leakage. It's possible you could even have raw water leakage on low energy systems.

MR. TAORMINA: Right. But if we have no such operating experience, then we wouldn't need to include that, is what I'm saying.

MR. PATEL: That, again, is a plant-related issue, so we address it from that perspective.

MR. NELSON: Greg, did you have a question?

MR. GALLETTI: I didn't want to get into gross detail on some of these issues, but I think the point Erach was trying to make with respect to the supports is that if you look at those piping systems for the seismic interaction alone, probably could take seismics, so I think the point Renee was making is that it's not necessarily a seismic event that may be of interest. There may be some other form causing this failure that that NUREG doesn't even address. I think that's just a point of entry.

And with respect to the low energy piping, again to the extent that your operating experience both in-house as well as industry experience, support that, you know, a particular low energy system has never failed in such a way that would affect a safety-related component, you'd have to be able to articulate that and give us the specifics for these sorts of things.

MR. NELSON: Rani.

MS. FRANOVICH: Yeah. This is Rani Franovich of the staff. I just wanted to add that it may not be just the operating experience specific to a plant. There's industry operating experience that indicates that aging effects could cause a failure of a certain system for certain conditions, and staff would expect the applicant to address that, as well, consider that, as well.

MR. GALLETTI: One final point too on the low energy piping. If your industry experience shows that, let's say your low energy piping had some failure in the past, had some sprays, and it just was serendipitous that those breaks occurred in an area that didn't affect safety, but it doesn't mean that hey, I haven't had a failure that affected safety, so I don't have to think about it. If that failure had

occurred somewhere else in that piping length, you could have had an event. You need to take that into consideration.

MR. NELSON: Okay. How about this as a path going forward? The Mechanical Working Group put a lot of effort into the draft guidance. I did forward that to you, and it's on the record. How about taking a look at that, and giving us some, you know, feedback one way or the other? And then we'll set up a meeting to address some of those issues, you know, say in the near future, if you can take a look at that, and then we'll work with the Mechanical Working Group and the industry. Set up a separate meeting aside from this to get into some level of detail. I know this is an issue that's languished around quite a bit, and we'd certainly like to, as much as you folks, like to bring it to closure. I think the first step, Sam, is to request a staff review of the guidance that we forward.

DR. LEE: Yeah, we will. That's fine. I guess we'll have Butch Burton to pick up, if there's no more questions on this.

MR. NELSON: Thanks, Erach, I appreciate the comments too.

DR. LEE: So let Butch Burton pick up on

where he left off right before lunch. And also, we are running way behind in terms of schedule, so I encourage Butch to kind of speed things up. But feel free to stop him if he goes too fast or something.

MR. NELSON: Well, you know, on behalf of the industry, you know, our work normally doesn't stop at 4:00, so I'm sure we could stay a few minutes longer. Is that all right, if I volunteer everybody here from the industry to stay? I don't know how the roads are right now, so you may be glad to hang around a while.

MR. BURTON: Okay. Everybody hear me okay? I'm going to pick up again, second green tab, second green divider, slide 10, pick up right there.

I tried to be very practical in terms of the information that I give you, as opposed to being real theoretical and thinking deep thoughts. I mean, I do that too, but I think these are really things you can go back and really think about doing.

Okay. Include simple system descriptions. We found in some instances that the reviewer when trying to -- if any of you have seen our SERs, you know, we have a section called "Technical Information" in the application and things like that, and that's where we try to put real basic stuff that we don't

need to think a whole lot about, things like basic system descriptions.

We found that sometimes it was a little sparse, and sometimes we actually had to pull descriptions like out of the FSAR or places like that, so it would be better, if possible, if you can put a pretty good system description in there. And it looks like from what Bill Watson was showing with the proposed format changes that will probably take care of that pretty well.

Number 12, Quality Assurance - Consistency Check. This has not come up a whole lot, but it has come up from time to time. And it's really very basic things. One of the things, we had our reviewer looking at one of the applications, and just looked at the list of systems in the FSAR and compared it to the list of systems in LRA Table 2.2-1 and found some differences, found some systems that were described in the FSAR that weren't in the Table 2.2-1. And I guess specifically the one that comes to mind is that it was the steam generator blow-down system. And it turned out that it wasn't really a system, per se. It's really an assemblage of components from other systems that make up the steam generator blow-down system, so it really wasn't called out specifically in Table

2.2-1, but yet was discussed in the body of the application. Just little things like.

Ensure system descriptions in Sections 2 and 3 are consistent. We've run into some problems with our attorneys. One of the sanity checks that they do is to make sure that what you describe for a system in Section 2 is the same -- you can read the same description in Section 3 and it's very clear it's the same system. And in a couple of cases, they had some questions about that, so just something else to be a little bit careful about. Next thing. Make sure linkage between the application and the FSAR on the CD is good. Okay. What does that mean? If you have a link in the application, what you all have been doing is you've been including on the same disk the FSAR, as well as the application. And you could link from the application to the FSAR. Fine. What we found is that when we make that link and then we try to search or find something after we've made that link, we can't do it.

What we have to do is we have to go back out, and come in again, you know, through My Computer into the FSAR in order to be able to do the searches and stuff that we need, so -- and I'm not a computer person. I'll say that right up front, so I assume

this a problem that you guys can fix, so where you can click, you can link directly from the application into the FSAR. And the once you're there, be able to do whatever searches can be done. All right. I'm assuming that can be done.

If the GALL or the SPR identifies information that the applicant should provide, the LRA should have it. Now that we're actually using the GALL and the aging management programs, and things like that, we're finding that the aging management programs, the GALL programs often say look in -- this program should provide management in stagnant locations, things like that.

Sometimes -- the point I'm trying to make is that the GALL itself will ask for certain information, so just to say that you are consistent with GALL may not be enough if GALL asks you to provide some additional information. And again, what we're finding is the reviewers are getting more familiar with GALL. They're seeing these things, and if it's not provided in the application, they're generating an RAI. So one of the things we're trying to do is trying to go through the aging management, the GALL aging management programs and trying to find those instances where they're asking for those kinds

of things. But to the extent that you can do it, that's helpful.

MR. WATSON: Butch, this is Bill again. Is this like where it says further evaluation recommended? Is this one of those segments, or is this different?

MR. BURTON: No, this is more than that.

MR. WATSON: Okay.

MR. BURTON: I wish I could give you a specific example, because one is not coming to mind right now.

MR. WATSON: Is it within the program descriptions?

MR. BURTON: Yes.

MR. WATSON: Okay.

MR. BURTON: It is within the program descriptions. I should have thought of a specific example. Next slide.

Okay. Number 14, AMP XI.M19, and off the top of my head I can't remember what that is. Maybe the steam generator program? Tube integrity. Right. In that case, it credits the GALL AMP, but the AMP itself is relying on Guidance NEI 97-06, I think it is. And what it says when you read that AMP is that that particular guidance is still under staff review,

so then the staff goes okay, well what does that mean? It's not a real hard and fast commitment if it's still under review. There's a possibility we may not accept this for some reason. So if that's the case, we need to understand if that guidance isn't ultimately approved, what's going to be done to address whatever the underlying issue is associated with NEI 97-06, so we found that as an area of GALL that ultimately we're going to have to go back and fix. But until then, the underlying issue has to be addressed in a more substantive way that we can have confidence in. So again, to the extent that you can recognize those kinds of weaknesses in the actual GALL AMP, and if you can identify those up front and somehow address them, again that helps to avoid an RAI, it helps us to get our arms around the underlying issue.

If the GALL AMP is credited with managing -- oh, other than those assumed in the LRA should make this clear. X.M1, environmentally assisted fatigue. Okay. That is intended to address environmentally assisted fatigue, not other forms of fatigue, or other types of fatigue. But our reviewer is finding that it is being used to address other types of fatigue that it wasn't originally intended to do. Not to say that there is anything wrong with that, but you need to

explain it. Okay? Again, it's not real clear how you're addressing beyond it's original intention and why that's okay. Again, it tends to generate questions.

Another example again is, XI.M19, steam generator tube integrity. We're finding that the AMP was intended to manage aging in tubes. WE're finding that some applicants are using that same program to manage other steam generator components. Again, in and of itself may not be a problem, but you need to identify it and justify why that's okay. If applicants have taken exceptions to generic communications that are referenced in the GALL AMPs. Okay.

We have a number of GALL AMPs that lay out the guidance and refer to guidance as identified in this generic communication, generic letter 89.13, you know, whatever it is. The question came up and right now we're not sure whether this is a problem or not. If you say you are consistent with GALL, and that GALL AMP references a generic communication, we know that on an individual basis, you take exceptions to some of the guidance in those generic communications. So right now we're not sure that if you say you're consistent, does that mean that you are taking all of

the guidance that's recommended in that generic communication, or have you taken certain exceptions to things? And if you have, can you still say that you're consistent with the GALL?

It's a question on the staff's mind. We're not sure where the industry is with respect to this, so we need to get some feedback from you. When you say you're consistent with a GALL AMP, and the AMP refers to guidance in a generic communication, does that mean that you all are, in effect, have accepted all of the guidance in there? Does everybody understand what I'm saying? Okay. May not be a problem. It's just something that came up recently, and we're not sure whether it's a problem or not.

Okay. I'm done. Seventeen and eighteen, seventeen was the inspections that Caudle talked about. Eighteen was the web stuff that Kimberly Rico talked about, so that's all I had for that. Questions about anything?

DR. LEE: Can you come to the mic, please.

MR. BURTON: You all know that this is being -- we've got --

DR. LEE: Butch, there's the wireless mic. Give him that. Thank you.

MR. WOLFINGER: Pete Wolfinger, License

Renewal Services Corporation. I don't want to belabor any specific point, but the steam generator program that you talked about, we've just been wrestling with that one a little bit, and there's also a piece in that that talks us about us putting that program into the tech specs, incorporating it into the tech specs, so that's -- we have a question about that. Should that be taken up, in fact, to the staff as an individual question?

MR. BURTON: Absolutely. Absolutely. The earlier you find these things -- when are you due to come in? You're coming next year.

MR. WOLFINGER: Next year.

MR. BURTON: Next fall. Okay. The earlier you guys identify issues just like that Pete is talking about, start the dialogue with the staff. For those of you who are pre- applicants, our primary contact on the staff is Steve Hoffman. I don't know if anybody of you do or don't know. 3245, Stephen Hoffman. He generally deals with pre-applicants up until we assign a project manager. One of the -- oh, I'm sorry. Were you done? Go ahead.

MR. WOLFINGER: I just had one more.

MR. BURTON: Okay.

MR. WOLFINGER: The 89.13 you brought up,

and you posed a good question. But the way that I've been looking at it, and I'll just say personally, is that the industry answered 89.13 as a generic letter.

