

August 2, 2007

PARTICIPANTS: Nuclear Energy Institute  
Nuclear Procurement Issues Committee

SUBJECT: SUMMARY OF THE JULY 17, 2007, MEETING TO DISCUSS THE  
QUALITY ASSURANCE PROGRAM AND VENDOR INSPECTION  
PROGRAM FOR NEW REACTORS

On July 17, 2007, a Category 2 public meeting was held between the U.S. Nuclear Regulatory Commission (NRC) and representatives of Nuclear Energy Institute (NEI) and Nuclear Procurement Issues Committee (NUPIC) at the NRC headquarters offices in Rockville, Maryland. The purpose of the meeting was to discuss issues related to (1) quality assurance programs for new reactors, (2) NRC guidance to observe oversight activities performed by third-party organizations, (3) the vendor inspection program for new reactors, and (4) the industry's activities in these areas. A list of meeting attendees is included in Enclosure 1.

The agenda used at the meeting, along with all meeting handouts, may be accessed through the Agencywide Documents Access and Management System (ADAMS) package at accession number ML07207639. This system provides text and image files of the NRC's public documents. If you do not have access to ADAMS or if there are problems in accessing the handouts located in ADAMS, contact the NRC Public Document Room reference staff at 1-800-397-4209, 301-415-4737, or by e-mail at [pdr@nrc.gov](mailto:pdr@nrc.gov).

The public meeting was a follow up meeting from previous meetings the NRC has conducted with the nuclear industry to discuss quality assurance program and vendor inspection activities for the design, construction, and operation of new reactors. A brief summary of the issues discussed follows:

Pre-Combine License (Pre-COL) Audit:

The purpose of the pre-COL audits is to verify suitability of quality assurance (QA) processes applied to the development of the COL application to inform the acceptance review conducted by staff, and to identify any programmatic issues that could affect the completeness and accuracy of the information in the application as required by 10 CFR 50.9. During these audits, the staff has focused on the implementation of QA policies and procedures applied to the development of the COL application, including QA controls implemented during site characterization activities for applications not referencing an early site permit (ESP).

The staff discussed the lessons learned from the first audit performed at South Texas Project. The staff emphasized that the audit was focused on the implementation of QA programs as applied to COL quality related activities to provide reasonable assurance of the accuracy and completeness of the application in accordance with the requirements of 10 CFR 50.9. The participants noted that from their perspective they would benefit if the staff would provide a list of information that was needed at the audit during the early interaction with the COL applicant and contractors. The next pre-COL audit is scheduled for the week of July 30, 2007, for the Bellefonte and Lee sites.

Oversight of Third Party Vendor Oversight Activities:

The staff provided a draft version of the NRC inspection procedure (IP) 43005, "NRC Oversight of Third Party Organizations Implementing Quality Assurance Requirements." The purpose of IP 43005 is to document the staff's participation as observers in third party oversight activities of vendors. In addition, IP 43005, documents NRC inspection guidance for the staff to conduct an inspection of the vendor's 10 CFR Part 21 program in parallel to the third party observation. The staff will be documenting the effectiveness of the third party's activities in a trip report, while documenting the inspection findings on the 10 CFR Part 21 program in an inspection report to the vendor. IP 43005 will be piloted by the NRC staff during a NUPIC joint utility audit at Cameron Industrial Products the week of August 6, 2007.

Vendor Inspection Program Update:

The staff shared with the participants the Commission Paper on the Vendor Inspection Program for New Reactors, SECY-07-0105, "Enhancement to the Vendor Inspection Program Within the Office of New Reactors." SECY-07-0105 describes the enhancements of vendor inspection program based on the expected increase in activities in the nuclear industry. The paper also describes the extent of the program and several factors that led to the enhancements of the program, including: (1) entry of new suppliers, (2) use of modular construction, (3) inspection, tests, analyses, and acceptance criteria (ITAAC) verification activities, and (4) use of suppliers for engineering and licensing activities.

Industry's Update on QA Activities:

The participants provided an update on the industry's efforts in the area of QA. The industry is developing a workshop for vendors on QA programs requirements. The industry is currently looking for the dates and locations to provide these workshops. The industry is also working to compile lessons learned from previous construction using different documents (e.g., NUREGs, INPO documents, Louisiana Energy Services, and Finland's construction of Olkiluoto-3). The industry will be able to share with the NRC the recommendations of the lessons learned by the end of August. The staff suggested that appropriate information on how these recommendations would be implemented be provided as well. This topic will be addressed in future public meetings. Finally, the industry is working to provide a guidance document that describes the qualifications and training for QA and quality control (QC) resources divided by function. The industry is developing standardize qualifications in this area.

Members of the public were in attendance. Public Meeting Feedback forms were not received. Please direct any inquiries to me at 301-415-4001, or axr1@nrc.gov.

