

April 5, 2005

Mr. Felix Killar, Director
Fuel Cycle Supply/Material Licensees
Nuclear Energy Institute (NEI)
Suite 400
1776 "I" Street, NW
Washington, DC 20006-3708

SUBJECT: PUBLIC MEETING SUMMARY

Dear Mr. Killar:

This letter refers to our meeting at the U.S. Nuclear Regulatory Commission (NRC), Rockville, Maryland, on March 24, 2005, during which we discussed technical and policy issues of mutual interest to the NRC and Nuclear Energy Institute management in the nuclear materials safety arena and nuclear waste safety arena.

Enclosure 1 is an agenda for the meeting. Enclosure 2 is a detailed meeting summary. Enclosure 3 is a list of meeting attendees.

In accordance with 10 CFR 2.390 of the NRC's "Rules of Practice," a copy of this letter and its enclosures will be available electronically for public inspection in the NRC Public Document Room or from the Publicly Available Records (PARS) component of NRC's document system (ADAMS). ADAMS is accessible from the NRC Web site at <http://www.nrc.gov/reading-rm/adams.html> (the Public Electronic Reading Room).

Should you have any questions concerning this letter, please contact us.

Sincerely,

/s/ /RA/

Jack Strosnider, Director
Office of Nuclear Material Safety
and Safeguards

Enclosures: 1. Agenda
2. Meeting Summary
3. List of Attendees

cc w/encl.: (see page 2)

F. Killar

-2-

cc w/encls:

Mr. Clifton Farrell
Nuclear Energy Institute
Suite 400
1776 "I" Street, NW
Washington, DC 20006-3708

Mr. Mike Schoppman
Nuclear Energy Institute
Suite 400
1776 "I" Street, NW
Washington, DC 20006-3708

Mr. Michael Coyle
Nuclear Energy Institute
Suite 400
1776 "I" Street, NW
Washington, DC 20006-3708

Mr. Ralph Anderson
Nuclear Energy Institute
Suite 400
1776 "I" Street, NW
Washington, DC 20006-3708

Mr. Steve Kraft
Nuclear Energy Institute
Suite 400
1776 "I" Street, NW
Washington, DC 20006-3708

steven_dolley@platts.com

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Distribution w/enclosures:

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Agenda
Quarterly Meeting Between
Office of Nuclear Material Safety and Safeguards and
Nuclear Energy Institute

March 24, 2005
9:00 - 11:00 a.m.
Room T-09 A1, NRC Headquarters

9:00-9:05	Welcome and Introductions	NRC
9:05-9:10	Feedback from the Materials and Waste Commission Briefings	NRC
9:10-9:25	Interim Staff Guidance - Status of and perspective on Part 70 ISGs - Process for development and use of ISGs in general	NRC
9:25-9:35	Discussion of validation of subcriticality margin - ISG-10	NRC/NEI
9:35-9:40	Considerations on the proposed SFPO/Industry Licensing Actions Task Force	NRC/NEI
9:40-9:55	Status of security requirements for fuel cycle facilities and Part 30 licensees	NRC/NEI
9:55-10:00	NRC's plans related to issuance of EPA draft radiation standard for Yucca Mountain	NRC
10:00-10:45	Status of: - Availability of revisions to the Inspection Manual and Enforcement Policy for industry review - Package Performance Study and industry involvement - Release of solid materials rulemaking - ICRP and US Radiation Protection Standards - Updating of radiation protection regulatory guidance ICRP 2 vintage - Industry efforts for revising 10 CFR 70.24 - Criticality Alarm System	NRC NRC NRC NRC NEI NEI
10:45-10:50	Decommissioning Workshop announcement	NRC
10:50-10:55	Public comment or questions	Public
10:55-11:00	Summary and Conclusion	NRC/NEI

SUMMARY OF NMSS/NEI MANAGEMENT MEETING
March 24, 2005

Purpose:

On March 24, 2005, senior managers of the Nuclear Regulatory Commission (NRC), Office of Nuclear Material Safety and Safeguards (NMSS) met with senior managers of the Nuclear Energy Institute (NEI) at NRC's Offices in Rockville, Maryland. The purpose of the meeting was to provide an opportunity for the senior managers of both organizations to discuss items of mutual interest.

