

January 16, 2008

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

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

PARTICIPANTS: Public, Industry, and NRC Staff

SUBJECT: DECEMBER 18, 2007 SUMMARY OF PUBLIC MEETING ON ITAAC
CLOSURE WORKSHOP, ASSESSMENT, AND ENFORCEMENT FOR
NEW REACTORS

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 December 18, 2007, to discuss Inspections, Tests, Analyses, and Acceptance Criteria (ITAAC) closure letters, and assessment and enforcement of postulated construction inspection findings. The meeting, the fourth 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 NRC staff opened the meeting by presenting an overview of the meeting objectives and the accomplishments to date. The staff then provided its comments for two examples of ITAAC closure letters submitted by NEI to the NRC for completed ITAAC. The two closure letters were for the following AP 1000 ITAAC: 3.3.2(a)(i) and (ii), and 3.7.1. The NRC had some comments on both examples.

For the closure letter for ITAAC 3.3.2.a) (i) and (ii), it was agreed that the determination basis section did address the qualification of the nuclear island (NI) structures for seismicity, design basis loads, and the thicknesses of walls. However, Appendix 3H, Auxiliary and Shield Building Critical Sections in the AP 1000, Tier 2 material should also have been discussed and referenced. It was agreed that there should be traceability between the references listed in the ITAAC closure letters and the bases for those references. The NEI guidance document on ITAAC closure should address the maintenance of records that are the bases for ITAAC closure letters.

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For the closure letter for ITAAC 3.7.1, it was agreed that a direct connection should be established between procedure YYY and engineering report ZZZ both of which were discussed in the determination basis and included in the references. The staff stated that the NRC Standard Review Plan (SRP), which is NUREG 0800, in Section 17 requires that a combined license (COL) applicant, prior to fuel load for the Design Reliability Assurance Program (DRAP), address procurement, construction, and testing in its Final Safety Analysis Report (FSAR). NEI agreed that the determination basis for this ITAAC would address testing to some degree. There was discussion on when the reliability of an ITAAC-related SSC is determined, whether, at the time of certification of the design, or when the as-built SSC is verified with the certified design. The NRC stated that reliability is determined at the time of certification of a particular design.

The staff then discussed the two notification letters for ITAAC 3.3.7.(d) and 2.5.2.10 with the assumption that these two ITAAC were not completed by at 225 days prior to fuel load. The staff stated that the notifications for uncomplete ITAAC should have a specified format, and that sufficient detail should be provided in the letters so that they are readily understood by the NRC staff. NEI agreed that notifications for uncomplete ITAAC should have a standard format, but the reason for the difference in the level of detail for the two letters was that the one for ITAAC 3.3.7.(d) had more subtleties and subparts than the other one. NEI agreed to edit the letter for ITAAC 2.5.2.10 in order to provide more details and to adopt the format of the letter for ITAAC 3.3.7.(d). It was agreed there should be a statement about a future report for those installations where the physical separations between Class 1E divisions does not meet the stated ITAAC requirements. This would be universally applied to all notifications for uncomplete ITAAC where the procurement, construction, or testing requirements based on licensee or industry standards has not been met before issuance of the respective ITAAC closure letters. In the closure letters for uncomplete ITAAC, the section on Actions Remaining to Attain ITAAC Closure should convey the message that the licensee understands fully what must be done to complete the ITAAC, and those actions are within its capabilities. This will provide a level of assurance to the NRC that the ITAAC can and will be completed. For uncomplete ITAAC, it was agreed for sister plants for the same licensee that some additional assurance may be conveyed to the NRC staff that the uncomplete ITAAC could be completed if similar ITAAC for the sister plant had already been completed and the same procedures and personnel were used.

