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From: Amy Cabbage
To: Harris, Tim; St. Amour, Norman; Turdici, James
Date: 7/10/01 4:18PM
Subject: Exelon agenda and pre-meeting on 7/12 at 10.00

I have attached the agenda for the Exelon meeting next week. The Exelon white paper discussion is scheduled between 9.40 and 10:30 on Tuesday 7/17 in the Commission hearing room.

For your info I have attached the list of the white papers which includes status and action items (this is the same list that was sent out by Diane Jackson last week). I have scheduled a **pre-meeting on Thursday 7/12 from 10:00 to 11:00 in room 010B6**. Contact me if you are not available at that time.

Thanks,
Amy Cabbage
415-2875

CC: Abrams, Charlotte; Dusaniwskyj, Michael ; Faircloth, Caryn; Gamberoni, Marsha; Gleaves, Bill; Jackson, Diane; Moore, Janice; Steele, Sharon; Wilson, Jerry; Zalcmn, Barry

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From: Diane Jackson
To: Amy Cabbage; Eric Benner; Jerry Wilson; Marsha Gamberoni
Date: 7/10/01 2:56PM
Subject: Exelon agenda

Agenda for Exelon meeting next week July 17 -18:

Tuesday

9 - 9:10 Stu's intro remarks

9:10 - 9:40 Exelon presentation on technical review topics and objectives

9:40 - 10:30 White papers

10:30 - 10:50 Break

10:50 - rest of day Licensing approach

Wednesday

9 -10 Exelon presentation on codes and standards including objectives

10 - 12 Exelon presentation on fuel irradiation overview and objectives

7-17-2001 meeting plan for PBMR white papers

Environmental Impacts of the Fuel Cycle and Transportation : Portion for NMSS/OGC: The staff informed Exelon that it is still reviewing the Waste Confidence Rule. The staff requested additional information to assist in their determination, including: if the waste would be stored in water, dry cask storage, or other means; what type of container would be used, and the nature of the waste. The staff also asked if the fuel fabrication would be domestic or foreign. Given a timely response by Exelon, the staff expects to provide an answer by the end of summer.

ACTION: EXELON

Annual Fees: The staff explained the regulations and guidance to determine annual fees. Exelon was informed that an estimate for annual fees could not be provided since it is determined on a yearly basis primarily on the budget, the number of licenses issued and sufficient information about staff effort associated with the PBMR that is currently not available. The staff also informed Exelon that fees require public notice and comment. Exelon requested that the staff provide a few annual fee cost estimates using assumptions; explain the circumstances for which a new class for fees would be established; and inform them when the annual fees would begin for a Part 52 license.

ACTION: STAFF - TURDICI - STATUS - Provide feedback on 1 license or 10 licenses, given PBMR stays in reactor fee grouping. Provide status/Plan for if PBMR is 3rd class.

Number of Licenses: The staff stated that additional internal discussion was needed; however, one license for a multi-reactor facility may be a possibility. The staff informed Exelon that if one license was issued for all of the modules, then the life all of the reactors would begin from the date of issuance, regardless of when they became operational. Exelon also requested that the staff inform them of any changes to the definitions of module or modular, if any occurred. The staff expects to provide an answer in approximately September.

ACTION: STAFF - LETTER IN JULY, no feedback in meeting -pre-decisional since letter almost out.

Antitrust Review Authority: The staff needs additional internal discussion which may involve the Department of Justice. The staff expects to provide an answer by the end of summer.

ACTION: STAFF - STATUS, if possible

Financial Protection: The staff informed Exelon that additional review of the Price-Anderson Act was needed, however, it appeared that the Act was not as broad as Exelon described in their white paper. The staff expects to provide an answer by the end of summer.

ACTION: STAFF - STATUS, if possible

**No Further Staff Action Required for meetings unless requested by Exelon:
STAFF FOR THESE ISSUES DO NOT NEED TO ATTEND JULY 17 MEETING**

Operator Staffing: The staff is open to an exemption on the minimum staffing requirements and location of operators. The staff explained the necessary regulations and guidance to justify an exemption. Exelon will review this information and ask for additional staff guidance if necessary.

Environmental Impacts of the Fuel Cycle and Transportation : NRR PORTION: The staff agreed that the current regulations found in 10 CFR 51.51 and 51.52 only address light water reactors (LWRs). The staff's position is that the environmental report should provide information similar to the environmental impacts discussed in Tables S-3 and S-4 in Sections 51.51 and 51.52 in the current regulations and should include sufficient information to allow the staff to address the environmental, socioeconomic, and human health impacts of the pebble bed modular reactor fuel cycle. The staff also explained that a rulemaking to revise Tables S-3 and S-4 is currently in progress

Financial Qualifications: The staff explained the four options available to provide financial qualification information. The staff discussed various scenarios for supplying financial qualification information depending on how many licenses a multi-reactor facility would be issued.

Decommissioning Funding: The staff explained the reasoning that allows utilities to use a sinking fund for decommissioning, and the difference for non-utilities. As a result, the staff explained it could not support Exelon's proposal for partial pre-payment and installments over several following years. The staff discussed several options for funding, as well as expressing openness to discuss alternative methods. Exelon will determine if they would like to discuss other alternative methods.

Decommissioning Cost Estimate: Exelon clarified that the submittal with costs on a per module basis would also address the cost of decommissioning the whole site. The staff explained that a site-specific estimate would be acceptable. Exelon may request further feedback on a preliminary estimate for decommissioning costs.