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 for the Modernization of the NRC's Digital
 I&C Regulatory Infrastructure

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UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

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OFFICE OF NUCLEAR REACTOR REGULATION

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PUBLIC MEETING ON THE INTEGRATED ACTION PLAN FOR
THE MODERNIZATION OF THE NRC=S DIGITAL I&C
REGULATORY INFRASTRUCTURE

+ + + + +

WEDNESDAY

MARCH 30, 2016

+ + + + +

ROCKVILLE, MARYLAND

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The Public Meeting met in the
Commissioners= Hearing Room at the Nuclear Regulatory
Commission, One White Flint North, 11555 Rockville
Pike, at 8:04 a.m., John Lubinski, Acting Director of
the Office of Nuclear Reactor Regulation,
facilitating.

PRESENT:

JOHN LUBINSKI, NRR, Facilitator

ROSSNYEV ALVARADO, NRR/DE/EICB

STEVEN ARNDT, NRR/DE

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MARISSA BAILEY, NRR/DE

ROYCE BEACOM, NRR/DE/EICB

NORBERT CARTE, NRR/DE

EUGENE EAGLE, NRR

JAMES TODD KEENE, NRR/DPR/PGCB

JONAH PEZESHKI, NSIR/Cyber Security

Directorate

PAUL REBSTOCK, JR, RES/DE

DEIRDRE SPAULDING-YEOMAN, NRR/DE/EICB

RICHARD STATTEL, NRR/DE/EICB

JENNIFER TOBIN, NRR/DPR/PRMB

ALSO PRESENT:

JOHN CONNELLY, Exelon

RAY HERB, Southern Nuclear

STEVE HUTCHINS, NEI/Exelon

JASON REMER, NEI

PUBLIC PARTICIPANTS:

DAN CRONIN *

JOE HOLONICH *

MARVIN LEWIS *

JOSEPH PAPPIO *

PAUL PRIMAVERA *

TIMOTHY SMITH *

KEN SCAROLA *

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*Present via telephone

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T-A-B-L-E O-F C-O-N-T-E-N-T-S

PAGE

Welcome and Introductions

 Todd Keene.....5

Overview of Meeting

 John Lubinski.....11

Overview of Integrated Action Plan

 Marissa Bailey.....16

Discussion of Common Cause Failure Working Group
Action Plan (WGAP)

 Rossnyev Alvarado.....28

Discussion of 10 CFR 50.59 WGAP

 Deirdre Spaulding-Yeoman.....31

Discussion of IEEE 603 WGAP

 Royce Beacon.....47

Discussion of IEEE 7-4.3.2 WGAP

 Richard Stattel.....54

Discussion of Cyber Security WGAP

 Jonah Pezeszki.....59

Break.....75

Discussion of Additional Digital I&C Activities and
Longer-Term Actions

 Steve Arndt.....76

Industry Perspective of the Integrated Digital I&C
Action Plan

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T-A-B-L-E O-F C-O-N-T-E-N-T-S (Cont.)

	<u>PAGE</u>
Jason Remer.....	97
John Connelly.....	100
Open Discussion.....	112
Meeting Recap; Review of Action Items; Closing...	166
Adjourn.....	175

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1 P-R-O C-E-E-D-I-N-G-S

2 (8:03 a.m.)

3 MR. KEENE: Good morning, everyone. I
4 would like to thank everyone for attending this
5 public meeting, it's a Category III public meeting.

6 My name is Todd Keene, the Project
7 Manager in the office of Nuclear Reactor Regulation.
8 We are here today to discuss the draft Integrated
9 Action Plan for the Modernization of the NRC's
10 Digital I&C Regulatory Infrastructure.

11 Before we start the meeting I would like
12 to cover a few administrative topics for security
13 purposes.

14 OPERATOR: Okay, I'm sorry.

15 MR. KEENE: Yes, Angela?

16 OPERATOR: Did you want me to go ahead
17 and begin and make the introduction?

18 MR. KEENE: Yes, please.

19 OPERATOR: Okay, one moment. Welcome to
20 the NRC Public Meeting for Digital Instrumentation
21 and Control conference call. At this time all
22 participants are in a listen-only mode until the
23 question and answer session of the call.

24 At that time to ask a question please
25 press star followed by the number one. Now I would

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1 like to turn over the call to Todd Keene. You may
2 begin.

3 MR. KEENE: Good morning. I would like
4 to thank everyone for attending the meeting. My name
5 is Todd Keene, I am the Project Manager in the Office
6 of Nuclear Regulation.

7 We are here today to discuss the draft
8 Integrated Action Plan to Modernize the NRC's Digital
9 I&C Regulatory Infrastructure.

10 Before we start the meeting I would like
11 to cover a few administrative topics. For security
12 purposes for visitors here in the Headquarters
13 Building NRC policy dictates that visitors have to
14 wear their visitor badges conspicuously displayed.

15 Visitors with badges in the vicinity of
16 the conference room will not require an escort.
17 However, if anybody needs to leave this floor and go
18 on to a different floor you will be required to have
19 an escort.

20 There are restrooms in the hallway right
21 outside the Commission Hearing Room. In case of an
22 emergency please follow directions of the NRC staff
23 members.

24 Emergency exits are either through the
25 lobby or outside this door to the right and that will

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1 get you out to the street.

2 Please take this opportunity to silence
3 your cell phones as a courtesy to all attendees. For
4 the personnel here in the Commission Hearing Room
5 there are attendance sheets at the entrance of the,
6 when you came in through the door to your left or
7 also here on the table.

8 Please take the opportunity to fill out
9 the attendance sheet so we can make sure that everyone
10 is properly accounted for.

11 For attendees on the phone bridge please
12 send an email to myself or Ms. Jenny Tobin. Our
13 email addresses are included on the public meeting
14 notice.

15 The purpose of this meeting is to provide
16 an opportunity for the NRC staff to present a draft
17 Integrated Action Plan for the Modernization of the
18 NRC's Digital I&C Regulatory Infrastructure and
19 solicit comments from stakeholders and the public.

20 This meeting is being transcribed to
21 facilitate documentation of the comments that are
22 received.

23 Keeping that in mind for personnel that
24 have questions when they request for the transcribed
25 -- to assist in the transcribing of the meeting that

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1 you state your name, your affiliation either with the
2 company or as a member of the public, and then your
3 question, that way for clarity in the transcription.
4 The transcription will be included in the meeting
5 summary.

6 This is a 4-hour Category III Public
7 Meeting to allow for public and stakeholder
8 discussions. This meeting will not decide any staff
9 or agency positions.

10 It will not interpret regulations other
11 than what is currently established by guidance or
12 staff position.

13 There are public meeting feedback forms
14 available at the front of the office, or, excuse me,
15 when you entered. For those online it is NRC Form
16 659 and is available on the NRC website.

17 I'd like to open up the meeting today for
18 introductions of the NRC staff that are making
19 presentations. When it comes time for the NEI
20 presentation, which is on the agenda, I'll hold off
21 the introductions until then. So, please, all right.

22 MR. PEZESHKI: Oh. My name is Jonah
23 Pezeshki. I work with --

24 MR. KEENE: Microphone, Jonah.

25 MR. PEZESHKI: Oh, I'm sorry, apologies.

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1 My name is Jonah Pezeshki. I work in NSIR, that's
2 the Office of Nuclear Security and Incident Response,
3 and in the Cyber Security Directorate.

4 MR. BEACOM: Hi. My name is Royce
5 Beacom. I am in the Office of Nuclear Reactor
6 Regulation, EICB. I am here for the IEEE 603 Action
7 Plan.

8 MS. ALVARADO: My name is Rossnyev
9 Alvarado. I am with NRR I&C Branch. I am here for
10 the Common Cause Failure Working Group.

11 MR. LUBINSKI: Good morning. John
12 Lubinski, I am currently the Acting Deputy Director
13 for Engineering for the Office of Nuclear Reactor
14 Regulation.

15 On Monday next week I'll be returning to
16 my permanent position as the Division Director for
17 the Division of Engineering in NRR. I also currently
18 have the title as the Chair of the NRC's Steering
19 Committee for the Digital I&C activities.

20 MS. BAILEY: Good morning. I am Marissa
21 Bailey. I am the Acting Director until Sunday,
22 midnight, for the Division of Engineering in the
23 Office of NRR.

24 MS. SPAULDING-YEOMAN: Good morning. I
25 am Deirdre Spaulding-Yeoman, Instrumentation and

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1 Controls Branch. I am here for the 50.59 Working
2 Group.

3 MR. STATTEL: Good morning. My name is
4 Richard Stattel. I am also in the Instrumentation
5 and Controls Branch and I am representing the IEEE-
6 7-4.3.2 Working Group.

7 MR. HUTCHINS: Steve Hutchins, Exelon
8 Generation, currently on loan to NEI.

9 MR. CONNELLY: John Connelly,
10 Engineering Manager for Capital Projects at Exelon.

11 MR. REMER: Jason Remer, NEI.

12 MR. HERB: Ray Herb, Southern Nuclear,
13 Digital Principle Engineer.

14 MR. LUBINSKI: So for the folks at the
15 table we figured out you do have the microphone
16 buttons. When it's red you are on and when it's
17 black you are off.

18 MR. KEENE: Okay. Now with the agenda,
19 as stated in the public meeting notice on the second
20 slide we'll go through the agenda today, which is
21 both an overview of the Action Plan, discussion of
22 the key Working Group planned actions, and carrying
23 on through the regulatory infrastructure actions that
24 will be covered by various speakers, and stepping
25 through and -- throughout this -- as we carry on into

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1 the discussion for the individual Working Group
2 actions each of the Working Group leads will be
3 presenting for approximately five minutes, which will
4 allow us a short period of time, about ten minutes,
5 to carry on, or to have specific questions about that
6 Working Group Action Plan.

7 In order to keep to the agenda the
8 intention is to move to the next Working Group action
9 item and if there are still additional questions
10 we'll put it in a parking lot and come to at the end
11 of the, towards the last hour of our public meeting
12 and get those open action items.

13 With that I'll turn it over to Mr.
14 Lubinski.

15 MR. LUBINSKI: Thanks, Todd. I
16 appreciate everyone being here today. As we all know
17 this is a very important topic. Why are we here? We
18 do have the SRM that was recently issued by the
19 Commission that asked for an Action Plan within 90
20 days.

21 We know we just issued their current
22 revision of the Action Plan just last week, so we
23 know a lot of the folks today haven't had an
24 opportunity to fully digest it.

25 However, we appreciate the fact that many

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1 of the folks here today have had an opportunity to
2 review that document.

3 I do believe that it is important to have
4 early engagement and the purpose of the meeting today
5 is for us, and that's why we put a presentation
6 together of what was our thinking and logic into what
7 we put into the Plan at this point and we would like
8 to get early input on the prioritization of
9 activities, what are the near term, what are the long
10 term, and any initial concerns we have.

11 As noted, the Federal Register Notice was
12 issued today seeking comments on the Plan. Different
13 than many times when we issue documents such as in a
14 rulemaking process that those go out and we would do
15 a full comment resolution, we don't plan to do that
16 in the next 30 days as we get this document back.

17 This will be a living document over the
18 next 30 days and we expect to have more public
19 interactions as we develop the document.

20 We have the leads right now for five of
21 the items that are in the Action Plan. Of course,
22 at any point you guys can call me or anyone else
23 involved with the activity, but if you have specific
24 issues about any of those items in those work groups
25 we've got the lead for those work groups and please

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1 contact them, you have their emails and phone
2 numbers, they're on the meeting notice.

3 So if you have comments, questions, along
4 the way you don't have to wait until the end of the
5 closed period, in fact, we'd appreciate if you get
6 those to us early so we can keep the dialogue going.

7 So from a background on why we're here,
8 it really starts even, you know, much prior to the
9 SRM. If you look we did have activities to improve
10 our regulatory processes back from the 2007 to 2011
11 timeframe and we believe we had many successes that
12 came out of those activities.

13 The end result of the products were a
14 series of interim staff guidance documents and, you
15 know, for those who don't know when we talk about
16 interim staff guidance, ISGs, these are an effective
17 way of putting in place more quickly supplements to
18 our Standard Review Procedure.

19 It allows us to get them out quickly, use
20 them, and then based on feedback update the SRP with
21 the lessons learned.

22 So we've been using these documents and
23 going through a licensing oversight experiences since
24 2011 and we have identified that there are a need for
25 some improvements to some of the ISGs.

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1 We also as we were going through the
2 development of our IEEE 603 rulemaking, as many know
3 the regulation has already endorsed IEEE 603, but
4 it's a 1991 version and we were looking at the updated
5 2009 version and incorporating that into the
6 regulations and as part of that, interactions with
7 the public as well as our internal actions and
8 interactions as well with the IEEE Committees, we
9 believe there are still some technical issues that
10 need to be evaluated and resolved, and that helped to
11 identify that.

12 In parallel, as we were developing the
13 IEEE 603 we were looking at what other activities did
14 we need to do in the Digital I&C area and we put
15 together a draft Action Plan back in 2015 that was
16 shared with the industry.

17 It was issued for public consumption
18 prior to a Commission meeting we had back in the
19 December timeframe. Based on our SRM we have now
20 gone the next direction of updating that and coming
21 up with more of a different format, if you will, so
22 this is the first version of the Integrated Plan.

23 Next slide, please. Jenny, next slide,
24 please. Got it, okay. So what's the goal right now?
25 The goal is to modernize the Digital I&C regulatory

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1 infrastructure to enhance our capability, be more
2 timely, efficient, and effective.

3 We believe a lot of what we are doing is
4 effective but we can always be more effective and
5 also be more efficient, and we want to be clear,
6 predictable, and flexible in our guidance as we move
7 forward.

8 So we're going back to those principles
9 as we move forward. As we do we are looking at
10 definitely being performance-based and technology
11 neutral.

12 We are trying early on to reach alignment
13 on what are the key technical issues, which is one of
14 the purposes today, what are the key technical issues
15 that need to be addressed.

16 We don't think we can really change the
17 regulatory structure until we know what the key
18 technical issues are first, why update guidance based
19 on issues that may need to be changed from a technical
20 standpoint.

21 We are looking at any near-term policy
22 and guidance issues that need to be addressed,
23 definitely from a policy standpoint. Clear from the
24 Commission they want to see the big picture on what
25 issues may come to them either through policy or

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1 rulemaking, so we are trying to identify what are
2 those near-term issues so they are aware of where the
3 staff is going.

4 We are looking at the tools and methods
5 of becoming more effective in developing our plans.
6 And then the most important part and the most
7 challenging part for us right now is integrating our
8 near-term policy and guidance with our longer-term
9 actions.

10 We need to be aligned on a long-term
11 action, but we know there is many of the near-term
12 actions and technical issues need to be resolved
13 first.

14 So what I would like to do now is turn to
15 Marissa Bailey and she will give an overview of what
16 we have in our current Digital I&C Integrated Action
17 Plan.

18 MS. BAILEY: Thank you, John. Thanks,
19 John. Can you go ahead to the next slide, please?
20 So before I give an overview I'll just start at a
21 high level to put the Integrated Action Plan into
22 context.