MR. BURTON: Right.

MR. WOLFINGER: So we made commitments and explained. We even had the supplement, so we explained everything we have. We have a current licensing basis now of which 89.13 is a part, so I guess maybe my question is, is that not -- are we not consistent with GALL in that 89.13 -- we've already addressed 89.13, and we already have a current licensing basis for it.

MR. BURTON: Right.

MR. BAILEY: Butch, can I try to put this into perspective?

MR. BURTON: Sure.

MR. BAILEY: This is Stewart Bailey with the staff again. I think I was probably one of the initiators of this question, and it did really come up over 89.13. 89.13 has a number of recommendations in it for dealing with your cooling water system. And included in those are periodic inspections to make sure that you don't have the sort of degradation that would lead to a failure in that system.

When you say that you're consistent with

the GALL AMP, obviously we don't intend to question your whole licensing basis, and all of your commitments related to 89.13. That said, 89.13 or the GALL AMP assumes that you're following the recommendations in 89.13.

What we're looking at doing right now is the inspection program, when it looks at your AMP, it will make that determination. Okay? If they find a problem that hey, there's something missing here, and you're not adequately able to manage the aging of the system, it's going to come back to NRR for the ultimate call -- are we okay, are we not okay?

I think what we're really asking here is that if you've taken some deviations or some -- I don't think deviations is the right word, but in your implementation of the generic letter of guidance, if you have changed something that would affect the aging detection or aging management that the GALL was relying on, you should point that out in your AMP write-up, because you can either tell us up front, or you can wait for us to find it in the inspection, and then you can tell us later. And again, we're looking for efficiency overall.

MR. BURTON: Okay. Any other questions? That part of my -- oh.

MR. WATSON: This is Bill Watson again. Could we have Slide Eleven back up? Do you have Slide Eleven available? This number 14, which concerns me just a little bit, where you say, "If the applicant credits a GALL AMP, but the AMP refers to industry guidance as not yet approved by the staff, then the LRA should discuss what actions will be taken if the industry guidance is not approved."

To what extent are you looking for us to say -- are you looking for us to say we're going to follow what the industry decides on this issue, or how -- you know, we're relying on what we have as best information to date. What are you looking for for us on that?

MR. BURTON: Okay. You're right, and we do. But let me try and give an example. It's not an AMP example, it's something that came up with Hatch, and I think is also coming up with Peach Bottom. It has to do with -- for BWR, integrated surveillance program.

There is -- the BWR fleet is trying to deal with that across the board, and there is a BWRVIP. Does everybody know what that is? Okay. BWRVIP78, in an attempt to deal with it as a topical report. Hasn't been, or at least at the time of

Hatch, I don't know what the status is right now, if we're still working on it or what. But at the time of Hatch, that had not been finalized, approved, blessed and all that stuff, so the issue for Hatch was - and it turned out to be a condition of the license - was to say okay, we are going to implement whatever comes out from this BWRVIP78 process. Okay?

If for some reason, however, it doesn't get approved, or it gets approved but it's in such a way that Southern Nuclear can't use it, here's what we're going to do. Of course, they had their own specimens and they made certain commitments that way, and we locked that down with a license condition.

Same idea here. Maybe not quite as detailed, but the idea is that when you all are referring to being consistent with GALL, but GALL itself has not nailed down something, from a public confidence point of view, we have to be able to work our way through that and say ultimately, how is the aging effect that this AMP was created to ultimately manage, how is it ultimately going to be managed, if what is assumed in that GALL AMP doesn't quite come through the way we thought it was? Does that make sense?

MR. WATSON: I think I follow you, but my

question would be then, would you just like us to acknowledge the fact that this guidance has not been approved yet, and that we will revisit this when the guidance is -- if that changes, if our assumptions change?

MR. BURTON: Okay. If you wanted to take that kind of route and say yeah, we acknowledge this hasn't been nailed down yet. We don't want to make a commitment. We still think that we're going to be able to follow it. So we're saying we are going to implement whatever is finalized, or we're going to do this. And it sounds like what you're saying, or if you don't want to make that kind of commitment, we want to hold that in abeyance until something better comes along or something else.

That is an option, but you have to be aware that when we get into those kind of fuzzy areas, that's when we start looking the license condition route, to make sure that ultimately when that thing is settled, you're going to have to come back, and we're going to have to look at it again. Does that make sense?

MR. WATSON: I understand what you're saying.

DR. LEE: This is Sam Lee. I guess what

we're trying to say is that if there's a GALL program - okay - that is not nailed down in terms of what Butch was saying, don't just come in in the application and say I'm consistent with GALL, and don't say anything more. Okay?

MR. WATSON: Acknowledge it in other words. Acknowledge it's not complete. I understand.

MR. BURTON: And obviously, it's something that as we go back and look at these --

MR. WATSON: I was going to say, maybe it's something you can look into to help us out a little more.

MR. BURTON: Yeah. Obviously going through this, you know, we're finding these kinds of things with some of the GALL things, areas where we're going to have to go back and revisit them. But until we get a chance to do that, again the underlying technical issue has to be addressed. We're trying to do the best we can with that.

MR. WATSON: Thank you.

MR. BURTON: Now this part of my presentation was to just try and give you guys some idea of what we've been seeing, not just with GALL SRP stuff but, you know, with applications in general over the past several years. I want to make sure I answer

everybody's question there before I go on to the next thing about RAI.

MR. AITKEN: Yeah, Butch. Paul Aitken, Dominion. Item number 13.

MR. BURTON: Oh, that's all right. That's all right. Don't worry about it. What is it?

MR. AITKEN: It says, "If GALL or SRP identifies information that the applicant should provide, LRA should have the information."

MR. BURTON: Right.

MR. AITKEN: My question specifically is to try to use an example, if we don't have -- if we go to GALL Volume 2, and we don't map to one of the GALL items. Say we don't have that particular aging effect for a given component, and we don't match up with that, is the staff looking for some disposition on that? Or I'm wondering if the staff is going to be going through the GALL line by line, and if we don't have something matched up, then we're going to have to disposition it somewhere in the application.

MR. BURTON: Oh, okay. Wait a minute. If I'm understanding what you're saying, the GALL -- we tried to make it clear to the staff that the GALL is not a scorecard. Is that sort of what you're getting at?

MR. AITKEN: Exactly.

MR. BURTON: No. GALL was never intended to be that way, and we try to make sure our reviewers don't do that. Just because you have not addressed something in GALL doesn't mean -- I mean, presumably you did it for legitimate reasons, and we don't -- if the reviewer is going through GALL and using it as a scorecard. Say hey, they didn't address this. Why didn't you address that?

MR. AITKEN: Right.

MR. BURTON: That's what you're getting at?

MR. AITKEN: That is exactly what --

MR. BURTON: Yeah. No, that's not our expectation. And we've had some -- frankly, we've had some reviewers who have started down that path, but we tried to recalibrate them as best we can.

MR. AITKEN: I think we've heard some of that under-toe in some of the meetings, and I just want to make sure that that's the position of the staff.

MR. BURTON: Yes.

MR. AITKEN: Okay.

MR. BURTON: Absolutely.

DR. LEE: I just want to add, there's a

technical basis for GALL. So if GALL says this component has certain aging effects - okay - that is a basis for the operating experience, would be some data that supports that. Okay? So for your plan, if you decided that aging effect doesn't apply to your plan - okay - it might be fine, but provide a basis, because the reviewer - okay - most likely has that knowledge of that operating experience, but you might be asked an RAI.

MR. AITKEN: I think that's different than what Butch just said.

DR. LEE: I understand. That's why I was just --

MR. AITKEN: Okay. And that's what I want to understand.

DR. LEE: Okay. Even though GALL -- you know, we are not imposing GALL on you. But what I wanted to say is that that's a technical basis behind GALL. Okay? The reviewer would know that.

MR. AITKEN: So the expectation, we would have to disposition something that has not been selected or matched up in our application.

MR. BURTON: Well, I -- okay.

MR. AITKEN: I don't mean to play both sides of the fence against each other here, but I --

MR. BURTON: I know where you're going, and I think that what Bill proposed in terms of some of the format changes is going to help to deal with that, in that you're going to look at the components at your plant. You're going to look at what material they are, what environment they're exposed to, what the plausible aging effects are, and how you're going to manage it, and you do that. And what I'm finding is that you guys do that whether it's GALL or not. You go through that exercise.

Then when you look at how you're going to manage it, if you can manage that, if it's addressed in GALL somewhere and you're going to take credit for that, you're going to do that. And that's what all those footnotes are.

MR. NELSON: Yeah. Why don't we table this, because I think we could spend the rest of the day on what's consistent with GALL.

MR. BURTON: Right.

MR. NELSON: And bring it up again on November 6th when we're trying to knock out those definitions.

MR. BURTON: Right. Is that all right, hold it for a while? Okay. Anything else? All right. You can see there are areas that we still have

to talk about.

Okay. Request for additional information process. I want to talk a little bit about how we go through this dialogue with you all when we're trying to develop RAIs. Staff provides draft RAIs to the applicant. We go through our review. We are trying to impose discipline on our reviewers. We don't want reviewers just going and sitting in a corner thinking deep thoughts about any old kind of thing. What about this? What about that? We are trying to impose the discipline to say you should only ask questions that are necessary for you to reach a reasonable assurance finding, and you need to provide a justification for your question in the question. And if you can't do that, then we don't ask it. Okay?

And frankly, it's caused some consternation among some of the reviewers on staff, but we do ask them to do that. And the way that we ultimately want to get to making sure that our RAIs are reasonable and appropriate, is we are asking our reviewers from the day the application comes in, start writing your SER. Just start writing. We have enough experience now, and a little bit later I'm going to talk about the SER template that we've developed, that you can start writing an SER right now. And when you

get to a point where you get stuck in terms of the information that you need to reach a reasonable assurance finding, that's where an RAI should come from. It should not come from you just thinking deep thoughts about any old thing. Okay? So that's the kind of discipline we try to impose on the reviewers.

We developed these draft RAIs. We provide them to the applicant, and the feedback that I've gotten is that you all really like this process. We provide the draft RAIS to you. You take a look at them. You say that's good, that's not good, this isn't clear, and we'll either have a telecon, or we'll have a public meeting and we'll go through each one of those, and ultimately disposition.

Either we'll determine that that draft RAI is not appropriate and get rid of it. It needs to be revised, and we'll revise it, or it's okay as is. And we document the final disposition of each of these draft RAIs.

Now even, even before we send them to you, there's another sifting that it goes through between the technical staff and the project staff, to try and determine what's appropriate and what's not, so there's a whole population of draft RAIS that you all never even see. Okay? The ones that you get are the

ones that kind of survive this process, and we feel at that point is appropriate.