For post-closure control, it was agreed that some licensee programs, e.g. QA and maintenance, should be in place to determine whether completed ITAAC were being maintained and still met their acceptance criteria. There are subtleties with various ITAAC, e.g. those related to American Society of Mechanical Engineers (ASME) Code, that the licensee has to be aware before it can be determined what has to be done to maintain those ITAAC after they are completed. The primary concerns are whether something occurs that causes the acceptance criteria not to be met and whether the contents the original closure letters to the NRC are significantly affected or not. If either or both of these concerns happen for a given ITAAC, the licensee must (1) inform the NRC, (2) address the concern, and (3) send a new ITAAC closure letter to the NRC. If something happens that affects an SSC, installation, or testing, but does not significantly affect either an ITAAC's acceptance criteria or the substance contents of in its closure letter, then the licensee should just inform the NRC. NEI will address this particular area in its guidance document on ITAAC closure. Closure for a given ITAAC is determined when the Federal Register Notice (FRN) is issued not when the ITAAC closure letter is received by the NRC.

For the next meeting on ITAAC closure, the topics will be (1) two additional examples of closure letters for uncomplete ITAAC, (2) edited closure letters resubmitted by NEI for ITAAC 3.3.2.a) (i) and ii) and 3.7.1., and edited notification letter resubmitted by NEI for uncomplete ITAAC 2.5.2.10.

NRC Region II staff discussed inspection scheduling. Region II staff will utilize the ITAAC matrix (family) framework to develop inspection strategies for highly ranked or targeted ITAAC. The non-targeted ITAAC will also be included on schedules to assist in the closeout of ITAAC families. The NRC will overlay the NRC inspection information (strategies, personnel, and work schedule lists, etc.) onto a licensee's initial construction schedule for a given site. This will give the NRC the initial site inspection schedules to be edited for changes, e.g., updates of licensees' construction schedules as required, by the NRC schedulers located at the respective plant sites. These schedules will be used to schedule NRC inspections, and for inspection planning and reporting by Region II staff. Region II is actively pursuing reliable scheduling information for the various advanced reactor designs from the nuclear industry, NEI, and vendors. The suggestion was made for developing design-centered working groups for the various advance reactor designs to facilitate an exchange of information on construction schedules. NEI has an action item for scheduling and coordinating the initial meeting which should be attended by all interested parties in order to start this overall effort on the correct path. The design-centered working groups will be developed by a collective effort between NRC, NEI, industry, and respective vendors. The NRC staff has developed preliminary scheduling information for the AP 1000 and ABWR certified designs with the assistance of the respective vendors for determining NRC inspection hours for each design. The NRC offered to share that information at the future meeting for the design-centered working groups. Some other items that the NRC inspection schedules should address are the following: (1) international fabrication of SSCs, (2) multi-fabrication locations of SSCs, (3) site-specific ITAAC, and (4) Department of Energy's (DOE) stand by support.

The staff began the assessment and enforcement program development portion of the meeting by presenting an overview of the meeting objectives, the accomplishments of the first three meetings and a proposed schedule and topics of future meetings.

The staff then discussed the flowchart developed to describe the ITAAC screenings and findings process. The staff had made changes to the (1) initial decision block for licensee-identified issues and (2) The portion of the flowchart for developing ITAAC-related and ITAAC findings. The initial decision block for licensee-identified issues now includes self-revealing issues. If either of these types of issues is discovered, it is entered into the licensee's correction action program (CAP). The issue then enters the high-level screening criteria that will be developed later. If the high-level screening criteria are satisfied then the issue becomes an NRC issue. The flowchart was altered to indicate that for an issue to be either an ITAAC-related finding or an ITAAC finding it had to be material to the acceptance criteria of the ITAAC in question. However, an ITAAC-related finding only occurs before the ITAAC closure letter is issued by a licensee, whereas an ITAAC finding only occurs after the ITAAC closure letter is issued by a licensee. The staff indicated that the flowchart was close to being finalized and that it did not intend to discuss this topic in the future public meetings on enforcement and assessment.

