



Industry Perspective on Final Part 52 Rule

Industry Briefing of NRC Commission
November 9, 2006



Industry Panel

- Marvin Fertel, Chief Nuclear Officer, NEI
- Scotty Hinnant, Chief Nuclear Officer, Progress Energy & Chairman of NEI New Plant Working Group
- Marilyn Kray, President, NuStart Energy



Part 52

- After 8 years the rule needs to be issued
 - COL applications will be at the final review stage in six months
- Recommendation: Issue final rule with a few specific changes
 - Avoid misinterpretation
 - Increase certainty
 - Improve implementation efficiency





Issues

- Environmental finality
- Design certification change process
- Section 52.99 -- new requirements
- International operating experience
- Regulation by generic communication
- Severe accident issues

Environmental Finality

- Environmental finality is critical issue
- Use COL environmental report to define issues
- Use of NEPA scoping process to provide opportunity for public comment would improve process
- NRC Staff evaluates public comments
 - Determines if significant new information has been identified
 - Issues Commission-approved notice on scope of proceeding



Design Certification Change Process

- Rule should support concept of design certification finality
- Rulemaking for design changes beyond those permitted by existing regulations should only be initiated based on insights from:
 - First-of-a-Kind Engineering
 - Construction

Construction Inspection (\$52.99)

- NRC October 25 new rule language
 - Does not reflect the intense NRC construction inspection program, Sign-As-You-Go approach
 - Does not reflect detailed industry & NRC schedules for supporting ITAAC activities
 - Impractical for implementation
- More public dialogue is critical before rule is finalized

Evaluation of International Operating Experience (OE)

- The rule should not require COL applicants to monitor and evaluate international OE comparable to NRC generic letters and bulletins
 - NRC Office Instruction LIC-400 requires the staff to factor international OE into NRC programs

Regulation by Generic Communication & Guidance

- Applicants should not be required to demonstrate how generic letters and bulletins have been incorporated into plant design
- Insight from generic communications must be incorporated into rules, SRP and guidance as issues are resolved

Severe Accident Issues

- Severe accidents are not §50.2 design bases
- Change process for severe accident design features is unclear and inconsistent with SOC and standard regulatory change processes
- Rule change needed to:
 - Make the regulation consistent with standard regulatory practices
 - State the requirement only applies to a specific set of ex-vessel severe accident events that are not design bases accidents



Limited Work Authorizations

- Proposed rule has many positive aspects
- Remaining issues requiring resolution
 - Excavation
 - Scope of facilities subject to LWA

Licensing/Hearing Process Enhancements

- Industry supports issuance of October 20 Draft Policy Statement
- Further process improvements for consideration
 - Establish target milestones for SER & EIS
 - Start ESP and COL hearings based on draft SER & EIS
 - Focus hearing on application-specific issues





In Addition...

- Eliminate the uncontested part of the mandatory ESP and COL hearing
- Specify use of informal, legislative-type hearings under Section 52.103 (ITAAC)

Summary

- Need to finalize the rule but...
 - Changes are needed to avoid misinterpretation, improve certainty and effectiveness
- Need timely dialogue with NRC staff on §52.99
- Industry will provide written amplification of these comments

**FINAL RULE PART 52
LICENSES,
CERTIFICATIONS AND
APPROVALS**

November 9, 2006

**Luis Reyes, Executive
Director for Operations**

Agenda

- **Background**
- **Purpose**
- **Outcomes of Final Rule**
- **Interactions**
- **Finality in Environmental Area**
- **Design Certification Amendments**
- **Other Process Enhancements**
- **Optimize Closure Process for ITAAC**

Background

- **January 30, 2006 SRM on SECY-05-0203 approved proposed rule publication**
- **Proposed rule published March 13, 2006**
- **Comment period ended May 30, 2006**

Purpose

- **Update 10 CFR Part 52**
 - **lessons learned during design certification & ESP reviews**
 - **interactions with stakeholders on COL process**
- **Enhance efficiency/effectiveness**
- **Clarify applicability of requirements**

Outcomes of Final Rule

- **Clear statement of application requirements for each licensing/approval process**
- **ITAAC closure process**
- **Flexibility in regulatory processes**
- **Clear applicability of technical and administrative requirements for each process**

Interactions

- **Stakeholder meetings**
- **Public comments**
- **Range of staff views considered**
- **Supplemental proposed rule on limited work authorizations published October 17, 2006 as directed by SRM dated October 2, 2006**

Finality in Environmental Area

- **Clarifying environmental finality at ESP Stage**
- **Enhancing concept of new and significant information**
- **Describing process for complete EIS at ESP Stage**
- **Range of staff views considered**

Design Certification Amendments

- **In proposed rule, Commission raised questions about amendment provisions**
- **Many commenters encouraged NRC to adopt a process**
- **NRC added three criteria**
- **Amendments would apply to all referencing plants**

Other Process Enhancements

- **Several process changes made in response to stakeholder comments**
- **Retain provisions for identical designs at multiple sites reviews**
- **Allow COL applications to be submitted in two parts**

Optimize closure process

- **Proposed rule raised questions about ITAAC completion**
- **Purposes of rule provisions**
 - **meet statutory requirements**
 - **facilitate inspection process**
 - **address roles of NRC and licensee in information availability**
 - **provide stability in process**

Requirements on ITAAC Completion

- **Submittal of ITAAC schedule**
- **ITAAC completion notifications**
- **Sufficient information for ITAACs not completed before hearing notice**
- **Notice of opportunity for hearing**

Acronyms

- **COL – combined license**
- **EIS – environmental impact statement**
- **ESP – early site permit**
- **ITAAC – inspections, tests, analyses and acceptance criteria**
- **SRM – staff requirements memorandum**