



NUCLEAR ENERGY INSTITUTE

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July 2, 2009

Mr. Glenn M. Tracy  
Director  
Division of Construction Inspection and Operational Programs  
Office of New Reactors  
U.S. Nuclear regulatory Commission  
Washington, DC 20555-0001

**Subject:** White Paper on Proposed Construction Inspection Assessment Process

**Project Number: 689**

Dear Mr. Tracy:

During the public portion of the June 4 NEI New Plant Working Group meeting, we shared our views on a construction assessment process and indicated we were developing a white paper with more detail on the process and the underlying regulatory framework. Enclosed please find our white paper, entitled "Proposed Construction Inspection Assessment Process," for review and further discussion.

The process outlined in the enclosed document is consistent with our December 5, 2008 letter to the Commission. In that letter, we stated we do not believe the reactor oversight process (ROP) could, in and of itself, be utilized for new nuclear construction, and that a different process is needed to meet the principles of the ROP. The framework of our proposed approach is based on three strategic performance areas and associated cornerstones for assessing licensee performance during construction. These elements ensure the plant is built as designed, is ready to operate, and that the NRC's mission of protecting the public health and safety is achieved.

The industry proposed approach also includes a structured process for verifying that the ITAAC are completed as required and provides a graded approach of escalating NRC involvement through additional inspection above the baseline level based on the number and significance of inspection findings. Industry also recognizes the importance of construction safety culture and takes the lead in identifying and resolving safety culture issues.

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In many ways, the process is complementary to the "Construction Findings Flowchart" that the NRC staff developed with stakeholder input over the last year. Like the ROP and IMC-2505, the proposed process includes a Construction Response Table for determining the NRC response to inspection findings. The most obvious difference is that our approach does not rely on traditional enforcement; rather, it embraces an ROP-like approach to reflect significance.

We also understand that the NRC staff is preparing a response to the Staff Requirements Memorandum issued for the October 22, 2008 Commission briefing on new reactors. That SRM directed the NRC staff to "...reconsider the construction assessment process, as presented in IMC 2505, 'Periodic Assessment of Construction Inspection Program Results,' and propose policy options to the Commission." It also states, "The staff proposal should address the construction program oversight already inherent in the ITAAC monitoring and closure processes, and the inclusion in the construction oversight process of objective elements such as construction program Performance Indicators (PIs) and Significance Determination Processes (SDPs) analogous to those used in the Reactor Oversight Process (ROP)."

We appreciate the NRC staff interactions with the industry since that briefing to exchange thoughts and ideas for responding to the SRM. We offer the enclosed white paper as input to your response.

We believe the proposed process presented in the enclosure is worthy of consideration and further dialogue. We look forward to developing the concept further with the NRC staff.

Sincerely,



Russell J. Bell

Enclosure

c: Ms. Joelle Starefos, U.S. Nuclear Regulatory Commission  
Mr. John Tappert, U.S. Nuclear Regulatory Commission  
NRC Document Control Desk