The staff then discussed the basis for classifying findings as Severity Level I, II, III, or IV. The discussion largely focused on a mark up provided by NEI.

The staff then presented seven examples of previous NRC violations that resulted in enforcement to indicate how those violations would be classified based on the criteria for Severity Level I, II, III, and IV violations for the NRC construction program under Part 52. There was general agreement on the classification of each violation. Region II staff presented the categories and types of minor violations and pointed out that they were mainly derived from what is presented in Inspection Manual Chapter 0612 of the Reactor Oversight Process. However, there were some changes to take into account ITAAC and to address 10 CFR Part 52. The types of minor violations are the following: (1) work in progress, (2) record keeping issues, and (3) insignificant errors in drawings, procedures, engineering/construction, testing, and analyses. The staff pointed out that for the screening questions to determine if a violation is "more than minor" one qualifier is a direct relation to ITAAC since the focus should be on ITAAC even for minor issues. Some enforcement examples were discussed, and the examples indicated what would have to happen both to cause the issue to be a minor violation and also to be greater than minor violation. Generally, there was agreement on how the issues in the examples were classified.

Region II staff also discussed licensee-identified issues, NRC-identified issues, and self-revealing issues. Generally, there was agreement on what determined whether an issue was licensee-identified, NRC-identified, or self-revealing. The examples presented allowed participants to understand more fully what determined each of the classifications.

The next meeting on assessment and enforcement will be on January 31, 2008. The issues to be discussed will include NEI examples of a typical CAP and Severity Level classifications.

The initial meeting for design-centered working groups for sharing construction schedule information will be on March 5, 2008.

Enclosure: Attendees List

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R. Laura	J. Gaslevic

ADAMS ACCESSION: Meeting Notice: ML073380897, Meeting Summary: ML073610435, ITAAC Closure Guidance Development Workshop 4: ML073460445, TAAC Closure Letter Examples, ITAAC Inspection Scheduling: ML073460449, Assessment and Enforcement Program Development: ML073460455, ITAAC Screening and Finding Flowchart: ML073460453, Draft Enforcement Examples, Minor Violations and Findings: ML073560458, Issue Identification Categories: ML073460451

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**Construction Inspection Program Assessment and Enforcement,
and ITTAC Closure Letter Workshop
December 18, 2007
Location: Ramada Inn, Rockville, MD
Meeting Attendees**

	Name	Organization	
	Jim Gaslevic	NRO	
	Jerome Blake	NRO	
	Robert Pascarelli	NRO	
	Loren Plisco	NRC/RII	
	Stanley Day	UNISTAR	
	Michael Webb	NRO	
	Nan Gilles	NRO	
	Jerry Wilson	NRO	
	Leslie Kass	NEI	
	Bob Taylor	Kiewit	
	Dennis Buschbaum	Luminat	
	Stephen Burdick	Morgan Lewis	
	Donald Lindgren	Westington	
	Lansing Dusek	Fluor	
	Leonard Loflin	Cpri	
	John Hammeran	Flour	
	John Oddo	Shawstonewebster	
	Andy Dubouchet	NRO	
	Jason Jenning	NRO	
	Chuck Ogle	RII/DCI	
	Larry Walsh	shawstonewebster	
	Doug Tifft	RI	
	Alan Torres	Scenxg	
	Julie Giles	Scexg	
	Bob Weisman	OGC	
	David Hastle	Shawstonewebster	

ENCLOSURE

	Anne Cottingham			
	Jim Fiscaro			NEI
	Roger LaOnksbury			NRC
	Dave Waters			Prooress Energy
	Tom Lieb			Bechtel
	Glenn Tracy			NRC
	John Murphy			Exelon
	Isabelle Schoenfold			NRC
	Caroline Schlaseman			MPR Associates for Toshiba
	Mark Giles			Entergy
	Omid Tabatabai			NRO
	Carl Weber			NRO
	ED Kleeh			NRO

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