23 I think a number of you know that in the
24 February the Commission did issue us an SRM and it
25 directed the staff to develop an integrated strategy

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1 to modernize the Digital I&C regulatory
2 infrastructure, and the staff is currently in the
3 process of developing that integrated strategy.

4 This slide here basically just provides
5 some of the highlights for that standard -- for the
6 SRM.

7 In the SRM the Commission wanted the
8 staff to ensure that key near-term regulatory
9 improvements such as the endorsement of a new version
10 of IEEE 603, the reevaluation of NRC's position on
11 digital system common cause failure, and also
12 updating the digital system 50.59 guidance, that
13 those near-term regulatory improvements are
14 considered in the broader context of what needs to be
15 done to improve the overall regulatory framework.

16 The staff's development of the Integrated
17 Digital I&C Action Plan is a big part of the overall
18 strategy, of what the overall integrated strategy
19 that's been directed by the SRM.

20 The Integrated Action Plan provides
21 details as to how the NRC staff will address near-
22 term actions, as John mentioned. It also discusses
23 some of the longer-term actions that will be
24 considered for improvement based on the identified
25 needs and some basic principles.

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1 As you know the Action Plan identifies 12
2 topical issues. After some fairly significant
3 interaction with stakeholders we identified five of
4 them for near-term action and these five topics will
5 be discussed by the staff today.

6 The remaining seven topics have been
7 identified as important activities that need to be
8 addressed to complete the Digital I&C infrastructure
9 modernization effort, but for which specific actions
10 have not yet been identified.

11 As the broader strategy is completed
12 those additional actions will be more fully
13 integrated into the Plan.

14 I would also like to just highlight that
15 in the SRM the Commission provided some guiding
16 principles, and that includes that the new
17 requirements should be performance-based and
18 technology neutral.

19 And the staff is applying those guiding
20 principles as we move forward in developing both the
21 integrated strategy and also the Integrated Action
22 Plan.

23 So next slide, please. I'll just review
24 briefly the history of the Digital I&C Action Plan.
25 An earlier version of the Digital I&C Action Plan was

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1 shared with the public and stakeholders at our
2 January 2016 public meeting.

3 And that earlier version was organized
4 more as a listing and a rough prioritization of
5 licensing oversight and infrastructure topics that
6 the staff felt needed to be addressed.

7 The feedback that we received from
8 stakeholders, specifically via NEI's February 23,
9 2016, letter that provided comments on the January
10 version of the Action Plan, that feedback has been
11 incorporated into this latest version of the Action
12 Plan to the extent practicable.

13 You may not see a one-to-one correlation,
14 but we did take a look at those comments and as much
15 as we could we did try to integrate them, or include
16 them into the current version of the Action Plan.

17 That includes public comments, or your
18 comments, on the prioritization of the topics that's
19 included in the Action Plan. For example, staff
20 agrees first to work with stakeholders to identify
21 key inputs and aspects that need to be considered
22 when revising their current NRC policy on Common
23 Cause Failure.

24 NEI's letter contained specific
25 stakeholder proposals for ways to address this

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1 technical issue.

2 Although the NRC staff did not
3 significantly change the Plan on how it will review
4 the current NRC position on Common Cause Failure in
5 Digital Systems, the staff is considering these
6 technical proposals as well as those identified by
7 the staff as part of revising the CCF policy and the
8 guidance that accompanies the staff guidance for
9 licensing evaluations and for oversight processes.

10 Last week we had our first technical
11 meeting on CCF and another will be scheduled for April
12 26th. So that's just an example of how we tried to
13 incorporate comments into the Action Plan.

14 The Integrated Action Plan also contains
15 more details than the earlier version of the Plan
16 regarding the process that Staff is planning to use
17 to address the five near-term technical areas, which
18 we believe to be of utmost importance for dealing
19 with first.

20 And, finally, the Integrated Action Plan
21 addresses the directives that are contained in the
22 Commission's February SRM.

23 Next slide. This slide gives an outline
24 of the Integrated Action Plan. As I mentioned the
25 Integrated Plan incorporates more details regarding

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1 the five near-term topical areas plus a number of
2 additional activities identified as being important
3 to resolve as part of the modernization effort for
4 Digital I&C Regulatory Infrastructure.

5 The revised Plan is not considered to be
6 an Integrated Plan in that it addresses the need for
7 engaging with internal and external stakeholders to
8 first reach alignment on resolving key technical
9 issues before incorporating the results of this
10 effort into staff or Commission policy and guidance
11 documents.

12 Then we would follow that by addressing
13 the longer term activities that's also in the Action
14 Plan. Again, the outline is provided here. I'd like
15 to note that the Integrated Plan is not considered
16 final at this point.

17 We hope to incorporate insights that we
18 receive from stakeholders before proposing adoption
19 of the Plan to the Commission and then the Plan will
20 continue to be revised as deemed appropriate over the
21 next four weeks while the staff's response to the SRM
22 is being prepared.

23 And it is likely that the Plan will
24 continue to evolve further as new ideas are
25 identified and the Steering Committee reviews them

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1 and deems them appropriate for inclusion in the Plan.

2 Next slide. In their SRM the Commission
3 also directed the staff to engage to public in
4 workshops and meetings with relevant IEEE Standard
5 Setting Committee, with licensees, vendors, and other
6 stakeholders to reach common understanding of the
7 Digital I&C regulatory challenges, priorities, and
8 potential solutions to address them.

9 To this end we have provided the draft of
10 the Integrated Action Plan for public comment and the
11 purpose of this meeting is to get your input on the
12 Plan.

13 As John noted we are also requesting
14 written feedback from stakeholders by April 24, but
15 we would also like to get feedback at this meeting.

16 We were directed by the Commission to
17 develop the integrated strategy in 90 days, so we are
18 working towards a May 25 due date.

19 Although we are planning on a number of
20 interactions, as you can see from this slide, given
21 our timeline we do not plan to provide responses to
22 the feedback we receive from stakeholders outside of
23 the revision of the Action Plan itself.

24 As you can see from this slide in
25 addition to completing the strategy -- As you can see

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1 in addition to completing the Integrated Strategy and
2 Action Plan we are moving forward with some of the
3 near-term actions, including CCF and the 50.59
4 guidance.

5 In terms of the feedback that we would
6 like from you, I just want to point out some of the
7 key questions that we'd like to get your thoughts on.

8 First, are we focused on the correct
9 regulatory challenges? Are we working on the highest
10 priorities? Is anything we are working on not needed
11 or are there areas that are missing from the Plan?

12 Do we have the right scope and
13 assumptions for the detailed working group plans?
14 And, finally, what does near-term success look to our
15 stakeholders, what does it look like to you?

16 Hopefully you can provide us this
17 feedback at this meeting or in the written comments
18 that you wish to provide.

19 So before I turn it over to the staff to
20 discuss the details of the five near-term actions I
21 would like to know if you have any questions for
22 either me or John.

23 MR. REMER: Marissa, thank you very much,
24 and thanks for this integrated schedule, that's one
25 of the comments that we had is if we could lay out a

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1 schedule so we could help support that because
2 unfortunately there is just a handful of us that are
3 probably going to be staffing most of these things.

4 In the April 26th meeting I didn't
5 realize that that had already been decided. We may
6 have challenges supporting that, so we could have
7 discussion.

8 I know we are on a tight timeframe, but
9 that would be something we would want to discuss.

10 MS. ALVARADO: Actually, we talked with
11 people in NEI and they suggested that because you
12 were having a meeting on the 27th.

13 MR. REMER: Okay, all right. So that
14 may -- I was out a few days.

15 MS. ALVARADO: Okay. But if not we can
16 like take this discussion offline and we can
17 reschedule it as necessary.

18 MR. REMER: Okay, very good. Thank you.

19 MS. ALVARADO: Okay.

20 MR. CONNELLY: With the overarching
21 concern, just to reiterate, the overarching concern
22 is that there is a limited pool of people who are
23 involved in a lot of these groups, so, you know, we
24 kind of need an integrated schedule so we can get all
25 the resources brought to bear at the appropriate

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1 time.

2 MR. LUBINSKI: This helps immensely.

3 MR. CONNELLY: We appreciate that.

4 MR. LUBINSKI: We -- Actually what I'm
5 going to ask as a takeaway from this meeting, and I
6 always end up dumping this on Todd, our Project
7 Manager, is that we do have a formatted schedule of
8 many of the meetings coming up and we'll make sure we
9 get that posted publicly so that people can look at
10 those meetings.

11 And, again, when we do this is, you know,
12 if you look there is an integration of schedules here
13 and they are near term through the end of April now
14 is what you are seeing.

15 As we develop the Plan you're going to
16 see more that go out and beyond April, right, it'll
17 go May, June, July, August, all the way through.
18 We've got dates even in January of next year for
19 certain activities in dealing with some of the IEEE
20 Committees.

21 In there are the specific actions that
22 are in each of those Action Plans, so many of the
23 things you see on this list, such as the April 26th
24 meeting, that's one of the specific action items.

25 What we need to understand is we get

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1 comments on those dates is any delay in those dates
2 delays success of items in those Action Plans as we
3 move forward.

4 So that's not on the overall Integrated
5 Plan, that's on the actual CCF Plan. But as Ross
6 said, you know, please work with her offline if we
7 need to move that date around.

8 MR. HUTCHINS: Steve Hutchins. Just to
9 confirm, we did coordinate with industry and we are
10 scheduled for a 26th meeting on the CCF, a 27th
11 meeting for a pre-meeting, and then the 28th is the
12 50.59 Appendix D meeting. So to limit travel we did
13 agree to all those dates.

14 MR. LUBINSKI: So at this point, you
15 know, the rest of the room also, if there is anyone
16 in the room right now that has any comments or
17 questions for Marissa or myself.

18 MS. BAILEY: Or on the phone.

19 MR. LUBINSKI: I was going to go to the
20 phone next.

21 MS. BAILEY: Yes, okay.

22 MR. LUBINSKI: Okay, no one in the room.
23 If we could jump to -- Did you have something, Ray?

24 MR. HERB: Those areas that you had said
25 that you would like to see feedback on they weren't

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1 in the presentation, can you, I think there was like
2 five areas where you asked --

3 MS. BAILEY: Sure.

4 MR. HERB: Could you maybe send those out
5 in the minutes or I guess --

6 MS. BAILEY: We can include them in the
7 minutes, and if you want I can repeat them again.
8 It'll take a few seconds.

9 MR. HERB: Sure, yes.

10 MS. TOBIN: I believe they are on the
11 last slide of the presentation at the end of the day.

12 MS. BAILEY: Oh, well there you go.

13 MR. HERB: Oh, okay.

14 MS. BAILEY: Okay, thank you.

15 MR. HERB: Thank you.

16 MS. BAILEY: All right, so I don't need
17 to repeat them.

18 MR. LUBINSKI: Great question. And
19 we've got Slide 25 for those in the room as we go
20 through each of the topics these are the areas that
21 we want to make sure we clearly get in our facilitated
22 discussion today. Jenny, who is controlling the
23 phone line?

24 MS. TOBIN: Angela.

25 MR. LUBINSKI: Angela, if you could ask

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1 if there is any questions on the phone line at this
2 time.

3 OPERATOR: Thank you. We will now begin
4 a question and answer session. If you would like to
5 ask a question please press star then one and please
6 record your name.

7 MR. LUBINSKI: Angela, can I assume there
8 is no questions at this point?

9 OPERATOR: Correct, we have no
10 questions.

11 MR. LUBINSKI: Okay. Then we'll go to
12 the next presentation and we'll turn to, is it Ross
13 next?

14 MS. TOBIN: Ross, yes.

15 MR. LUBINSKI: Ross.

16 MS. ALVARADO: Okay. I am Rosssnyev
17 Alvarado, I am the lead for the Common Cause Failure
18 Action Plan.

19 Next slide, please. The SRM SECY-15-
20 0160 directed the staff to consider updates to the
21 policy on Common Cause Failure as part of the
22 Integrated Action Plan to modernize the regulatory
23 framework for I&C assistance.

24 One of the most significant issues
25 associated with digital assistance is the potential

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1 for Common Cause Failure. The SRM SECY-93-087
2 provides the acceptant criteria for the evaluation of
3 Common Cause Failure.

4 The staff implemented this direction in
5 its Branch Technical Position 7-19, in Chapter 7 of
6 the Standard Review Plan and specifically BTP 7-19
7 provides guidance to ensure a diverse mean is
8 available to mitigate Common Cause Failure, including
9 adoption of internal diversity, simplicity of design,
10 and use of manner operator action.

11 The staff has effectively licensed
12 digital assistance using this guidance for the past
13 several years. However, the staff believes the
14 assumptions in SECY-93-087 should be reevaluated in
15 light of the significant technological evolution that
16 has occurred in the past 20 years.

17 In addition, the current regulatory
18 treatment and acceptance criteria has been
19 problematic for licensees upgrading their digital
20 assistance.

21 External stakeholders are looking for
22 clear NRC staff guidance on matters to analyze the
23 potential for Common Cause Failure.

24 Due to current status and external
25 stakeholders request this Working Group is currently

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1 performing an evaluation of the NRC position in an
2 effort to either modify or affirm this position.

3 This Working Group will prepare a
4 technical basis and a SECY Paper outlining our
5 findings and recommendations to the Commission.

6 In parallel with this effort the staff
7 will maintain appropriate interfaces with industry
8 stakeholders to identify what activities, if any, can
9 be performed to contribute with addressing this
10 issue.

11 In this regard the staff had a public
12 meeting on March 21st in which external stakeholders
13 discussed the current NRC position and identified
14 areas that the staff should consider evaluating.

15 In addition, we are planning another
16 meeting for April 26th, which we are still
17 coordinating with NEI.

18 The desired outcome of this effort is to
19 improve the ability of licensees to evaluate a
20 proposed design or system modification to digital
21 safety system.

22 This concludes my presentation. Is
23 there any questions regarding the Common Cause
24 Failure Plan or Working Group?

25 MR. LUBINSKI: We can start at the table

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1 and then go to the room. Anyone in the room any
2 questions or comments?

3 (No audible response)

4 MR. LUBINSKI: Angela, any questions on
5 the phone line?

6 OPERATOR: Not at this time.

7 MR. LUBINSKI: Okay. So, you know, with
8 respect to this and, you know, we have this as a high
9 priority near-term action and as part of the SRM we
10 wanted to make sure we had a common understanding of
11 the important issues and from the comments received
12 from NEI previously we believe this is definitely one
13 of the near-term issues that need to be addressed.

14 MR. CONNELLY: John Connelly.
15 Excellent. We wholeheartedly agree that 50.59 and
16 Common Cause Failure are our highest priorities right
17 now.

18 MR. LUBINSKI: Great. We won't ask that
19 question at the end of the next presentation then.
20 Thanks.

21 MR. CONNELLY: In fact, we'll cover it
22 in our presentation.

23 MR. LUBINSKI: Good.

24 MS. ALVARADO: Very good, thank you.

25 MR. LUBINSKI: Deirdre.

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1 MS. SPAULDING-YEOMAN: Next slide.
2 Hello, I am Deirdre Spaulding-Yeoman, lead for the
3 50.59 Working Group.

