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10 CFR 50.4
10 CFR 52.79

May 30, 2014

UN#14-048

ATTN: Document Control Desk
U.S. Nuclear Regulatory Commission
Washington, DC 20555-0001

Subject: UniStar Nuclear Energy, NRC Docket No. 52-016
Guidance for the Management of Resources

- References:
1. AREVA Letter to NRC, NRC:14:012, Closure Plan for U.S. EPR Design Certification Application – FSAR Group B and Group C Chapters, dated March 20, 2014
 2. UNE Letter to NRC, UN#14-024, Paul Infanger to NRC Document Control Desk, Calvert Cliffs Nuclear Power Plant, Unit 3, Schedule for Submission of COLA Revision 10, dated March 21, 2014
 3. UNE Letter to NRC, UN#13-107, Mark T. Finley to NRC Document Control Desk, Calvert Cliffs Nuclear Power Plant, Unit 3, RAI No. 281, Part 1: Introduction and Interfaces, dated July 26, 2013

The purpose of this letter is to provide guidance for NRC staff management and scheduling of resources supporting the review of the Calvert Cliffs Unit 3 Combined License Application (COLA) which references the AREVA U.S. EPR Final Safety Analysis Report (FSAR), or EPR Design Certification (DC). UniStar Nuclear Energy (UNE) and Electricite de France (EDF) remain committed to continuing the COLA review and obtaining a Combined License (COL) for Calvert Cliffs Unit 3. Nonetheless, we request that the ongoing review schedule be managed consistent with AREVA's schedule for the U.S. EPR FSAR review.

In the Reference 1 AREVA provided an updated schedule for closure of the remaining technical issues for U.S. EPR FSAR Group B and C chapters. It is clear that the schedule for resolution of the remaining issues in the review of the U.S. EPR FSAR will stretch into 2016. As the review of the corresponding Group B and C chapters for the Calvert Cliffs Unit 3 COLA cannot be

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completed before the review of these same chapters in the U.S. EPR FSAR, and given that little additional site specific work remains for these chapters in support of the Calvert Cliffs Unit 3 COLA review, we will re-sequence our work efforts.

UNE is planning for a monitoring period later this year upon completion of NRC staff review of the Group A chapters for the Calvert Cliffs Unit 3 COLA. This period will continue into 2015 and 2016. During this period, UNE will monitor and evaluate progress on the technical issue resolution for the U.S. EPR FSAR and the development of guidance necessary to address Foreign Ownership Control and Domination (FOCD).

After the completion of Phase 4 of the U.S. EPR FSAR, UNE will incorporate the COL aspects of the Group B and C chapter issue resolution achieved in the U.S. EPR FSAR, and will coordinate with the NRC to establish a closure plan and schedule to resolve any remaining technical issues for the Calvert Cliffs Unit 3 COLA, and address any new Commission or staff guidance related to project ownership, governance, and FOCD.

This guidance for the application of resources to the Calvert Cliffs Unit 3 COLA effort is being implemented to most efficiently manage the delay in resolution of the final issues on the U.S. EPR DC. In fact, this approach, i.e. resolving DC issues before resolving COL issues, is what was envisioned when the 10 CFR 52 process was created, as opposed to review of the DC and COL applications in parallel.

Prior to the start of the monitoring period later this year, UNE will focus on supporting the completion of the review of the Group A FSAR chapters for the Calvert Cliffs Unit 3 COLA with the goal of achieving the final Safety Evaluation Report (SER) for these chapters before the end of calendar year 2014. Our expectation is that the NRC focus will be the same. It is in both our interests to close Group A chapters prior to initiating the monitoring period to make most efficient use of resources.

Our current plans include a freeze of all Group A chapters by the end of July 2014. In Reference 2, UNE stated that CCNPP Unit 3 COLA Revision 10 would be submitted within 90 days of issuance of the U.S. EPR FSAR, Revision 6. Revision 10 is being expanded to include U.S. EPR FSAR, Revision 7. The revised submittal date for CCCNPP Unit 3 COLA Revision 10 is August 29, 2014. Enclosure 1 provides a more detailed schedule for closure of the Group A chapters and related Requests for Additional Information (RAIs).

