

January 3, 2007

MEMORANDUM TO: Luis A. Reyes  
Executive Director of Operations

FROM: John G. Lamb, Senior Operations Analyst /RA/  
Technical and Regional Programs Section  
Office of the Executive Director of Operations

SUBJECT: SUMMARY OF THE UNITED STATES NUCLEAR REGULATORY  
COMMISSION SENIOR MANAGEMENT PUBLIC MEETING WITH  
THE INSTITUTE OF NUCLEAR POWER OPERATIONS ON  
DECEMBER 8, 2006

On December 8, 2006, senior managers of the Institute of Nuclear Power Operations (INPO) met with United States Nuclear Regulatory Commission (NRC) senior managers at INPO Headquarters in Atlanta, Georgia. The purpose of the meeting was to exchange information on activities of mutual interest underway or planned, avoid duplication of activities, and identify where independent activities by either organization may be warranted. The enclosure contains the list of attendees.

Mr. James Ellis, INPO President and Chief Executive Officer, opened the meeting with welcoming remarks and a discussion of the importance of candor and honest communications noting the differences and strengths of the two organizations. Mr. Luis Reyes, NRC Executive Director for Operations, followed with introductory remarks and a discussion of the importance of information exchanges such as the periodic senior management meetings.

The first discussion topic was NRC safety culture activities, led by Mr. Stu Richards, Deputy Director of the Division of Inspection and Regional Support in the NRC Office of Nuclear Reactor Regulation (NRR). He discussed the efforts to date to enhance the reactor oversight process (ROP) to incorporate safety culture aspects. Based on stakeholder input, he noted changes were made in July 2006. He stated the changes allow the NRC to look at safety culture for licensees in Column IV of the Action Matrix and for cross-cutting issues that extend over three operating periods. He explained there is an oversight group that will perform an annual assessment, and the oversight group welcomes feedback from stakeholders.

Mr. Ellis discussed INPO initiatives in the area of safety culture. He indicated that INPO strongly endorsed the importance of safety culture and noted that elements of safety culture are embedded in INPO's activities. Mr. Ellis expressed a commitment on the part of INPO to advance safety culture and cited continuing international interactions in this area and the value added by these interactions. He stated that safety culture is the responsibility of the organization that owns a plant. It is not something that you can bring in or contract. He also indicated that safety culture is not something that lends itself to measurement for a metric, it

exists across a spectrum of activities and different approaches work well in different plants. Mr. Ellis stated that INPO looks at safety culture at every plant visit due to the Davis-Besse reactor vessel head issue.

Mr. Jim Dyer, NRC Director of NRR, led a discussion of the NRC's activities related to grid reliability. He discussed the Memoranda of Understanding that the NRC has with the Federal Energy Regulatory Commission and the North American Electric Reliability Council and how the NRC maintains good communication with the both organizations. He stated the staff issued a Generic Letter and has issued Requests for Additional Information to some licensees.

Mr. Dave Hembree, INPO Manager for Engineering, discussed INPO activities in the area of offsite power. He briefed a transformer/switchyard/grid review initiative underway at INPO that typically involves three to five individuals going onsite to review activities in these areas. He indicated that twenty-seven reviews were to be completed by the end of the year. In addition, INPO is looking at Significant Operating Event Report (SOER) 99-01 Addendum 1 issues when they are on site. SOER 99-01 is also a World Association of Nuclear Operators (WANO) document and thus can be used to leverage international experience.

Mr. Phil McCullough, Vice President for Training and Accreditation, discussed INPO's Operator Fundamentals initiative which is focused on essential knowledge skills and training fundamentals for operating crews. He indicated that potential reasons for problems in operator fundamentals included misapplication of human performance tools, over-reliance on process, training weaknesses, and inexperience with plant transients. NRC discussed the importance of simulator fidelity in training operators.

Mr. Jim Dyer and Mr. Gary Holahan, NRC Deputy Director of the Office of New Reactors, discussed the draft Part 26 rulemaking. They discussed substance abuse and fatigue rulemaking for operating and new reactors. Mr. Dyer discussed how NRC was proposing to regulate chronic fatigue during outages in a revision to 10 CFR 26.

Mr. Gary Holahan and Mr. Loren Plisco, NRC Deputy Regional Administrator for Construction, Region II, discussed new plant construction activities. They stated that the NRC is expecting to receive 7 Combined License applications in late 2007, and 10 Combined License applications in 2008. They discussed that the NRC currently expects to review a Combined License application in 30 months and it should take about 12 months for the hearing process with expected onsite construction activities to start in 2011. Mr. Plisco explained the NRC staff will have to interact with licensees and vendors early in the construction process to ensure sufficient oversight of satisfactory completion of Inspections, Tests, Analyses, and Acceptance Criteria (ITAAC).

L. Reyes

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The meeting was closed by Mr. Luis Reyes and Mr. James Ellis with expressions of thanks and an acknowledgment of the value of communication and the need to continue the practice of meeting at the senior management level.

Enclosure: As stated

cc: See attached list

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Enclosure: As stated

cc: See attached list

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COMMISSION SENIOR MANAGEMENT PUBLIC MEETING WITH  
THE INSTITUTE OF NUCLEAR POWER OPERATIONS ON  
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## INPO - NRC SENIOR MANAGEMENT MEETING

December 8, 2006  
INPO Headquarters  
Atlanta, Georgia

### ATTENDEES

<u>Name</u>	<u>Affiliation</u>
Luis Reyes	NRC
William Kane	NRC
Jim Dyer	NRC
Gary Holahan	NRC
Loren Plisco	NRC
Stu Richards	NRC
John Lamb	NRC
James Ellis	INPO
Sig Berg	INPO
George Felgate	INPO
Gary Fader	INPO
Jim Maddox	INPO
Clair Goddard	INPO
George Mortensen	INPO
Rick Purcell	INPO
Dave Farr	INPO
Lee Gard	INPO
Terry Young	INPO
Dave Igyarto	INPO
Dave Hembree	INPO
Jim Lynch	INPO
Phil McCullough	INPO
Rick Jacobs	INPO
Shawn Simon	INPO

Enclosure