

December 27, 2002

ORGANIZATION: Nuclear Energy Institute (NEI)

SUBJECT: SUMMARY OF MEETING WITH THE NUCLEAR ENERGY INSTITUTE
REGARDING EARLY SITE PERMIT (ESP) ISSUES

On December 5, 2002, representatives from the Nuclear Energy Institute (NEI) met with the Nuclear Regulatory Commission (NRC) staff. The meeting was requested by NEI in order to discuss issues related to ESP applications and reviews. Representatives from Dominion Generation (Dominion), Exelon Generating Company (Exelon) and Entergy Operations, Inc. (Entergy) were in attendance.

Enclosure 1 is a list of the meeting attendees. NRC and NEI provided handouts (Enclosure 3) during the meeting which can be accessed through the Agencywide Documents Access and Management System (ADAMS). This system provides text and image files of NRC's public documents. The handouts mentioned above may be accessed through the ADAMS system under Accession No. ML023400580. If you do not have access to ADAMS or if there are problems in accessing the handouts located in ADAMS, contact the NRC Public Document Room (PDR) reference staff at 1-800-397-4209, 301-415-4737, or by e-mail to pdr@nrc.gov.

Follow-up Items from the October 16-17 Meeting

The staff provided feedback on (1) an action item to provide information about a possible Clinton event raised by Mr. Goutam Bagchi; (2) an action item to develop questions on the plant parameter envelope (PPE) approach; and (3) further clarification from Jocelyn Mitchell regarding previous comments on environmental impact mitigation alternatives (See Enclosure 3). Russell Bell of NEI transmitted information to the staff via e-mail on the following action items: (1) to make it possible for the staff to view a larger size drawing of the graphic slides used in the presentation; and (2) to provide logistic information regarding the second CEUS Ground Motion Workshop to be held in December 2002.

Topics for Next Meeting

NEI Early Site Permit Task Force (ESPTF) proposed the following topics to be discussed at the next meeting:

- ESP-1: ESP application form and content - Discussion of NRC ESP Review Standard
- ESP-4: Nominal NRC review timeline
- ESP-8: Use of bounding approach for providing fuel cycle and transportation information required by the National Environmental Policy Act (NEPA) (Tables S-3 and S-4)
- ESP-12: Guidance for evaluating severe accident mitigation alternatives under NEPA
- ESP-16: Guidance for ESP approval of emergency plans

The next meeting will also include discussion of the NEI resolution letters for ESP-3, (Quality assurance (QA) requirements of ESP information), ESP-6 (Use of a Bounding Plant Parameter

Approach), ESP-7 (Guidance For Satisfying 52.17(a)(1) Requirement for Description and Safety Assessment of the Facility) and ESP-22 (Form and content of an ESP) scheduled to be issued by December 20, 2002. In addition, the next meeting will cover the status and future plans for the balance of the ESP Topics which have not been discussed by the NEI ESPTF.

ESP-3 (QA requirements of ESP information)

The NEI ESPTF reiterated the points raised in their white paper on this subject which was transmitted via e-mail to the staff on November 20, 2002 (See Enclosure 3). The staff read a statement (See Enclosure 2) which summarized the staff's position that held that under Title 10 of the *Code of Federal Regulations* (10 CFR) Section 52.18, the staff must use the appropriate QA criteria including Appendix B of 10 CFR Part 50 to assess the ESP applicant's QA program. The staff agrees that ESP applicants are not required to have an Appendix B QA program. NEI asserted that NRC Inspection Manual Chapter (IMC) 2501, "Nuclear Reactor Inspection Program - Early Site Permit," needs to be corrected with respect to its applicability to Appendix B requirements. NEI stated that they will review the staff's statement and if there are any questions they will contact the staff. The staff took an action item to consider NEI comments on IMC 2501 and to incorporate the staff position in the ESP Review Standard.