When we sit down and talk with you all, oftentimes what happens is you'll come back and say no, what you're asking for is in the application. You're just not looking in the right place. It's actually over here. Okay? Stuff like that, we like those because we can rid of them real quick. Others are not so straightforward. But ultimately, we go through this dialogue, and determine a population of draft RAIs that are both appropriate, and of sufficient quality. As I said, we capture those discussions either in a telecon summary, or a meeting summary.

All draft RAIs may not have this early dialogue. What you all have to recognize - okay - next year the class of '03, in calendar year '03 we've got eight plants coming in. We've already got eight in-house now, and we don't have -- you know, we're going to be using a lot of contractor help. But ultimately, the same group of reviewers for the most part is trying to handle the review for all of you. Okay?

So we found that there are a lot of nice things that you all would like to have, and you'd like

to have the staff available to you when you want to talk about any old thing. We do try to accommodate that, but sometimes we can't, and the draft RAI process is one of those things.

We really do try -- we will, at least, get them to whether we can have that extensive dialogue. I can't say that it's always guaranteed, but we will do our absolute best, because I think you all find it helpful, and we do too. But sometimes, the availability of the staff is not what it should be.

Then finally, now that's during the draft phase. If we run out of time and we've got to meet our milestone to get those RAIs out, we are going to send them out. We are going to meet our milestone. Of course, after they're sent out, we will still continue the dialogue, but we can't always necessarily get to them before we get them out, but we do our best.

Okay. When we ask questions -- well, there's actually a couple of things I want to say. Scoping questions. If it ultimately turns out that something needs to be brought into scope, we don't -- we're finding that the RAIs don't always necessarily say specifically that when you bring something in scope, you've got to bring all the aging management

information with it. I mean, it's logical. It makes sense, but it's probably something that we need to try and say a little more explicitly. It hasn't been a problem, but what we may do is we may develop sort of a universal RAI that says any of the scoping RAIs that result in you bringing something in, bring the aging management information with it.

Likewise, for aging management program stuff, when you all address RAIs that ultimately have an impact on the FSAR supplement, the summary description of the aging management program, we don't always say at the end of the RAI, if this affects the summary description or the FSAR supplement, please provide the revision. We don't always say that.

I know with Fort Calhoun, we developed, again, a universal RAI saying if any of the resolutions to any of these RAIs impact on the FSAR supplement, please provide that rewrite, but it's something that you need --

DR. LEE: Yeah. I guess what Butch's point in here, is that what we find is when we prepare the SER with open items, quite a bit of those open items are confirmatory item, like you're missing FSAR information, or the aging management program after a certain component has been added into the scope.

Okay? So that becomes a last minute thing, and then all of a sudden you've got a whole bunch of additional open items or confirmatory items.

MR. BURTON: Okay. And all this is, is that the open -- you know, we go through the RAI process first, and I've just described what we do there. Open item process is very similar. Once you've responded to the RAIs, and if there are any that we feel you really haven't addressed sufficiently, they going from being RAIs to being open items for the SER, but the same thing. You draft them up, both open and confirmatory items. We'll engage in dialogue with you all to see exactly what the final resolution is going to be with those, document everything in a telecon summary or a meeting summary, and then we'll send everything out.

We are struggling internally with the idea of, if time permits, issuing what we all a potential open item list. We have not done it consistently. Some people like it, and some people don't. I will say in the catch of Hatch, we do a potential open item letter. When we sent that letter out, we had 61 open items. They responded two or three weeks later. By the time the SER with open items went out, they were down to eighteen. Okay? So for me personally, and I

think for Southern Nuclear, it was a pretty good step to have.

We are debating internally whether or not that's something that we want to try and incorporate into our review model as a standard thing. The problem is that in particular, now that the Commission has authorized us to go from a 25 month to a 22 month schedule, and it's lopped off that three months, now because of the activities we were doing in that three months, everything is getting squeezed down. We're talking about possibly not doing that, as a matter of course. Feedback from you all certainly, you know, opinions and things like that, but we're struggling with that particular step.

Oh, yeah, the template. Okay. If you go to your third green divider, what we're trying to do is we're trying to standardize everything as much as possible, and so what we've developed is what we call an SER template. And a draft of that template, it basically reflects Fort Calhoun. And what it is, it's an attempt to include all the boilerplate kind of language, including legal language, of what an SER needs to have in terms of bottom line conclusions and things like that.

This is what -- this in some modified form

is what you all are going to see in terms of your SER. We've tried to make it easy for the staff, so that all they need to focus on is their evaluation, and their evaluation results. Just drop it in there, got all the standard boilerplate, already pre-approved by the attorneys, so we can minimize their review time and get it out the door.

We hope that this works well. We haven't used it yet. Fort Calhoun is going to be the first applicant that we're going to use this for. The project managers for Robinson and Ginna, and Summer have already gotten a hold of this, and is already modifying it to fit their plant. Each of you, once we identify a PM, is going to go through the same exercise.

But it's an attempt to try -- and what it also does for us, and possibly for you too, is that when we get new reviewers coming on board, when they ask what is it I'm trying to accomplish with this review? It gives the bottom line conclusions, reasonable assurance findings that they're trying to meet, so we're hoping that this template will be helpful, and help with the effectiveness and efficiency of review in the future. Okay?

The appeal process, yeah. Okay. I don't

know how much you all know about the history of the appeal process. The first time we really tried to exercise it was with several items that Southern Nuclear appealed during the review of Plant Hatch. And when we tried to exercise that, we found areas that could stand some improvement. And NEI sent us a letter with some suggestions on how to improve the process. And we just recently, I think September 25th was the date of the letter, we finally got around to responding to those suggestions. Many of the suggestions we adopted. If you can get a hold of that, I'm sure Alan can get that to you, is basically where we stand on that process.

We believe in the appeal process, it's important to have an appeal process for visibility, everybody, for public confidence, stakeholder confidence, that we have a stable process that when we are in conflict, everybody knows how we're going to go about resolving the conflict.

The only thing I would say is that I'm getting the impression with some of the folks who are going through the review now, is that they -- I get the impression that you don't want to use the process, and I would differ with you on that. I think you should use the process. I think you should use it

early, certainly by the time the SER with open items is issued. By that time, we should be pretty clear on issues for which we don't seem to be reaching a resolution. And if that's the case, we need to put it on the agenda, put it through the appeal process sooner rather than later, because what we're finding now is that we have a couple of applicants where we're not coming to an agreement, and it's not in the appeal process. And ultimately, it's going to start affecting scheduling, and I don't think anybody wants that.

It is better to start the appeal process as early as possible, get it over, reach a resolution and move on, instead of dragging things out. So I really would encourage you, if you are in such a position, start the process as soon as reasonable.

MR. NELSON: Yeah, Butch. In that regard, I did put it out for comment, and along with other things, early response, but I don't think it'll take me this long. But I guess the real concern for the industry -- and first of all, let me step back.

I'd like to applaud the staff for coming to the appeals process in a practical manner. I think you're right. You took the best parts of what we had suggested and put it into a process that's probably

more practical and useable.

That being said, I just want to reiterate that the significant comment I got back was the time sequence of the review within the staff, and the back and forth, our major comment will be to go back and look at those time frames, because what will happen is in most cases, anybody that would initiate the appeals process would be overtaken by events, unless they on their terms, the applicant, decides that they want to deviate from the schedule. And that's probably highly unlikely, I would think.

MR. BURTON: Right.

MR. NELSON: The other comment is just probably a clerical comment, that there is some areas of the text that may not match up with the flow diagram.

MR. BURTON: Okay.

MR. NELSON: But that's a simple just matching up text with flow, with the diagram itself.

MR. BURTON: Right.

MR. NELSON: But the key point, I guess is, as you say, come in early, but the timing of resolution may overtake the application schedule, so it may make the appeal process moot in itself.

MR. BURTON: Okay. I understand what

you're saying, and I think both issues that you brought up are more than easily addressed. Okay.

MR. NELSON: Uh-huh.

MR. BURTON: So the sooner we can start the dialogue, if the issue is the timing, because I think right now to go through the -- if you went through the entire appeal process, I think it's like what, 150 days or something? I can't remember.

MR. NELSON: Right. I think our original appeals process tried to tighten up the schedule, the times between input and feedback, input and feedback, that would still allow the applicant to resolve, and the staff to resolve the issue prior to finalization of the application.

MR. BURTON: Yeah, and I agree.

MR. NELSON: Because one doesn't want to leave, you know, the application --

MR. BURTON: Right. But obviously, if the process is too long, like you said, again it will impact on schedule, so if that is the issue, if we've got the steps right, but the timing wrong, we can work on that. And I think, and I don't want to steal Peter Kang's -- anyway, I don't want to steal his thunder, but the other thing that I want to emphasize, and this has to do with ISGs, and a lot of these developmental

things, we need to be a little more disciplined in terms of moving through and resolving these broader issues a little more expeditiously, because I think we've left probably too many things hanging on the table too long, so that's probably one of the things that I would suggest, is that we develop ways to move these things through a little more expeditiously.

I think I covered everything. Any questions on appeal process? No. Clear as mud. Okay. Was that my last one?

MR. NELSON: That's it.

MR. BURTON: All right. Thank you.

MR. NELSON: Thank you. Appreciate it.

DR. LEE: Should we take a little break, or --

MR. NELSON: It's your call.

DR. LEE: Okay. Why don't we take a ten minute break, and then we'll come back.

MR. NELSON: We'll come back with electrical cables. Is that okay?

DR. LEE: Electrical cables.

MR. NELSON: Thank you.

(Whereupon, the proceedings went off the record at 2:32 p.m. and resumed at 2:41 p.m.)

MR. NELSON: In order to move the agenda

along a little bit, since we had an EAF elaborate discussion about two weeks ago, we're going to take that one off the agenda, so we can move ahead.

In that regard, we did present an industry proposal on an environmentally assisted fatigue and the industry has agreed to develop an ISG, an industry ISG that would address that issue. I know we owe you a letter, that would take the previous RAI topical review off the table and we'll get that to you in the next week or so. Yeah, stop work and let you know what our focus is going forward.

So for the purpose of the agenda we're going to drop environmentally assisted fatigue.

DR. LEE: Does anyone in the audience have any question on fatigue? Okay, thank you.

MR. NELSON: I'll tell you -- I'd better be careful. Don't go there, right.

With that, we're going to take a look at electrical cables and then from there we'll move on to ISG discussion. I understand just for -- I think there's a crossover between the two topics, so maybe we can meld them into one if one does one, then we can kind of chime in on the other, where we think they are, because they did provide, Peter, with actually your slides ahead of time, so they probably match

pretty good. Okay, so let's not double dip there.

