December 20, 2002

Mr. Ron Simard
Senior Director Business Services
Nuclear Energy Institute
1776 I Street, NW, Suite 400
Washington, DC 20006-3708

SUBJECT: DISCUSSION TOPICS FOR THE CONSTRUCTION INSPECTION FRAMEWORK DOCUMENT

Dear Mr. Simard:

The purpose of this letter is to transmit information to you regarding the Nuclear Regulatory Commission (NRC) staff's plans for revising the construction inspection program. The staff would like to discuss with you and other interested stakeholders its plans for moving forward in this area.

As you know, Nuclear Energy Institute (NEI) provided a white paper on this topic in a November 20, 2001, letter, titled "ITAAC Implementation and Transition to Full Power Operations Under Part 52," (ADAMS Accession Number ML020070338). The staff provided initial working-level comments for this paper in a June 4, 2002, letter from James Lyons to you (ADAMS Accession Number ML021550137). The staff held a public meeting on June 25, 2002, to discuss the comments, which are documented in a meeting summary (ADAMS Accession Number ML022410269). To move forward in this area the staff is developing a construction inspection framework document that will discuss issues contained in these documents and will eventually be used as a road map by the staff for revising the NRC's construction inspection program. The staff intends to issue the document for public comment, schedule a public workshop, revise the document based on consideration of stakeholder comments, and then use the framework document as the guiding document for making changes to the NRC's construction inspection program.

The staff is in the initial stages of developing the framework document, and has created the enclosed draft outline for the document. The staff would like to meet with you and other interested stakeholders in late January or early February 2003 to discuss the enclosed outline and the path to move forward. The staff is especially interested in obtaining comments on Appendix C of the draft outline (i.e., NEI's perspective on examples of issues that would invalidate an NRC interim conclusion relative to inspections, tests, analyses, and acceptance criteria (ITAAC).

The staff notes that the following two issues are not addressed in the framework document: 1) the staff's response to the Commission's staff requirements memorandum (SRM) dated September 11, 2002, regarding programmatic ITAAC and 2) NEI's comments contained in a November 20, 2001, letter regarding the hearing process. The staff intends to address the SRM separately and expects to work with stakeholders to address this issue. Regarding

comments on the hearing process, the staff believes that these comments are outside the scope of the framework document.

Please contact Thomas Foley, Senior Engineer, Inspection Program Branch, at 301-415-1036 to make arrangements for the meeting.

Sincerely,

/RA/

Cynthia Carpenter, Branch Chief
Inspection Program Branch
Division of Inspection Program Management
Office of Nuclear Reactor Regulation

Enclosure: As stated

SRM separately and expects to work with stakeholders to address this issue. Regarding comments on the hearing process, the staff believes that these comments are outside the scope of the framework document.

Please contact Thomas Foley, Senior Engineer, Inspection Program Branch, at 301-415-1036 to make arrangements for the meeting.

Sincerely,

Cynthia Carpenter, Branch Chief
Inspection Program Branch
Division of Inspection Program Management
Office of Nuclear Reactor Regulation

Enclosure: As stated

cc w/encl: See next page

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Draft Outline for Construction Inspection Program Framework Document

I. Executive Summary

II. Background
- A. History
- B. Lessons Learned

III. Framework Overview
- A. General
- B. Regulations
- C. Current Inspection Environment

IV. Framework Implementation
- A. Inspection Manual Chapter - Construction Inspection Program
- B. Inspection Manual Chapter - Early Site Permit
- C. Inspection Manual Chapter- Combined License (includes engineering design verification guidance & guidance for programs implemented prior to issuance of a COL)
  - 1. Introduction
    - 1.a Relationship to other inspection manual chapters
    - 1.b Operational Programs
  - 2. Implementation Issues
    - 2.a Scenarios
    - 2.b Procedural
      - 2.b.1 Engineering Design Verifications
      - 2.b.2 Quality Assurance
      - 2.b.3 Possibility of ITAAC being completed before a combined license is issued
      - 2.b.4 Programmatic inspections
      - 2.b.5 Site Preparation (limited work authorizations)
    - 2.c Organizational issues
  - 3. Discussion Topics
- D. Inspection Manual Chapter - Inspections, Tests, Analyses, and Acceptance Criteria (ITAAC)
  - 1 Background
  - 2. Process Timeline
  - 3. Inspection Activities
    - 3.a Phased inspections to support ITAAC interim conclusions (Sub-ITAAC Inspections)
    - 3.b Sign-as-you-go (SAYGO) process inspections
    - 3.c Interim ITAAC Conclusions
    - 3.d Commission ITAAC Finding In Accordance With 52.103(g)
  - 4. Implementation Issues
    - 4.a Procedural

Enclosure

4.a.1 Inspection Sampling
4.a.2 Interim Inspection Conclusions and followup
4.a.3 Public Notifications
4.a.4 Results of detailed AP600 and ABWR ITAAC to existing inspection procedure mapping
4.b Organizational
4.b.1 NRC organization
4.b.2 Construction Inspection Program Information Management System (CIPIMS)

5. Discussion Topics

E. Inspection Manual Chapter - Transition to Reactor Oversight Process
1. Pre fuel load (Operational Readiness Inspections prior to authorization to load fuel)
2. Post fuel load (Transition to reactor oversight process)
3. Discussion Topics

Figure 1 - Framework Overview Diagram

Figure 2 - Modular Construction Diagram

Figure 3 - Nuclear Power Plant Construction Schedule

Figure 4 - NRC Construction Organization Chart

Appendix A - ABWR Construction Example (At the ABWR being built in Taiwan there is a problem with the reactor pressure vessel pedestal welds. The team believes that this problem can be used as an example to illustrate how the CIP would handle such a problem if it were to occur in the U.S.)

Appendix B- Examples of New and Significant Information That Would Invalidate a Previous SAYGO Process Conclusion

Appendix C - Examples of New and Significant Information That Would Invalidate a Previous ITAAC Interim Conclusion

Appendix D - Results of detailed AP600 and ABWR ITAAC to existing inspection procedure mapping

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