

June 29, 2006

ORGANIZATION: Nuclear Energy Institute

SUBJECT: SUMMARY OF THE LICENSE RENEWAL MEETING BETWEEN THE U.S. NUCLEAR REGULATORY COMMISSION STAFF AND THE NUCLEAR ENERGY INSTITUTE REGARDING IMPLEMENTATION OF 10 CFR 54.37(b) REQUIREMENTS

On April 26, 2006, the U.S. Nuclear Regulatory Commission (NRC) staff met with representatives from the Nuclear Energy Institute (NEI) to discuss the staff's position on implementation of 10 CFR 54.37(b) and the applicability of the backfit rule, 10 CFR 50.109. NEI requested the meeting to obtain a better understanding of the NRC staff's interpretation of the regulation. A list of meeting participants is provided in the enclosure.

The NRC staff's position regarding § 54.37(b) is contained in letters to NEI dated May 5, 2005 (Accession Number ML051250245), July 21, 2004 (Accession Number ML042040254) and December 12, 2003 (Accession Number ML023520620). In summary, § 54.37(b) states that updates of the final safety analysis report (FSAR) for licensees with renewed licenses must include any systems, structures, and components (SSCs) newly identified that would have been subject to an aging management review or evaluation of time-limited aging analyses in accordance with § 54.21 and describe how the effects of aging will be managed. The staff's interpretation of § 54.37(b) is that after a renewed license is issued, licensees are required to include in their FSAR newly identified SSCs (whether identified by the staff or licensee) and that a backfit analysis in accordance with § 50.109 is not required. The requirement stems from application of the rule language itself, and therefore does not constitute a new requirement or a new interpretation that could be considered a backfit.

NEI disagrees with the staff's interpretation of § 54.37(b). NEI's position is contained in letters to the NRC dated March 8, 2006 (Accession Number ML060750262), February 18, 2005 (Accession Number ML050560129) and February 13, 2004 (Accession Number ML050900006). NEI believes that the NRC should prepare a backfit analysis in accordance with § 50.109 for any determination that a licensee with a renewed license must analyze and address aging effects for a newly identified SSCs, when that NRC action is based on a new or changed staff position regarding SSCs within the scope of the license renewal rule.

Discussions during the meeting helped both the NRC staff and NEI understand each other's position. The staff indicated that it would consider the information provided by NEI at the meeting and respond to NEI's March 8, 2006, letter.

/RA/

Stephen T. Hoffman, Senior Project Manager
License Renewal Branch B
Division of License Renewal
Office of Nuclear Reactor Regulation

Project No. 690

Enclosure:
Meeting Participants List

cc w/encl: See next page

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/RA/

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cc w/encl: See next page

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LIST OF PARTICIPANTS FOR THE MEETING
BETWEEN THE NUCLEAR REGULATORY COMMISSION
STAFF AND NUCLEAR ENERGY INSTITUTE

APRIL 26, 2006

PARTICIPANTS

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Robert Weisman	NRC
Pao-Tsin Kuo	NRC
Jacob Zimmerman	NRC
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Kiyoto Tanabe	NRC
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Ellen Ginsberg	NEI
Anne Cottingham	NEI
James Ross	NEI
Tom Houghton	NEI
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Steven Dolley	Inside NRC/McGraw Hill
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* By telephone

ENCLOSURE

Note to Nuclear Energy Institute from Stephen Hoffman dated June 29, 2006

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NUCLEAR ENERGY INSTITUTE

Project No. 690

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