4 Next slide, please. The 50.59 Action
5 Plan describes the activities and schedules for
6 improving guidance for using Digital I&C with the 10
7 CFR 50.59 process.

8 The purpose of the activities is to
9 address the need for clarity of mutual industry and
10 NRC staff understanding that NRC guidance is being
11 properly translated into industry actions.

12 Based on public meetings and discussions
13 with industry representatives additional guidance is
14 needed for assessing whether the impact of new
15 digital equipment will a) result in more than a
16 minimal increase in the likelihood of occurrence of
17 a malfunction of a system or component, important to
18 safety previously analyzed, b) create the possibility
19 for an accident of a different type than previously
20 evaluated, and c) create the possibility for a
21 malfunction of a system or component important to
22 safety with a different result than previously
23 analyzed.

24 Regulatory Guide 1.187, Guidance for
25 Implementation of 10 CFR 50.59, changes tests and

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1 experiments, provides the NRC staff's endorsement of
2 industry guidance for evaluating the impact on plant
3 safety analysis for plant modifications performed
4 under 50.59.

5 The objectives of 10 CFR 50.59 are to
6 ensure that licensees 1) evaluate proposed changes to
7 their facilities for the effects on the licensing
8 basis of the plant as described in the FSAR, and 2)
9 obtain prior NRC approval for changes that meet
10 specified criteria as having a potential impact on
11 the plant license basis.

12 With a specific focus on Digital I&C one
13 goal of the 50.59 Working Group is to review Appendix
14 D to NEI 96-07 for a potential endorsement in Reg
15 Guide 1.187.

16 As part of the Working Group's review it
17 will integrate the staff's 10 CFR 50.59 activity with
18 the staff activity for addressing Common Cause
19 Failure in Digital I&C equipment.

20 Upon receipt of Appendix D the staff will
21 begin its review. A public meeting, as stated
22 previously, is going to be held on April 28th to
23 engage NEI and other external stakeholders in a
24 discussion of the information in Appendix D.

25 NRC staff will continue its review,

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1 subsequent public meetings will be held, and we will
2 continue to engage external stakeholders.

3 Are there any questions or comments at
4 this time regarding the 50.59 Working Group Action
5 Plan?

6 MR. REMER: Thank you, Deirdre,
7 appreciate that. Is your plan right now
8 substantially different than it was before you were
9 required to put the plan together?

10 In other words, we have been working on
11 the 50.59 thing for a couple years now and so I just
12 wondered is the notional idea and where you were going
13 to the same or has it changed?

14 MS. SPAULDING-YEOMAN: Yes. We believe
15 that the same philosophy and ideas are within this
16 current Plan. Again, the purpose is to reach out to
17 you to get your feedback and comments.

18 If you see anything that differs from
19 your perspective please let us hear what you have to
20 say.

21 MR. REMER: Okay, good. Thank you.

22 MR. LUBINSKI: Yes, so the plan is, you
23 know, and, Jason, you said, still we are looking at
24 the document coming in and our goal would be to review
25 the document and hopefully endorse the document as

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1 written.

2 If there is changes needed to it that we
3 don't agree with then we would need to engage with
4 you to either get you to address those and change
5 them or put some type of condition in our approval.

6 MR. REMER: Right.

7 MR. LUBINSKI: But that's the way the
8 Plan is laid out at this point.

9 MS. SPAULDING-YEOMAN: That is correct.
10 The Plan is to, as part of that, to review Appendix
11 D.

12 MR. REMER: Right. An original thought
13 was to get a preliminary look so we could come have
14 a preliminary view that okay, NRC was going to endorse
15 this, it would take a year or so, so we could begin
16 the process of implementing that in our plants.

17 Is that still the thought or is there
18 some --

19 MS. SPAULDING-YEOMAN: Well at this time
20 the staff has not reviewed the document --

21 MR. REMER: Right.

22 MS. SPAULDING-YEOMAN: -- so we cannot
23 at this time say whether or not we will be endorsing
24 it.

25 MR. REMER: Oh, yes, for sure. But I

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1 guess the idea was the thought was originally,
2 correct me if I am wrong, guys, that we were going to
3 have, you know, kind of the preliminary look, like an
4 acceptance review, so then we could begin the process
5 of implementing that in our stations whether than
6 waiting a whole year or so, however long it would
7 take to review it is --

8 MS. SPAULDING-YEOMAN: John, would you
9 like to talk about the NRC policy regarding this?

10 MR. LUBINSKI: Sure, yes. Yes, so if
11 you look at our schedule itself, and we didn't put
12 the schedules in the Plan, but if you look in the
13 Plan itself it shows a pretty aggressive schedule on
14 the NRC's part in reviewing the NEI document.

15 Again, we haven't received the NEI
16 document, we expect it to come in this Friday. Is
17 that still the plan, do you guys know?

18 MR. HERB: Yes, that's still the plan.

19 MR. LUBINSKI: Yes, good, thanks.

20 MR. HERB: Yes, this is Ray Herb, from
21 Southern Nuclear. Yes.

22 MR. LUBINSKI: Good. So the
23 confirmation is yes we'll be getting it this Friday.
24 And then the Plan calls for a pretty aggressive
25 schedule for getting back to you with questions and

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1 comments, I think the June timeframe. Is that --

2 MS. SPAULDING-YEOMAN: That is the plan
3 that we are currently, the schedule that we are
4 currently working towards.

5 MR. LUBINSKI: Okay.

6 MS. SPAULDING-YEOMAN: Again, it is a
7 very aggressive schedule for the staff, so --

8 MR. LUBINSKI: So if we were to look in
9 accordance with our normal processes, such as like
10 reviewing a topical report, it may take two to three
11 months to even do the acceptance review, where we'll
12 be at the point of actually completing our initial
13 evaluation by the end of that timeframe.

14 So I think that would meet your objective
15 of, you know, are we close -- Are you guys close to
16 the target or are we, you know, far apart, and the
17 June timeframe will tell us that.

18 It also assumes that we'll be close to
19 the target at that point in time so that, you know,
20 we don't expect -- If there are significant RAIs, of
21 course, that is going to change that schedule.

22 MR. HERB: Right. Good, thanks.

23 MR. LUBINSKI: Okay.

24 MR. CONNELLY: Just to clarify though --
25 John Connelly, Exelon. I think what Jason was

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1 alluding to, there is going to be some period of
2 latency between -- We're obviously going to have to
3 interact and decide whether or not we are close or
4 far apart.

5 MR. LUBINSKI: Yes.

6 MR. CONNELLY: But once we get to the
7 point, the supposition of endorsement, ultimate
8 endorsement, once we get to that point there is a
9 period of latency for getting it codified.

10 MR. LUBINSKI: Yes.

11 MR. CONNELLY: We had previously talked
12 about doing some kind of interim memo from the NRC
13 that says these are methods that are deemed
14 acceptable, is that something that we can still
15 entertain?

16 MR. LUBINSKI: What we would like to do
17 then is -- You know, we're not going to make that
18 decision today, but as far as your comments back on
19 the Plan that is what we are looking for.

20 Just a second ago Ray had the schedule
21 that's in the Plan there and if you believe in your
22 comments back on the Plan that there is an interim
23 step in there please provide that and your reasoning
24 and justification for it and then we can make a
25 decision whether to include that into the Plan or

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1 not.

2 MR. HERB: This is Ray Herb, Southern
3 Nuclear. I think, yes, what we're looking for is
4 that time period when both NEI 01-01 would still be
5 effective, which is the current guidance, and when it
6 would be sunsetted and the new 96-07 Appendix D would
7 take over and we would need time in the industry to
8 like do change management and make sure everybody is
9 onboard and doing the, does the switch over.

10 And so I guess that would be part of when
11 you do your acceptance, how long NEI 01-01 will still
12 be around and whether it will be grandfathered in,
13 because the modification process in the industry
14 often times is a two to three year process from
15 beginning to end and so there will be things that
16 are, what they have done through the old methodology
17 and things with the new methodology that are kind of
18 -- So there would need to be a, I guess a
19 consideration when you adopt it into regulation when
20 it actually goes effective and when NEI 01-01 goes
21 away.

22 MR. LUBINSKI: Yes, let me just --

23 MR. HERB: Well to back that, I guess
24 issues for stuff that were already done.

25 MR. LUBINSKI: Yes. Let me address two

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1 issues here. You know, first at the high levels,
2 they're the kind of comments we want to get, Ray.
3 And when I say the comments, is we'd like to get back
4 from you what you see in our actions right now and
5 specifically, and I encouraged, you know, comments
6 early to Deirdre on this so that she can evaluate and
7 navigate that in, but where do you see this fitting
8 in the timeline that we have established, what are
9 the key points that you want to get from the
10 standpoint of, you know, rescinding our approval of
11 NEI 01-01 and then approval and your acceptance
12 review process type thing that you are talking about
13 and get that specifically in there.

14 What's also from our current plan is we
15 don't plan to make any changes to the regulations,
16 50.59. The 50.59 regulation we don't see that as a
17 concern.

18 So when we talk about the documents that
19 we're reviewing, it's guidance, not regulation. You
20 used the term backfit, I just want to make clear we
21 are not backfitting anyone along the way, we don't
22 plan to backfit.

23 The concerns we have had in the past with
24 the NEI 01-01 guidance is how it is being implemented
25 versus the 50.59 requirement itself, so I just wanted

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1 to make sure that's on the table.

2 And if we need to in our process get some
3 kind of clarity in how that's implemented we would
4 look for that feedback as well.

5 MS. SPAULDING-YEOMAN: Angela, are there
6 any questions from people on the line?

7 OPERATOR: Yes, we do have one. Dan
8 Cronin, your line is open.

9 MR. CRONIN: Hello. This is Dan Cronin
10 from the University of Florida and I just had a bit
11 of a scoping question. You know, research and test
12 reactors use the same 50.59 rule and processes to
13 perform Digital I&C modifications and I noted on the
14 draft Plan that it's very specific to nuclear power
15 plants, at least in the headings and titles.

16 Is there any intent to change the NEI or
17 EPRI guidance in such a way that it would exclude
18 non-power reactors from the scope? Because currently
19 those are the documents that we're using as well, so
20 we're very interested in how the guides move forward.

21 MS. SPAULDING-YEOMAN: Yes, the staff
22 recognizes that and so we do have members of the
23 Working Group who are representing those other areas.

24 So if there are any impacts currently to
25 how they are conducting their programs we would know

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1 that because they are active participants in the
2 Working Group.

3 MR. CRONIN: Okay, great. So it's just
4 the way that the headings are in this draft Plan that
5 specifies nuclear power plants but in fact it's
6 intended to mean all Part 50 licensees, right?

7 MS. SPAULDING-YEOMAN: Yes. Thank you
8 for the comment. We'll take that back to evaluate
9 whether or not we want to do anything different with
10 the title of the Working Group, but, yes, as it stands
11 this is an all-encompassing effort.

12 MR. CRONIN: All right, thank you.

13 MR. LUBINSKI: And with respect to that
14 I'm going to ask NEI from the standpoint, because NRC
15 looks at it from the standpoint of the RTRs R Part 50
16 licensees, the same requirement does apply, and if
17 the guidance is applicable we would endorse it for
18 RTRs as well.

19 But I would ask NEI from the standpoint
20 of your focus, whether it's more on the power reactors
21 or do you believe it's applicable to both from what
22 your --

23 MR. REMER: Yes, we'll take that as an
24 action.

25 MR. LUBINSKI: Okay, thanks.

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1 MS. SPAULDING-YEOMAN: I'm looking
2 around, I don't see any other questions, so --

3 OPERATOR: We do have one more on the
4 phone.

5 MS. SPAULDING-YEOMAN: We do, okay, very
6 good.

7 OPERATOR: Joe Holonich, your line is
8 open.

9 MS. HOLONICH: Hi, John and Deirdre, this
10 is Joe. I just -- I don't have a question, I just
11 want to make a statement and make sure people have
12 thought about this.

13 NEI is going to submit this to us but
14 what happens if they don't get a fee waiver?

15 MR. LUBINSKI: So that would be the
16 question I guess towards NEI.

17 (Laughter)

18 MS. HOLONICH: I mean the bottom line is
19 I don't know that I could make the argument for the
20 fee waiver this document and if we don't have a fee
21 waiver are they going to pay the fee or are they going
22 to withdraw the document or what's Plan B for them if
23 they don't get a fee waiver?

24 MR. REMER: So I don't remember the way
25 they started, it was before time, is it was an NRC

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1 concern that kind of kicked this whole process, so I
2 would hope that however it was done originally it
3 could be done the same way, because it will improve
4 safety across the fleet.

5 So we haven't addressed that yet, and we
6 haven't even talked about it, but that may be an item
7 we should discuss.

8 MR. LUBINSKI: Yes, let's put that --

9 MS. HOLONICH: In case -- There is a real
10 possibility that you could not get a fee waiver,
11 especially now the climate is a little different than
12 it was when this was first initiated because of
13 pushback from OMB on the CFO to tighten up on fee
14 waivers.

15 So it's just something I wanted to make
16 sure you guys considered as you did this.

17 MR. REMER: Thanks.

18 MR. LUBINSKI: Thanks for raising that,
19 Joe, and we'll put that down in our actions as we are
20 going through the process of looking, because, again,
21 this is one of the items that has really an
22 endorsement of an industry documentation where these
23 other items are NRC-generated documents.

24 OPERATOR: We do have another question
25 that came up.

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1 MR. LEWIS: Hi. My name is Marvin Lewis.
2 Please bear with me, I'm still back in 1960 when I
3 got my first computer about the size of a desk from
4 GE and you guys know that almost as well as I do, but
5 that's okay.

6 My big question is a real simple one,
7 HEP, Human Error Probability. My problem is this,
8 that there is also probabilities with equipment,
9 namely hanging tags that block a red light like it
10 happened at Three Mile Island Number 2 and there is
11 probably that aren't human error but human caused
12 like Stuxnet and the control rods that got dropped
13 through the reactor causing a meltdown at Chalk
14 River.

15 I am wondering, I see a lot about HEP, I
16 see a lot about probability, I am wondering if anybody
17 is doing anything with these other issues? Thank
18 you.

19 MR. LUBINSKI: Thank you Marvin, we
20 appreciate that. As part of our response to the
21 Commission we will be providing a SECY Paper that
22 talks about the landscape of I&C and our expectation
23 will be an enclosure, but it may be part of the Paper,
24 of what the issues are from the standpoint of overall
25 with digital -- Or, I'm sorry, instrumentation and

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1 control and general, whether it's analog or digital.

2 The focus on the Action Plan will then be
3 what we're addressing from a digital standpoint, so
4 that will not be the focus of the Paper itself. With
5 respect to if any of those digital issues do go into
6 human reliability and human factors we will be
7 looking at that and that came up as a big issue in a
8 recent meeting on Common Cause Failure of looking
9 from the standpoint of a Common Cause Failure more
10 collectively with the digital equipment, it's not
11 just the software itself, but the entire system.

