

February 11, 2004

MEMORANDUM TO: Samuel J. Collins
Deputy Executive Director for Reactor Programs

FROM: John R. Jolicoeur **/RA/**
Regional Operations and Program
Management Staff, OEDO

SUBJECT: SUMMARY OF DECEMBER 18, 2003, PUBLIC MEETING WITH THE
NUCLEAR ENERGY INSTITUTE ON MUTUAL ITEMS OF INTEREST

On December 18, 2003, senior managers of the Nuclear Energy Institute (NEI) met publicly with senior managers of the Nuclear Regulatory Commission (NRC) at the NEI offices in Washington, DC. The purpose of the meeting was to provide an opportunity for the senior managers of both organizations to discuss items of current interest to the nuclear industry. Attachment 1 is the meeting agenda. Attachment 2 provides a summary of the meeting. No handouts were provided at the meeting. Attachment 3 is a list of meeting attendees.

Attachments: As stated

cc w/attachments:
W. Travers
C. Paperiello
P. Norry
W. Kane
W. Dean
T. Bergman

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AGENDA
 NRC/NEI SENIOR MANAGEMENT MEETING
 DECEMBER 18, 2003
 10:00 AM - 12:00 PM
 NEI Offices
 1776 I Street, NW
 Washington, DC

TOPIC	LEAD	NRC LEAD
Opening / Greetings	NEI/NRC	EDO
Materials Degradation Issues and Management	NRC	NRR/RES
PTS Rulemaking	NEI	NRR
Scrams with Loss of Normal Heat Removal PI / Mitigating Systems PI	NEI	NRR
Sump Blockage Issues	NRC	NRR/RES
Grid issues (Task Force, Grid Reliability Cooperative Study)	NRC	DEDR/RES
Package Performance study	NRC	RES/NMSS
NRC Strategic Plan revision	NEI	
Acquisition of High Burn-up Fuel (Zirlo & M5)	NRC	RES
Questions from the Public for NRC Participants		
Closing Remarks	NRC/NEI	EDO

SUMMARY OF NRC/NEI SENIOR MANAGEMENT MEETING
December 18, 2003

The summary below is presented in the order of topics on the meeting agenda and provides a brief description of the discussion by the meeting participants. This was a Category II Public Meeting and members of the public were in attendance. Handouts were not provided at this meeting.

1. Opening

The meeting began with introductions and a brief discussion of the value of periodic senior management meetings and the need for more frequent meetings.

Action: NRC and NEI will work to schedule three senior management meetings in 2004.

2. Material Degradation Issues and Management

The NRC discussed its understanding of alternate reactor coolant pressure boundary inspection criteria that is being developed by industry and indicated that alternate reactor vessel inspection criteria is currently under staff review and that a proposal will be forthcoming to update the current inspection order. A meeting with members of the Materials Reliability Program (MRP) was discussed. NRC commented favorably on the MRP work on bottom mounted instrumentation issues. NRC noted that requests for relief from ASME code requirements and for relaxation of orders are not being submitted with sufficient lead time before outages to allow for staff review. Recent issues such as the BWR issues associated with power uprates and the CE pressurizer heater sleeve cracking issues were areas in which industry could have been more proactive in communicating with the NRC.

NEI noted that industry had provided the staff with the industry position on the pressurizer heater sleeve issue and that they had identified a lead organization for developing an approach to address the issue. In addition, NEI stated that they would discuss NRC expectations in this area at an upcoming owners group meeting. NEI noted that more effective communications between industry and the NRC were required in this area.

NRC also discussed research activities related to materials issues. The main thrust of the discussion was the value added nature of cooperative research efforts in the area of materials and the need for a proactive approach to addressing materials degradation issues to ensure that safety is not adversely affected. NRC requested NEI support in pursuing industry partners in a Phenomena Identification Ranking Table (PIRT) study. In addition, NRC discussed an opportunity for using the canceled WNP-1 plant in Washington state for research and the NRC interest in finding U.S. and international partners to participate in a cooperative research effort.

NEI stated that they would probably be ready to engage in late January or early February on materials degradation issues. They also expressed an interest in gaining any insights from the Navy Nuclear Propulsion Program in the area of materials that

could be shared with the commercial industry. In addition, NEI expressed a need for periodic meetings on materials issues with NRC at the senior management level.

Action: NRC and NEI will coordinate to conduct meetings at the senior management level on materials issues.

3. PTS Rulemaking

NEI discussed the need to move forward on a rulemaking to update the current rules in 10 CFR 50.61 on pressurized thermal shock to address the impact of the conservatism associated with the current screening criteria. NRC noted that they are on schedule to complete work on a technical basis supporting an update to the screening criteria in September 2004. Resource impacts on the Office of Nuclear Reactor Regulation associated with supporting an update to 10 CFR 50.61 in FY 2004 were also discussed. It was expressed that this rulemaking activity would need to be considered in an add/shed process in that diverting resources to this activity would necessarily impact other priority issues.

Action: NRC will evaluate resources availability for supporting a 10 CFR 50.61 rulemaking when the technical basis has been developed.

