

July 15, 2010

MEMORANDUM TO: Peter J. Habighorst, Chief  
Fuel Manufacturing Branch  
Fuel Facility Licensing Directorate  
Division of Fuel Cycle Safety  
and Safeguards  
Office of Nuclear Material Safety  
and Safeguards

FROM: Christopher Ryder, Project Manager **/RA/**  
Fuel Manufacturing Branch  
Fuel Facility Licensing Directorate  
Division of Fuel Cycle Safety  
and Safeguards  
Office of Nuclear Material Safety  
and Safeguards

SUBJECT: JUNE 16, 2010, TELEPHONE CALL SUMMARY: FOLLOW-UP  
TO THE MAY 19, 2010, PRE-APPLICATION MEETING WITH  
GENERAL ELECTRIC VALLECITOS NUCLEAR CENTER

On June 16, 2010, the U.S. Nuclear Regulatory Commission staff held a telephone conference call with staff from General Electric Hitachi to discuss additional information about the upcoming renewal application of special nuclear material license SNM-960. A summary of the conversation is attached. The summary contains no proprietary or classified information.

Docket No.: 70-754

License No.: SNM-960

Enclosure: Conference Call Summary

CONTACT: Christopher Ryder, NMSS/FCSS  
(301) 492-3189

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**CONFERENCE CALL SUMMARY  
GENERAL ELECTRIC VALLECITOS NUCLEAR CENTER APPLICATION  
FOR A LICENSE RENEWAL DATED SEPTEMBER 30, 2009**

Date and Time: June 16, 2010, at 1:30 P.M. (Eastern Time)

Participants from The U.S. Nuclear Regulatory Commission (NRC)

Peter Habighorst, Chief, Fuel Manufacturing Branch, Fuel Facility Licensing Directorate (FFLD), Division of Fuel Cycle Safety and Safeguards (FCSS), Office of Nuclear Material Safety and Safeguards (NMSS), NRC

Christopher Ryder, Licensing Project Manager, FFLD, FCSS, NMSS, NRC

Participants From General Electric Hitachi (GEH)

Chris Monetta, Senior Vice President, Advanced Programs, GEH Nuclear Energy

Scott Murray, Manager, Licensing and Liabilities COE Nuclear, GEH Nuclear Energy

David Turner, Site Manager, Vallecitos Nuclear Center

Donald Krause, Manager, Regulatory Compliance & EHS, Vallecitos Nuclear Center

Discussion

An application to renew special nuclear material (SNM) license 960 is expected in September 2010. During the pre-application meeting on May 19, 2010 (Ref. 1), the NRC staff agreed that the next submittal could be in two parts, just as the 1999 application (Refs. 2 and 3). Part A would be commitments. Part B would be supplemental information about the design of the facility. Information used by the NRC staff to determine safety would be incorporated into the application with requests for additional information.

Since the pre-application meeting, some NRC staff had reservations about the two-part format for a license application, which is no longer used when Subpart H (Ref. 5) became effective. The NRC's Office of the General Council stated that they would not endorse a two-part submittal as described during the May 19, 2010 meeting.

The format for a two-part license application stems from Reference 4. After Subpart H (Ref. 5) was implemented, the regulatory guide (RG) was revised in May 2009, to specify that Reference 6 replaced the 1986 version of the RG (Ref. 4).

The GEH participants made a distinction between the basis of licensing decisions and the basis for inspections. Also, much of the information in Appendix B of previous applications, where the

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design detail was specified, is for context. The NRC staff replied that, according to the 1986 version of the RG (Ref. 4), the second part of an application is the basis for the licensing decisions. Thus, allowing for the two-part format, the second part is part of the application. It is not supplemental information.

The NRC staff needs a basis for licensing and the basis for licensing must be kept current. During the May 19, 2010, meeting (Ref. 1), two methods of addressing design detail were discussed. First, the description can be in terms of bounding phrases, for example, no less than or no greater than. Also, a process similar to the change process in Reference 7 could be given in the application. Prior to Subpart H (Ref. 5), other licensees had such a process as a condition in their licenses. Subpart H (Ref. 5) codified the change process, making it consistent among applicable licensees. A change process as a license condition or commitment is no longer needed.

Although the previous GEH Vallecitos application had a control process for criticality, the change-process was internal to the Vallecitos site. Approval from NRC for any change was unnecessary. GEH participants stated that they would have a change process.

GEH participants asked about similar license applications, such as for the University of Texas and Idaho State University. The NRC staff stated that the Vallecitos site is unique; it is not like those facilities. These universities have smaller quantities of SNM, not irradiated nuclear fuel segments. The sealed sources are not subject to destructive testing. The facilities, and hence, the applications are different. The GEH participants stated that they knew little about their competition such as Westinghouse, but inquired about the way in which this licensee's research and development facility is licensed. The NRC staff stated that the Westinghouse research and development facility is not licensed under Reference 5.

The NRC staff views a change process as beneficial for both a licensee and NRC. A licensee does not have to apply for numerous amendments, every time an aspect of their facility, as described in their license application, needs to be changed. The NRC staff does not have to process numerous amendments, only those of significant changes. This reduction in burden, for both a licensee and the NRC staff, was one of the reasons for Subpart H (Ref. 5).

The call concluded with an understanding that the information that GEH submits with the next application to renew SNM-960 will be the basis for licensing decisions. The previous non-acceptance letter (Ref. 8) stated that Appendix B of Reference 2 and 3 is the information that the NRC staff needs to begin a technical review. The NRC staff does not need a detailed description of every piece of equipment, but only those aspects of the facility that are needed to make a safety determination.

## References

1. "NRC – GE Vallecitos May 19, 2010 Meeting Summary", Agencywide Documents Access and Management System (ADAMS) accession number ML101410082.

2. Letter from B. M. Murray, Senior Licensing Engineer, GE Company, to the Director of NMSS, NRC. RE: Renewal of SNM-960. January 21, 1999. NUDOCS microform number A6793:006 – A6793: 008.
3. Letter from B. M. Murray, Senior Licensing Engineer, GE Company, to the Director of NMSS, NRC. RE: Changes to license conditions (Appendix A) and Demonstration for Special Nuclear Material Renewal for the Vallecitos Nuclear Center (Appendix B). July 14, 1999. NUDOCS microform number A8690: 222 - A8690: 231. July 14, 1999.
4. “Standard Format And Content For The Health And Safety Sections Of License Renewal Applications For Uranium Processing And Fuel Fabrication”, RG 3.52, November 1986.
5. Title 10 of the *Code of Federal Regulations*, Part 70.
6. “Standard Review Plan for the Review of a License Application for a Fuel Cycle Facility”, NUREG-1520, March 2002. ADAMS accession number ML101390110.
7. Title 10 of the *Code of Federal Regulations*, §70.72.
8. Letter from D. Dorman, NRC, to D. Turner, GE Hitachi Vallecitos Nuclear Center, “Non-Acceptance of GE-Hitachi Nuclear Energy Americas LLC’s Renewal Application for Special Nuclear Materials License SNM-960 (TAC NO. L32961)”, April 16, 2010, ADAMS accession number ML100970657