12 So with respect to those digital issues
13 you cannot really take the human factors side out of
14 that, that will be a specific part of that as you go
15 forward.

16 So I guess it's going to be -- A hybrid
17 of an answer to your question is with respect in
18 general, human factors with respect to I&C overall,
19 that is not a focus we have right now.

20 However, with respect to any changes we
21 are looking or any challenges we have in the digital
22 areas we will be looking at the human factor aspects
23 and how they impact.

24 MR. LEWIS: Can you give me a reference,
25 a contact person, anything, that I can follow this up

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1 with?

2 MR. LUBINSKI: At this point I would say
3 you can keep me, John Lubinski, as your first point
4 of contact and then we will get you in contact with
5 some other folks as necessary, and my number is (301)
6 415-1270.

7 MR. LEWIS: I'm sorry, I missed your
8 name.

9 MR. LUBINSKI: John Lubinski, L-U-B, as
10 in Bravo, I-N-S-K-I, and my email is
11 john.lubinski@nrc.gov.

12 MR. LEWIS: Okay, good. Yes, okay,
13 fine. Thank you, you'll get a call from me, and I
14 appreciate it greatly. Thank you, bye.

15 MR. LUBINSKI: Thank you.

16 OPERATOR: You have no further
17 questions.

18 MS. TOBIN: Thank you, Angela.

19 MR. LUBINSKI: Okay.

20 MS. TOBIN: I see no questions here, so
21 we will move to our next item on the agenda and,
22 Royce.

23 MR. KEENE: I was going to say -- Excuse
24 me, this is Todd Keene. If I can interrupt you one
25 minute, Royce. Just for everybody that's online

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1 while we were doing the meeting it was brought to my
2 attention that the webinar link had dropped off our
3 public meeting notice.

4 I have updated it, so for anybody that
5 still wants to, has the opportunity to register and
6 get on the webinar it is available and on the line
7 and I have sent out a few emails to some individuals
8 that have provided this information.

9 So if you have any other information
10 please include it in the public meeting feedback form
11 as well. Sorry, Royce, thank you.

12 MR. BEACOM: Good morning, everyone. My
13 name is Royce Beacom. I am here to discuss the IEEE
14 603 Working Group Action Plan.

15 First of all, yes, the staff is to ensure
16 that any proposed new or revised requirements
17 maintain the high level of principles directed by the
18 Commission.

19 Now those high-level principles were
20 embedded in John's discussion of the strategy that we
21 are taking, but I think they are also important and
22 very important to the Working Group.

23 Let me state those principles. They are
24 that any new or revised requirements should be
25 performance-based versus prescriptive-based. Any

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1 new requirements should be technology neutral.

2 Any new requirements should apply to both
3 operating and new reactors and any new requirements
4 should not have to be an unnecessary impediment to
5 the development of Digital I&C in the nuclear
6 industry.

7 The first bullet is inclusive of the
8 second as to be sure that the new requirements are
9 acceptable with a standard development organization
10 for the 603 standard.

11 I was on the NRC Rulemaking Working Group
12 which developed a SECY. I am also the Chairperson
13 of the IEEE Working Group for 603. I was able to
14 communicate the tangibles, as the IEEE Working Group
15 called them, the tangibles, the actual changes that
16 should be corrected in the standard within the
17 standard itself, and then when they became publicly
18 available I was able to provide them with a discussion
19 of background of the additional conditions that the
20 NRC had proposed in the SECY.

21 The IEEE Working Group reviewed those
22 conditions and identified which ones should be
23 included in the next revision of the standard.

24 Now, the standard revision process is
25 underway, we are guessing for the 2018 version it

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1 will be. So we have continued to have involvement
2 in the IEEE NPEC Working Group in publishing the
3 standard revisions at the biannual meetings.

4 The objective of this Working Group is to
5 provide a recommendation as to which version of the
6 603 standard will provide the most streamlined
7 process to be incorporated by reference in
8 rulemaking.

9 We have to be very careful and aware of
10 the IEEE process. The IEEE process like I said is
11 undergoing the revision to the standard and we are
12 assuming it will be the 2018, it could be 2019
13 depending how the process works out.

14 But based on the IEEE policy that a
15 standard revision life cycle is ten years we must
16 have the -- the IEEE standard must be revised and
17 published by 2019, so that's our drop down out.

18 Now, if the staff will consider if there
19 is any proposed new or revised requirements that we'd
20 like to discuss with the IEEE Working Group that can
21 be done.

22 The IEEE Working Group will then consider
23 if they have to change the scope of the next revision
24 and if that's possible within the timeframe allowed
25 for the revision or go to the next revision of the

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1 standard entirely. That all depends on what this
2 Working Group comes up with and the NRC staff as a
3 whole.

4 We also must be in close contact with and
5 alignment with the other standards, such as 7-4.3.2,
6 our sister standard on digital. Although 603 is
7 technology neutral we do reference 7-4.3.2 for all
8 the digital issues.

9 And also in the next revision of the 603
10 standard we would like to have a CCF requirement
11 revised. That we're going to keep close watch on on
12 how the NRC addresses that issue as well.

13 That's all I have. Any questions on the
14 603 Action Plan?

15 OPERATOR: As a reminder to ask a
16 question please press star one.

17 MR. REMER: Royce, thank you for that
18 presentation. So you are saying the main objective
19 or the outcome of your short-term group will be to
20 provide a recommendation for a way ahead?

21 MR. BEACOM: Yes, right, a go ahead with
22 which version of the 603 standard to go with.

23 MR. REMER: All right, thank you.

24 MR. LUBINSKI: And to clarify that,
25 Jason, just to make sure there is a common

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1 understanding for everyone, is that our
2 recommendation at this point is that we will not be
3 continuing to evaluate the 2009 standard and we will
4 instead be looking towards the 2018 standard and any
5 issues that we believe need to be addressed as part
6 of that standard so that we can allow the IEEE
7 Committee to fully address those and work with the
8 industry to understand whether or not they would look
9 at incorporating or making any changes. Is that
10 correct, Royce?

11 MR. BEACOM: That's correct, yes.

12 MR. LUBINSKI: Other questions in the
13 room?

14 (No audible response)

15 MR. LUBINSKI: Angela, is there any on
16 the phone line?

17 OPERATOR: No. Actually we have one
18 coming up, one moment.

19 MR. LUBINSKI: Okay, thank you, we'll
20 wait. While we are waiting for the question I'll
21 just continue to expand.

22 We do believe it is important to get back
23 to the Commission since the Plan was prompted by our
24 review of the IEEE 603/2009 and the Commission
25 disapproved publication at this time based on not

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1 having sufficient information to make a decision on
2 that.

3 So we believe it is important to get back
4 to the Commission in the 90-day Plan letting them
5 know what we plan to do with respect to 603, which is
6 one of the reasons it rose to the level within the
7 Plan.

8 OPERATOR: We can have a question from
9 Timothy Smith, your line is open.

10 MR. SMITH: Yes, good morning. I was
11 curious as to why we are looking exclusively to the
12 IEEE standards? We stated earlier that the
13 Commission is looking towards a performance-based and
14 technology-neutral type of standard.

15 So I was wondering why the staff hasn't
16 considered ISA-84 as a possible alternative, that
17 there are plenty of performance-based and granted
18 it's more of a risk-based performance-based approach,
19 but I was curious as to why the staff hadn't looked
20 at that standard, or hadn't looked to that standard.

21 MR. LUBINSKI: Well let me start and I'm
22 going to ask Royce to follow-on here. With respect
23 to 603 itself that standard is currently endorsed in
24 the NRC regulations, it's the 1991 version of the
25 standard, and it is one of the requirements we have

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1 of the active: if there are consensus
2 standards that have been approved by consensus body
3 groups and that we find them acceptable we would
4 endorse them through our regulation.

5 So that's the reason 603 is getting
6 attention. I'll ask Royce about the ISA standard and
7 if he wants to provide insights on that.

8 MR. BEACOM: Well, yes, I'll continue
9 though first with the 603 standard. That one is
10 continued to be used by applicants not only for
11 digital, like I said it's technology neutral and it's
12 used for analog as well as digital.

13 So hopefully it can be used for any
14 technology in the future as well. So we try to
15 maintain that standard, the IEEE tries to maintain
16 that standard as technology neutral.

17 Of course we are always considering
18 whether to use the other standards as well as much as
19 we can, but in fact as of right now we have not got
20 into risk-based as far as any reference to a
21 particular requirement within I&C.

22 If you notice 603 does not have any sort
23 of risk-based discussion within it.

24 MR. LUBINSKI: I would appreciate from a
25 comment standpoint, it sounds like you are

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1 recommending that we look at the ISA standard and we
2 would like to receive that as a written comment then
3 so that we can evaluate that, whether or not it would
4 be evaluated in accordance with the 603 plan or in
5 our longer term activities.

6 And it would sound like from what I am
7 hearing today looking at the risk that would be a
8 longer term activity that we could at endorsing that
9 type of standard.

10 So we would appreciate if you believe
11 that's your recommendation and that's what I'm
12 hearing you say is provide that in writing to us so
13 that we can consider that moving forward.

14 MR. SMITH: Now to whom may I send this,
15 please?

16 MR. LUBINSKI: The Federal Register
17 Notice had a contact, it was Todd Keene, K-E-E-N-E.
18 Todd's email address is todd.keene@nrc.gov.

19 MR. SMITH: Okay, thank you.

20 MR. LUBINSKI: Thank you.

21 OPERATOR: We have no further questions.

22 MR. BEACOM: Thank you.

23 MR. LUBINSKI: Thanks, Royce.

24 MR. STATTEL: Okay. I am Richard
25 Stattel and I am representing the IEEE 7-4.3.2

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1 Working Group. Next slide. So this slide shows the
2 key planned activities from our Action Plan.

3 The NRC recently proposed several
4 regulatory requirements regarding system
5 independence and data communication as conditions in
6 the proposed rule to incorporate IEEE 603 into
7 regulation 10 CFR 50.55(a).

8 Some of these conditions were applicable
9 to only new reactors or to only operating reactors.
10 In the staff's requirement memorandum the Commission
11 directed us to consider broader regulatory challenges
12 and stated that Digital I&C safety requirements
13 should be technology neutral, however, guidance
14 should be tailored if necessary.

15 So in response to that we recognized that
16 some of the proposed digital-specific conditions that
17 were in that proposed rule would align with the scope
18 and purpose of IEEE 7-4.3.2.

19 The NRC staff will interact with the
20 IEEE, the NPEC Working Group, to discuss future
21 development of IEEE 7-4.3.2 and to determine whether
22 such conditions should be pursued within that
23 industry consensus standard.

24 We will also be evaluating the
25 possibility of including these conditions in the Reg

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1 Guide, Reg Guide 1.152 or as part of the next Standard
2 Review Plan update.

3 So essentially that's our planned
4 actions. Are there any questions?

5 OPERATOR: Again I'd like to remind all
6 participants if you have a question at this time
7 please press star one.

8 MR. LUBINSKI: While we are waiting for
9 the phone line, and I don't hear any questions in the
10 room yet, you know, as we discussed with 603 it's a
11 very similar reasoning on the 7-4.3.2 on why we're
12 getting back to the Commission.

13 Again, they were conditions that we had
14 proposed to the Commission to be part of the IEEE 603
15 rulemaking and we believe it's important at this time
16 to get back to the Commission to let them know, again,
17 we're not trying to look at the 2009 603 standard and
18 put these conditions into the rule, but we do want to
19 continue to evaluate those conditions, whether
20 they're applicable or not, should they be applicable,
21 and get them into the right process.

22 As Rich stated 7-4.3.2 seems to be the
23 more appropriate place to address those. We also
24 have the benefit that our leads internally here,
25 Royce and Rich, are also members of those two

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1 Committees.

2 Royce is the Chair of the IEEE 603.

3 Excuse me, Rich, Chair or Member of the --

4 MR. STATTEL: I'm a Member, but I'd also
5 like to mention the timing is somewhat different for
6 the IEEE 7-4.3.2 standard.

7 MR. LUBINSKI: Okay.

8 MR. STATTEL: We have just issued the
9 2016 version of that standard, it was published last
10 month. So the Working Group has not reconvened to
11 discuss the scope of the next revision, but generally
12 we're on about a 5-year, a five, 6-year cycle, so
13 presumably the next version of 7-4.3.2 would be, you
14 know, five years from now.

15 So because we don't have a revision in
16 progress when we meet this Summer, the NPEC Working
17 Group, our first order of business will be to discuss
18 the scope of the next revision and that's when we
19 hope to basically interact and discuss those
20 conditions that were part of the proposed rule and
21 decide whether they should be included within the
22 scope of that next revision.

23 MR. LUBINSKI: Thanks, Rich, I
24 appreciate that clarification. Because as Rich said
25 after the July meeting that could change some of the

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1 actions and our scheduling after that and we would be
2 modifying our Action Plan at that point
3 appropriately.

4 MR. REMER: So, Rich, what you are saying
5 is that the end of this Action Plan with the NRC will
6 be to come up with your position about what you would
7 suggest to the IEEE Committee, is that what you are
8 saying?

9 MR. STATTEL: Well that's kind of our
10 starting point.

11 MR. REMER: Okay.

12 MR. STATTEL: So there's a meeting in
13 July that the NPEC will be having. Both myself and
14 Deanna Zhang will be, we're members of that group.

15 I've already discussed this with the
16 Chair, which is Warren Odess-Gillet, and he has
17 agreed to include that in the agenda for the July
18 meeting and we'll basically be going through each of
19 the proposed requirements and basically formulating
20 positions from the IEEE's perspective and they will
21 be making recommendations to the NPEC group and we're
22 hoping to get a letter, basically a position letter
23 from IEEE to the NRC stating how they intend to
24 address those issues.

25 MR. REMER: Okay. One way or the other

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1 though it's still four to five years out before you'd
2 actually see something on that probably?

3 MR. STATTEL: Yes, and the timing is --

4 MR. REMER: Okay.

5 MR. STATTEL: It's a little -- I mean
6 it's fortunate in that we can interact early in the
7 revision process, but it's unfortunate that, you
8 know, it's going to be five years before we see any
9 product.

10 MR. REMER: Okay.

11 MR. STATTEL: So I'm not sure that's
12 going to meet the expectations of the Commission as
13 far as getting these things addressed.

14 So, you know, I don't want to predict the
15 future too much, but I think there is a strong
16 possibility that we would simply proceed with the
17 endorsement of the current, the standard that's just
18 been issued and then add provisions within the Reg
19 Guide 1.152.

20 That would probably be a more timely
21 approach to addressing these.

22 MR. REMER: Thanks.

23 MR. LUBINSKI: Angela, are there any
24 questions on the line?

25 OPERATOR: I'm showing no questions at

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1 this time.

2 MR. LUBINSKI: All right, thank you.
3 Okay, can we turn to Jonah?

4 MR. PEZESHKI: My name is Jonah Pezeshki.
5 I am the lead for the Cyber and Design Working Group.
6 So the current regulatory framework provides
7 programmatic cyber security requirements, as I'm sure
8 you are aware.

