

## Conference Call Summary

### Date and Time

March 16, 2011, from 2:00 to 2:30 PM (EST)

### Participants

<u>U.S. Nuclear Regulatory Commission</u>		<u>General Electric Hitachi</u>	
Robert Johnson	Blair Spitzberg	Earl Saito	David Turner
Maria Guardiola	Robert Evans	Scott Murray	Donald Krauss
Christopher Ryder	Gerald Schlapper	James Ross	Mark Varno

### Background

On February 8, 2011, a public meeting<sup>1</sup> was held between the U.S. Nuclear Regulatory Commission (NRC) and General Electric-Hitachi (GEH) to establish a common understanding of the expectations for a license renewal application that is scheduled to be resubmitted by April 11, 2011. At that meeting, GEH requested a conference call to address unresolved issues about reporting changes made to the Vallecitos Facility in a proposed facility-change process. A conference call was held on March 16, 2011, to address the issue of reporting facility changes to NRC.

### Discussion

Robert Johnson reminded participants that no regulatory decisions will be made during or as a result of the conference call. The purpose of the discussion was to establish a common understanding of a proposed facility-change process that may appear in the next application for a license renewal.

Earl Saito described the proposed facility-change process. A draft version of the revised application is being reviewed at GEH. The revised application will be submitted by April 11, 2011. The application has a §70.72-like change process that was adapted from Title 10 of the *Code of Federal Regulations* 70, Subpart H, for use at the Vallecitos site; requirements of changes that would not require NRC approval now appear in Chapter 1 of the application. The facility-change process in Chapter 1 is linked to Chapter 11, which is about management measures. There, GEH indicated that their facility-change documentation would be retained for three years. GEH believes that this process is appropriate.

Robert Evans asked about intentions to report changes annually to the NRC Headquarters and retaining change documents for the life of the facility. Scott Murray reiterated that the change documents would be retained for three years. Scott Murray and Earl Saito stated that

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<sup>1</sup> A summary of the public meeting can be found in the NRC Agencywide Documents and Management System (ADAMS) under the Accession Number ML110620478.

Subpart H is not applicable to the Vallecitos site. GEH participants had indicated that NRC had requested<sup>2</sup> a §70.72-like process. Annual reporting is required by Subpart H; Vallecitos is a facility that does not require an Integrated Summary Analysis.<sup>3</sup>

Robert Johnson asked how the NRC licensing basis is maintained by the change process without routine reporting. The concept of a 70.72-like change process is understood. The issue to be addressed by this conference call is reporting changes to maintain the licensing basis. Though a §70.72-like change process, NRC is giving GEH latitude to make changes without prior NRC approval. Earl Saito stated that the application has provisions for report and record retention. Robert Johnson replied that the NRC staff will need to see the revised application; reporting to NRC Headquarters changes to the facility were not in the previous application.<sup>4</sup>

Blair Spitzberg had concerns about the change-reports being kept at the site for NRC inspectors to review, instead of the reports being sent to NRC Headquarters. Much reliance is being placed on inspectors [to maintain the licensing basis]. Inspections occur over a short time<sup>5</sup>. During an inspection, the staff is assessing adequacy [of compliance]. The inspectors do not necessarily have the expertise to evaluate the changes, and thus, would have to depend on the staff at NRC Headquarters. Expertise aside, because of the short time of an inspection, only a sample of the changes would be reviewed.

GEH participants asked about the impact on the acceptance review if the facility-change process is not acceptable. Christopher Ryder stated that the facility-change process itself would not significantly influence the acceptance review. Robert Johnson stated that the NRC staff will have to review the facility-change process and reporting criteria that are submitted in the revised application. He also raised the possibility of a license condition that requires annual reporting to NRC Headquarters. The NRC staff expects that GEH will include annual reports in their next submittal of facility changes that do not require prior NRC approval. Earl Saito acknowledged the possibility of license conditions. The conference call concluded.

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<sup>2</sup> Note from Christopher Ryder. The NRC staff did not request a §70.72-like process. In previous public meetings and conference calls, the NRC stated that in determining the amount of detail that GEH should have in an application, to avoid the need for requesting changes to the facility with license amendments, certain changes could be done without prior NRC approval with a process that is similar to that in §70.72.

<sup>3</sup> An Integrated Safety Analysis is required by Subpart H, which does not apply to the Vallecitos site per §70.60. Changes that can be made to a facility without prior NRC approval are stated in §70.72. By January 31, a licensee is required to submit a report of the changes that were made to the facility during the previous calendar year.

<sup>4</sup> Letter from David W. Turner, Manager, Vallecitos Nuclear Center, GE-Hitachi, to Director, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, "Renewal of Materials License SNM-960," September 30, 2010, ADAMS Accession Number ML102740276.

<sup>5</sup> Typically, the duration of an inspection, including travel time from Region IV to the Vallecitos site and back, is one week.