Opening:

The meeting started at 9:00 am. Members of the public were reminded that this was a Category 2 NRC public meeting and that time had been allotted at the end of the meeting for interested members of the public to raise issues/questions relevant to the topics of the meeting. Jack Strosnider (NRC) opened the meeting by introducing himself and then having the attendees introduce themselves (Attachment 2). He then emphasized the importance of conducting an NRC/NEI management meeting on a regular basis to discuss issues of mutual interest to the industry and NRC. He said the goals of these meetings should be to identify issues early and address them at the office level. He also suggested that the results of these meetings could be used to inform discussion at the Senior Management Meetings between NRC and NEI. He also gave a brief synopsis of the Materials and Waste Commission briefings which were held recently. One action resulting from the briefing was related to keeping the Commissioners informed on NRC involvement in dealing with Greater Than Class C Waste. Mr. Strosnider also discussed the Commission's interest in the progress of a National Source Tracking System (NSTS) and NEI also expressed their interest in this topic. NEI requested that NRC keep them informed of the progress of the NSTS.

International Commission on Radiological Protection (ICRP) Recommendations for Radiation Protection and International Standards

The ICRP is developing an updated set of recommendations, elaborating and evolving from the recommendations currently published in 1990 as ICRP Publication 60. ICRP's stated objectives are to prepare a simplified and more coherent set of recommendations. The basis of recommendations will continue to be the justification of exposures which are introduced, the protection of an individual from exposures from the source of radiation, and the optimization of protection to provide additional protection. Protection of the individual will be emphasized, with optimization constrained by the individual dose for a variety of exposure situations. The current schedule has the supporting documents available for consultation in the summer of 2005, a revision of the draft recommendations for public consultation of three months in the spring of 2006, and the earliest possible date for ICRP adoption in late 2006. NRC staff will review the draft documents, but will not be ready to make any changes to 10 CFR Part 20 as a result of ICRP recommendations for another 1 ½ to 2 years. NEI is also working with ICRP and International Atomic Energy Agency (IAEA) on the same issue.

ACTION: None

Updating of Radiation Protection Regulatory Guidance ICRP 2 Vintage

NEI is undertaking an effort to systematically review and update their guidance to reflect a common technical basis for reactor and fuel cycle safety. One issue with the current guidance is that it does not match up with 10 CFR Part 52 for the new reactor licensing process. NEI sees this update as a way to develop efficiencies for both industry and NRC. NEI also wishes to leave open the option for existing reactor licensees to update their licenses to reflect the technical basis. NEI has contacted the NRC Office of Research (RES) to discuss the possibility of NRC working on a similar update of NRC regulatory guidance. NEI plans to submit a white paper in the late spring and then set up a meeting with RES.

ACTIONS: None

Interim Staff Guidance (ISG)

Wilkins Smith from the Division of Fuel Cycle Safety and Safeguards (FCSS) gave an update on the development of the ISG documents for implementing the revised Part 70. NEI commented that the process of developing these documents and then providing drafts to NEI and industry for comment is sporadic and an integrated schedule would be helpful. Bob Pierson, FCSS, responded that the process is limited by resource constraints and that the ISGs will continue to be prepared as issues arise regarding the implementation of the revised Part 70, and therefore, an integrated schedule is not possible. He did commit to making sure that NEI had the most recent versions of the draft ISGs.

Bill Brach from the Spent Fuel Project Office (SFPO) discussed the SFPO process for preparing and issuing ISGs. He stressed that the NRC is striving to keep the process as open and transparent as possible.