9 As such operating reactor licensees and
10 COL applicants are not currently expected to submit
11 design information used to address cyber security
12 requirements for NRC review.

13 In the case of peer reactors the first
14 opportunity for the NRC to inspect the implementation
15 of the cyber security program typically occurs after
16 the design certification applicants have completed
17 the design of systems that support safety, security,
18 and emergency preparedness functions.

19 Similarly, for operating reactors,
20 design information only becomes available for
21 inspection when a system is entered into the
22 operating reactor licensee's cyber security program.

23 In each case this delay between design
24 and cyber security review increases the regulatory
25 uncertainty for both COL holders and for operating

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1 reactor licensees.

2 The ACRS has also raised concerns
3 associated with the control of access to plant
4 equipment and networks. Specifically, the ACRS has
5 stated that control of access to critical plant
6 systems should be reviewed as part of the design
7 certifications and COL application reviews.

8 To address both concerns the NRC has
9 conducted a review of existing cyber security
10 regulation and guidance as it relates to the
11 evaluation of cyber-related design information.

12 Based on this assessment the NRC has the
13 regulatory authority to review voluntarily submitted
14 cyber security design information and provide
15 insights on its potential impact to a licensee or
16 applicant's required cyber security program.

17 The NRC also has the appropriate
18 regulations and regulatory authority to ask the
19 licensee and/or applicant questions related to the
20 potential security impact of Digital I&C elements, or
21 design elements, I'm sorry.

22 However, currently the Standard Review
23 Plan does not include sufficient guidance to enable
24 staff to conduct these reviews.

25 Given this, the Cyber Security Design

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1 Working Group is in the process of developing an
2 update to the Standard Review Plan as well as other
3 related regulatory documents to provide guidance for
4 supporting cyber security design licensee reviews.

5 The Working Group is also developing a
6 SECY Information Paper summarizing the plant
7 processes to address cyber security design licensing
8 reviews.

9 The Cyber Security Design Working Group
10 will continue to engage the ACRS throughout this
11 development process. A meeting to brief the ACRS on
12 the NRC's intended approach for evaluating cyber-
13 related design information is currently scheduled for
14 May 17th.

15 The Working Group will also continue to
16 hold public meetings to gather stakeholder input.
17 Public meetings have previously been held in April
18 and August of last year.

19 Also, we have three meetings currently
20 targeted for June and August of this year, though
21 those have not been scheduled yet.

22 The staff expects to incorporate feedback
23 from these meetings and submit the finalized SECY
24 Information Paper to the Commission in October of
25 this year.

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1 At this time I would like to solicit any
2 questions from the audience.

3 OPERATOR: We have a question from Joseph
4 Pappio. Your line is now open.

5 MR. PAPPIO: Yes. The previous speaker,
6 I think I heard you say that regulatory guidance would
7 not be available for five or six years.

8 My question, my reaction to that, is how
9 do you reconcile that with the Project Aim goals to
10 create a more efficient regulatory body and the fact
11 that the industry needs -- One of the problems I think
12 and the industry needs is criteria on what would be
13 acceptable and what would not be acceptable and the
14 need is now.

15 So what are you doing to improve your
16 efficiency with regard to reviews that are coming in
17 now and establishing specific criteria that can be
18 used by the staff and understood by the industry
19 without having to go through this long back and forth
20 process of I would call "bring me a rock," which is
21 what we have been experiencing for a long time.

22 MR. STATTEL: Hi, this is Richard
23 Stattel. I was the one who mentioned the 5-year
24 delay. I did not mean to imply that it takes five
25 years to write or issue a Reg Guide, and that's

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1 certainly not any metric that we would operate by.

2 What I was referring to is basically the
3 timing of this particular standard. This standard
4 was just issued last month, so it will take five years
5 for the IEEE to issue the next version of that
6 standard.

7 As it turns out, the proposed rule, the
8 requirements in the proposed rule, were being
9 developed at the same time as the current standard
10 was being developed.

11 So the scope of that revision, of the
12 standard, of the 2016 IEEE standard, had already been
13 decided five years ago, so it wasn't really practical
14 to include those criteria within that standard.

15 So the real delay, the 5-year delay that
16 I am referring to is really just the cycle for IEEE,
17 not the Reg Guide. In fact, Paul Rebstock, he's here
18 in the room, he is tasked with developing the next
19 version of Reg Guide 1.152 and one of the near-term
20 actions that we have is to make a decision on what
21 version of IEEE 7-4.3.2 we will be providing, or
22 addressing, within that Reg Guide.

23 MR. LUBINSKI: So, Rich, what I think I
24 heard you say and maybe you can expand on is if we go
25 to the NPEC in July, which is the next meeting, and

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1 the discussion is that this may be incorporated into
2 the next standard and it may be five years from now,
3 our alternate approach would be to look at endorsing
4 the 2016 standard and look at the specific conditions
5 as part of that approval through that Reg Guide
6 process and that would be a much more timely process,
7 is that correct?

8 MR. STATTEL: That's correct, yes.

9 MR. PAPPIO: So does that mean that --
10 At what point in time will the industry have an
11 understanding of the specific criteria that has to be
12 met in order to pass an NRC review for a submitted
13 design? At what point in time will that occur?

14 MR. LUBINSKI: Well at this point we have
15 current guidance, and let me, you know, make that --
16 One of the things we didn't state at the beginning of
17 the meeting is the NRC has guidance on what the
18 requirements are for reviews.

19 We have our regulations, we have our
20 guidance documents, and if we are reviewing
21 applications today and if another application came in
22 today we would review it in accordance with our
23 existing guidance.

24 The purpose now is looking at, forward
25 looking at improvements to that process, and we

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1 agree, we don't want to take five years to improve
2 the process.

3 So from the standpoint of what guidance
4 is today, we're ready to receive an application.
5 With respect to this specific issue that Rich is
6 talking about, the conditions that were in the rule
7 that seem to be more applicable to the 7-4.3.2
8 standard, what we would say is if the IEEE, based on
9 the meeting in July, has a schedule that's longer,
10 such as a 5-year schedule, we would look at an
11 alternate approach, we would address that in the
12 review of the current 7-4.3.2, we would propose
13 conditions and put that out, the Reg Guide that
14 endorses it, out for public comment to the industry.

15 And we don't have the specific timeframes
16 yet, because we first need to get the input from IEEE,
17 that schedule would be developed shortly after the
18 July meeting if we go that direction.

19 Is that correct, Rich?

20 MR. STATTEL: That's correct. Paul,
21 would you like to say anything?

22 MR. LUBINSKI: We're waiting for, Paul
23 Rebstock is approaching the microphone to provide
24 further information.

25 MR. REBSTOCK: Yes. I would just say

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1 that the way Rich described it is accurate. We have
2 guidance that's out there already. If people have
3 questions about it we can talk about those, but
4 there's something there.

5 It's not like the industry is at sea with
6 no indication of what it is that we want, the
7 information is already there.

8 The improvements that we plan to make
9 will make things better and answer some questions in
10 advance and simplify things.

11 Whether we -- How much goes into the next
12 revision of Reg Guide 1.152 and how much goes into
13 the next revision of the associated industry standard
14 and then from there into 1.152 is going to depend in
15 part on the IEEE schedule.

16 I have already gone through the 2010
17 version of 7-4.3.2 and have a considerable amount of
18 notes and a considerable amount of work already done
19 toward issuing the, or preparing the revised Reg
20 Guide.

21 I haven't -- I have put that on hold
22 because of the work that was ongoing by the IEEE to
23 generate the current version of the standard, so
24 we'll proceed from there.

25 MR. LUBINSKI: So, Paul, let me ask in

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1 helping to clarify the question, one of the reasons
2 I believe we're going to the IEEE Committee with this
3 is we believe the Standards Committees, whether it's
4 IEEE or other Standard Committees, overall have a
5 goal that they'd like to have their standards
6 endorsed with no conditions and, therefore, if we are
7 talking to them in July about potential conditions if
8 they felt they were significant enough and wanted to
9 address them early they could.

10 But what we do believe is it's the
11 likelihood that these may not rise to that level and,
12 therefore, we would come with the alternate approach
13 and, therefore, I'm looking back to Rich, and at that
14 point when we modify our Action Plan to talk about
15 how we're capturing things in the Reg Guide we would
16 be putting that out again to the public to make sure
17 that they fully understand what our actions are and
18 what are steps are in that review process, is that
19 correct?

20 MR. REBSTOCK: Yes. Yes, our gold
21 standard is the one-page Reg Guide that says do what
22 the industry standard says, but if the industry
23 standard can't support that then we have to have more
24 in the Reg Guide.

25 MR. LUBINSKI: So we can't speak for IEEE

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1 on how they are going to react in July?

2 MR. REBSTOCK: Right.

3 MR. STATTEL: One other thing I would
4 like to mention is in reviewing these criteria there
5 is also a strong possibility that this could end up
6 as part of the Standard Review Plan instead of the
7 Reg Guide process.

8 But it's a similar process for updating
9 that, so we're looking, you know, one to two years
10 for the update.

11 MR. LUBINSKI: Okay. So we're talking
12 about, I see another comment, I just want to make
13 sure we're talking about 7-4.3.2, so is this on 7-
14 4.3.2 still, right, or did you want to talk about --

15 (Simultaneous speaking)

16 MR. HERB: No, I wanted to ask the --
17 This is Ray Herb from Southern Nuclear. I wanted to
18 ask the questioner what's your affiliation and were
19 you actually talking about 7-4.3.2 or were you
20 talking about the cyber requirements?

21 MR. LUBINSKI: That was a question for
22 the gentleman online who asked the question about the
23 5-year timeframe. Angela, is it possible to put the
24 questioner back on the phone?

25 OPERATOR: Yes, one moment. Please

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1 press star one and I can open your line. Joseph,
2 your line is open.

3 MR. PAPPPIO: Okay. Joseph Pappio, I'm
4 with Mitsubishi Nuclear Energy, and my question was
5 on 7-4.3.2.

6 MR. HERB: Thank you.

7 MR. PAPPPIO: Thank you.

8 MR. LUBINSKI: Thanks. Okay, so I'm
9 going to look around the room here, we're on Jonah's
10 issue of cyber. Were there any questions, comments,
11 from people in the room here on the path forward and
12 the proposed actions?

13 MR. REMER: Could I ask -- Jonah, thanks
14 for your presentation, but could I ask the forcing
15 function for this?

16 Other than the ACRS, I know they have a
17 concern, industry, operating reactors have just gone
18 through a big rollout of cyber security requirements
19 and spent a lot of money, a lot of time, a lot of
20 effort, bringing ourselves into compliance with the
21 -- we got regulations.

22 And we are not feeling an acute need to
23 improve this area, we feel it's in pretty good shape.
24 I understand that maybe in some new plants and some
25 people that are interested in more, maybe more

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1 certainty, so could you comment at all on --

2 MR. PEZESHKI: You pretty much hit the
3 nail on the head with that one. Most of the questions
4 coming mostly from new reactors and just reducing the
5 regulatory uncertainty since they have such a large
6 timeframe between the design of cyber security design
7 elements and their actual implementation where they
8 just want to be sure that they are on the right track.

9 And so just traditionally the NRC has not
10 reviewed design and so they are just constantly
11 nervous that when they actually get to the finish
12 line they might be stopped at that point.

13 MR. REMER: Right. But I just -- The
14 only comment I wanted to add is I would just hate to
15 inadvertently provide guidance that will actually
16 slow us down on the modernization side right now.

17 MR. PEZESHKI: I don't expect this to.
18 One of the points that I made, although I admit that
19 I was talking about it quickly so it might have been
20 glossed over, is that these reviews would be for
21 voluntarily submitted cyber-related information, and
22 so the key word there is voluntary.

23 If existing reactors believe that they
24 are on track, which I can't imagine they wouldn't be,
25 they just simply would integrate the systems into

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1 their cyber security plan and it would just operate
2 as normally.

3 MR. REMER: Thank you.

4 MR. LUBINSKI: That was a key point that
5 Jonah brought up there from a voluntary. Another key
6 point, you may not have picked up a word that he had,
7 was that there is an Information Paper going to the
8 Commission.

9 We're not looking at rulemaking. There
10 were a couple public meetings we had last year on the
11 topic and our current position that we are moving
12 forward with is that this would be voluntary on the
13 part of the industry.

14 They could decide when they want that
15 part of the review, and as Jonah said it's the new
16 reactors that are pushing for this. Now there would
17 be guidance that would need to be issued to make that
18 happen.

19 The current guidance we don't believe is
20 sufficient to allow us to do the review as part of
21 the process, which is why we have in there the SRP.

22 So the key point, we think it is
23 important to get back to the Commission at this point
24 and let them know what our direction is through the
25 Information Paper and that's why it's a high priority

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1 in the Plan.

2 With respect to the SRP implementation we
3 would be interested in comments on the timing of that.

4 MR. PEZESHKI: That's correct. And
5 although it has not been scheduled yet I would expect
6 that the upcoming public meeting would discuss more
7 details of the SRP and soliciting feedback regarding
8 the additions that we intend to make.

9 MR. LUBINSKI: We do know that NEI's
10 Digital I&C Working Group does have new reactors, so
11 if we have a misperception or a miscommunication of
12 the importance of that we'd like to hear that as well.

13 We do have -- We didn't introduce all the
14 members of the NRC's Steering Committee that we have
15 for Digital I&C, but we are representing five
16 different offices in the NRC.

17 I am representing NRR, Brian Thomas is
18 representing Research, Mike Mayfield is representing
19 NRO, Jim Anderson is here representing NSIR, and
20 while this is a reactor program we do have an ad hoc
21 member from NMSS because they are interested in
22 digital on that side as well and we need to make sure
23 that we are communicating and coordinating so we're
24 not conflicting in where we are going.

25 Other questions for Jonah?

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1 OPERATOR: We do have a question from
2 Timothy Smith.

3 MR. PRIMAVERA: Actually, this is Paul
4 Primavera, NuScale Power, regarding cyber security
5 and IEEE 1012 security analysis V&B activities.

6 What is going to be done or will it be
7 considered on how to integrate the normal security
8 analysis V&B activities that get done at every step
9 in the software life cycle from concept phase onward
10 with regular cyber security design analysis?

11 You cannot leave it up to the utility or
12 licensee to do cyber security when cyber security is
13 not built into the design at the very beginning.

14 MR. PEZESHKI: Okay, this is Jonah
15 Pezeshki again. And, one, I just want to comment
16 that you are absolutely correct, cyber security
17 should be integrated into any design from concept
18 pretty much to obsolescence.

19 Whether or not we can rely on the
20 facility to perform that, to be honest, from a
21 regulatory perspective, our role is just to ensure
22 that once it is operational that it is secure.

23 This is why traditionally we have relied
24 on a programmatic approach for cyber security. What
25 we want to add is a means to review cyber security in

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1 a design space mostly to ensure that mostly new
2 reactors are aided as needed to reach that same
3 programmatic expectation.

4 But that's pretty much the extent of what
5 we currently can enforce upon licensees and
6 applicants given our current regulation.

