

December 26, 2007

MEMORANDUM TO: Richard Rasmussen, Chief
Construction Inspection & Allegation Branch
Division of Construction Inspection
& Operational Program
Office of New Reactors

FROM: Edmund Kleeh /RA/
Construction Inspection & Allegation Branch
Division of Construction Inspection
& Operational Program
Office of New Reactors

PARTICIPANTS: Public, Industry, and NRC Staff

SUBJECT: SUMMARY OF PUBLIC MEETING HELD ON NOVEMBER 28TH, 2007,
ON ITAAC CLOSURE AND ASSESSMENT AND ENFORCEMENT OF
CONSTRUCTION FINDINGS

The Construction Inspection and Allegations Branch of the Division of Construction Inspection and Operational Programs in the Office of New Reactors (NRO) conducted a category 3 meeting on November 28, 2007, to discuss Inspections, Tests, Analyses, and Acceptance Criteria (ITAAC) closure letters, and assessment and enforcement of postulated construction inspection findings. The meeting, the third in a series of meetings discussing these topics, was attended by members of the NRC headquarters staff, NRC Region II, the Nuclear Energy Institute (NEI), industry, and the general public.

The Nuclear Regulatory Commission (NRC) staff opened the meeting by presenting an overview of the meeting objectives and the staff's schedule for development of guidance documents and future meetings. The staff then provided its observations regarding five examples of ITAAC closure letters submitted by NEI to the NRC. The five closure letters addressed AP 1000 ITAAC items 2.1.1.4, 2.1.2.3(b), 2.5.2.10, 3.3.7(d), and 3.3.2(a)(i).

For the closure letter of ITAAC 2.1.2.3(b), it was agreed that the determination basis section should be rewritten to state that satisfactory completion of the non-destructive examination (NDE) of the welds met only the NDE requirements of American Society of Mechanical Engineers Code Section III. It was also agreed that there should be traceability between the references listed in ITAAC closure letters and the bases for those references, i.e. analyses, calculations, field documents, etc.

For the closure letter of ITAAC 3.3.2(a)(i), the NRC staff stated that for this large ITAAC and other similar ITAAC that the determination basis section should actually encompass the total scope of the ITAAC and of all the requirements that must be met for it to be satisfactorily completed. NEI agreed to resubmit this example for NRC staff review.

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For the closure letter of ITAAC 2.5.2.10, the NRC staff stated that the set point methodology referenced should be accepted by the NRC and industry. This is true for all similar references in ITAAC closure letters that establish requirements for plant hardware.

For the closure letter of ITAAC 3.3.7(d), the NRC staff stated that there should be more details on the results of licensee inspections in the determination basis section. This comment was meant to be applied universally to all ITAAC closure letters. The NRC is seeking a good template for ITAAC closure letters. Once that template is recognized by the NRC and all stakeholders, consistency for all ITAAC closure letters will be the goal. The NRC and NEI agreed that the Regulatory Guide to be written on ITAAC closure will endorse the template for ITAAC closure letters being developed by NEI.

The NEI document on ITAAC closure should be consistent with NRC regulations. It was agreed that a smaller working group should be established with representation by NRC and NEI to address the schedule for ITAAC-related activities and coordination to support NRC inspection planning. The opportunity for public comment on ITAAC will be during the hearing for 10 CFR 52.103(g). Office of General Council (OGC) staff stated that all ITAAC, including those incomplete 225 days prior to fuel load, must be completed in order to meet 10 CFR 52.103(g). OGC staff also added that for any ITAAC maintained by an operational program, that the operational program must have already been established.

NRC staff stated that, for the NEI template on ITAAC closure letters, the section on construction finding review should take into account pertinent policy derived in the public meetings on enforcement and assessment. During the NRC's evaluation of the content of ITAAC closure letters and their supporting documentation, the NRC will need access to pertinent licensee documents and would expect to find them accessible at the given plant site. It was agreed that this issue was beyond the bounds of the discussion on the NEI template, and that NEI and the NRC would have future discussions on this matter.

There should not be a great difference between the type of information submitted for a closed ITAAC and that submitted for an incomplete ITAAC. However, there should be some added level of assurance that the incomplete ITAAC will be completed. There was a discussion of the possible ways to achieve that level of assurance or confidence. It was agreed that NEI would submit examples of ITAAC closure letters for uncomplete ITAAC so that future discussions on this topic would have an objective basis for comments.

The next meeting on ITAAC closure will be on December 18, 2007. The topics for that meeting will include: 1) edited ITAAC closure letter for ITAAC 3.3.2(a)(i), 2) two examples of incomplete ITAAC, and 3) post-closure control.

The NRC staff began the discussion of the assessment and enforcement of construction inspection results by identifying changes the staff had made to the flowchart developed to describe the ITAAC screenings and findings process. The NRC staff had made several changes, including: 1) initial screening, 2) traditional enforcement, 3) ITAAC findings, 4) enforcement issues, 5) notice of ITAAC non-conformance, and 6) Quality Assurance (QA) breakdowns. As revised, the initial screening will consider licensee-identified issues that were sent to the licensee's corrective action program (CAP) and then through a screening process that allowed only very significant issues to be further evaluated.