ACTIONS: NRC to make sure that the website and NEI have the correct versions of the draft ISGs.

Discussion of Validation of Subcritical Margin

NEI stated that they had three issues with draft ISG 10 (generated in FCSS), which discusses the validation of subcritical margin. The first issue is that the document is internally inconsistent on the issue of the importance of material density. The second issue relates to the reference to Tsunami codes which NEI considers to be an incomplete code. The third issue is that the margin of criticality needs to be justified, no matter what value is chosen. Bob Pierson suggested that the best way to resolve these issues was to hold a public workshop focusing on the concepts in ISG 10. NEI agreed to that, but also encouraged the NRC to hold off on using ISG 10 when reviewing applications until after the workshop. Mr. Pierson responded that some of the concepts in ISG 10 are relative to the way that FCSS has always performed nuclear criticality safety reviews, and that the staff will continue to use these concepts to perform the reviews.

ACTION: NRC to finalize the schedule for a public workshop to discuss nuclear criticality issues related to fuel cycle facilities.

Considerations on the Proposed SFPO/Industry Licensing Actions Task Force

NEI would like to propose that NRC and NEI establish a working group similar to the reactor licensing actions task force (LATF). Mike Schoppman, NEI, gave a short presentation on the history and examples of successes of the LATF. He mentioned six elements which contribute to the success of the LATF:

- 1 - Comprised of recognized groups within the industry;
- 2 - Strong management sponsorship;
- 3 - Document issues/decisions in writing;
- 4 - Two-way interactions;
- 5 - Action item list and schedules; and
- 6 - Meet regularly at set interval.

As an example of one of the successes of the LATF, he described the process and outcome for developing a model Safety Evaluation which was used for reactor amendment requests. The use of the model incorporated efficiency into the safety review process.

Mr. Brach and Mr. Strosnider expressed their appreciation for the presentation and agreed to consider adopting a similar process for working through SFPO issues.

ACTION: NRC to consider adopting a similar process for SFPO issues.

Status of Security Requirements for Fuel Cycle Facilities and Part 30 Licensees

Alex Murray, FCSS, described the "binning" process used to develop the framework for the security assessments. The schedule for completing the assessments is the end of April, followed by communicating the results to industry in the summer. Mr. Pierson mentioned that the NRC continues to work toward determining the most appropriate method for disseminating the findings of the security assessments with the industry, given the sensitive nature of the information. NEI indicated that they would like to be involved in developing a template if new requirements are to be imposed upon fuel cycle facilities.

NEI also expressed concern about NRC not working with DHS on the Part 30 security issues. Charlie Cox, IMNS, assured the group that NRC is working with DHS on these issues. NEI stated that they are putting together a council on isotopes and wanted an NRC contact. NRC will provide a name.

ACTION: NRC to keep NEI informed of the schedule for the completion of the security assessments. NRC to make sure that Office of Nuclear Security and Incident Response has the appropriate DHS contacts and identifies the DHS contact to NEI. NRC to provide NEI with a contact for the council on isotopes.

NRC Plans Related to Issuance of Environmental Protection Agency (EPA) Draft Radiation Standard for Yucca Mountain

NRC plans to move in parallel to EPA on the rule. The current schedule is to publish the proposed EPA rule in the late spring of 2005. NEI asked if the NRC was aware of what will be in the proposed rule. Bill Reamer (NRC) responded that staff is aware of some of the options

which the EPA is considering, including developing a rationale for sustaining a 10,000-year protection standard, and we are currently working on our rule to be consistent with the EPA.

ACTION: None.

Availability of Revisions to the Inspection Manual and Enforcement Policy for Industry Review

Larry Berg, FCSS, gave an update of the revisions to the Inspection Manual and Enforcement Policy for fuel cycle facilities. Both are in the process of being revised and will be available for public comment when complete. NRC intends to hold a public workshop in the summer to discuss the draft inspection procedures. The Enforcement Policy will be a longer-term process and the NRC will continue to communicate with NEI on the status and schedule.