7 MR. PRIMAVERA: Thank you.

8 MR. LUBINSKI: Other questions on the
9 phone line?

10 OPERATOR: No further questions.

11 MR. LUBINSKI: Okay. We have finished
12 our discussion of the first five topics in our Digital
13 I&C Action Plan. We do have seven others and I'm
14 going to turn, Steve Arndt is going to talk about --
15 I'm sorry?

16 MS. TOBIN: It's a break.

17 MR. LUBINSKI: Is it break time now, ah.

18 FEMALE PARTICIPANT: Great.

19 MALE PARTICIPANT: About 15 minutes.

20 MR. LUBINSKI: So, yes, they get to be
21 the nice guys, there you go. I was going on to the
22 next topic and they're calling for a break. I should
23 have known that Steve was already getting up from the
24 table, he knew it was coming.

25 Okay, so 15 minutes and we'll regroup at

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1 9:45. And a reminder, you know, you're in NRC area,
2 there is a cafeteria across the hall, the restrooms
3 are outside here, you can go there unescorted in this
4 area. Okay, thanks.

5 (Whereupon, the above-entitled matter
6 went off the record at 9:30 a.m. and resumed at 9:49
7 a.m.)

8 MR. KEENE: All right, good morning.
9 We're here to continue the meeting. I turn it over
10 to Steve Arndt.

11 MR. ARNDT: Thank you. As mentioned, my
12 name is Steven Arndt. I work in the Office of Nuclear
13 Reactor Regulation.

14 I'm going to talk briefly about the rest
15 of the items in the plan. If you're looking at your
16 slides it should be Slide 23.

17 The rest of the integrated plan, in
18 addition to the five near-term activities, include a
19 number of different activities that we believe are
20 necessary for the strategy of updating and
21 modernizing our regulatory infrastructure.

22 But neither need to be informed by the
23 resolution of the activities that are in the near-
24 term list, i.e. common cause failure 50.59, cyber and
25 the two standards, or really can't be worked because

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1 of priority work assignments and resources and things
2 like that.

3 But primarily they're not near-term,
4 because they have to be longer-term, because they are
5 influenced very heavily by the activities associated
6 with the near-term activities.

7 It's important to understand this is not
8 necessarily a complete list. This is where we are,
9 as of this day, in March 2016. We're in the process
10 of working a couple other issues that may or may not
11 end up in the action plan.

12 We're also interested in feedback from
13 the external stakeholders as to whether or not we've
14 missed anything, whether or not there's activities
15 that are of lesser importance or greater importance.

16 So as part of our effort, we're looking
17 at the broader scope of things that are necessary for
18 improving the regulatory infrastructure.

19 For example, in the comments we received
20 on the earlier version from NEI, they talked about
21 the need to look at international standards. That's
22 currently not one of our activities, but we're
23 evaluating it to determine whether it should be one
24 of our activities. It hasn't worked its way into
25 this version of the plan as of this day in March.

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1 There was a comment earlier associated
2 with some of the more risk-informed standards. So
3 that's something that we're going to be looking at.
4 So there exists a body of comments that have occurred
5 over the last three, four, five years.

6 Another example would be the comment that
7 occurred when we were doing our review with the ACRS
8 on Reg Guide 1.168. And the ACRS recommended we look
9 at a graded approach to that standard. Which
10 endorses IEEE-1012. So that's another thing that
11 might eventually be part of this plan.

12 Also, as is noted in the draft plan
13 that's been published, this is going to be
14 reevaluated and updated by the steering committee on
15 a certain frequency. So some of these may work their
16 way into the plan eventually.

17 Next slide please. Currently, Items 6
18 through 12, in the plan, are shown on this Slide 24.
19 These are the activities that currently exist.

20 The first one is the concept of
21 additional guidance on embedded digital devices. As
22 most people know, we've been working on a regulatory
23 information summary in this area that provides
24 additional information on this issue.

25 We're actually holding a webinar on April

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1 6th to discuss with the stakeholders our comments
2 resolutions on the public comments associated with
3 that. Once that has been issued, once we've looked
4 at some of the other key technical issues, such as
5 the 50.59 issue in CCF, we're going to possibly do
6 more work in guidance, updating our development to
7 support embedded digital license.

8 We understand this is a very important
9 aspect of the regulatory infrastructure, but it is
10 dependent upon the other work that we are currently
11 working on.

12 MR. LUBINSKI: Before you get on the next
13 issue, Steve, if I can?

14 We think it's very important, that April
15 6th meeting, the webinar that we're having, we
16 believe we have a document that fully consider all
17 the comments we received on the draft. And if we get
18 to the meeting and discuss our comment resolution, we
19 will be moving forward and issuing that document,
20 unless we hear a major red flag that's raise.

21 So that's really the level it is that
22 we're being able to provide information. Of course
23 if there's a major reply we need to get back together.

24 And if we do that, it is likely that the
25 RIS will be issued prior to us submitting this plan

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1 to the Commission. And that's why it's referenced
2 in here where we're going.

3 MR. CONNELLY: John Connelly with
4 Exelon. Do we have a ETA for when that's going to
5 be available for Industry review? The draft RIS.

6 MR. ARNDT: Go ahead.

7 MR. LUBINSKI: It's actually a final RIS.
8 And, Gene, as part of the webinar next week, are we
9 putting up the RIS and the comment resolution on the
10 website? So what we'll do is -- okay, in addressing
11 Gene, Gene Eagle=s our lead for that, Alex Garmoe is
12 the project manager. So we're going to do a takeaway
13 from this to make sure that we have posted the comment
14 resolution and the current version of the RIS prior
15 to the meeting.

16 And, Gene, if we can talk to Alex to get
17 that up as soon as possible?

18 MR. EAGLE: Right. And I'll make that a
19 key item.

20 MR. LUBINSKI: Thank you, that will be
21 very helpful. Thanks for the comment, John.

22 MR. ARNDT: Yes. And I wanted to
23 mention, as I go through these, none of these
24 particular topics should be a surprise to the
25 Industry because, or to the other external

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1 stakeholders, because in one form or another, we've
2 discussed them either as a follow-up to the work done
3 in the early part of the decade associated with the
4 old program or as follow-ups to other specific
5 actions that have been discussed in public meetings
6 before.

7 So the first was --

8 MR. LUBINSKI: I'm sorry, just I did want
9 to comment to Gene. Gene, as we get that up on the
10 public, whether it's in ADAMS or our website, can we
11 make sure that the meeting notice, for that meeting
12 next week, clearly has the ADAMS accession numbers so
13 people can get to them?

14 MR. EAGLE: Yes.

15 MR. LUBINSKI: Thank you.

16 MR. EAGLE: I believe that it's already
17 gone out. Did they --

18 MR. LUBINSKI: But we can always update
19 it.

20 MR. EAGLE: Okay. Right.

21 MR. LUBINSKI: Okay.

22 MR. KEENE: So, John?

23 MR. LUBINSKI: So the comment for people
24 on the phone is the meeting notice had already gone
25 out for the April 6th meeting, but will update it

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1 with links to those documents.

2 MR. KEENE: So, John, just for
3 clarification. That we'll investigate it, but since
4 it's a final RIS it's not really out for public
5 comments. It's already been out for public comment
6 twice in the last three years. So it's not really
7 being --

8 MR. LUBINSKI: It's not for public
9 comment, but since we're talking about it, they need
10 to see a version of it. That's why we want it up
11 there.

12 MR. KEENE: So we'll coordinate how to
13 do that.

14 MR. ARNDT: Thank you. The second item
15 up there, which is Item 7 in the plan, talks about
16 regulatory document infrastructure improvements.
17 And what we're talking about there is looking at ways
18 to structure our regulatory documents in a more
19 effective and efficient way.

20 One example is the SRS effort that our
21 Office of New Reactors underwent. And when they did
22 that, they restructured some of the overlap and the
23 ways in which we look at how the regulatory
24 requirements are met in the SRP.

25 So this effort is really not to change

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1 anything, but it's to restructure it so it's a more
2 efficient and effective way of developing our review
3 plans, looking at the different documents and
4 understanding better how to write that in a less
5 inefficient way. Both for the licensees and
6 applicants as well as the staff.

7 The third item up there, which is Item 8
8 in the plan, guidance for evaluating proposed
9 alternatives to reg guides and endorse standards.
10 This is an issue that has come up occasionally and
11 was discussed in the SECY on the 603.

12 And it really highlights the fact that
13 for IEEE standards, which are the primary ones that
14 are endorsed in our regulation and reg guides,
15 there's not a particularly well defined alternative
16 evaluation process, like it is in some other
17 standards, like ASME.

18 And when an alternative is proposed,
19 under the 50.55(a) process, we don't have a lot of
20 guidance on how to evaluate that alternative. So
21 this is basically looking at providing some
22 additional guidance.

23 The fourth item up there, which is Item
24 9 in the plan, is looking at digital licensing. And
25 this is primarily the activities that would be

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1 follow-on activities to the ISG-6 activity. And this
2 is basically the lessons-learned associated with
3 that.

4 And we've had several lessons-learned
5 discussions associated with ISG-6, and other related
6 items. Such as an earlier decision on acceptable of
7 licensing amendments, better timing of some of the
8 documentation and better understanding what is needed
9 to be document and docketed. Those kind of
10 activities are in that particular item.

11 The sixth item up there, which is -- I'm
12 sorry, the fifth item up there, which is Item 10.
13 Improve guidance for evaluation of highly integrated
14 digital technology.

15 This is looking at the whole issue of new
16 control rooms via it at a plant or an operating plant
17 or for new reactors that look at the integration of
18 digital systems across different boundaries that we
19 don't traditionally see in operating plants. And all
20 the different EDO sequences associated with the
21 communications issues associated with that and other
22 integrations.

23 This has been an ongoing discussion,
24 particularly in our Office of New Reactors. And this
25 is basically an evaluation of what, if anything,

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1 needs to be done to the regulatory infrastructure
2 associated with that.

3 If you look at the sixth item up there,
4 which is Item 11 in the plan. That's improvement to
5 regulatory consistency between licensing and
6 inspection.

7 This has been a criticism that the
8 Industry has provided to the Commission that we don't
9 always do as good as we could about integrating our
10 guidance and our discussions between our inspection
11 staff and our licensing staff.

12 And this is something that we've taken
13 under consideration to look at whether or not our
14 guidance is effective and sufficient. This really
15 is going to depend very highly on the effective
16 implementation of updated 50.59 guidance. As well
17 as other guidance.

18 So that's in there but is in the longer-
19 term actions because of that activity.

20 And the last item up there, which is Item
21 12 in the current version of the action plan, is
22 looking at the topical report evaluation and update
23 process.

24 This is something that the NEI and other
25 stakeholders has been, and the staff, have been

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1 talking about since 2007. Associated with, what is
2 the best and most effective way of using topical
3 reports in our process and what is the appropriate
4 frequency and mechanism for updating topical reports.

5 We've gone back and forth on the
6 importance of that. But it's something that the
7 staff and the Industry, as well as other external
8 stakeholders, has discussed for quite awhile. So
9 that's included as well.

10 At this point I'm going to conclude my
11 comments on the additional items in the action plan
12 and take questions on these.

13 OPERATOR: As a reminder, to ask a
14 question, please press *1.

15 MR. LUBINSKI: Thanks, Angela. We'll
16 start in the room with questions, comments.

17 MR. REMER: Thanks, Steve, this really
18 helps clarify it in our mind kind of where we're at
19 on these things.

20 The whole action plan is to come up with
21 some thoughts, ideas and technical guidance that will
22 work for everybody. And then when we put it into
23 some form that allows us to read it and understand it
24 and train on it, et cetera.

25 My question is, as far as these action

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1 plans, so we do the CCF, we do the first action. We
2 come up, okay, this will work. Does the result of
3 that flow into one of these to actually implement it
4 through either rulemaking or guidance or what have
5 you? Or how does that happen, in your mind, right
6 now?

7 MR. ARNDT: No. The individual actions,
8 in the first five near-term activities, are in and of
9 themselves, specific actions that we will take to
10 completion.

11 The current version of the plan does not
12 have completion milestones, in some cases. I'll use
13 CCF for an example.

14 It gets us through the Commission making
15 a decision as to what, if any, modifications are going
16 to be necessary. At that point, they'll tell us and
17 we'll update that part of the action plan to include
18 the follow-on activities necessary to implement the
19 Commission direction.

20 In the case of the 50.59 guidance, it's
21 much more complete because we have a guideline.

22 MR. LUBINSKI: And if I could add to
23 that, there's not the direct link between there,
24 okay, from the standpoint of saying, this one item
25 fully relates to another item in whole. But in part

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1 it will.

2 And let me use the example of the digital
3 I&C licensing process. One of the items, if you look
4 in our action plan right now is, we have the lessons-
5 learned from the implementation of licensing actions.
6 And we believe there are changes needed to the ISGs
7 that would help improve efficiency and effectiveness
8 as we move forward.

9 We also know that as we go through these
10 first five items, there may be issues that come out
11 of that, that would feed into it.

12 So if you were to look at what we have
13 today, as far as potential licensing changes, they
14 would fall under that process. And then you could
15 come out after, as Steve said, we've mapped out to
16 the point of getting our final decision on a
17 Commission position, on CCF and whether it changes.

18 That would have to be implement through
19 changes. And we would need coordinate the timing of
20 that. Because we don't want to update our guidance
21 every six months to put a new item into it. So we'd
22 have to look at the prioritization.

23 Unfortunately, we can't layout the
24 specifics, but what we will do is, in an integrated
25 plan, try to draw that link to some of these items.

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1 Is there a dependency or a partial dependency?

2 And we're looking for feedback on that as
3 well.

4 MR. REMER: So you're saying that once
5 you submit the plan and we go through the Item 1,
6 just as an example, and you say receive the direction
7 from the Commission that this needs to be a rule,
8 let's just say, so you would proceed with rulemaking
9 on CCF. But you would also, wouldn't you, want to
10 look at all the other related kind of activities that
11 could either cause confusion or not be clear?

12 MR. LUBINSKI: Right.

13 MR. REMER: That's where I'm trying to,
14 in my mind, I'm trying to draw the link. Because in
15 our action plan we've got the regulatory
16 implementation piece kind of rolling all that up
17 together. But I can see you're kind of breaking it
18 up, which is fine, just we want to understand.

19 MR. ARNDT: Right. In your examples,
20 when we get a decision from the Commission and if
21 it's a, for example rulemaking, then we will flush
22 out that aspects of Item Number 1. But we'll also
23 draw more specific links to, say for example Item
24 Number 6, which is embedded digital, or Item Number
25 10, which is the licensing process, that would be

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1 more specific pointers to those plans based on the
2 decision or the action or whatever we did in Item
3 Number 1 or Item Number 2.

4 So that's going to be part of the
5 evolution of the plan as it moves forward.

6 MR. LUBINSKI: And the challenge at this
7 point, and we are seeking recommendations, comments
8 on how to do this is, let me go another direction on
9 the example of CCF.

10 We could make a decision in going forward
11 that does not include rulemaking on CCF. It could
12 be a codification of the current process of the
13 modifications we believe are such that don't require
14 rulemaking.

