

November 7, 2007

PARTICIPANTS: Nuclear Energy Institute

SUBJECT: SUMMARY OF THE SEPTEMBER 26, 2007, MEETING TO DISCUSS THE QUALITY ASSURANCE PROGRAM AND VENDOR INSPECTION PROGRAM FOR NEW REACTORS

On September 26, 2007, a Category 2 public meeting was held between the U.S. Nuclear Regulatory Commission (NRC) and representatives of Nuclear Energy Institute (NEI) at the NRC headquarters offices in Rockville, Maryland. The purpose of the meeting was to discuss issues related to quality assurance and the vendor inspection programs for new reactors, and the industry's activities in these areas. A list of meeting attendees is included as Enclosure 1.

The agenda used at the meeting, along with all meeting handouts, may be accessed through the Agency wide Documents Access and Management System (ADAMS) package at accession number ML073050546. 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.

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:

Lessons Learned From Past And Present Construction:

The NEI participants presented a summary of the review performed of past and present construction problems to ensure that the nuclear industry has taken sufficient actions to reduce the probability of recurrence during new construction. The review included applicable documents related to nuclear construction, including NUREG-1055, "Improving Quality and the Assurance of Quality in the Design and Construction of Nuclear Power Plants," Information Notice 2007-04, "Construction Experience Related to the Assurance of Quality in the Construction of Nuclear Facilities," INPO documents, Inspection Report 70-3013/2006-001 regarding the Louisiana Energy Services fuel fabrication facility construction, and the Finland's investigation report regarding subcontracting issues during the construction of Okiluoto #3 Nuclear Power Plant. The review identified over 270 issues categorized under the eighteen criteria of Appendix B to 10 CFR Part 50. The areas with the greatest challenges were: quality assurance; corrective action program; nuclear construction project problems, design problems, and training, knowledge and experience problems. The industry will share with the NRC the report and recommendations of the lessons learned in future public meetings.

QA Oversight Role in ITAAC:

The NEI participants presented an overview of the areas where the industry anticipates quality assurance involvement during ITAAC verification. As a summary, the industry is not anticipating quality assurance involvement at every step of the ITAAC. However, the industry understands that the activities associated with the ITAAC process will be performed under the quality

assurance program. Activities associated with the ITAAC verification process include documenting activities, ITAAC verification process procedural development, vendor oversight of components as they are fabricated, and performance of independent verification of all ITAACs. The industry looks forward to address this topic in more detail in future public meetings.

Quality Assurance and Vendor Inspection Program Update:

The staff shared with the participants the recent activities performed in the areas of quality assurance and vendor inspection. At the time of the meeting, the staff had performed two additional combined license application audits. The staff mentioned that the lessons learned from these two audits, since they included dual applications being reviewed during one audit, was that both applications must be at the same stage of completion at the time of the audit. The staff mentioned that these audits continue to provide insights with regard to the accuracy and completeness of the application in accordance with the requirements of 10 CFR 50.9 to support the staffs acceptance review at the time of submittal.

The staff also discussed the recent vendors inspections performed, Conval inspection performed in August 2007, Babcock and Wilcox inspection performed in Canada (September 2007), and Velan (September 2007). In addition, the staff provided remarks on the first observation of industry's vendor oversight activities and inspection of 10 CFR Part 21 using NRC inspection procedure (IP) 43005, "NRC Oversight of Third Party Organizations Implementing Quality Assurance Requirements." This observation and inspection was performed at Cameron (August 2007).

Finally, the staff shared with the participants the NRC Manual Chapters issued to support quality assurance and vendor inspections. NRC Manual Chapters 2501, 2502, and 2508 provide the inspection policy and guidance for the implementation of the inspection program during licensee preparation and review of Early Site Permit, Combined License, and Design Certification applications, respectively, submitted under 10 CFR Part 52. NRC Manual Chapter 2507 establishes the inspection program for vendors providing safety-related materials, equipment, and services in support of new reactor construction, and provides the requirements and guidance to NRC inspectors for conducting inspections at vendor facilities.