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Aida Rivera-Varona, Operations Engineer  
Quality and Vendor Branch B  
Division of Construction Inspection  
& Operational Program  
Office of New Reactors

Enclosure: As stated

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Aida Rivera-Varona, Operations Engineer  
Quality and Vendor Branch B  
Division of Construction Inspection  
& Operational Program  
Office of New Reactors

Enclosure: As stated

DISTRIBUTION: cc w/encls: See next page

Package No.: **ML072070639**

1. Meeting Notice: ML071220097
2. DCIP/NRO Slide Presentation: ML071420117
3. Draft IP 43005: ML071970419
4. SECY-07-0105: ML071280620
5. Meeting Summary NO.: ML072070652

<b>OFFICE</b>	CQVB	BC:CQVB
<b>NAME</b>	ARivera-Varona	JNakoski
<b>DATE</b>	07 / 27 /2007	08 / 02 /2007

Distribution for May 23, 2007, Meeting Summary dated .

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PM:SSanders

NRC participants

GTracy

EImbro

JNakoski

JPeralta

GGalletti

RMcIntyre

KKavanagh

KNaidu

Quality Assurance and Vendor Inspection Program Meeting  
July 17, 2007  
Attendance List

Name	Organization
John Nakoski	NRC/NRO
Juan Peralta	NRC/NRO
Aida Rivera-Varona	NRC/NRO
Greg Galletti	NRC/NRO
Ronald Carver	Luminant
Sabrina Cleavenger	NRC/NRO
Charles Ogle	NRC/RII
John Traynor	Unistar Nuclear
Jim Fisicaro	NEI
Steve Meyer	Ameren
Sherry Grier	Duke Energy
Mark Harvey	GE
Richard Oehlberg	EPRI
Michael Janus	Progress Energy
Tim Franchuh	SCE&G
Dana Millar	Entergy
Terry Dunn	DOE
Tom Mudge	WGI
Marion E. Smith	STP
Frank Talbot	NRC/NRO
Kerri Kavanagh	NRC/NRO
Ann Hodgdon	NRC/OGC

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NEI New Reactors Mailing List

cc:

Ms. Michele Boyd  
Legislative Director  
Energy Program  
Public Citizens Critical Mass Energy  
and Environmental Program  
215 Pennsylvania Avenue, SE  
Washington, DC 20003

Ms. Anne W. Cottingham  
Assistant General Counsel  
Nuclear Energy Institute  
1776 I Street, NW, Suite 400  
Washington, DC 20006

Mr. Marvin Fertel  
Senior Vice President  
and Chief Nuclear Officer  
Nuclear Energy Institute  
Suite 400  
17761 I Street, NW  
Washington, DC 20006-3708

Dr. Gail H. Marcus  
U.S. Department of Energy  
Room 5A-143  
1000 Independence Avenue, SW  
Washington, DC 20585

Mr. Brian Smith  
Nuclear Energy Institute  
1776 I Street, NW, Suite 400  
Washington, DC 20006

Mr. Ed Wallace  
General Manager  
Projects  
PBMR Pty LTD  
P.O. Box 9396  
Centurion 0046  
Republic of South Africa

Edward G. Wallace  
Sr. General Manager  
U.S. Programs  
PBMR Pty. Ltd.  
PO Box 16789  
Chattanooga, TN 37416

Mr. Gary Wright  
Director  
Division of Nuclear Facility Safety  
Illinois Emergency Management Agency  
1035 Outer Park Drive  
Springfield, IL 62704

Winston & Strawn  
1400 L. Street, NW - 12th Floor  
Washington, DC 20005-3502

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## Email

APH@NEI.org (Adrian Heymer)  
bob.brown@ge.com (Bob Brown)  
BrinkmCB@westinghouse.com (Charles Brinkman)  
david.lewis@pillsburylaw.com (David Lewis)  
dlochbaum@UCSUSA.org (David Lochbaum)  
george.stramback@gene.ge.com (George Stramback)  
jclong@burkecounty-ga.gov (Jerry C. Long)  
jgutierrez@morganlewis.com (J. Gutierrez)  
Jim.Riccio@WDC.greenpeace.org (James Riccio)  
JJNesrsta@CPSenergy.org (J.J. Nesrsta)  
john.o'neil@pillsburylaw.com (John O'Neil)  
Joseph.savage@ge.com (Joseph Savage)  
Joseph\_Hegner@dom.com (Joseph Hegner)  
ksutton@morganlewis.com (Kathryn Sutton)  
lynchs@gao.gov (Sarah Lynch - Meeting Notices Only)  
maria.webb@pillsburylaw.com (Maria Webb)  
mark.beaumont@wsms.com (Mark Beaumont)  
matias.travieso-diaz@pillsburylaw.com (Matias Travieso-Diaz)  
media@nei.org (Scott Peterson)  
mgiles@entergy.com (M. Giles)  
patriciaL.campbell@ge.com (Patricia L. Campbell)  
paul.gaukler@pillsburylaw.com (Paul Gaukler)  
PGunter@NIRS.org (Paul Gunter)  
phinnen@entergy.com (Paul Hinnenkamp)  
pshastings@duke-energy.com (Peter Hastings)  
RJB@NEI.org (Russell Bell)  
RKTemple@CPSenergy.org (R.K. Temple)  
roberta.swain@ge.com (Roberta Swain)  
sandra.sloan@areva.com (Sandra Sloan)  
tansel.selekler@nuclear.energy.gov (Tansel Selekler)  
tom.miller@hq.doe.gov  
tom.miller@nuclear.energy.gov (Thomas P. Miller)  
trsmith@winston.com (Tyson Smith)

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