15 MR. REMER: Right.

16 MR. LUBINSKI: But do require updating a
17 guidance.

18 MR. REMER: Right.

19 MR. LUBINSKI: So we need to understand
20 that and the importance of that guidance. Jonah
21 mentioned earlier about cyber. That there needs to
22 be an update of the SRP.

23 So again, as we're going through those,
24 we want to look at the importance in getting the
25 efficiency of having, if we're making changes to

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1 guidance documents or SRPs, that we're doing it in a
2 more collective way to capture those items.

3 MR. REMER: Right. So one of our
4 comments will probably be something in the effect of,
5 show some of the linkages there. And if you layout,
6 I think the Commission said kind of a performance
7 outcome base --

8 MR. LUBINSKI: Yes.

9 MR. REMER: -- what does that look like?
10 I mean for our guys, it's like, okay, how do we do
11 this thing better. How do we make sure we meet the
12 regulation and get to put in digital I&C
13 modifications, efficiently.

14 MR. LUBINSKI: Yes.

15 MR. REMER: So we're just trying to make
16 sure we have a clear line to the end.

17 MR. LUBINSKI: Yes.

18 MR. REMER: Which is being able to put
19 those things in.

20 MR. LUBINSKI: We appreciate the
21 comment. And we'd also, as part of the comment, if
22 you have recommendations --

23 MR. REMER: Right.

24 MR. LUBINSKI: -- for looking at the
25 links, we'd like to see that as well in where you

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1 think it is.

2 Because sometimes the recommendation
3 also would be based on your understanding. And if
4 we have a different understanding, it would be good
5 to meet on that so that we understand and can talk
6 about, how do we bring that together.

7 MR. REMER: All right.

8 MR. ARNDT: Other questions?

9 OPERATOR: I have a question on the line.
10 Marvin Lewis, your line is open.

11 MR. LEWIS: Thank you. Hi, sorry. Well
12 no, I'm not sorry. I really have some substation
13 about all this computerization. What you call the
14 digitalization. Which is fine.

15 I really don't have authority, fine. But
16 I listen to your presentation, I think it's very
17 understandable, it's in plain English, I appreciate
18 that. A little too many abbreviations for me, but I
19 can put that on the computer and find out what they
20 are.

21 My problem is that I listen to it and it
22 just seems to be a way of taking answers down further
23 in time. Farther, farther away in time. And not
24 really coming up with what you need, when.

25 I hope I am being incorrect, you can use

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1 this as a comment. And if I am incorrect, then
2 please. Thank you.

3 MR. LUBINSKI: Thanks, Marvin, we
4 appreciate that. Let me respond to that a little
5 bit, to make clear how we got to where we are and how
6 we proceed forward. And I do appreciate that comment
7 because it helps us to re-base on where we are in
8 this discussion.

9 If I go back when the, you know, what
10 most recently prompted us to be having this meeting
11 is the SRM that the Commission issued. And that was
12 based on a rulemaking on the IEEE-603.

13 And the comments during the Commission
14 meeting, and that transcript, is online. And some
15 of the vote sheets that are available on the SRM
16 itself, talked about trying to understand in an
17 integrated way, how this IEEE-603 fit into this
18 process, what does it solve, what does it not solve
19 and what are the important issues, and are we focused
20 on the important issues.

21 I believe that's why the Commission
22 looked at a 90-day timeframe for us to provide this
23 back to them. Is that they wanted to make sure that
24 we were prioritizing our activities and our work.

25 As Steve said, we can't do everything all

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1 at the same time, based on the amount of effort that
2 it's going to take. And then also there is
3 dependencies as well.

4 So the Commission wanted us to look at
5 that. They also wanted to understand whether there
6 were any policy issues. So that when they are ruling
7 on any policy issues in the future, they could see
8 the integration of other policy issues.

9 They looked at the 603 rulemaking as a
10 policy issue. Of course it's a part of rulemaking.
11 So therefore they were asking the question of,
12 whatever potential rulemaking may be coming down the
13 line, what other potential policy issues and let me
14 know the big picture.

15 So the purpose in having the 90 days is
16 to make sure that we are focused on the correct
17 activities and focused in the correct timeframes.
18 And have an understanding to the Commission that they
19 know what type of policy issues they will be seeing.

20 The SRM did ask if there were any policy
21 issues right for consideration, that we include those
22 in the paper. At this point, we have not identified
23 any policy issues that would be provided to the
24 Commission.

25 However, as you see in our action plan,

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1 we talk about item that may have a potential policy
2 issue that would come to the Commission at a later
3 date. So that they fully understand what's coming.

4 So I don't know if that fully addresses
5 your comment, Marvin, but the discussion today is
6 putting the plan together, the activities and making
7 sure there's a coordination and integration between
8 them.

9 And as far as the work, we're not slowing
10 down on the important activities. We had a slide up
11 earlier that talked about where we are in looking at
12 common cause failure.

13 We've already had a meeting, we're having
14 another meeting this morning. Or I'm sorry, in the
15 month of April.

16 We're not slowing down in 50.59. We
17 believe they are very important issues. So we have
18 those on the schedule.

19 And when we talked about the IEEE, we've
20 already scheduled discussions in July, at the next
21 meeting of NPEC.

22 So for those issues, we've got a schedule
23 and we're working those and we're trying to get some
24 near-term results.

25 MR. LEWIS: I respectfully suggest you

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1 also include ISOs. International Standards
2 Organization. I'm not very impressed with ISOs, but
3 at the same time, they might touch upon subjects that
4 you haven't looked at. Thank you.

5 MR. LUBINSKI: I appreciate that
6 comment. And I think maybe there's some slide
7 presentation that NEI is going to have that talks
8 about that as well. So what I'm going to do is hold
9 off on that subject. But I am taking that comment
10 now and we'll talk a little more when we hear John
11 Connelly's presentation. Does that sound good, John?

12 MR. CONNELLY: Yes.

13 MR. LUBINSKI: Okay, good.

14 MR. ARNDT: Okay, if those are the only
15 questions, what I'm going to do is I am going to go
16 to the next slide, which is the interaction slide,
17 and just tee this up as we get ready to have this
18 conversation.

19 And then turn it over to Industry for
20 their presentation and then I'll come back to this
21 slide afterwards to lead the discussion of not only
22 general comments about the plan, but issues
23 associated with, are we looking at the right
24 challenges, are we working on the highest priorities,
25 is there something that we don't have that's missing,

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1 are the things that are high priorities that should
2 be low priorities.

3 And the biggest issue really is, what
4 does long-term success look like and are we moving in
5 the right direction. Are the things we put in the
6 plan and the broader strategy the right things. And
7 will it get us where we want to go.

8 I appreciate the fact that NEI provided
9 a comment letter on February 23rd on our previous
10 version of that. Unfortunately, we did not have this
11 kind of conversation before that.

12 And also some things have changed and the
13 structures changed a little bit sense then. So some
14 of those comments are overcome by events.

15 But we also are going to go back and re-
16 look at that set of comments, as part of our
17 evaluation. In addition to this meeting, in addition
18 to additional comments.

19 At this point, I'm going to turn it over
20 to the Industry, let them give their presentation.
21 Hopefully that will answer some of the questions as
22 well as tee-up some more questions that we can discuss
23 during our broad discussion of the plan.

24 MR. LUBINSKI: Great. Would you, in
25 doing that, would you like us to ask questions along

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1 the way, John, or hold till then?

2 MR. CONNELLY: It might be more efficient
3 to bundle them up at the end.

4 MR. LUBINSKI: Great.

5 MR. CONNELLY: Once we've gone through
6 the entire presentation I think it's going to foster
7 some questions and some discussions.

8 MR. LUBINSKI: Thanks.

9 MR. REMER: All right, I'm going to make
10 a few introductory comments. This is Jason Remer
11 from Nuclear Energy Institute representing the
12 Digital I&C Working Group that's been commissioned
13 about a year ago by the I&C Group. The chief nuclear
14 officers involved in U.S. Nuclear Power Plants.

15 It's a great opportunity to participate
16 today. Thanks for really making this available so
17 we can have an interchange of ideas.

18 We've actually, from when we read the
19 plan to where we are now, we have a lot better
20 understanding of kind of what you intend. And so
21 some of our comments we just had to mark them off
22 like, okay, that makes sense. So it is good to have
23 this feedback.

24 This is a very important topic for
25 Industry. To quote Commission Ostendorff, "no more

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1 important issues improve safety in our plants and to
2 get this digital I&C modifications done right. We're
3 seeing increased movements toward that in our plants,
4 especially in non-safety areas. There's a plethora
5 of modifications happening, even today, in a non-
6 safety area."

7 And we hope after we finish this work,
8 with our working group and your working group, that
9 we can say the same for safety applications. That
10 we know how to do it, we can do it efficiently and it
11 actually improves safety in our plants.

12 As you know, our nuclear plants today are
13 challenged to improve cost performance, improve
14 efficiency, while continuing our steady and historic
15 trend to improve safety and performance. All those
16 things are up, but costs have to go down.

17 And the only way, that we can see to drive
18 cost down while improving safety, is to apply digital
19 technologies. That's been the case for our non-
20 safety systems. It greatly improves our efficiency
21 while minimizing the amount of manpower required to
22 do calibrations, maintenance, parts replacements, et
23 cetera.

24 We got this report on Friday, so we
25 haven't had the time to really provide detailed

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1 comments. So what we're going to be providing is
2 kind of notional thoughts about what we see at first.
3 And actually our discussion this morning has really
4 helped us to that end.

5 Some additional thoughts and just
6 suggestion or thinking on this, as you have mentioned
7 before, needs to be revolutionary not evolutionary.
8 We need to make some pretty big steps here.

9 We think we can make them. Technology
10 and science is on our side. OE is on our side. And
11 so hopefully with clear thinking and some creativity
12 here, we can break through this barrier and actually
13 get something done.

14 So anyway, we really appreciate the
15 opportunity and we turn this over to John now for our
16 formal presentation.

17 MR. CONNELLY: Thank you, Jason. John
18 Connelly, Exelon. I'm also the NEI Technical Issues
19 Task Force Chairman.

20 So first, to reiterate something that
21 Jason just said, I'd like to express my sincere
22 appreciation for this venue and this opportunity to
23 exchange ideas and to interact with the staff as we
24 continue to refine the digital action plan. I think
25 this is extremely helpful and we'll move this in the

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1 direction of a success.

2 First slide. Much of this is a
3 reiteration of what Jason just said. Obviously
4 achieving a clear path forward for digital
5 modifications is a very urgent need for the Industry.
6 As Jason alluded to, this is a priority for the
7 nuclear strategic issues, Advisory Committee at NEI.

8 As we look, and I've presented in
9 delivering other presentations, kind of an internal
10 Exelon OPEX on what we see in the non-safety related
11 space. In terms of reduction of initiating events.

12 We believe that digital does provide some
13 very clear advantages in terms of improving, further
14 improving, margins of safety.

15 Digital is pervasive. We're a small
16 sector in a very large industry. The industrial
17 controls industry. And if you look outside of the
18 nuclear, I mean digital is everywhere. It's
19 pervasive. And we need to take maximum advantage of
20 that.

21 We see potential opportunities and safety
22 related modifications to further improve margins of
23 safety.

24 And you've alluded to it in NRC
25 presentations in previous venues that there's a lot

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1 of uncertainty and perception of financial risk in
2 terms of doing large scale digital modifications.
3 Oconee being the classic example.

4 To circle back up to my opening comment,
5 we share a goal of safe operations. It's imperative
6 that we work collaboratively to create an environment
7 where we have the ability to move forward in
8 modernization.

9 Next slide please. Again, to reiterate
10 a previous thought, we are in full and complete
11 alignment that common cause failure in Application of
12 50.59 are the highest priorities for this initiative.

13 Once we get those issues resolved,
14 there's a nearly equally urgent need to establish a
15 clear, unambiguous, and I quoted the word "roadmap"
16 here, but a clear understanding of how to navigate
17 through the process and what the expectations are and
18 what the regulatory guidance is.

19 It's kind of comprised of two pieces. A
20 technical piece and a regulatory piece. And we've
21 alluded to that numerous times throughout the
22 morning. And previous meetings.

23 Next slide please. This gets back to
24 some of the comments that the Commissioners made in
25 the SRM. Digital technologies will continue to

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1 evolve over time. So the technology, neutrality and
2 performance based criteria are really key to getting
3 this right.

4 The state of the industry will continue
5 to advance overtime. And the regulatory framework
6 needs to recognize that prescriptive or architecture
7 based solutions are probably not in our best interest
8 in the long-term. You know, performance based
9 criteria. And that was the message the Commissioners
10 were sending us.

11 But at the same time, the basic concepts
12 really don't change. You know, structure development
13 processes, high quality hardware and software,
14 comprehensive testing protocols. And similar to what
15 the Nuclear Navy uses. Very robust testing
16 protocols.

17 And human factors, the appropriate
18 application and human factors engineering, as one of
19 the participants on the phone mentioned earlier.
20 Human factors is a big part of it. So those basic
21 concepts really don't change.

22 Next slide please. So the nuclear
23 sector, we are unique in many regards. But when it
24 comes to protecting the health and safety of the
25 public, you know, where there are other industries

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1 out there who have concurred the digital domain.

2 But there are operating experiences out
3 there where other industries have gotten this wrong
4 and there have been very significant implications.
5 There are many, I just listed a handful here.

6 But the point of this slide is that other
7 industries have concurred the digital domain and
8 improved safety. And there are opportunities for us
9 to learn from their having gone through this process.

10 You know, Aerospace and others and
11 lessons to be learned. Their Petrochem, so forth.
12 Other industries take safety very seriously, as do
13 we.

14 Next slide please. So let's talk briefly
15 about technical frameworks. What's become apparent
16 to us, as we've gotten further and further into this
17 process, that really at the core of its technical
18 issues, you know, how to address common cause
19 failure, how to mitigate the risks of common cause
20 failure, how to arraign consistent with design and
21 licensing basis, execution of 50.59.

22 So defending against all forms of common
23 cause failure with an appropriately graded approach,
24 based on safety significance, a clear alignment on
25 using the well bedded concepts of 50.59, analyses

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1 where necessary to demonstrate the ability to cope
2 with the possibly of failures and malfunctions and
3 assuring that these components, the systems and
4 components that we purchase are, purchase and deploy,
5 are robust and fully vetted.

6 A clear and efficient technical framework
7 is kind of an enabler in our opinion. So if we
8 understand the technical elements of this, the
9 regulatory elements can match them.

10 Next slide please. And again, these
11 points have been made throughout the morning.

12 The regulatory framework, obviously
13 there's some areas where the staff has identified
14 that additional work is required or revisions to some
15 of the regulatory framework itself.

16 The Commissioners made this very clear.
17 Performance based technology, neutral, consistent
18 across both legacy and new build plants. And it's
19 been discussed several times this morning. ISG-6,
20 potential revisions to BTP 7-19, IEEE-603 and 7-
21 4.2.3, IEEE-1012.

22 So there are a lot of known issues. And
23 just as an aside, if you look at the digital working
24 group, we've actually kind of broken the next element
25 of this down into two constituent pieces. There's a

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1 technical piece and a regulatory piece.