What I'd like to do is moving on to electrical cables, let me introduce Paul Shemanski from the Electric Group and following Paul will be Mike Heath from Progress Energy from the License Renewal Electrical Group. Okay, Paul?

MR. SHEMANSKI: Good afternoon, I'm Paul Shemanski from the Electrical Branch, Division of Engineering, and I only have one slide. You can find it, I think it's behind the sixth green tab in your book. And it's titled "Electrical Cable Programs."

So let me just give you a brief overview of where we are in renewal with regard to electrical cable programs. Basically, because there are so many cables, they are traded generally as a commodity. Just to put that in perspective, when we did the first review on Calvert Cliffs, Calvert Cliffs identified some 30,000 total cables and of those 30,000 cables, they broke down in the following manner: 1,000 were on the EQ master list and the other 29,000 were in the so-called category of non-EQ cables and for renewal, we basically have it broken down into those two main categories, EQ and non-EQ cables.

For the EQ cables they are simply handled as a TLAA, basically, the applicants are using

reanalysis to extend the qualified life from 40 to 60 years for the EQ cables. About half of the applicants to date have utilized that approach. It's basically the Eranius methodology where they show that the measured temperature inside containment primarily is lower than what was used in the initial EQ calculations and again, by using the Eranius equation they were able to extend the qualified life, generally from 40 to 60 years. So to date, the EQ cables have not been any problem.

Let me tell you what we're doing with the non-EQ cables. Basically, we're following the three aging management programs that we have described in GALL and the first one is referred to as GALL E1, XI.E1. I would say 95 percent probably. That's just a wild guess, but it's probably not that far off, 90 or 95 percent of the non-EQ cables fall under the category of E1 and those are accessible cables that are installed in an adverse localized environment caused by heat, radiation or moisture.

And the aging management program that we utilized for those particular cables are visual and it's a visual inspection done twice, once about Year 40 and then again at Year 50. So again, the majority of the non-EQ cables will be in that category E1.

We have the next category is E2 and that is a small group of cables, but they tend to be unique. They are cables with sensitive, low level signals and they are primarily the radiation monitoring and neutral instrumentation cables and they're very sensitive to a small reduction in insulation resistance that could be caused by heat, radiation or moisture.

For that particular group of cables, GALL adopted the program that was identified by Calvert Cliffs. It's a instrument loop calibration program which we accepted for Calvert and that program eventually made its way into GALL. Right now, there is some discussion that we are having with the industry about that particular program and we're trying to find out the best, in other words, how are the plants actually using their -- or how would they use the instrument loop calibration program to detect degradation of cable insulation.

It's not a direct measurement, obviously, but when you do your routine calibration, if you find some problems with the calibration, you're not able to maintain your instrument loop within the calibrated limits, then you would do a root cause analysis and perhaps that would lead to the cable, if in fact, the

cable was the part of the circuit causing the problem.

So we are having some active discussion with industry and we believe that industry is going to submit a proposed revision to E2. So we'll wait and see what comes in.

The third category is for cables, medium voltage cables. These are cables that operate in the range, generally, between 2,000 and 15,000 volts and those are inaccessible cables, primarily buried cables that may be subject to significant moisture and significant voltage. That combination of stressors could lead to what is called water traying or basically it's a degradation of cable insulation and the aging management program for that particular set of cables is testing because again, they're inaccessible, so visual is not an option.

There, we're looking at testing these cables or a selected sample at Year 40, around Year 40, and then again at Year 50. The specific type of task that we will be looking for will be determined prior to conducting the initial test and hopefully the test that will be used would be a proven test, one that has already shown a track record for detecting cable insulation degradation.

So three aging management programs are

what are currently being used for non-EQ cables.

If you look at the slide, I also put up fuse holders. That is a current issue that we're dealing with. As you know, fuses were determined several years ago to be active components. However, during the Peach Bottom scoping inspection, one of the questions came up, well, what about the fuse holders? Are they -- where do they fit in? Following that inspection, scoping inspection at Peach Bottom, the staff decided to generate an interim staff guidance on fuse holders, which we did, and we sent a letter to NEI. They have since responded to us and I guess they're waiting for our response back. So that is where we are on that one.

But basically, the staff position in our -- the interim staff guidance, I should say, indicated that fuse holders should be scoped, screened and included in the aging management review in the same manner as terminal blocks and other types of electrical connections that are currently being treated in the process.

And the staff, we further concluded, that managing age-related failures of fuse holders was necessary since corrosion and fatigue of the fuse holders, that is the metal portion of it, is a

significant contributor to fuse system failures and we came up with that conclusion based on a recent study from Brookhaven. That was done for us. They looked at some operating experience on fuses and fuse holders, so there is some technical bases for the position or the guidance that we sent out in our letter to NEI back in May. That's basically it for cables and fuse holders.

Are there any questions?

(No response.)

Okay, hearing none, I'll turn it over then to Mike Heath of Progress Energy. He's also going to talk about the industry cable programs.

MR. NELSON: Thanks, Paul.

MR. HEATH: Am I on? While she's setting that up, I'll introduce myself. My name is Mike Heath and I'm with Progress Energy and I'm currently here as representing the License Renewal Electrical Working Group of which I'm the chairman at this time.

I'm going to be talking just specifically about the programs E1 and E2. If we can go to that first slide, please?

(Slide change.)

MR. HEATH: We're talking about the scope of the two programs, I'll cover that to a good extent.

We talked about the basis of two programs, taking a look at the technical evaluation we did for these programs.

I want to talk about the original implementation for these programs in GALL and some recommendations that we have going forward.

As Paul stated, the E1 program covers all accessible programs, all accessible cables in the plant. However, our approach to these cables is that doing inspections of accessible cables also gives you an indication of what your inaccessible cables are doing.

E2 program is a program, as Paul discussed, it discusses, it deals just with neutron monitoring, radiation monitoring cables and it deals with all accessible and inaccessible neutron monitoring and radiation monitoring cables.

Next slide.

(Slide change.)

MR. HEATH: The E1 program was originally proposed by Oconee. That program was based on NRC Information Notice 86-49 which essentially was an Information Notice that dealt with hot spots causing degradation of cables in plants. And the concept of this is that we really have a need to know as we go

forward what's happening to these cables in our plants. We can take a look at cables today and come to the conclusion that that cable will last for a hundred years or will last for 150 years, if conditions at the plant remain the same. However, we all know that conditions in the plant don't remain the same. Sometimes you lose insulation on piping. You develop hot spots you didn't know about. So it's reasonable and understandable as you go back periodically and take a look at what the conditions in the cable system is in the plant. And that's what program E1 does.

Inspection techniques for this program came from various EPRI documents and most particularly it came from -- and also from Sandia and 96-0344 which endorses cable inspections as really the only effective means of determining a cable agent degradation.

Sandia in 96-0344 is a DOE report. It was prepared by Sandia Labs and it's entitled "Aging Management Guideline for Commercial Nuclear Power Plants, Cables and Terminations." We like those long titles.

Let's take a look at the next slide.

(Slide change.)

MR. HEATH: The E2 program was originally initiated at Calvert Cliffs which was the first plant to get a license. The initial set of components were based on a draft to Sandia in 96-0344 and were neutron monitoring equipment. It uses calibration results, as Paul discussed. It identifies potential cable aging degradation and it's based on a plant specific approach. Essentially, it's based on the Calvert Cliffs approach to doing calibrations.

We took a look at these two programs, License Renewal Electrical Working Group. Did a technical evaluation for the basis for the two programs as to why we do these things and what is, why are they technically viable programs. We looked at the inspection program and we found that there are several citations in literature that endorse visual inspections. Essentially, it's the only thing that we could find that across the board gives you an idea of your aging management or the aging of your cable system.

We also know, each of us know that in our own operating plants, we have found cables that have degraded through visual inspections. When we take a look at program E2, we couldn't find any similar citations for calibration programs. We know that when

we do calibrations on some instrumentation, we have an indication of cable failure when the cable actually fails. And you can't do the calibration. You go back out and you can take a look at it.

No plants that we could find have had any experience in identifying aging conditions from calibration. However, if you have a situation where you can't look at that cable, you potentially can get information from your calibration program. So there is a value to E2.

Furthermore, your program description for the E2 program is plant specific like I already discussed and you can't use it across the board for all nuclear plants.

Next slide.

(Slide change.)

MR. HEATH: Originally, when we implemented this, we found -- of course, original implementation came from the first two plants, Calvert Cliffs had program E2. Oconee had program E1. The visual inspection program was implemented at Oconee without the calibration program. The calibration program was implemented at Calvert Cliffs without the inspection program.

When we were reviewing GALL, we reviewed

those two programs on the basis that we did not need to use both of these programs. So we didn't make a lot of comments concerning the E2 program because from the License Renewal Electrical Working Group's standpoint, we felt the program E1 bounded program E2. That was further supported by NUREG 1739 which essentially said we have these two programs, but you don't have to use both of these programs.

What has happened since that time is all plants have been licensed since Oconee have put in a program E1, but have not put in a calibration program.

The License Renewal Electrical Working Group recognizes that all plants are going to have a visual inspection program. We believe that's appropriate and we support that.

And we want to point out that the visual inspection programs apply to radiation monitoring and neutron monitoring of cables as well. If you can see them, you can inspect them and that's a viable method for inspecting these cables.

So from that we've come up with some recommendations. E2 as written is specifically written for Calvert Cliffs. There are some plants that can't implement it so we've already started a process of rewriting E2 and we will provide

information to you through NEI or through NEI for those changes.

We believe it's important for the staff to recognized that both of these programs aren't needed for all plants and currently, if you look at the current class of plants, we're all being requested to put in a program E2, when we believe the program E1 bounds E2.

And we need to make sure we understand that program E1 can be used to manage both inaccessible and accessible cables.

Any questions? Anything?

(No response.)

That's it.

MR. NELSON: Thanks, Mike. Our action going forward is -- correct me if I'm wrong, but the Electrical Working Group is going back to take a look at their guidance paper and then we would submit it to the staff for their review and discussion from that point on?

MR. HEATH: That's correct.

MR. NELSON: And do you have, by the end of the year, the first part of next year?

MR. HEATH: We should have it by the end of the year.

MR. NELSON: End of the year. Good. Thank you very much. I appreciate it, especially coming here after being in the Grand Canyon.

(Laughter.)

Thank you.

DR. LEE: I guess before Peter passes on the guidance this morning we added two things to the agenda, one you saw, the level of detail for TLAA, time-limited aging analysis, the other one was on commitment tracking. So I would like to talk about that first before we get started on Peter.

MR. NELSON: Okay.

DR. LEE: The first item is on the level of detail for time-limited aging analysis. Again, this is an ACRS observation and in fact, the Commission had asked the ACRS to make a recommendation to address the question.