ESP-6 (Use of a Bounding Plant Parameter Envelope (PPE) Approach) and ESP-7 (Guidance For Satisfying 52.17(a)(1) Requirement for Description and Safety Assessment of the Facility)

NEI presented the industry approach on ESP-6, "Radiological Consequence Assessment of Design Basis Accidents for Preparation of ESP Environmental Report," and ESP-7, "How to Meet Section 52.17(a)(1) in the Absence of SSCs?" (See Enclosure 3). NEI white papers on this subject which were transmitted via e-mail to the staff on November 20, 2002 (See Enclosure 3). NEI and the staff discussed their proposal and the staff provided marked-up comments (See Enclosure 3) on NEI's ESP-6 presentation. Both ESP-6 and ESP-7 share a common issue related to assessing the acceptability of the site under the radiological consequence evaluation factors identified in Part 50.34(a). In its presentation, NEI proposed that ESP applicants evaluate a spectrum of representative design basis accidents to assess the environmental radiological consequences; however, for the site safety evaluation, NEI proposed to defer its radiological consequence assessments to the combined (COL) stage. The staff questioned why NEI's proposed approach for resolving this common issue differs for ESP-6 and ESP-7. The staff stated that the NEI approach to the environmental radiological consequence evaluation appears reasonable. However, with regard to the site safety evaluation, the staff indicated that it is not readily apparent that the staff can establish the technical bases for its conclusions regarding the acceptability of the site under the radiological consequence evaluation factors without the applicants' safety assessments of design basis accidents.

The staff also provided general comments and environmental review questions on the PPE approach which were transmitted via e-mail (See Enclosure 3).

ESP-18a (Alternative site reviews for ESP applicants using existing licensed sites)

The NEI ESPTF provided a presentation (See Enclosure 3) to the staff similar to their white paper on this new sub-topic which was transmitted via e-mail to the staff on November 20, 2002 (See Enclosure 3). NEI ESPTF also provided a discussion on their view of environmental impact mitigation alternatives (EIMA) and Jocelyn Mitchell of the NRC staff provided via e-mail additional comments on the NEI white paper (See Enclosure 3). The NEI white paper on EIMA was transmitted to the staff via e-mail on November 20, 2002. NEI took an action item to respond to staff questions and comments on the EIMA issue either in the PPE white paper or in a separate document. The staff indicated that regulatory guidance for performing alternative site reviews is located in NUREG-1555, "Standard Review Plans for Environmental Review for Nuclear Power Plants", Section 9.3 and there is a Category 3 public meeting to be held on January 28, 2003, to solicit public input on criteria for the review of alternative sites.

ESP-8 (Use of a bounding approach for providing fuel cycle and transportation info required by the National Environmental Policy Act (NEPA) (Table S-3 and S-4)

NEI ESPTF provided a follow-up presentation (See Enclosure 3) which was transmitted to the staff via e-mail on November 20, 2002. The evaluation results are expected to be completed by January 2003 and will address non-light water reactor designs. The staff noted that the final results should factor in previous information from the Pebble Bed Modular Reactor (PBMR) discussions. The staff took an action item to provide comments on the subject presentation.

ESP-11 (Criteria for determining ESP duration (10-20 years)

The NEI ESPTF provided a discussion (See Enclosure 3) to the staff which emphasized the rationale stated in their subject white paper which was transmitted via e-mail to the staff on November 20, 2002 (See Enclosure 3). The staff will formally respond to the NEI resolution letters on this subject which are scheduled to be issued on December 20, 2002.

ESP-12 (Guidance for evaluating severe accident mitigation alternatives (SAMA) under NEPA)

The NEI ESPTF expanded the scope of the subject topic to include environmental review for severe accidents and retitled the topic as *NEPA Consideration of Severe Accidents*. The NEI ESPTF provided a presentation (See Enclosure 3) to the staff which emphasized the rationale stated in their subject white paper on this expanded topic which was transmitted via e-mail to the staff on November 20, 2002 (See Enclosure 3). NEI proposed that the staff defer its environmental review of severe accidents and SAMA (as described in NUREG-1555, Sections 7.2 and 7.3) until the COL stage. The staff did not believe that the severe accident review could be deferred until the COL stage. It was suggested that the NRC staff and the NEI ESPTF reconsider ESP-12 with respect to the experience gained through the SAMA reviews performed to support the NRC's design certification reviews.

