

February 18, 2011

The Honorable Mark E. Udall  
United States Senate  
Washington, D.C. 20510

Dear Senator Udall:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am responding to your letter of December 15, 2010, requesting information regarding an application by Hyperion Power Generation, Inc. (Hyperion) to commercialize a small modular nuclear reactor.

The NRC has not received a formal application from Hyperion nor have we been provided any technical reports for review. Over the past two years, we have had several conversations with Hyperion and held one public meeting with them on September 30, 2010, where they presented their revised liquid metal-cooled conceptual design.

At this time, any action by the NRC is dependent upon receipt of an application or other materials from Hyperion. As we told Hyperion in a May 18, 2010, letter (copy enclosed), given available resources, we are primarily focused on preparations related to the Next Generation Nuclear Plant (NGNP) Program and integral pressurized water reactors (iPWRs). Should Hyperion submit a design review application this fiscal year (FY), we would conduct an acceptance review of the application and commence design review when resources are available. Consistent with the President's FY 2012 budget request for NRC, we expect resource constraints to continue through at least next year.

If you have any further questions or require additional information, please contact me or Ms. Rebecca Schmidt, Director of our Office of Congressional Affairs, at (301) 415-1776.

Sincerely,

***/RA by Martin J. Virgilio for/***

R. W. Borchardt  
Executive Director  
for Operations

Enclosure:  
As stated

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DATE	02/17/11	02/11/11	02/17/11	02/17/11	02/18/11

**OFFICIAL RECORD COPY**

May 18, 2010

Mark S. Campagna, PMP  
Chief Nuclear Officer /Chief Operating Officer  
Hyperion Power Generation Inc.  
Suite 105  
Industrie und Technologie Haus  
2399 Blake Street  
Denver, Colorado 80205

SUBJECT: RESPONSE TO U.S. NUCLEAR REGULATORY COMMISSION'S  
REGULATORY ISSUE SUMMARIES 2010-01, "PROCESS FOR SCHEDULING  
ACCEPTANCE REVIEWS OF NEW REACTOR LICENSING APPLICATIONS  
AND PROCESS FOR DETERMINING BUDGET NEEDS FOR FISCAL YEAR  
2012," AND 2010-03, "LICENSING SUBMITTAL INFORMATION FOR SMALL  
MODULAR REACTOR DESIGNS"

Dear Mr. Campagna:

Thank you for your February 25, 2010 and March 22, 2010, letters responding to the U.S. Nuclear Regulatory Commission's (NRC's) Regulatory Issue Summaries 2010-01, "Process for Scheduling Acceptance Reviews of New Reactor Licensing Applications and Process for Determining Budget Needs for Fiscal Year 2012," dated February 3, 2010 (ADAMS Accession No. ML093230517) and 2010-03, "Licensing Submittal Information for Small Modular Reactor Designs," dated February 25, 2010 (ADAMS Accession No. ML100260855) concerning the Hyperion Power reactor design. The staff will use this information during its scheduling of resources to support its pre-application and application review activities.

The NRC staff plans to continue to interact with the Department of Energy and small modular reactor (SMR) designers over the next several years to identify and develop resolutions to policy, licensing, and key technical issues. Although the staff discusses a number of potential policy issues concerning many different types of SMR technologies in SECY-10-0034, "Potential Policy, Licensing, and Key Technical Issues for Small Modular Nuclear Reactor Designs," dated March 28, 2010, we are primarily focused on our preparations related to the Next Generation Nuclear Plant (NGNP) Program and integral pressurized water reactors (iPWRs). For fiscal years 2010 through 2011, the staff will, because of resource constraints, continue to limit interactions with the designers of other advanced reactor designs to occasional meetings or other non-resource-intensive activities. Should you submit a design review application during this time, the staff will conduct an acceptance review of the application when it is received. The design review will commence once resources are available.

Enclosure

M. Campagna

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While resource constraints may limit our interactions, we encourage your continued participation in generic activities related to SMRs and please keep us informed of your plans related to the development of Hyperion-related design or licensing applications. In addition, we note that the NRC staff has not had significant interactions with Hyperion related to your proposed reactor design and specifically the changes you announced at a meeting of the American Nuclear Society (ANS) last year. We believe that it would be useful for both our organizations to have a technical meeting as soon as practical regarding your design. This meeting is especially important given the limited information concerning your design that was described at the ANS meeting and your stated application submittal dates. In addition, the meeting could help establish realistic expectations related to future interactions.

If you have any questions regarding this matter, please contact Mr. William D. Reckley at (301) 415-7490.

Sincerely,

*/RA/*

Michael E. Mayfield, Director  
Advanced Reactor Program  
Office of New Reactors

Project No.: 758