NUCLEAR ENERGY INSTITUTE

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Ms. Mary Ann Ashley
Team Leader, Construction Inspection Program
Inspection Program Branch
Office of Nuclear Reactor Regulation
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

PROJECT 689

Dear Ms. Ashley:

Our June 2 public meeting marked a transition from Phase 1 to Phase 2 of our ongoing Construction Inspection Program Information Management System/ITAAC Demonstration Project. Our discussions to date on this topic have provided valuable insights and common understandings regarding construction schedule information to be shared with NRC; coordination with NRC inspection activities; and the focus of licensee ITAAC determinations, NRC ITAAC verification and associated documentation.

During that meeting, we provided a summary of "Lessons Learned" from Phase 1 and "Open Actions" for Phase 2. We have revised this summary based on our discussions and input provided subsequent to the meeting. To provide a sound footing going forward into Phase 2, which will include closer examination of ITAAC determinations and verifications for the 14 example ITAAC under study in Phase 1, we request your review and concurrence in the revised summary of Phase 1 "Lessons Learned" and Phase 2 "Open Actions" (enclosed).

We look forward to continued constructive discussions on this important topic. If you have any questions regarding the enclosure, please contact me at 202-739-8087 or rjb@nei.org.

Sincerely,

Russ Bell

Enclosure

c: Joe Sebrosky, NRC/NRR
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Enclosure

Lessons Learned and Action Items
Resulting from Phase 1 of the
NRC/NEI CIPIMS/ITAAC Verification Demonstration Program
REVISED – 7/8/04

Lessons Learned

1. Construction schedule information at a summary level should be available to NRC instantaneously and be current within a day or two. This will not include fabrication schedule information; fabrication schedule information will be made available to NRC inspectors on an as-needed basis.

2. The industry considers that construction schedule information is business sensitive and proprietary. The vendor/ licensee will be responsible for making the schedule available to the NRC and for making the case that the construction schedule information should be withheld pursuant to 10 CFR 2.390, "Public inspections, exemptions, requests for withholding."

3. If NRR, using LIC-204, "Handling Requests to Withhold Proprietary Information from Public Disclosure," determines that the construction schedule information is proprietary, that determination will remain in place for the life of the construction project.

4. There are a variety of acceptable ways for electronic information transfer between NRC and the COL holder. The specific mechanism will be determined at time of need but will be compatible with CIPIMS.

5. The NRC can perform Construction Inspection activities as it wishes. These activities can include: personal inspection of fabrication and construction activities, review of requested vendor and contractor documentation and data, or review of the COL holder's Quality Assurance Records.

6. Repackaging or submittal of the licensee's QA Records will not be required to support licensee notification of ITAAC completion. QA Records will be available for audit. (QAR as defined in 10 CFR Part 50, Appendix B/NQA-1, or equivalent.)

7. Documentation to support Construction Inspection will be established and controlled IAW importance to safety and the COL holder's Quality Assurance Program. This includes: fabrication, procurement, installation, test, acceptance of sub-tier QA Programs, recordkeeping, etc.

8. ITTAC Determination Bases are those Quality Assurance Records on which is based the licensee's determination that one or more ITAAC are satisfied.

9. Upon receipt of an ITAAC determination letter, the NRC staff will assess the licensee's ITAAC determination bases and its own inspection reports to confirm that that the specified ITAAC acceptance criteria are met and there are no open items that are material to the determination that the acceptance criteria are met.

10. The licensee's QAP, configuration control, and corrective action programs will be relied upon to maintain the acceptance criteria of the SSC following completion and NRC acceptance of the ITAAC. NRC will be informed whenever a CAP item is opened against an SSC that is material to an already accepted ITAAC.

11. ITAAC determinations will be submitted to support each individual ITAAC segment for which there is a specific acceptance criterion.

12. Acceptance of the licensee's ITAAC determination will occur for each individual ITAAC segment for which there is a specific acceptance criterion.

13. To facilitate coordination with licensee construction schedules, NRC CIP activities may focus on systems, structures and components covered by ITAAC, rather than on the ITAAC directly, provided a the licensee provides a separate table is that relates SSCs to their associated ITAAC.

Open Actions for Phase 2 on 14 Workstreams and Real World Examples – Revised 7/8/04

1. Determine extent to which ITAAC and their precursor construction activities need to be identified in construction schedules.

2. Establish process/criteria for determining documentation requirements for each ITAAC (ITAAC Determination Bases).

3. Determine format and content of licensee ITAAC determination letter to NRC.

4. Determine format and content of NRC ITAAC verification documentation, including 52.99 notices.

5. Determine required nature, extent and format for electronically available information to NRC, including construction schedule info, detailed design info and quality records (e.g., deviation reports).

6. Identify acceptable method(s) for licensee sharing of schedule information w/NRC to ensure compatibility with CIPIMS.

7. Jointly demonstrate the Construction Inspection and ITAAC Verification processes from order to "fuel load" with at least one current, real world example.

8. Determine when walkdowns are necessary to verify an ITAAC is met.

9. Clarify the meaning of "as-built" as used in ITAAC acceptance criteria.

10. Establish ground rules for handling various types of ITAAC acceptance criteria, including 1) the "report exists and concludes" type of found in numerous individual ITAAC; and 2) acceptance criteria that indicate no documentation requirements, e.g., "Each check valve changes position as indicate in Table xyz."

11. Develop examples of ITAAC contingencies and how they would be handled before or after NRC ITAAC verification, e.g., damage to SSCs, discovery of documentation deficiencies, inspection report open items, etc.