In the early application, when you go to Chapter 4 of the TLAA, there's quite a bit of detail to stop and look at and evaluate and such. But the more recent applications, the level of detail has been significantly reduced, okay? In some cases, to the extreme, in some cases you get to see in a TLAA section they say this is a TLAA. I have evaluated it and it is acceptable.

Now I'm just picking an extreme case, but it's pretty close in some cases. So for us to make a determination that the TLAA has been evaluated, okay, we need to know what kind of evaluation have you done, okay, and now the ACRS actually asks us to do an independent verification, but we need to see data, for example, like the RPTS, the reactor vessel, pressurized thermal shock. We have certain independent calculations that we always do. So it should not be any different. So we're asking for data so we can do our evaluation.

And I guess, I just would like to throw it out, okay, it's a topic if you wanted to talk about that, observations, any comments?

I guess one of the things we heard, Butch talked about it earlier this morning, was about the proprietary information. One of the things we start hearing which we did not hear before in the earlier application is now when we start asking for information for the TLAA, the response is oh, it's proprietary.

Okay, we can not send it to you, it's proprietary. We talked to the lawyer of the OGC about this. The thing is what do I change from the earlier application? The earlier application, they've been

able to provide some description that we can look at, okay? What did they change? But now the thing is we have minimum information and when we ask a question, it's proprietary. We have ways to deal with proprietary information. It's in the regulation. Okay? You want to go that route, that's fine too. Okay? But it looks like the early applicant has been able to provide some description in Chapter 4 and they've been successful in doing that, okay. You should go back and do that lab work.

I'll take some comment.

MR. MEDOFF: This is Jim Medoff. I'm a lead for Reactant Cooling Systems Aging Management Reviews and for TLAAs for things like pressurized thermal shock and for upper shelf energy reviews.

I'd like to sort of distinguish between TLAAs where they have calculational methods that are well known to the industry and the staff, but all you really need to do is reference an approved document such as Regulatory Guide 199, Revision 2 for calculations of RTNDT values and upper shelf energy values as opposed to a TLAA where the calculational methods are really buried in a proprietary report that is back at the plant that we've never seen.

For those TLAAs where the calculational

methods are buried in some report at the plant and we haven't looked at it and reviewed it, we're really going to need to see it because the rule requires that you demonstrate that the TLAAs are either valid and bounding for the period of extended operation or that you have rejected them through to the expiration of the period of extended operation. So therefore, if we've never seen these things and you've done an analysis for 60 years, we really need to see the analysis.

DR. LEE: I would like to add we would like to see the information in the application. Don't wait for the RAI because by the time the RAI comes, you have already lost a couple months on the review schedule. There are things we learned on the application for North End and Surry was that we asked that question late on the RTDTS of the TLAA and then we found out it's addressed in the B&W report and we said gee, we only get a couple weeks left on the schedule and we found out this is in this report. Now what?

That starts to challenge the schedule. So do it up front, you know, put it in the application up front and they'll help everybody.

MR. MEDOFF: For TLAAs, we have like

methods that are already understood like PTS and 10 CFR 50.61. Really, the only thing you really need to get to us is the supporting data that may have changed for the extended period of operations, including any things like PTS and upper shelf assessment would be like relevant capsule pulls in accordance with your reactor vessel materials surveillance program.

So for TLAAs with calculational methods that have already been approved or are understood by the staff, really all we need is the data. If it's buried in some report at the plant, we definitely need the analysis.

DR. LEE: Any more comments?

MR. WELLS: Yes, this is Russ Wells with Constellation Nuclear. I have a concern too though about how much level of detail you need to provide in the application, particularly in the TLAA area. For example, like upper shelf energy, if I have a report that I've submitted to the NRC and NRC has reviewed and approved it and issued an SER and I think that covers my period of extended operation, I'm not sure why we need to go back then again and provide calculations or detailed information that maybe I wouldn't do in other document correspondence. And so -- and it's just like anything else. That information

is available there for the reviewer to look at and verify that that information is still valid, but I'm not sure if I want to put all that information on the docket.

DR. LEE: If you already have an SER that says you're good for 60 years. You just reference that and you're done. But that is an exception, okay? I don't think we have that many of that.

MR. MEDOFF: You have to be careful of TLAAs that are affected by aging management programs for the plant. The example is TLAAs for pressurized thermal shock and for upper shelf energy are affected by capsule pulls. So if you pull a capsule that could affect your TLAA, the report that you think is bounding may be affected by it. And you're going to have to look very well into that to see whether we need to get that sort of data reviewed in the period.

MR. WELLS: Right, but I'm not sure if I want to actually provide -- do I need to actually provide all the capsule data over the last 10 years or so on my application?

MR. MEDOFF: Capsule data is very complicated in the fact that sometimes you have a vendor out there that's reevaluating it and taking all the old data that maybe has been evaluated by three

different vendors and now doing a compiled report, looking at all the data and reassessing it.

The reporting requirements is when the data has to come into the staff in accordance with 10 CFR part 50, Appendix H, but the way we've been handling capsule pulls for license renewal is if a capsule, a relevant capsule is pulled during the review process, we would like to see that data come in and just to confirm that it hasn't impacted your TLAAs.

MR. WELLS: I don't want to belabor the point. I think that's something we're still going to have to --

MR. NELSON: What I was going to say is something we need to discuss among ourselves. I mean obviously much of that information could be site specific or if there is a generic approach that might be able to address during the application process of the format. So why don't we take that under consideration.

DR. LEE: Yes, we will.

MR. NELSON: But do you have -- I mean could you outline for us how you typically pursue proprietary information in the license renewal framework?

MR. MEDOFF: I talked to our lawyers who said it shouldn't be any different than proprietary information being handled in Part 50 space. There's a rule 10 CFR Part 2, Section 2.790 that governs the handling of proprietary information and what needs to be submitted to the staff for review and approval.

DR. LEE: Okay, we'll cooperative with the industry on that.

So if there is no more comment, we'll go to the next item. This is on commitment tracking and Rani will go into that.

MS. FRANOVICH: This is Rani Franovich of the staff. A couple of weeks ago we presented to the ACRS the staff's review findings on the McGuire and Catawba license renewal application review. And one of the things that the ACRS asked us is how are we tracking the commitments made by the applicant and how do we plan to ensure that they have fully implemented all of those commitments associated with license renewal before the period of extended operation begins.

And we for several years have been developing an inspection program that will do just that, but I thought I'd put it on the table as something that applicants may be asked to address by

the ACRS, how do the applicants track these commitments to ensure that they are implemented before the period of extended operation begins. So I'm just putting that on the table as something to discuss amongst yourselves, something the ACRS is interested in, not just from the staff, but from the applicants as well.

MR. NELSON: Well, from an industry point of view, correct me if I'm wrong, we had been looking at the very same issue and are considering and I'll just say considering putting in an appendix in 95-10 that may address guidelines for doing such future commitments and while we're not there yet, we're still talking about it.

MS. FRANOVICH: And I'm not sure to what extent applicants would rely on their current commitment tracking systems, but it sounds like you guys are proposing or have some ideas or are thinking about it and we'll --

MR. NELSON: My understanding is they're very much relying on their current commitment -- I mean licensing help me out here. That's where it's at.

MS. FRANOVICH: It makes sense. You're relying on your corrective action program.

MR. NELSON: Absolutely.

MS. FRANOVICH: As it currently exists for license renewal, so that's the most efficient way. But it sounds that at least you're taking steps to communicate what the plan is.

MR. POLASKI: This is Fred Polaski from Exelon. I think, Alan, the easiest answer is I think everybody is planning on using their existing commitment tracking and commitment annotation programs. What I've seen are variation from applicant to applicant is a timing issue. Some applicants, I think this was mentioned earlier today by the NRC. Some applicants got their new license and then went to implement those commitments.

Other applicants and I know we did this for Peach Bottom, all of the procedures that we were crediting or going to change and credit, we had those fully implemented about within 3 months after we submitted our application and actually we were later than I wanted to be. I wanted to have all that done before we submitted. So the only thing we have left to do is anything that's changed during the review process.

So from our project, we've got a goal that once we get the new license, six months later,

everything is in the process and we walk away from it and it's no different than any other commitment that you've made and it now becomes, it's tracked by Part 50 and when they have to implement them, they can change them through commitment change process and there's nothing any different than it would be than if there was a commitment you made in response to an LER, in response to some generic correspondence.

MS. FRANOVICH: It sounds like the industry is ahead of the ball on this, but the staff will be developing an inspection program to address this and the challenge for us is that we're not like the industry. We don't have a lot of resources invested in commitment tracking, so we have to figure out a way of ensuring that inspection is scheduled 10 or 15 or 20 years in the future to do this, but that's our challenge and we'll communicate what we're coming up with to you as we develop that.

MR. BURTON: Let me add one thing. Yes, it is true what Rani said that we're trying to document all that with inspection guides and stuff, but we are looking at that right now. That's one of the things that Caudle and his inspection team looks at when you go out for the scoping inspection as well as the AMR inspection. One of the things that they

look at is how -- the commitments that you've already made in the application or as a result of what goes on during the review, how is that ultimately getting implemented.

I know and I can only speak specifically about the case of Southern Nuclear which I think has done the same kinds of things similar to what Fred has just said and I know that during those inspections we were very pleased with what we saw in terms of how Southern Nuclear implemented. That was, I believe, a lot a lot of people, Peter Wolfinger -- we're very pleased to right down to where they had headline strikeouts, how they would change and things like that.

MR. POLASKI: This is Fred Polaski. I guess a couple of things that need to be kept in mind, I guess and maybe for future applicants and maybe even some that have already gone through the process. One of the potential problems I could see you have in the future is 15 years after you get your new license and you've had these commitments in place, along with a lot of other commitments.

How do you go through and identify which ones were for licensure because that's more from the perspective of the NRC coming in to inspect to see

whether they're being implemented as opposed to actually implementing them in the plant because I don't look at them from the plant's viewpoint as any different than any other commitment I've made and I'm going to continue to implement every commitment we've made at the plant.

The other thought is too that we need to be careful in talking about this. I've heard some people mix up commitment tracking with 54.37B and I see those as two different issues that we've got to be careful we don't mix together.

I know we've got some questions their application and it was actually, I think it was an RAI that later was withdrawn that talked about well, how are you going to track these commitments with respect to 37B? So I think even one of the reviewers had something mixed up. I've heard some industry discussion that mixes the two together. I think very clearly they're totally different subjects which I would hope in the inspection process are viewed differently by the NRC or separately.

DR. LEE: Any more comments? We'll continue with NDI to address this commitment tracking. And now Peter will start on the ISG process.

