

March 6, 2007

ORGANIZATION: Nuclear Energy Institute

SUBJECT: SUMMARY OF THE LICENSE RENEWAL TELEPHONE CONFERENCE CALL AND MEETING HELD 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 held a public telephone conference call and meeting on February 21, 2007, to discuss generic license renewal topics, lessons learned from the audit process, and license renewal process improvements. Enclosure 1 provides a listing of the conference call participants. Enclosure 2 contains the agenda for the conference call. A summary of the discussions follows:

1. Planning for the March 21, 2007, environmental workshop

The NRC staff is planning a license renewal environmental workshop in the auditorium of the NRC's Two White Flint North building, March 21, 2007. The draft agenda with the proposed topics is attached to the meeting notice (ADAMS Accession No. ML070430419). NEI will review the topics and provide any comments. NEI also requested time on the agenda to make a presentation.

2. Open items from prior conference calls or meetings

a. Providing advance contractor cost information

NEI had previously requested the staff to investigate whether renewal applicants could receive contractor cost information on a monthly basis to support financial reporting requirements rather than quarterly as currently received in the NRC's official bill. The NRC staff normally receives monthly reports from its contractors that contain preliminary cost information, but the content and timing varies. Because of the difficulty of providing accurate information and the potential that the information could be misleading to the applicant, the staff has determined that it is not appropriate to share this informal cost information with the applicants. As previously discussed, NEI has the option of pursuing a change in the NRC's billing policy through NEI – NRC senior management meetings.

b. Response to NEI's September 5, 2006, letter regarding Generic Aging Lessons Learned(GALL) Report aging management program (AMP) XI.E6

The NRC staff is preparing a letter to NEI responding to NEI's September 5, 2006, submittal of a white paper (ML062770100) on GALL Report AMP XI.E6 for electrical cable connections. The letter will be issued before the next scheduled NEI – NRC meeting, March 21, 2007.

- c. Preparation of Regulatory Issue Summary (RIS) for 10 CFR 54.37(b) and update of post-approval renewal inspection procedure (IP-71003)

The NRC staff has begun preparation of a RIS documenting the positions taken in its October 11, 2006, letter to NEI (ML062700236) on implementing the requirements of 10 CFR 54.37(b). The RIS will identify which of the license renewal interim staff guidance positions are compliance that holders of renewed licenses must implement. The RIS will also document the definition of "newly identified" as used in conjunction with §54.37(b).

The NRC's Inspection Procedure IP-71003, "Post-Approval Site Inspection for License Renewal," needs to be revised to include, in part, the definition of "newly identified." The staff and NEI agreed that there needs to be dialogue on the scope of these inspections and the staff's expectations to enable the holders of renewed licenses to properly prepare. The staff is currently evaluating internally a broader update of IP-71003 which will involve representatives from the four regional offices. After completing its internal assessments of IP-71003 changes, the staff will coordinate with the industry through NEI.

3. Volumetric testing of small bore pipe

An issue was raised during a recent safety audit at a plant applying for license renewal. The issue was whether or not socket welds should be included in the "One-Time Inspection of Small Bore Piping," GALL AMP XI.M35. The current GALL AMP for small bore piping does not mention socket welds. American Society of Mechanical Engineers Boiler and Pressure Vessel Code (ASME) Section XI, IWB-2500, Category B-J requires a surface examination for socket welds larger than 1 inch nominal pipe size. The industry met with the staff on August 20, 2000, and proposed a substitution of VT-2 in place of surface or volumetric examinations of socket welds. ASME Code Case N-578-1 permits VT-2 examination of socket welds each refueling outage. The plant referred to with the recent safety audit has not had a history of failures of small bore piping including socket welds. Industry experience has shown that failures of socket welds are generally internally initiated, and surface examinations are not effective in detecting cracks until they are through wall. As a result of internal discussions with the staff, the staff concluded that no additional examinations will be required for socket welds in addition to the current ASME code requirements for license renewal.

4. Impact of continuing resolution on license renewal

In the January 10, 2007, telephone conference, the NRC staff indicated that the Continuing Resolution that funded the NRC in Fiscal Year 2007 at Fiscal Year 2006 levels could impact completing the review of license renewal applications on schedule. With the recent approval of the NRC's budget, the staff is now assessing the extent of the schedule impact, if any, on applications already received and the additional applications scheduled to be submitted in 2007.

5. Lessons learned from recent safety review audits

This topic is a standing agenda item for every conference call or meeting. There were no new observations discussed at the meeting.

6. New issues

This topic is a standing agenda item for every conference call or meeting. No new issues were identified.

7. Public participation

There was no public participation other than a clarification of NRC's license renewal funding.

/RA/

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Office of Nuclear Reactor Regulation

Project No. 690

Enclosures:
As stated

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6. New issues

This topic is a standing agenda item for every conference call or meeting. No new issues were identified.

7. Public participation

There was no public participation other than a clarification of NRC's license renewal funding.

/RA/

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Project No. 690

Enclosures:
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ADAMS Accession No: ML070580498

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Memo to Nuclear Energy Institute from S. Hoffman Dated March 06, 2007

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COMMISSION STAFF AND THE NUCLEAR ENERGY INSTITUTE LICENSE
RENEWAL TASK FORCE

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Telephone Conference Call and Meeting Held
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and the Nuclear Energy Institute
February 21, 2007

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Steven Dolley	Platts Nuclear
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Teleconference Agenda
Between the U.S. NRC Staff and the Nuclear Energy Institute
February 21, 2007

<u>Topic</u>	<u>Lead</u>
1. Planning for the March 21, 2007, environmental workshop	NRC
2. Open items from prior conference calls or meetings	
a. Providing advance contractor cost information	NRC
b. Response to NEI's Sept. 5, 2006, letter regarding GALL Aging management program XI.E6	NRC
c. Preparation of Regulatory Issue Summary for 10 CFR 54.37(b) and update of post-approval renewal inspection procedure (IP-71003)	NRC
3. Volumetric testing of small bore pipe	NRC
4. Impact of continuing resolution on license renewal	NRC
5. Lessons learned from recent safety review audits	NRC/NEI
6. New issues	NRC/NEI
7. Public participation	All

ENCLOSURE 2