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.

/RA/

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

Enclosure: As stated

assurance program. Activities associated with the ITAAC verification process include documenting activities, ITAAC verification process procedural development, vendor oversight of components as they are fabricated, and performance of independent verification of all ITAACs. The industry looks forward to address this topic in more detail in future public meetings.

Quality Assurance and Vendor Inspection Program Update:

The staff shared with the participants the recent activities performed in the areas of quality assurance and vendor inspection. At the time of the meeting, the staff had performed two additional combined license application audits. The staff mentioned that the lessons learned from these two audits, since they included dual applications being reviewed during one audit, was that both applications must be at the same stage of completion at the time of the audit. The staff mentioned that these audits continue to provide insights with regard to the accuracy and completeness of the application in accordance with the requirements of 10 CFR 50.9 to support the staffs acceptance review at the time of submittal.

The staff also discussed the recent vendors inspections performed, Conval inspection performed in August 2007, Babcock and Wilcox inspection performed in Canada (September 2007), and Velan (September 2007). In addition, the staff provided remarks on the first observation of industry's vendor oversight activities and inspection of 10 CFR Part 21 using NRC inspection procedure (IP) 43005, "NRC Oversight of Third Party Organizations Implementing Quality Assurance Requirements." This observation and inspection was performed at Cameron (August 2007).

Finally, the staff shared with the participants the NRC Manual Chapters issued to support quality assurance and vendor inspections. NRC Manual Chapters 2501, 2502, and 2508 provide the inspection policy and guidance for the implementation of the inspection program during licensee preparation and review of Early Site Permit, Combined License, and Design Certification applications, respectively, submitted under 10 CFR Part 52. NRC Manual Chapter 2507 establishes the inspection program for vendors providing safety-related materials, equipment, and services in support of new reactor construction, and provides the requirements and guidance to NRC inspectors for conducting inspections at vendor facilities.

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.

/RA/

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

NRR-105

Package No.: ML073050546

1. Meeting Notice: ML07 2480271

2. Meeting Summary: ML073060141

3. NEI Slide Presentation: ML073050546

OFFICE	CQVB	BC:CQVB
NAME	ARivera-Varona	JNakoski
DATE	11/ 6 /2007	11/ 7 /2007

OFFICIAL RECORD COPY

Distribution for September 26, 2007, Meeting Summary.

E-Mail

Public

CQVB Reading File

PM:SSanders

NRC participants

GTracy

Elmbro

JNakoski

JPeralta

GGalletti

RMcIntyre

KKavanagh

NEI New Reactors Mailing List

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

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)
kerry.rhoads@dom.com (Kerry Rhoads)
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)

Quality Assurance and Vendor Inspection Program Meeting
September 26, 2007
Attendance List

Name	Organization
John Nakoski	NRC/NRO
Aida Rivera-Varona	NRC/NRO
Greg Galletti	NRC/NRO
Ronald Carver	Luminant
Kerry Rhoads	Dominion
Al Pitts	Constellation
Raul Baron	TVA
Jim Maddox	INPO
Sherry Grier	Duke
T.V. Sarma	Bechtel
John Maciejewski	INPO
Richard McIntyre	NRC
Gene Imbro	NRC
Sabrina Cleavenger	NRC
Marion Smith	STPNOC
Rich Weis	FPL
Byron Lowery	SNC
Deann Raleigh	Scientech
John Giddens	Southern Nuclear
Jim Fisicaro	NEI
Larry Kamenicky	Westinghouse
John Traynor	UniStar
Tom Mudge	Washington Group

Name	Organization
Dana Miller	Entergy
Jim Cassidy	Duke
Terry Dunn	ASME NQA Committee
Steve Lusk	TVA
Rich Laura	NRC