MR. KANG: Good afternoon. My name is

Peter Kang. I'm coordinating ISG issues, so my presentation in interim staff guidance which is known as ISG. I will talk about ISG and also what's on the ISG list, current list and also show some samples, how ISG issues affecting GALL or SRPs.

But I was told we are pressed for time, so I didn't realize John has pretty much -- we prepared the same status of stuff, so I'll just cover status aspect of it and John can cover whatever his remainder of his issues.

So let's go, the first ISG. After staff issued improved the license renewal guidance document in April and then staff and applicants having identified some new emerging issues or found that some issues needed to be clarified during the license review, during the review of license renewal application period. So that's where ISG guidance document was developed.

For those proposed ISGs by the staff and staff believes they are current and the future applicants need to address those in their license renewal applications, otherwise those ISGs will result in needing backfit. For some of those issues already, for those plants already gotten their license renewed, we are expecting those ISG issues will be as

classified as backfit item.

Also, all ISG items are available on the NRC website and also when staff updates next, the improved license renewal, the guidance document is updated. It's all updated, this ISG information will be updated.

Next.

(Slide change.)

MR. KANG: As far as the implementation of ISG items it will affect first future applicants, current applicants and also licensees with renewed licenses.

First of all, future and the current applicants are required to address all the approved ISG items in their license renewal applications and also encouraged to address all proposed ISGs during our review process of the license renewal applications. This is like Frank covered this morning and this is to avoid RAIs, additional RAIs and also to speed up the schedules and also make by addressing all this, it's not only good practice, also license renewal process make it more efficient.

As far as for the plant's license with the renewed license, they have to -- these ISG items have to be fitted in as backfitted requirements, so they

were under 10 CFR 50.109. So they have to implement as a backfit. And for that responsible technical staff will developed backfit packages in accordance with existing guidance such as NRR Office Letter 500 and Appendix C of CRGR charters.

Also, the schedule developed for the implementing of the ISG will ensure that backfit is completed for the license period of extended operations. And also all these ISG information has to be updated in FSAR.

So that's ISG and I have -- next item is all lists, what's on the plate? Number one, number one through -- I have a few. The first one, the first one is goal reports contains one acceptable way and not the only way and also second one is scoping of SBO equipment and this reclassified as re-emerging issues and plants licensed without this SBO issues and like Calvert Cliffs, Oconee and ANO. Staff plans to go back and backfit those plants.

Next one is concrete aging management program and this is basically just clarification issues from goal Chapter 2 and goal Chapter 3 and I'll show you some examples. What were the problems which resulted in classifications. So far those are three ISGs approved and the next one is the one getting very

close to the approval is fire protection system piping which is addressed as wall thinning, issue of fire protection piping due to internal corrosions. This issue is going to be issued pretty shortly, pretty close to finalizing it and this will be a classified ISG-4.

Then we have Paul Shemanski talked about electrical fuse issues. This one has had one round with industry already and we'll decide later on whether we're going to finalize this issue, so that's why I have put down to be determined.

Okay, next one is housing. Housing for the active components, housing for fans, dampers, heating and cooling coils. And this one is still under development and expected to go out pretty shortly.

The next one is scoping guidance, the one we talked about this morning. Scoping guidance for the fire protection issues and fire protection SSCs. I think Rani is developing this ISG and she said this morning it's closed to going out pretty shortly.

Okay. And the next one is the ISG process itself. Although we talk about ISG is finalized steps, the process, but still we are -- had one round with industry and staff is still seeking some

comments. This is also has gone around for comments.

MR. NELSON: On the updating improved guidance documents, I have a letter of concurrence going through NEI and we should get that to you shortly.

MR. KANG: So you don't have much comments on our process.

(Laughter.)

MR. NELSON: Next.

MR. KANG: Okay. Next one is scoping criteria 54.482. This one we already talked about this morning and NEI said they were preparing white papers on those issues.

MR. NELSON: Well, the action here is you have the white paper, right, we're looking to set up a meeting with some comments from you to let us know what you think of the white papers or the guidance document that we discussed earlier today.

MR. KANG: Okay.

MR. NELSON: So we have a document, a draft document at NRC for their review.

MR. KANG: Okay.

MR. NELSON: In draft.

MR. KANG: Okay, next is 10, 11 and 12. This is actually industry initiated or comments in the

goal report. So John asked me, he's going to address those small bore piping and loose parts monitoring and also cracking, the bolting issues.

The last one I put on the list is and EAF assisted the fatigue issues. Originally, this was identified as topical report and then the recent meeting and NEI suggested will add this as an ISG item and we are waiting NEI's input on this one.

MR. NELSON: Right, we committed to provide you with a draft ISG proposal by the end of the year on that.

I've got one question.

MR. KANG: Okay.

MR. NELSON: Is this the official numbering? Because I was under the impression there was a different.

MR. KANG: No. Probably, an appeal issue has gone out from the list. That's why a --

MR. NELSON: How's that again?

MR. KANG: Appeal issue. Previously --

MR. NELSON: Oh, okay. The appeal was ISG 5, so you've dropped that from as an ISG document. So we'll no longer call that an ISG?

MR. KANG: Yes. It's not an ISG item.

MR. NELSON: Okay.

MR. KANG: And then probably there's the E1 and E2 issue will be added as a 14, I don't know yet, but how the --

MR. NELSON: Right, that will be added when --

MR. KANG: Mike and the industry is going to be deciding what they're going to do with it.

MR. NELSON: Right, well, we'll submit that as a draft guidance, you know for E1 and E2.

MR. KANG: Okay, and also I have some --

MR. NELSON: Let me just -- that is not going to be an ISG format same as the EAF document. That's just -- that will be a guidance document for review.

MR. KANG: Well, still we like to follow ISG format.

MR. NELSON: Yes.

MR. KANG: Probably its only difference is I don't know how we can say, industry identified and you're going to issue to us and put a comment on it or we issue -- we get input from you and we send out to the public.

I don't know yet. We have to work this out.

MR. NELSON: Let's discuss it further,

what the approach may be.

MR. KANG: Yes. Also, I have an example. Example on goal, existing goal, current goal versus realized goal and what actually changes take place. This is chapter 2 on containment structure area and this is concrete elements and aging effect of material, cracking due to freeze and thaw. And the way we had it in the current version is the sort of confusing and AMP, we wrote AMP and then IWL and then whatever additional information is there. It was during that lessons learned from DEMA project and someone commented on this and this is very confusing and doesn't know, couldn't tell which program applies to what.

So at the revised -- could you put the revised? Yes. Okay, the revised section over AMP, we put -- first of all we separated accessible areas and inaccessible areas. Okay? And accessible area is IWL by code and that's given. IWL and then inaccessible areas we stated based on the weather, the plant is located and it's a weather conditions there and how the concrete mix was made based on HCI standard so -- and in addition, we did explain further evaluation sections.

And also another complaint was -- another

comment was we said yes or no, simply yes or no doesn't mean we needed more additional clarifications, so staff went back, looked at each one of the yes or no and put additional positive statement in there. So there will be no confusion as to what kind of a evaluation is needed.

That's one example. And this is in the goals and the next one is Chapter 3. We had similar examples. Chapter 3 is almost identical changes divided between accessible and inaccessible areas and starts the monitoring program IWL and how it answered those revised sections.

So this is one example on the goal. And also, this also existed in goal volume 1, we have to make changes because further evaluation section in the goal are changes. So those changes have to be -- must go in the goal volume 1 as well.

The last one, SRP, Section 3.5 and also I just picked one row of comparison between existing and revised ones, so it's basically the way we had further evaluation recommendation sections, that's what is causing all these changes, so if you change any one of the rows, you should expect a lot of changes, a lot of paperwork. So those are my examples on ISG changes which resulted, actual changes on the goal and SRPs.

So it's in the, in your handouts, so you can just take a look at it closely.

I'll just -- is there any questions?

MR. NELSON: Let me just ask you, while these are samples of ISG changes, and that's a walk through, when will these be available? I mean this is an example.

MR. KANG: Right.

MR. NELSON: For the applications of 2003, they need to be looking at these and these are examples of like, I guess we were going to put into the methodology section, address each one of the ISGs, but then it needs to be, have this kind of focus on it.

MR. KANG: We're expecting when we finalize or updating our next goal, this issue will come out, we expect to see. Other than minor comments and all that stuff, we're not going to go out for public comment, but this type of comment is we've already been through with this, so the last -- the -- you will see when final update is completed.

DR. LEE: These markups follow the IG. So if you look at the IG, this is attached to IG.

MR. KANG: Right. right. Every one of the ISG modifications we did include every time, in fact,

either goal or SRPs. We are attaching.

MR. KUO: Alan, this is simply an example, like you said. The markups resulting from the IG. When we decide, and this is really a subject of a discussion in the future, when we are going to update the GALL and SRP. And this -- the example you see here is something like that, but will eventually end up in the GALL SRP updates and that will be subject to the final approval by the Commission, not Commission but CRGR, I'm sorry.

MR. NELSON: But the point I'm getting at, until that's done, it's really the ISG discussion that we see in drafting comment and revised.

MR. KANG: You know, when we go out for comment, we added in this section, so you do basically comment to make corrections and whatever you did in the fire protection systems. You did put out the markups or you know we had, you didn't like what we changed and then you had additional comments. We had meetings on it, so yes. Okay.

MR. AITKEN: I just had one additional question, Peter, over here.

MR. KANG: Yes.

MR. AITKEN: Paul Aitken from Dominion. Thee's just a little bit of confusion. I know with

myself and others I talked to during the break is which ones do we need to address in an application at a given time? Now I was just looking back at Butch's presentation and he had 5 ISGs and I don't know if that was supposed to be all-inclusive which are not. As an example, he had housings for active components switch which I understand is back in the NRC's house to rewrite that.

MR. KANG: Okay.

MR. AITKEN: I don't know, out of this list is it the ones that have been issued or --

MR. KANG: No, the ones -- what I said was proposed. In other words, proposed and went out for comments. Those are the ones you've got to pay attention to it and that they are the ones you probably could practice to addressing those issues.

So like a current plan, your on-going review right now and then some new emerging ISGs comes out and probably staff will ask RAIs or ask you to address these issues or you can volunteer to just address those issues as a supplement and then you don't have to worry about backfitting later on.

MS. FRANOVICH: Peter, just to avoid confusion, this is Rani Franovich of the staff. I think they need to address both the proposed and the

final ISGs in their license renewal applications. I may be stating the obvious, but --

MR. NELSON: Well, can we go through the numbers as Peter has laid out in his layout slide, so there isn't any confusion.

MR. KANG: Okay, the first one you have the same one, right?

MR. NELSON: Yes. We're working off of your sheet.

MR. KANG: Right, okay.