ESP-22 (Form and content of an ESP)

The NEI ESPTF had requested staff feedback on the revised August 21, 2002, form and content of an ESP, that was presented at the August 22, 2002, public meeting. The staff responded that it was premature at this time to discuss specifics on the permit structure without consulting the Commission regarding some of the policy-related ESP issues. The staff intends

to develop a SECY paper on these ESP policy issues after the receipt of the key NEI resolution letters scheduled to be issued by December 20, 2002.

Public Comments

A representative from Greenpeace commented that the SAMA review cannot be deferred until COL due to NEPA requirements.

/RA/

Ronaldo V. Jenkins, Senior Project Manager
New Reactor Licensing Project Office
Office of Nuclear Reactor Regulation

Project No. 689

Enclosures: As stated

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Meeting
With the Nuclear Energy Institute
December 5, 2002

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Jerry Wilson, NRR
Michael Scott, NRR
James Lyons, NRR
Nanette Gilles, NRR
Goutam Bagchi, NRR
Stephen Koenick, NRR
Barry Zalcman, NRR
Bruce Musico, NRR
Jay Lee, NRR
David Terao, NRR
Gene Imbro, NRR
*Thomas Kenyon, NRR
Gregory Suber, NRR
*Rebecca Karas, NRR
*Dennis Allison, NRR
Cassie Bray, OGC
Kathryn Winsberg, OGC

Nuclear Energy Institute

Russell Bell
Ronald Simard

Other Attendees

Leonard Bretstein, URS Corporation
Michael Soulard, AECL
Jim Riccio, Greenpeace
Mike Bourgeois, Entergy
George Zinke, Entergy
Eddie Grant, Exelon
Thomas P. Mundy, Exelon
Bill Maher, Exelon
Marvin Smith, Dominion
Joe Hegner, Dominion
Eva Eckert Hickey, PPNL
Bob Evans, Enercon Services
Jon Cudworth, TetraTech NUS
Kyle Turner, McCallum-Turner
Mike Cambia, Parsons E & C
Patricia Campbell, Winston & Strawn

* Participant via telephone

ESP-3 Quality Assurance (QA) Requirements for an ESP Application

Issue: Industry has advanced the position that ESP may apply 10 CFR Part 50, Appendix B, or they may apply non-Appendix B alternative quality processes. (See associated White Paper on ESP-3)

Staff

Position: The staff is required under 10 CFR 52.18, *Standards for review of applications*, to review ESP applications according to the applicable standards set out in 10 CFR Part 50 and its appendices as they apply to construction permits under Part 50. The applicable ESP review areas are site safety, environmental impact and emergency preparedness. As noted in the Industry White Paper, appropriate quality assurance is necessary in order to facilitate efficient staff review. The staff does not hold that ESP applicants are required to have an Appendix B Program.

The staff intends to assess the ESP applicant's QA program to ensure that the appropriate QA elements are in place in order (1) to establish a baseline for future use during the COL process and (2) to assess any potential impact on the staff's findings. For example, we will use Appendix B to guide us in the assessment of the quality assurance used to develop site safety application information.

The site safety review area contains information (i.e., analyses, data) materially important to the satisfactory performance of safety-related structures, systems and components (SSCs) for a future reactor or reactors to be operated without undue risk to the health and safety of the public at the subject site. Because of the finality of the issues resolved as part the ESP process, the staff must assure as part of our review that the appropriate quality assurance elements for the site safety information are in place consistent with a comparable review of a construction permit applicant.

So to summarize, the staff intends to assess the ESP applicant's QA program to ensure that the appropriate QA elements are in place in order (1) to establish a baseline for future use during the COL process and (2) to assess any potential impact on the staff's findings. The staff will utilize Appendix B as necessary in order to guide us in that assessment.

ESP-Generic

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