

October 10, 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 LICENSE RENEWAL TASK FORCE

The U.S. Nuclear Regulatory Commission (NRC) staff and the Nuclear Energy Institute (NEI) License Renewal Task Force met on September 26, 2006, to discuss generic license renewal topics, lessons learned from the audit process, and license renewal process improvements. Enclosure 1 provides a listing of the meeting participants. Enclosure 2 contains the agenda for the meeting. A summary of the discussions follows:

1. License renewal application (LRA) cost and scheduling

NEI stated it is pleased with the efficiency of the current process and the latest proposals by the NRC staff in improving efficiency, such as combining the safety process public information meeting and environmental scoping public meeting. Additionally, NEI thinks that eliminating the audit report would reduce redundant staff work, and that eliminating exit meetings would also improve efficiency. NRC staff stated that eliminating exit meetings was proposed not to save resources, but to improve communications with the public by publishing the question and answer database generated during the audits. NRC stated that it expected to still issue an audit report, except it would contain significantly less detail due to the publishing of the question and answer database.

NEI also stated that there were overlaps between the inspection and audits by NRC staff repeatedly reviewing implementing procedures. NEI also noted that NRC project managers who take an active role in communicating with reviewers reduced duplication of effort. Additionally, NEI stated that it is looking for consistency or guidelines to be established for the question and answer databases generated during audits.

2. Obtaining accurate NRC and contractor cost for utility budgeting

NEI stated that better budget projections, especially at the end of the project, would ensure applicants budgeted enough to complete the license renewal projects. NEI suggested monthly updates, in addition to quarterly billing, would ensure no unexpected charges were billed to applicants at the end of the project.

NRC staff agreed that timely billing was important, but was challenged by contractors who could not provide billing in a timely fashion. The Office of Nuclear Reactor Regulation (NRR) management recognized this as an issue that is not unique to license renewal and it would review billing practices to improve timeliness.

3. License renewal Interim Staff Guidance (ISG) process

NEI stated that the license renewal ISG process was a success from the industry's perspective, in that it increased dialog and opportunity to comment. As the process has reached a point of maturity, NEI recommends the use of generic communications in lieu of the current license renewal ISG process to convey new staff guidance, which would be more consistent with other NRC processes. The staff stated that for technical issues which require expeditious issuance to industry, the current ISG process works well. But the staff agreed to reevaluate the recommendation to issue generic communications for process and methodology guidance.

4. NRC response to NEI's letters regarding 10 CFR 54.37(b)

NEI stated that it sent two white papers to NRC for review, one concerning the treatment of newly identified systems, structures, or components (SSCs) within the scope of license renewal under the backfit rule, and the other concerning the definition of newly identified SSCs after a renewed license is issued. NRC staff stated the white papers are under review and expect to complete the review around the end of October.

5. Credit for current licensing bases for license renewal

Consistent with the discussion in item 1, NEI stated its position that credit should be granted for existing aging management programs which are reviewed as part of the reactor oversight process (ROP), such as the American Society of Mechanical Engineers (ASME) Section XI inspections, the Environmental Qualification Program, and the 10 CFR Part 50, Appendix J Program. This would reduce duplicative reviews and increase review efficiency for LRAs.

6. Generic Aging Lessons Learned (GALL) topics

A. Aging management program XI.E6 (electrical cables)

NEI stated that it submitted a white paper to the NRC for review describing its position that the GALL Report XI.E6 program on electrical cable connections does not need to be part of the GALL Report. The staff stated that a working group was being assembled to discuss the recommendation, and it would be treated as an industry proposed ISG.

B. ASME Code

NEI restated its position that credit for ROP inspections of ASME Code programs would reduce duplicative reviews and improve review efficiency.

7. LRA status

NEI provided the staff updated status of LRA submittals for the Wolf Creek and Shearon Harris plants. The Wolf Creek LRA was expected to be submitted for NRC review on September 29, 2006. The LRA for the Harris plant was expected to be submitted in November 2006.

8. NRC re-organization - resource and process changes

NRR management described the transition schedule for re-organizing NRR into two offices: the Office of Nuclear Reactor Regulation, and the Office of New Reactors. The new office is expected to be established by January 2007. The subsequent transition would initially result in fewer NRR staff, but NRR management stated that license renewal would remain one of the highest priority licensing actions.

9. Public participation

Mr. Phillip Musegaas of Riverkeeper requested an updated status on the proposed LRA submittal for an Entergy plant in March 2007. There was no new status; the application is still expected in March 2007.

/RA/

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Office of Nuclear Reactor Regulation

Project No. 690

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LIST OF PARTICIPANTS FOR THE
MEETING BETWEEN THE U.S. NUCLEAR REGULATORY COMMISSION
AND THE NUCLEAR ENERGY INSTITUTE
SEPTEMBER 26, 2006

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AGENDA
MEETING BETWEEN THE U.S. NUCLEAR REGULATORY COMMISSION STAFF
AND THE NUCLEAR ENERGY INSTITUTE
September 26, 2006

<u>Topic</u>	<u>Lead</u>
1. License renewal application (LRA) cost and scheduling	NEI
2. Obtaining accurate NRC and contractor cost for utility budgeting	NEI
3. License renewal Interim Staff Guidance Process	NEI
4. NRC response to NEI's letters regarding 10 CFR 54.37(b)	NEI
5. Credit for current licensing bases for license renewal	NEI
6. GALL topics	
A. Aging management program XI.E6 (electrical cable connections)	NEI
B. ASME Code	NEI
7. LRA status (Wolf Creek, Harris, Entergy March 2007 plant)	NEI
8. NRC reorganization - resource and process changes	NRC

NUCLEAR ENERGY INSTITUTE

Project No. 690

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Letter to Nuclear Energy Institute from D. Merzke dated October 10, 2006

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