MR. NELSON: Station blackout, yes.

MR. KANG: Uh-huh.

MR. NELSON: Concrete aging, yes.

MR. KANG: Okay. Fire protection pipings.

MR. NELSON: Fire protection, yes.

MR. KANG: Okay. This is, yes.

MR. NELSON: Electrical fuse holder.

MR. KANG: Right.

MR. NELSON: Housing. That's questionable because you're going to reissue the ISG.

MR. KANG: Well, originally, it was issued in May, right?

MR. NELSON: Yes.

MR. KANG: And then staff said we're going to re-issue this, articulate further, right? But that

one hasn't gone out yet. So staff is working on that one.

MS. FRANOVICH: This is Rani Franovich. I think the point that Peter is trying to make is that if we've issued something, even if it's just proposed, it would avoid the need to write RAIs to just ask the applicant to state its position on these issues on the application to the extent possible.

MR. WATSON: This is Bill Watson. I have a question for the staff on this. How will these be treated in the sense that some of the ISGs, we certainly haven't reached agreement between the industry and NRC on where we're headed with particular issue and so we, for instance, will state, as you requested how we will address this particular issue. How is it handled then by the reviewers if how we're going to address it is different than either the proposed guidance or where the guidance ends up being? Have you talked amongst yourselves as to how the reviewer is making out so we get treated more uniformly or fairly in that process.

MR. KANG: Okay, if you look at the ISG itself, from the beginning, it comes out with staff positions, okay, the reason why staff was asking this position. So that's where the points where you have

to start from.

MR. KUO: Peter, if I may address your question. The first three ISGs as Peter pointed out are actually -- have been finalized. Number one doesn't have to do any -- doesn't have to do -- you don't have to do anything with it because that's simply one way, not the only way.

The second and third issues then is SPO issue and the concrete aging issue are final, have been finalized and the application will have to address those two issues. The rest are in the process.

MR. KANG: Okay.

MR. KUO: Having said that, I will say the staff has expressed its position pretty clearly in many of these issues already with probably the exception to housing because housing, we have talked to NEI that we have committed ourselves to reissuing. We haven't done that yet, but the rest of these issues, I think we probably iterated to worse NEI, once at least. There may be some twice.

So the staff position is pretty firm on that. However, having said that, they have not been finalized yet. So for the future plants, it will be I think prudent for the future applicants to address

all these issues that haven't been finalized yet, but that is not a requirement. However, you could expect the staff to issue an NEI if you don't address it.

You could address it in your own way, plant-specific way. You don't have to go along with whatever the proposed position is there. However, you have to address it. And if the staff doesn't see any information on those issues, you could expect RAIs. That's why we say it's a good practice for you to provide information on those issues.

MR. KANG: Okay. And also, all the ISG is not -- some of them is a lot of clarifications, so actually like in number 4, fire protection piping system is also reclassified as clarifications, so -- and also number 7, scoping guidance. So those are clarifications. Probably that is just to give you additional guidance. So you might not need to do anything with it.

MR. NELSON: Butch, did you want to --

MR. BURTON: Let me add a little. The ISG on the ISG process. Let me talk about that. This is extremely important because it's going to lay out the rules on how we're going to do these things and there are a couple of issues that I think we need to address and hopefully in a fairly short time frame, but let me

just -- well, the first thing is it is important that we as the staff allow you at any given moment to know what is on the table and this table that you have here is telling you what is either approved in development or what we're thinking about and specifically when you see things that say on going staff evaluation, those are things that we're looking at, but we have not made a final decision as to whether or not we're going to proceed, okay?

So when you look at items 10, 11 and 12, there has not been a final decision that we're going to pursue that as an ISG, but we're looking at it, okay?

Once we made a decision that this is something that we probably need to prepare an ISG on, that's what we mean when we say under staff development. Those are things that we are working on. And part of that is we feel like we have fleshed this out. It's solid enough that we feel comfortable asking about it and actually trying to get your positions on these things in terms of whether it's a management issue or a scoping issue.

So when you see something that says under staff development, even though we have not actually put together the final approved thing, we're in the

process of it, that says to you that we're comfortable enough that we want to go on and pursue this, okay?

One of the issues, well, there are actually a couple that have come up with regard to ISGs and one is Peter talked about the three groups of applicants in general. Those that are far enough back in the queue that you have time to address them in your application. Then there's that population of applicants who are either so close to submitting or who are already in that you don't have time to put it in your application. So just like anything else, we'll try and sort that out through RAIs.

There is a subset of that group that sometimes things may be problematic and Turkey Point was the perfect example. They were very, very close to having their renewed license issued when the SBO thing hit and I don't know, those of you who were following that, it turned out that they had, it was not originally addressed in their application and they were on the verge of getting their application when they were told by the staff and the ACRS, you need to address this before you get your renewed license. It's a -- it turned out to be a compliance issue with the SBO rule and there was a lot of scrambling, but it was addressed and they got their renewed license.

One of the things that I think we have to do as a staff is to somehow correlate the importance of the issue with how close an applicant is to having it, getting their renewed license. Now SBO, I mean I agree with the final decision. I understand what happened, but depending on the relative importance of whatever the issue is on the table, if you are really close to having your license renewed, and this is going to hold up the, screw up the schedule and all that kind of stuff, those are considerations that we have to make.

And the truth is we have not fleshed all that out very well so far, but those are considerations that we have to make and then of course, for those who have already renewed their license, if an issue comes up, you have to consider the backfit issue and one of the things that the discipline that we're trying to put on our reviewers and it kind of goes back to what I was talking about with the RAIs in terms of just coming up with any old thing and thinking deep thoughts and imposing that, our reviewers have to understand that when you bring up some of these emerging issues, it's more than just saying they need to do this and then everybody getting ratcheted to do that.

There is a discipline that the reviewer has to provide in terms of having a sound technical basis for it, to determine whether, as Peter said, it's just a clarification versus a truly safety significant or compliance issue. We have to go through and address all of these things and the truth is is that in terms of -- oh, and before I go on, the other thing is the timeliness issue.

When these things, when we have decided that these things do need to be pursued as an ISG, we need to do it in a timely fashion and I think that so far, we have not really -- some things have been allowed to kind of sit, I think for a little bit too long. So I think there is some work that the staff has to do just in terms of the ones that we have already decided need to be pursued and ultimately the issue. We need to go on and get that process going and get it going in a good time frame and working with the industry to do that also.

The A2 position is probably a good example of that. That's been hanging around for a long time. We need to go on and get that finished and out the door.

So there are a number of things with this ISG development process that I think can stand some

improvement and I think that one of the take aways and I've been trying to list the take aways as we've been going through here, I think one of the take aways that we have to -- both the staff and the industry need to do is to dialogue heavily on this in a very short time frame and get these ones that are currently on the plate, get them out the door if that's what's going to happen and then also in terms of the process issue, ISG process issue, get that finalized so that everyone knows what to expect.

MR. KUO: But as to what you just said, okay, we are trying to establish an ISG process and we have sent a letter beyond that on the ISG process and we are awaiting information, a response from the NEI on that. As soon as we get the responses from NEI and we may have discussions and try to formally place that ISG process in place and in that process we have actually timing set up about when you should consider the ISG, when you don't have to. So it is all there.

Once that is finalized you really have a very clear guidance as to how you deal with certain ISGs that are still under development and those ISGs have been already finalized. I think that should be very clear to you. But as Butch said, we need to work on that and we are working with NEI on this.

MR. WATSON: I appreciate the perspective though as offered around here. There was just one piece of my question associated with process that I didn't get an answer to, so I would just like to make a request of the staff, if you'd consider how the reviewers are going to handle, for instance, you have eight applications under review. There's an ISG and the various applicants are handling it differently, how you might go about coordinating with each other, perhaps, to make sure that we don't see it can happening, ratcheting back and forth between applicants and we're trying to respond to these ISGs. So that was the other piece of the process question I'd like to ask.

MR. BURTON: Let me try to address that. And you're right. With any effort where you're trying to reach sort of a generic position or understanding on an issue, to the extent that it applies to any individual applicant you're going to do that. But the first thing has to be that we're clear on what the positions are and as I said before, we have -- I think that we could have moved a little more expeditiously in reaching position, some of these positions.

And I would suggest in the near term if we, in particular, the ISG process ISG, that we really

raise that as a fairly high priority item so that we can all agree on how this process is going to work.

I would suggest that that be fairly high priority. The other thing is for those items on the status table for which the ball is in our court to get something done, and the staff is going to again sit down in the very near term and see what we need to do to move this forward. But the items that are on here where the ball is in you all's court, we're going to come to you and we're going to say okay, we need to get this done, when can you get this to us. We need to impose some schedule discipline on both sides in terms of getting some of these things done.

But in terms of what you were saying, and once those things are done, then at least we have some clarity in terms of what the issues are and then individual applicants can either -- yeah, I'm going to follow this agreed upon generic position or no, I'm going to go a different way and we can accommodate either one, but right now I think the biggest problem is the uncertainty. Does that make sense?

MS. FRANOVICH: I'd like to add one thing to that. This is Rani Franovich of the staff. An applicant can always choose to go down a path that anticipates the ISG will end up in. It just has to

make a best estimate guess as to where that's going to lead. So even if the industry hasn't agreed, an applicant can independently say well, we think it's reasonable and we're going to go there, just as an applicant can say even though NEI said we're not going to fight on this, we still are going to disagree. It could go either way.

MR. NELSON: Okay, in closure as I said, the ISG regarding the updating is going through my internal concurrence and it should be on your desk shortly. If I'm here, I can't be there. It's one of those deals.

MR. POLASKI: Alan, I'd like to ask one more question, if you would on ISGs, just for the future applicants, so we can be clear about. I heard the NRC say in future applications you've got to address ISGs that are either approved or in process where the NRC has taken a position. What's the NRC's expectation of how you do that?

And let me give you an example. Scoping of station blackout. Coming in resident in Quad Cities in January. We've already decided we're including that. Do you expect that it will just appear in the application and you'll figure out we addressed it or do you expect to see in the text of

the application this is included in accordance with ISG whatever or do you want to see a list of all the interim staff guidances that are out there with how we're addressing each of those in the application?

MR. NELSON: Fred, we agreed to cover that in Section 2 methodology as a statement, but then it would be connected to the application.

MR. WATSON: Right. What we had proposed as a class 3 for the industry and staff consideration that we would include the ISGs under review or where the staff has taken a position and how we are approaching those ISGs.

We had talked about whether it would go in Section 2, Section 3 or wherever, depending upon what type of ISG it was and we have not made a final decision on that at this point in time, but we had made a decision early on. Maybe we need to revisit, but it sound like we had made a decision early on that we would include how we were going to handle ISGs to assist the staff in their review.

