

May 17, 2005

MEMORANDUM TO: Stuart A. Richards, Chief  
Inspection Program Branch  
Division of Inspection Program Management  
Office of Nuclear Reactor Regulation

FROM: Mary Ann Ashley, Team Leader */RA/*  
Construction Inspection Program  
Inspection Program Branch  
Division of Inspection Program Management  
Office of Nuclear Reactor Regulation

SUBJECT: SUMMARY OF MAY 4, 2005 MEETING WITH THE  
NUCLEAR INDUSTRY AND THE PUBLIC TO DISCUSS  
CATEGORIZATION OF INSPECTION FINDINGS RELATED  
TO ITAAC

On May 4, 2005, the Division of Inspection Program Management held a workshop with the nuclear industry and the public to discuss how to categorize inspection findings related to inspections, tests, analyses, and acceptance criteria (ITAAC).

This meeting was classified as a Category 3 meeting to actively solicit input from members of the public on the subject of materiality of inspection results to ITAAC. Attachment 1 provides a list of attendees.

The attendees were divided into six separate groups. The groups were deliberately established to achieve a blend of Nuclear Regulatory Commission (NRC) and industry perspectives in each group as much as practical. The groups were first asked to develop characteristics of four proposed bins for ITAAC inspection findings. The groups then evaluated a total of 12 example inspection results and placed each into the appropriate bin. Lastly the groups were asked to evaluate the binning of the examples versus the characteristics previously established.

A final set of characteristics for each bin was then developed and reported on by each group. The logic used by each group varied and as a result the characteristics of each bin varied. However there was enough similarity to identify a consensus view which is stated following each bin report below. The characteristics of each bin identified by each group are summarized in Attachment 2.

Several legal issues regarding ITAAC were raised as a result of the workshop. The issues were related to:

- 1) ITAAC status when §52.103(g) decision is made by the Commission
- 2) Actions required if a mismatch is identified between design commitment and its associated ITAAC
- 3) The need to docket information supporting ITAAC determination
- 4) Issuance of Federal Register Notices required by §52.99

These issues were forwarded to the Office of the General Counsel with a request for formal legal opinions.

NRC public meeting feedback forms were distributed. Twenty forms were returned with a 100% satisfaction rating for the workshop overall. Comments indicated that the meeting was a very positive experience, was well organized and well presented, and was overall a “great workshop”. The workshop was so well received, several requests were made for additional similar workshops.

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**Category 3 Public Meeting  
CONSTRUCTION INSPECTION PROGRAM WORKSHOP ON ITAAC  
MAY 4, 2005**

<b>NAME</b>	<b>ORGANIZATION</b>
Ashley, Mary Ann	NRC/NRR/DIPM
Beckner, Bill	NRC/NRR/DRIP
Bell, Russ	NEI
Blake, Jerome	NRC Region 2
Bobo, Barry	Hartford Steam Boiler of CT
Bourgeois, Michael	Entergy
Brinkman, Charles	Westinghouse Electric Company
Case Michael	NRC/NRR/DIPM
Colaccino, Joseph	NRC/NRR/DRIP
Cerne, Tony	NRC Region 1
Clark, Jeff	NRC Region 4
Cubbage, Amy	NRC/NRR/DRIP
Drbal, Lawrence	Black & Veatch
Fayan, Joseph	Hartford Steam Boiler of CT
Frantz, Steven	Morgan Lewis & Bockius
Gardner, Ron	NRC Region 3
George, Ben	Nuclear Licensing
Gibbs, Russell	NRC/NRR/DIPM
Gilles, Nanette	NRC/NRR/DRIP
Grant, Eddie	Early Site Permit Project
Gray, Edwin	NRC Region 1
Guy, Cesare	Enercon Services, Inc
Hastings, Peter	Duke Energy
Hegner, Joseph D.	Dominion Generation Inc.
Heymer, Adrian	NEI

<b>NAME</b>	<b>ORGANIZATION</b>
Hutchings, Donald	Westinghouse Electric Company
Jennings, Jason	NRC/NRR/DIPM
Julian, Caudle	NRC Region II
Jobe, Cedric	Nuclear Energy Institute
Kaufman, Paul	NRC Region 1
Kleeth, Edmund	NRC/NRR/DIPM
Lanksbury, Roger	NRC Region 3
Owusu, Tolani	NRC Headquarters
Reid, Carl	Bechtel
Sloan, Sandra M.	Framatome ANP, Inc An AREVA and Siemens Company
Tapia, Joseph	NRC Region 4
Tingen, Steve	NRC/NRR/DIPM
Toman, William	SAIC
Williams, Joe	NRC/NRR/DRIP
Williamson, Dan	Advanced Reactors Projects
Wilson, Jerry	NRC/NRR/DRIP
Winters, James	Westinghouse Electric Company
Weisman, Bob	NRC/OGC
Yamazaki, Hiroshi	Toshiba (Japan)
Yoshida, Hiroyuki	Toshiba (Japan)