ACTION: NRC to schedule a public workshop when the revisions to the Inspection Procedures for fuel cycle facilities are completed.

Package Performance Study (PPS)

The Commission issued its final SRM regarding the study in December 2004, the Commission has approved proceeding with the Package Performance Study as a demonstration test of a rail cask as modified. The Commission noted that there have been significant developments since the staff submitted SECY-04-0135 for Commission consideration. The most notable has been the completion of drop testing in Germany using casks representing two different rail cask designs for spent fuel transport. Staff will proceed with implementing the SRM.

Staff is in the process of preparing an information paper outlining the details and projected costs of a proposed demonstration test. The proposed test scenario will involve a fully assembled spent nuclear fuel cask, with surrogate fuel assemblies, tied to and supported on a carrier railcar that is impacted by another train, traveling at 60 MPH, at a 90-degree angle at a simulated rail crossing. After the paper is complete, the staff plans to hold a public meeting to hear the Commission's feedback. Then the staff will move forward with the tests.

NEI expressed concern about these tests as they are difficult to perform and may not accurately simulate regulatory requirements. NEI sees that a regulatory standards test is more appropriate. NRC (Bill Brach) re-iterated that the Commission directed the staff to pursue both types of tests.

ACTION: None

The Disposition of Solid Materials

The proposed rule package (including the rule, Statement of Considerations, regulatory analysis, and draft Generic Impact Statement) is being prepared. In accordance with the recommendations in the 2003 National Academy of Sciences report, the staff is strongly considering a limited pathways approach. The staff is also considering the use of IAEA Safety Guide RS-G-1.7 for surficial and volumetric contamination levels. The current schedule is to publish the package mid-year in 2005.

ACTION: None

Industry Efforts for Revising 10 CFR 70.24 - Criticality Alarm System

NEI would like to have a rulemaking on 10 CFR 70.24 in order to make the rule less prescriptive and more performance-based. In the interim, Part 70 licensees might want to apply for exemptions to this rule. NRC mentioned that a petition for rulemaking should happen soon in order to get it in the queue. NRC also pointed out that since this would be a rulemaking to allow for more efficiency, it would not receive as high a priority as a rulemaking for safety reasons.

ACTION: NEI to consider submitting a petition for rulemaking

Decommissioning Workshop Announcement

The NRC is hosting a decommissioning workshop on April 20-21, 2005. Commissioner Merrifield will speak on the second day. The workshop was announced on the NRC website and the reactor licensees were notified through their project managers. NEI will participate in the workshop.

ACTION: NRC to confirm that fuel cycle licensees are aware of the workshop.

Public Comments:

Only one member of the public attended the meeting. This individual asked whether the decommissioning workshop was a public meeting and if there was a meeting notice. The response was that the workshop will be a Category 3 public meeting and more details about it are posted on the NRC website.

Closing:

The meeting was adjourned at approximately 11:00 a.m.

**MR. CLIFTON FARRELL
NUCLEAR ENERGY INSTITUTE
SUITE 400
1776 "I" STREET, NW
WASHINGTON, DC 20006-3708**

**MR. MIKE SCHOPPMAN
NUCLEAR ENERGY INSTITUTE
SUITE 400
1776 "I" STREET, NW
WASHINGTON, DC 20006-3708**

**MR. MICHAEL COYLE
NUCLEAR ENERGY INSTITUTE
SUITE 400
1776 "I" STREET, NW
WASHINGTON, DC 20006-3708**

**MR. RALPH ANDERSON
NUCLEAR ENERGY INSTITUTE
SUITE 400
1776 "I" STREET, NW
WASHINGTON, DC 20006-3708**

**MR. STEVE KRAFT
NUCLEAR ENERGY INSTITUTE
SUITE 400
1776 "I" STREET, NW
WASHINGTON, DC 20006-3708**