4. Scram with Loss of Normal Heat Removal Performance Indicator / Mitigating Systems Performance Indicator

NEI led this discussion and cited a history of the Scrams with Loss of Normal Heat Removal Performance Indicator that indicated that it was problematic in implementation. They noted that there had been numerous changes in the interpretation/application of this performance indicator (PI) over the years. They also noted that the staff has worked hard over the years to resolve the issues associated with this PI. NEI reiterated the position stated in their recent letter that the Scram with Loss of Normal Heat Removal PI should be eliminated or at least suspended and that it should be replaced by the Mitigating Systems PI (MSPI).

NRC discussed the value associated with the Scram with Loss of Normal Heat Removal to the overall evaluation of plant performance, especially the NRC regional view that this PI tends to have a therapeutic effect on prioritizing balance of plant maintenance. In addition, NRC noted that it was not prepared to make a decision on MSPI and noted the complexity of this newly developed PI and the change management issues associated with its implementation.

Both NRC and NEI discussed the relative timing for a final decision on this issue and the need to take more effective action to place this issue on both the NRC's and industry's radar screens to address concerns and reach a final decision on MSPI.

Action: NRC will make a decision on MSPI in the near future.

5. Sump Blockage Issue

NRC led this discussion concerning Generic Safety Issue (GSI) 191 associated with the potential for clogging of recirculation sumps in PWR containments and the impact of this

phenomenon on safety and licensee ability to demonstrate compliance with a number of emergency core cooling system and other regulatory requirements. NRC noted that industry responses to Bulletin 2003-01 on this topic had been reviewed and that a meeting with industry on this topic was scheduled for January 2004. NRC also noted the draft PWR Containment Sump Evaluation Methodology that had been submitted by NEI in October. NEI stated that they needed to receive NRC comments and feedback on break size in order to proceed. NRC also discussed recent research on potential chemical effects, downstream blockage issues, and characterization of PWR debris. The need for ongoing research in this area was also discussed.

NRC stated that a Generic Letter (GL) on this topic was on track to be issued in August 2004. A draft of the GL is expected to be issued in June.

Actions: NRC will provide comments on the NEI Draft PWR Containment Sump Evaluation Methodology and alternate break size recommendation.

6. Grid Issues

NRC discussed the structure of and process followed by the Joint Task Force on the August 14, 2003, blackout event. They reported that phase 1 of the effort that focused on the causes of the event and factors that contributed to the spread of the event was complete. Phase 2, focusing on recommendations to improve grid reliability, was ongoing. NRC also discussed its internal reviews of grid reliability as it relates to safety and licensing bases associated with offsite power sources. NEI reported that an industry task force had been established to work with NRC on this issue.

Actions: NRC will engage the industry task force in the review of grid reliability issues.

7. Package Performance Study

NRC discussed this program, initiated in 1999, to address the following issues associated with the transportation of spent nuclear fuel: stakeholder concerns about the safety of transportation casks; and the desire to further validate the computer models used to evaluate the safety of the transportation casks. NRC outreach to obtain public input has resulted in over 2000 comments and 1000 pages of transcripts from public meetings.

Actions: NRC will develop a comment resolution document in 2004.

8. NRC Strategic Plan Revision

NEI led this discussion in which they stated that they strongly supported the changes that had been proposed in the draft revision to the NRC Strategic Plan. NEI asked if the new strategic plan would be used in the same way as the last strategic plan. NRC responded that the intent is to align all NRC decisions and activities with the structure and goals of the Strategic Plan.

Actions: NRC will clarify the applicability scope of the Management goal in the revised Strategic Plan.

9. Acquisition of High Burnup Fuel (Zirlo and M5)

NRC discussed the cooperative research program at Argonne National Laboratory and the need to obtain irradiated fuel with Niobium bearing clad (Zirlo and M5) to support the research effort. NEI noted that industry is also interested in this topic and that they did not anticipate any drop off of activity. In addition, NEI asked when the irradiated fuel would be required in order to support the research effort.

Action: NRC will provide an acquisition time line for high burnup fuels.

At the conclusion of the meeting, NRC participants provided an opportunity for members of the public to ask questions and provide comments. One attendee asked a question about Pis and their utility, and a PI that has been the subject of a pilot effort, the MSPI. The attendee also asked whether ACRS comment would be sought on the MSPI. The staff indicated that ACRS would be consulted in the process. The staff was asked if the relaxed requirements associated with the revised PTS rule amounted to deregulation. The staff answered that the revision reflected new insights on materials based on a significantly larger data base than existed when the original rule was written, thus allowing the elimination of some excess conservatism. Another questioner focused on an NRC study that indicated that loss of offsite power events were trending toward being of longer duration and asked if the station blackout rule needed to be re-evaluated. The staff replied that the regulatory implications of the August 14, 2003, blackout as well as the research study on loss of offsite power events were being evaluated by the NRC's internal grid task force. Another attendee requested a time line for release of information related to materials issues and the Oak Ridge tests for Davis Besse. The staff did not have a time line available, but committed to get back to him.