## BIN Characteristics Developed During workshop

<b>BIN 4 (NO ITAAC IMPACT)</b>	
<b>GROUP 1</b>	Inspection finding meets acceptance criteria; no followup required
<b>GROUP 2</b>	Inspection finding does not invalidate acceptance criteria Inspection finding not within scope and do not affect ITAAC
<b>GROUP 3</b>	Inspection finding Meets acceptance criteria
<b>GROUP 4</b>	Inspection finding does not expressly influence ITAAC Inspection finding made post ITAAC but not directly related to ITAAC
<b>GROUP 5</b>	Other inspection items to be addressed by licensee's corrective action program Inspection finding not documented in inspection report
<b>GROUP 6</b>	Everything is okay Inspection finding that is minor and/ or administrative issue Inspection finding that has no ITAAC impact but has other regulatory issues

### **Bin 4 consensus views:**

All groups reached the conclusion that this is where inspection findings would be placed if they had no impact on the ITAAC. Included in this bin are issues that are administrative in nature or issues that could be considered minor.

BIN 3 (No title defined)	
<b>GROUP 1</b>	Inspection finding that will require followup by the licensee
<b>GROUP 2</b>	More information will be needed to determine if inspection finding ultimately belongs in Bin 1 or 4
<b>GROUP 3</b>	Inspection finding that identifies a problem such as instrument calibration, technical qualifications, incomplete documentation, QA problems, reanalysis required, or will be resolved once corrective actions have been implemented
<b>GROUP 4</b>	Inspection finding has no ITAAC impact but raises other regulatory concerns Inspection finding identifies that acceptance criteria does not validate design commitment Any inspection finding not material to ITAAC
<b>GROUP 5</b>	Inspection finding that is Similar to Bin 2 items but of lesser ITAAC significance Inspection finding that is relevant to ITAAC but with clear path to resolution Inspection finding that, if left uncorrected, could degrade and then become relevant or material to ITAAC
<b>GROUP 6</b>	Current condition identified during inspection that may affect this or another ITAAC Further investigation of inspection finding is needed

**Bin 3 consensus views:**

The results suggest that this is where a finding might be appropriately grouped if further actions by either the licensee or the NRC are required. However it is not anticipated that these issues would invalidate ITAAC determination.

<b>BIN 2 (No title defined)</b>	
<b>GROUP 1</b>	Inspection finding that needs either NRC or licensee followup
<b>GROUP 2</b>	Inspection finding that will require more information to determine if ultimately belongs in Bin 1 or 4
<b>GROUP 3</b>	Inspection finding that identifies a problem such as instrument calibration, technical qualifications, incomplete documentation, QA problems, reanalysis required, or will be resolved once corrective actions have been implemented
<b>GROUP 4</b>	Disagreement between NRC and licensee regarding result of inspection finding
<b>GROUP 5</b>	Unresolved inspection finding affecting previous ITAAC conclusions Unclear if acceptance criteria have been met Testing called into question Inspection finding that has wide reaching extent of condition Other regulatory concerns such as inconsistent design commitment versus acceptance criteria or other ITAAC potentially affected by inspection finding
<b>GROUP 6</b>	Letter has not yet been sent Inspection finding that will invalidate this or another ITAAC if left uncorrected

**Bin 2 consensus views:**

Most groups found that this is where a finding would be binned if further actions are required prior to final ITAAC determination and if the problems have a higher potential to invalidate the ITAAC. It should also be noted that groups two and three defined bins two and three the same and felt that either a distinction could not be made at this time or that only one middle bin was required.



<b>BIN 1 (INVALIDATES THE ITAAC)</b>	
<b>GROUP 1</b>	False or inaccurate information Failure to meet acceptance criteria Worker qualification problem Flawed testing Will require licensee followup
<b>GROUP 2</b>	Failure to correctly perform ITAAC Deficiency directly conflicts with acceptance criteria
<b>GROUP 3</b>	Hardware modification required Significant reanalysis required Inaccurate information
<b>GROUP 4</b>	Falsified or inaccurate records material to ITAAC Non - conforming condition to ITAAC
<b>GROUP 5</b>	Does not meet acceptance criteria
<b>GROUP 6</b>	Letter has been issued and acceptance criteria not met

**Bin 1 consensus views:**

All groups reached the conclusion that the following types of problems are material to an ITAAC: False or inaccurate information, failure to meet acceptance criteria, or type of testing performed to validate ITAAC is flawed.