In order to manage resources and related fees, we request that NRC significantly reduce review efforts related to the Group B and C chapters as soon as reasonably possible, with the exception that review of the UNE response to RAI 417 related to Ultimate Heat Sink (UHS) Interference (FSAR Section 9.2.5), and efforts related to the currently planned NRC audits of Design Specifications (FSAR Sections 3.2, 3.9 and 3.11) and Site Specific Seismic Category I Structures (FSAR Sections 3.7 and 3.8), should continue. If there are other Group B and C review efforts that NRC believes should be completed prior to the monitoring period, UNE is willing to discuss these with NRC. We also request that NRC project management efforts be reduced commensurate with the technical review efforts at the appropriate time. This request in no way diminishes our commitment to obtaining the COL for Calvert Cliffs Unit 3. UNE is not requesting a formal suspension of the Calvert Cliffs Unit 3 COLA review or any change in status of the application.

In conjunction with the commencement of the monitoring period, and pending action by the Commission to update its guidance on FOCD, UNE will take measures to reduce costs

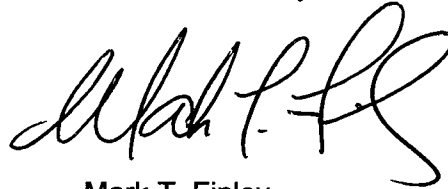
associated with interim implementation of its proposed FOCD Negation Action Plan (NAP). Specifically, the Operating Agreement of UNE will be amended to: (i) temporarily re-assign the responsibilities of the Security Subcommittee to the Chief Executive Officer (who shall be a U.S. citizen and remain subject to the current NAP provisions) until no later than the first pouring of safety-related concrete; and (ii) provide that the Nuclear Advisory Committee shall not be required to be implemented until no later than the first pouring of safety-related concrete.

In Reference 3 we provided our current plan to provide a response to RAI 281 relating to Foreign Ownership, Control, or Domination (FOCD) within three months following the NRC Commission approval and issuance of any revised 10CFR50.38, Standard Review Plan (SRP), and/or FOCD guidance. This commitment has not changed. If the schedule for our response should change, NRC will be notified by formal letter.

We intend to communicate closely with you over the next several months and throughout the monitoring period to clarify any questions you may have regarding the application of resources to the review of the Calvert Cliffs Unit 3 COLA. If there are any questions regarding this guidance, please do not hesitate to contact me at (410) 369-1907 or Mr. Paul Infanger at (410) 369-1987.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on May 30, 2014

A handwritten signature in black ink, appearing to read 'Mark T. Finley', written in a cursive style.

Mark T. Finley

Enclosures: 1) Schedule for Closure of FSAR Group A Chapters, Calvert Cliffs Nuclear Power Plant, Unit 3

cc: Surinder Arora, NRC Project Manager, U.S. EPR Projects Branch
Tomeka Terry, NRC Environmental Project Manager, U.S. EPR COL Application
George Wunder, NRC Project Manager, U.S. EPR DC Application, (w/o enclosures)
Patricia Holahan, Acting Deputy Regional Administrator, NRC Region II, (w/o enclosures)
Silas Kennedy, U.S. NRC Resident Inspector, CCNPP, Units 1 and 2
David Lew, Deputy Regional Administrator, NRC Region I (w/o enclosures)

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Enclosure 1

**Schedule for Closure of FSAR Group A Chapters,
Calvert Cliffs Nuclear Power Plant, Unit 3**

**Schedule for Closure of FSAR Group A Chapters,
 Calvert Cliffs Nuclear Power Plant, Unit 3**

FSAR Chapter	Freeze Date	Comments
2 (w/exception of 2.4)	June 13, 2014	FSAR markup provided for response to RAI 413 (Explosive Gas) and RAI 400 (Makeup Using Groundwater) prior to freeze date. Section 2.4 awaiting revised source term as part of U.S. EPR FSAR update in 2015.
5	July 31, 2014	FSAR markup provided for U.S. EPR FSAR, Revision 7 (DC RAI 579) prior to freeze date.
8	July 31, 2014	FSAR markup provided for U.S. EPR FSAR, Revision 7 (Bulletin 2012-01 and SSE issue) prior to freeze date.
10	July 31, 2014	FSAR markup provided for response to RAI 416 (Turbine Rotor Integrity) prior to freeze date. FSAR markup provided for U.S. EPR FSAR, Revision 7 prior to freeze date.
13	June 30, 2014	FSAR markup provided for response to RAI 408 (Emergency Planning) and update of UNE/EDF organization prior to freeze date.
17 (w/exception of 17.4)	June 30, 2014	Latest version of UNE QAPD provided prior to freeze date. Section 17.4 awaiting updated PRA as part of U.S. EPR FSAR update in 2016.
COLA Revision 10	August 29, 2014	Calvert Cliffs Unit 3 COLA, Revision 10 to include updated and frozen Group A chapters.