MR. POLASKI: I understand it. Maybe I'm just being a little bit -- on my part for addressing the Quad because I'm already fixed, but I wanted to -- interested in what the NRC is expecting to see.

MR. BURTON: And let me say I don't think

that I can give you anything certainly that has been agreed to by the staff, but let me just give a suggestion. In one place, whether it's in Section 2 or 3 or whatever, to almost have a road map, say, in the application we addressed all of the ISGs that were on the table as of X date, here they are. You can find how we addressed those in sections A, B, C, D and E and have all that in one place so that the reviewers can say yup, they're addressed and here's where I can find how they're addressed. I don't know, that is just my own personal suggestion. I'm not saying that that's anything staff necessarily agrees with.

I don't know, Fred, how do you feel about that?

MR. BURTON: And I have to apologize to Fred because we say it was because everybody accepted Quad Cities.

(Laughter.)

And I don't know whether what I just said it may be in direct conflict with what you guys are putting together. I don't know. Does that help you, Fred?

MR. POLASKI: That's fine. I can do it. I just wanted to know it was going to work because I didn't want to come in with an application and say oh,

that's not the way we expected to see it and have to go through it.

The more I can understand, the better I can do it so I don't get questions later. That's all.

MR. NELSON: Okay, I think that John Rycyna's presentation really has been overtaken by events.

(Laughter.)

John is shaking his head. Isn't it great having control of the agenda and I didn't hurt his feelings either.

We did have a couple of items, I think, Bill, you wanted to address in closing on format that -- and we'll just take a few minutes of that and we'll try to do a roll up and wish everybody a happy trails for today and talk about tomorrow a little bit.

MR. WATSON: Okay, really there were four questions that I got on the break and at lunch time. I'll state the question and what the proposed solution is or proposed answer to that question is from the class of 03. The first question would be would we have a structures description section and an VI&C description section because we only used systems as an example. The answer to that question is yes.

We just used systems for an example

because it was the easiest one to use, the simplest, for clarity. But we would expect to have similar sections for structures and for electrical VI&C.

The second one was -- actually, it's more of a statement than anything else. Just a caution on how to use the materials that were handed out today for the format presentation. In the spirit of Halloween, we kind of put together a Frankenstein example. We took a little bit from here and a little bit from there and a little bit from there and made the -- I wouldn't say the beast, but the masterpiece, so you're going to see it does all connect together. It does function, but it's really examples from several different inputs, plants, applications and that sort of thing. So take it for what it's worth. It was an example of format.

And also the next question, I guess, would be or statement would be that we do not have time to give all examples of all notes, but there are several examples included. I would have loved to go over what did note 2 mean, what did note 3 mean, what 4, 5, 6, but if you look in your handout, you'll see there are several examples, especially if you go through the Section 3 handout I gave you that was a sample application. If you go in there, you're going to see

examples of where we took exception to GALL on an individual program basis, where we're exactly consistent with GALL, where the component was not in GALL, so we did give you several examples of how we aligned with GALL and I encourage you to go, look at the handout and look at those examples and get a feel for what we were trying to present to you today.

And then finally, I did not really spend enough time on this. On the entry portion to Section 3 which I call the front matter, where it was a road map to other locations within the section, there was a part that I did not give enough emphasis to and that was the methodology, aging management review methodology and I just want to make it clear what the Class of 03 is proposing is that the aging management review methodology get addressed in that introductory section, a portion of Section 3 and you can either put the aging management review methodology right there, just like the descriptions of the tables as located right there or you could defer out to optional appendix C as the example shown.

So I don't want anybody thinking that the Class of 03 is suggesting the only method you can use for addressing AMR methodologies is put it in appendix C. That was just an example of one way you might be

able to do it.

But that section 3 would have the description somewhere or you'd be referenced out as far as methodology is concerned. That covers the four areas that came up during the break.

MR. NELSON: Okay, let me see if I can do some sort of a roll up of actions because we had a pretty intense day in going through the format and some of the activities that we had discussed and I know you all took copious notes. Eric will keep me honest if I skip over a bunch of things. But just briefly, I'm going to hit some high level.

In our path forward to standardized application for the Year of 2003 going forward, not Dresden and Quad Cities, we provided you with an ongoing format and content of a typical, what we think is an application with examples and the notes that we had put together from what we thought we had agreed upon in principle.

We asked you to take a look at those and prepare some form of comments to us. It doesn't have to be any formal comments, just so that we can prepare an agenda for November 6 so that when we, the industry, get together on November 5th, we can prepare to answer many of those comments that you may have

from the example format and content.

We also ask you to take a look at the definitions and I believe we will change the definitions sequenced from alphabetical to numbers. That's not an issue, but it does make sense and I'm glad that point was brought up, but we need you to take -- a lot of discussion today revolved around consistent with GALL and I think we need to really kind of nail that down.

MR. BURTON: Alan, when will you need that input from us?

MR. NELSON: Well, the best day would be the Friday before, what's that? We're going to be here on the 4th with the working group and steering committee, but my task force will be meeting on the 5th at NEI. So we certainly need it before, some time before then. I mean the best date would be the Friday. The worse date would be Tuesday afternoon on the 5th.

But we'd appreciate, even if it's high level so that we can come in and prepare before we meet with you because in order to meet the year end target, we'd like to expeditiously move along in nailing down as many of these loose ends as we can before we send in a package for staff's concurrence.

And what we'll ask for is concurrence not only for the license renewal branch, but also with the different engineering folks as well so that there is a buy in across all staff people that might or groups that might be -- be involved in a review process.

One of the things that I will do, the industry will be mindful of areas that have been agreed upon that we end up deviating from both from the industry side and from the staff side, so we'll be looking for those kind of areas, hey, we agreed upon this. This should have been screened out before it was an RAI, things like that.

We did provide you with a draft of Criteria 2 and we'd appreciate a review of that and a look at that, so that we can come back and set a date. You let us know your review and then we'll meet with our group and set that up as a follow-up action.

DR. LEE: This is something you send in?

MR. NELSON: Yes, I had forwarded it to you and Raj Anand and PT as well as a draft. I sent it in along with the slides. I said here are the slides we're going to present and here's draft guidance that we had prepared in preparation for that discussion.

DR. LEE: Okay.

MR. NELSON: Again, we'll address the appeals process expeditiously. We're in the process of developing an ISG on EAF and we're evaluating our position on the electrical cable and we owe you actions on those.

I think those -- I think we had some discussion on commitment tracking that we may be looking at, as well as other areas that were brought out today. Let me check with Eric. Is there anything else I need to add to that?

MR. BLOCHER: You just need to add the minor one, issue out the letter this week on the ISG.

MR. NELSON: This week?

MR. BLOCHER: This week? Did I say that?

MR. NELSON: We're going to try and get it to you this week. I appreciate it.

That concludes my closing remarks. I certainly appreciate the dialogue that is going on. As I said at the outset, communication is the name of the game and we need to keep it open and candid and often. Obviously, by the level of interest and everybody here, we mean serious business when we're trying to focus on a standard application process and iron out an order to make in every which way a predictable process, so on behalf of the industry, I'd

certainly like to thank PT and Frank and all the people here that participated. Let me turn it over to Frank.

MR. GILLESPIE: Yes, PT unfortunately had to go to a different meeting internally to try to keep some other things straightened out at 4. It was like I left this morning and my opening comments, I was concerned with stability and the interim staff guidance and its effect on stability and I came back in and I said my God they've been talking about this for six and a half hours.

(Laughter.)

I didn't think it was that important. I think as Bill started off the meeting this morning, you were addressing format here, predominantly, but I think when we get your comments on the ISGs we're going to have some give and take on that. That's starting to get then down into content and I very much like at least on the part of the NRC would like to get just one piece of the process straightened out as quickly as possible and bring some discipline into it and transparency.

Kind of set a standards of criteria, so I was kind of glad to see it's still being talked about, so I appreciate you spending six and a half hours on

my topic and I'm sure at the next workshop you'll get the bills.

I do appreciate -- I guess is pretty much everyone coming back for tomorrow? Same cast? Okay. And PT was going to do some wrap ups tomorrow so that you all could get out of here and have a nice weekend.

MR. NELSON: Actually, Frank, we got a guy on the elevator saying when's Frank coming in? We'll switch topics.

(Laughter.)

MR. GILLESPIE: By the way, I would like to thank Exelon. Fred is an excellent straight man.

(Laughter.)

Actually, he did hit it. Anything you can do that would make sense to make our review easier, if it's a simple index sheet that's not part of the application, but like maps things in for us that we're caught in this interim time frame, put the index sheet in there, particularly if it's something you can do quickly and easily and it's going to avoid phone calls on where's this, where's that, how does it connect?

You are caught 2003, the class, I feel like it's a graduation ceremony here. You're kind of caught in a time warp between all the lessons learned from last year and all the corrections -- 100 percent

of the corrections will probably take us the rest of this year to get them in place and this year, we're kind of going into next year. In the interim, anything you can do, if it makes sense, give us a call, talk to us. If it makes your review easier on us, it makes it easier on you.

So I do appreciate keeping the communications open.

MR. MEDOFF: Just go give you an example of that, something -- an example of something that was provided in the application that really made it much easier on the staff was when the Turkey Point application came in, they had an extra pending in their application that had all their technical bases of why they were eliminating effects as being applicable for given components and when the staff sees stuff like that, it really whittles down on the number of RAIs we have to issue too, so it's something to keep in consideration.

MR. GILLESPIE: By the way, if we knew the exact right answer we would give it to you.

(Laughter.)

Thank you everybody.

MR. NELSON: I don't know what the conditions are on the road, but of course, be safe and

we'll see you here, registration 8:30 tomorrow. I think we're going to kick off at 9. Special thanks to the NRC and the people that help set up this facility and the accommodations. I certainly appreciate it.

MR. FREDRICHSEN: Will our materials be secure here overnight or should we take them with us?

DR. LEE: You can leave the materials over here, the auditorium will be locked and when you arrive at 8:30 tomorrow morning, you will find it.

MR. NELSON: Great. Thank you very much. I appreciate it.

(Whereupon, at 4:12 p.m., the meeting was concluded.)

CERTIFICATE

This is to certify that the attached proceedings before the United States Nuclear Regulatory Commission in the matter of:

Name of Proceeding: Public Workshop on license Renewal

Docket Number: N/A

Location: Rockville, Maryland

were held as herein appears, and that this is the original transcript thereof for the file of the United States Nuclear Regulatory Commission taken by me and, thereafter reduced to typewriting by me or under the direction of the court reporting company, and that the transcript is a true and accurate record of the foregoing proceedings.

/s/ Rebecca Davis

Rebecca Davis
Official Reporter
Neal R. Gross & Co., Inc.