NRC staff informed the audience that traditional enforcement was taken out of the flowchart since those issues can stand on their own merit in accordance with the NRC Enforcement Policy. In the flowchart, there are two paths that screen issues for being material to ITAAC acceptance criteria. One results in an ITAAC finding, and the other one results in an ITAAC-related finding. There were several suggestions for changes to the flowchart in this area. The NRC staff agreed to consider each option and to revise the flowchart for comment at the next meeting. The staff stated that the evaluation of enforcement was moved to the right of the flowchart, and that isolated programmatic issues are not represented on the flowchart.

The staff then provided examples of Severity Level II, III, and IV findings. Based on feedback from NEI and industry participants, the NRC staff agreed to review the examples to ensure that they were in agreement with the NRC Enforcement Policy.

The staff discussed how the NRC would measure the effectiveness of a licensee's CAP. The NRC staff would conduct two Problem Identification and Resolution (PI&R) inspections. The first inspection would be programmatic in nature. This inspection would determine if a licensee's CAP met the required NRC regulations and was consistent with the guidance document that NEI is developing for NRC staff endorsement. The second inspection would be conducted after the licensee's CAP had sufficient run time such that the inspection could determine whether the CAP was effective in providing the proper corrective actions for identified problems. For the second inspection, there was discussion on how early the inspection could be conducted, and whether procurement and site preparation activities could be included in the issues reviewed by the inspection. The NRC agreed to review these topics and present its proposals at a later meeting on this topic. NEI also expressed concern regarding how long the NRC would take to review the findings of the two PI&R inspections before declaring a licensee's CAP as being effectively implemented. NEI also wanted the NRC to take into account a licensee's self assessments of its CAP before NRC makes any declaration on CAP effectiveness. The NRC stated that it would further review the promptness of the staff's assessment process and whether the process could be streamlined.

The staff also discussed what would happen if the CAP was recognized as degrading. The NRC would conduct more inspections and make additional assessments. Until the CAP program met the NRC's standard, then all issues would be subject to cited violations. NEI had some concerns in this area, and the NRC agreed to review this particular area further.

For issues related to NRC assessment of a licensee's CAP, the NRC staff agreed to provide additional information regarding the program at a meeting scheduled for January 31, 2008.

The next meeting on assessment and enforcement will be on December 18, 2007.

Enclosure:
Attendees List

cc w/encl: See next page.

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ADAMS Package #: ML073330879
1. Meeting Summary #: ML073400094
2. Meeting Notice #: ML073180423
3 ITAAC Closure Guidance Development Workshop 3 #: ML073190206
4 Enforcement and Assessment Program Development #: ML073190284
5 Draft Enforcement Examples #: ML073190295
6. ITAAC Screening and Finding Flowchart #: ML073190300

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NAME	EKleeh	RRamussen
DATE	12/26/07	12/26/07

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Memo to Richard Rasmussen dated December 26, 2007.

SUBJECT: Summary of Public Meeting Held on November 28th, 2007, on ITAAC Closure and Assessment and Enforcement of Construction Findings

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Construction Inspection Program Assessment and Enforcement,
and ITTAC Closure Letter Workshop
November 28, 2007
Location: Ramada Inn, Rockville, MD
Meeting Attendees

Name		Organization	
Guy Davant		Entergy	
Julie Giles		SCE&G	
Alan Torres		SCE&G	
Michael Webb		NRC/NRO	
Chuck Ogle		NRC/RII/CIP	
Mark Giles		Entergy	
Steve Blossom		STPNOC	
John Hammeran		FLUOR	
Caroline Schlaseman		MPR ASSOC/ Representing Toshiba	
Russ Bell		NEI	
Leslie Kass		NEI	
Donald Lindren		Westinghouse	
Robert Pascarelli		NRC/NRO	
Bret Tegeler		NRC/NRO	
Rich Laura		NRC/NRO	
Omid Tabatabaia		NRC/NRO	
Sue Strosnider		NRC/NRO	
Bob Lukes		NRC/NRO	
Jason Jennings		NRC/NRO	
David Hastie		Shaw Group	
John Oddo		Shaw Stone & Webster	
Stephen Burdick		Morgan Lewis	
Dennis Buschbaum		Luminant	
Bob Weisman		NRC/OGC	

ENCLOSURE

	Rick Rasmussen			NRC/NRO	
	Marvin Shaw			DOE/GL	
	David Repka			Winston & Strawn	
	Patricia Campbell			GE Hitachi	
	Matthew Williams			Dominion	
	Ron Gardner			NRC/NRO	
	Tony Cerne			NRC/NRO	
	Raul Baron			QA/TVA	
	Hulbert Li			NRC/NRO	
	Rollie Berry			NRC/NSIR	
	John Murphy			Exelon	
	Leonard Loflin			EPRI	
	Stanley Day			Unistar	
	Paul Delozier			NUMARK	
	Jerome Blake			NRC/RII	
	Alan Blamey			NRC/RII	
	Roger Lanksbury			NRC/RII	
	Bob Taylor			KIEWIT	
	Edmund Kleeh			NRC/NRO	

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