2 So what we're doing right now is we're
3 doing a formal review and looking at all of the
4 regulatory environment in its totality. In trying
5 to identify those things that are potentially areas
6 that we would want to revisit. Look at things that
7 were best practices, as the Industry is implementing
8 them right now, may not be fully aligned with the
9 regulatory framework.

10 So what we're producing as part of that
11 is basically a, I don't want to use the term, but
12 kind of a gap analysis, if you will, or a regulatory
13 analysis. So hopefully that will help shape some of
14 these discussions.

15 Next slide please. This kind of follows
16 on to that last comment.

17 Obviously the Common Cause Failure Task
18 Force, which is the successor to NEI 01-01. 9607
19 Appendix D, Task Force, again, a successor to NEI 01-
20 01. The Technical Issues Focus Group, which Ray Herb
21 chairs. The Regulatory Framework Focus Group and the
22 Training and Communication Focus Groups.

23 So the last three, I just want to take a
24 moment to talk about these in a little more detail.

25 The Technical Issues Focus Group of the

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1 Digital Working Group, we're trying to look more
2 holistically and look at the methods by which the
3 Industry implements digital upgrades and identify
4 opportunities to improve efficiency and execution.

5 The regulatory piece that I mentioned
6 earlier is looking to identify specific issues in the
7 interfaces and things that we think are ripe
8 opportunities for us to streamline and make more
9 efficiency to process as an enabler.

10 And then the final piece of this is
11 training and communications. In fact, this actually
12 ties into a point that was made earlier in terms of
13 headquarters and regional folks being on the same
14 page in terms of how we do these mods.

15 When we look at the training and
16 communications piece of this we think that there's
17 some real opportunities here to help get that level
18 of understanding driven down, both in the Industry
19 and potentially within the staff, with the
20 Application of 9607 Appendix Delta and some of the
21 technical basis behind common cause failure. So we
22 think there's some opportunities for us to
23 collaborate and get that understanding more broad.

24 Next slide please. So the digital action
25 plan, as was alluded to earlier, you know, we just

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1 got this on Friday. We appreciate the opportunity
2 to look at this.

3 I know most everybody that's in the room
4 has had an opportunity to go through it rather
5 quickly, the detailed contents. And I appreciate the
6 April 24th or the request to get comments back by
7 April 24th. That will give us a little bit of time
8 to get more detail put behind this.

9 But there were just, our first pass
10 through this, there were a couple of things that kind
11 of jumped out at us. And based on comments this
12 morning, I may retract some of the bullets that were
13 in here, but I did want to talk about it briefly.

14 The Industry, again to reiterate, the
15 Industry agrees that Items 1 and 2 are the highest of
16 priorities. We did look at some of the other issues
17 that were on the top five list and we feel a little
18 more comfortable this morning, based on this morning
19 comments about IEEE-603 and what the scope of that
20 look likes and 7-4.3.2 and what the scope of that
21 looks like.

22 It doesn't sound like those are going to
23 compete for resources. Our concern was that 603
24 probably didn't, there's no urgency within the
25 Industry to resolve 603, but understanding that now

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1 this is to set the table for future revisions to 603,
2 we feel a little better about that.

3 What we were concerned about is that
4 there is a limited pool of people who can be involved
5 in this and we want to make sure that we have the
6 priorities right, based on what the needs are.

7 There's a couple of issues on the bottom
8 seven, if you will. The remaining seven items that
9 kind of struck us as something that we want to be or
10 that are a bit more urgent to us. And we alluded to
11 it earlier.

12 The upcoming RIS on embedded digital
13 devices. That's kind of a big thing for the
14 Industry. And we want to get ahead of that.

15 Another thing that kind of jumped out at
16 us. There's a couple of places where there are
17 synergies between individual line items that we think
18 may warrant further discussion about potentially
19 combining pieces' parts of it in order to reduce the
20 total number of items that we have to cover. I mean
21 we can leverage some of the synergies between the
22 action items.

23 There is one thing, and we've alluded to
24 this earlier, and this is the perfect opportunity to
25 bring it up. Because we have a very limited pool of

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1 people who are subject matter experts in this, and I
2 know that the same dynamic exists within the staff
3 and within the Industry. You know, there's people
4 who are being engaged in this.

5 What we're finding is that because of the
6 compressed timeline and the expertise that we need to
7 bring to bear on this to resolve it in an efficient
8 and expedient fashion, there's a lot of meetings, a
9 lot of interaction, a lot of discussions. So it
10 would be hugely beneficial to the Industry if we could
11 get kind of an integrated schedule put together so we
12 know we got the right resources brought to bear at
13 the right time, reviewing the right documents in
14 advance and being able to provide comments back in a
15 timely fashion.

16 So it would be hugely beneficial, with
17 all praise, if we can get an integrated schedule of
18 all the various activities that are going on.

19 One last set of comments I'd like to
20 provide. Things that we think are worthy of
21 consideration, again, this will provide this in the
22 formal comments back to the staff. But some thoughts
23 that we'd like to set the table with.

24 There are international standards that,
25 in terms of like platform dedication and safety

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1 integrity levels, that we think may warrant some
2 discussion. You know, can we use TUV standards, can
3 we use CE standards.

4 I'm sorry, next slide other way. Slide
5 10. Conceptually what we're talking about here is
6 the platform itself.

7 There are dedication entities that are
8 really good at looking at the core of a product. The
9 operating system level, the hardware level. You
10 know, how this would handle a divide by zero error,
11 how does it handle buffer overflows. Those sort of
12 bread and butter kind of platform validation stuff.

13 But if you come up from that one level,
14 you know, extract up from that one level, it's the
15 application software that gets loaded onto those
16 devices. And the way it interacts with the plant and
17 its consistency with the licensing basis.

18 We think there's some opportunities to
19 let the heavy lifting, the platform heavy lifting,
20 happen in another venue and focus our energies on how
21 we implement them in the plant and how we are
22 consistent with our design and licensing basis.

23 Again, this has been alluded to a few
24 times before, the international standards, IAEA, in
25 depth. There's some other bodies of work that we can

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1 draw from on an international level.

2 And again, this is something to
3 reiterate, a point that's been made repeatedly.
4 There are other regulatory structures that we may
5 want to consider looking at as part of this exercise
6 as this matures. You know, the FDA, FAA, Department
7 of Defense. To the extent they can and will share
8 information.

9 Kind of in line with that is the
10 technical methods used by other sectors. There are
11 some opportunities. We believe that there may be
12 some opportunities there to do things more
13 efficiently and in a more efficient way.

14 And with that, that concludes my
15 presentation. I'd like to open up the discussion.

16 MR. LUBINSKI: Thanks, appreciate it.
17 I'm going to ask, there's a lot of NRC folks in the
18 room. This is an opportunity to ask some questions
19 of you guys, so we're going to take that opportunity.

20 And I appreciate, as you said, you've
21 only had the document for a few days. And that was
22 one of the reasons that I thought was important to
23 have the meeting today.

24 You know, you saw what's written on
25 paper, but it's good to have the opportunity to ask

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1 the questions up-front. So we're here as well for
2 you to ask us questions of, what were you thinking,
3 what did you mean, what was the process that you plan
4 to follow.

5 If I could just ask a couple questions to
6 make sure I get some clarity on where we are in some
7 of the thinking. As you said, John, may have changed
8 based on what you heard this morning. But the one
9 that jumps out at me, that I have to ask about, is on
10 Slide 9. Your fourth sub-bullet.

11 It says, some of the concepts contained
12 within the detailed action plans appear to be
13 contradictory of the tenants of the SRM. And I don't
14 know if that was a miscommunication or do you believe
15 now there's still some miscommunication? So we need
16 to understand that.

17 MR. CONNELLY: Yes, I'll speak to that.
18 So one of the directions from the, or in the SRM, was
19 to make it -- the environment that we need to have is
20 one where it's not prescriptive requirements and
21 technology neutral.

22 MR. LUBINSKI: Yes.

23 MR. CONNELLY: And again, we haven't
24 really had enough time to go through this in detail,
25 but we want to make sure is that we're staying true

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1 and consistent to the direction in the SRM and make
2 sure that what we create is more performance based,
3 less prescriptive, you know. More open to flexible
4 approaches I guess is the best way to say that.

5 And these are comments that we'll capture
6 in the review.

7 MR. HERB: I think we specifically were
8 pointing out to the Items 3 and 4. They seem to like
9 essentially reiterate the very specific conditions
10 placed on the Industry consensus standards. And so
11 it seems to be going down that same path.

12 Which seems to be not in line with the
13 requirements of the objective based and high level.
14 And really applied to all new plants, old plants and
15 next generation nuclear, stuff like that. So we just
16 -- that's really what that comment gets to.

17 MR. REMER: Yes. And I think --

18 MR. HERB: And also, we didn't think it
19 really got to the fourth comment, which was, is it
20 going to inhibit the plants doing digital?

21 And really, that was the Industry's
22 biggest concern with those conditions the way we
23 thought it would inhibit. And so if we continue
24 forward with that, in the plans, it's really not
25 addressed in the last issue.

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1 MR. REMER: Yes, it looked like you were
2 just going to go forward with 603, re-implementation.
3 And that's like, well, that's not really what we want
4 to do.

5 And so that was part of our thinking with
6 that. So I think we could have maybe backed off with
7 that a little bit right now. Based on what we now
8 understand.

9 MR. LUBINSKI: Let me just repeat back
10 what I'm hearing from you to make sure I fully
11 understand. And I appreciate, I do appreciate the
12 comments.

13 So from the standpoint of prescriptive
14 and being performance based and technology neutral,
15 what I'm hearing from you is there was not a lot of
16 meat in how we were getting there and you'd like to
17 see more meat on that.

18 And then with respect to items that may
19 be countered to that, or some of the conditions that
20 were in the 603 rulemaking, that are going into now
21 the discussions with the IEEE as well as the 7-4.3.2.
22 And it's a concern of whether we're just trying to
23 now keep the prescriptiveness and get it into that
24 process.

25 And then from the last is, your

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1 understanding now of the 603, which really applies to
2 your second sub-bullet about the top five issues, the
3 process that were in for 603, 7-4.3.2 sounds
4 appropriate to you guys, however, from the standpoint
5 of making sure we're not just trying to shoehorn the
6 specific requirements, then that's a concern. Is
7 that what we're hearing?

8 MR. CONNELLY: Yes. The discussion this
9 morning did help inform some of the message that we're
10 trying to deliver here. It doesn't sound like those
11 two activities are going to compete hugely for
12 resources. This is to set the table for future
13 iterations.

14 So it doesn't sound like it's going to
15 have an adverse impact on our ability to make forward
16 progress.

17 MR. LUBINSKI: Yes.

18 MR. CONNELLY: And that wasn't outwardly
19 clear from, our first review of the digital action
20 plan, that wasn't outwardly clear. So the comments
21 this morning were very helpful.

22 MR. LUBINSKI: Good. If there's any
23 comments that help, can help clarify the wording to
24 that in our plan, please provide those.

25 We still have Rich and Royce are here.

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1 I don't know if they have any additional comments,
2 but I'll just say that from a resource standpoint,
3 yes, we don't see significant resources right now in
4 competing with the other activities.

5 I think the comment that will take a
6 little bit of resources on our part, is going to be
7 working with our internal stakeholders, as well as
8 external stakeholders, with respect to some of those
9 conditions. In making sure that we look at those
10 from a performance based standpoint, while some may
11 be prescriptive.

12 So we need to make sure that's factored
13 into the plan.

14 I'm looking at Royce and Rich and I'm not
15 seeing any shaking of the heads the wrong way. So
16 I'll take that as an affirmation there that we'll
17 take that comment from today, to make sure the way we
18 word this and move forward, we can do that.

19 With respect to that also, the -- and
20 there's not a lot of clarity on some of those
21 conditions right now because what went to the
22 Commission talked about a different set of standards
23 for operating reactors versus the new reactors, and
24 the Commission to give clear direction that there
25 will not be those different requirements.

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1 So yes, we had not went through the
2 process of evaluating what those conditions will be,
3 look like, with the IEEE committees and as we have
4 these discussions. So there will be a lot of work
5 in those discussions.

6 MR. HERB: Ray Herb, Southern Nuclear.
7 I think that like a part of it we didn't really
8 understand was also the number, right? The exception
9 based alternatives.

10 And I think that that's, hopefully that
11 will be a process that will be a little more
12 streamlined, a little easier. Because that was
13 really the only one we saw that really integrated in
14 the new plants and next generation.

15 And so that was really what our comment
16 got to is that some of these -- that was almost like
17 for new plants and next generation where we had the
18 exception base. We would rather have that all
19 integrated into the real plan going forward.

20 MR. LUBINSKI: So from a priority
21 standpoint is your comment that you believe that
22 should be higher and have a more detailed plan right
23 and worked on sooner or --

24 MR. HERB: Yes, that's just Southern
25 Nuclear's opinion. But we haven't discussed that

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1 amongst --

2 MR. LUBINSKI: Okay. So on that issue,
3 since we're on that. So just looking again at Slide
4 9, we talked about your first bullet, and I appreciate
5 that clarification so we can understand from the SRM
6 and where there was some misalignment in
7 understanding.

8 And then on your second bullet, top five
9 issues that did not appear to be the hot priority.
10 That was the 603 and 7-4.3.2. And now there's an
11 understanding of, sounds like we're in the right
12 place according to --

13 MR. CONNELLY: Yes, it was specifically
14 to that comment. And frankly now that we know that
15 there's not going to be quite the competition for
16 resources, that it appeared may be the case, I think
17 those can be resolved in relatively short order.

18 As we alluded to, the regulatory
19 framework issues, the embedded digital devices, we
20 see those as urgent, urgent needs.

21 MR. LUBINSKI: Yes, so that was an
22 action. That was kind of like a bottom seven that
23 should be moved up. Embedded digital devices and
24 then some of the regulatory framework. And maybe if
25 we could tease that out a little bit.

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1 I know it's early, you just started to
2 look at this, but can we talk about each of those?
3 And if you were to be proposing what type of action
4 plan or where to go on those, can you talk high level
5 about what you would see? And we'll start from with
6 the embedded digital devices.

7 Because we put this and we know we're
8 issuing the RIS and coming forward with that and then
9 the question would be, what would be the next steps
10 after that?

11 MR. CONNELLY: This is going to be a
12 little off the cuff because we do want to take a
13 little more time to look at this in more detail.

14 MR. LUBINSKI: Sure. We're not holding
15 you to it, we're just trying to have a conversation.

16 MR. CONNELLY: Agreed. And then
17 obviously the top five are, there are detailed
18 discussions about the top five, but when you get into
19 the next seven, we don't really have enough detail to
20 look at those, yet.

21 But just looking at the higher level
22 summaries, obviously I've alluded to embedded digital
23 devices and what we're, you know, if you look at the
24 SSPS card issues and everything that attached to that
25 and the fact that frankly you can't buy a claw hammer

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1 that doesn't have a computer in it anymore, a lot of
2 what we're seeing, a lot of the issues that we need
3 to address, are fundamentally tied to embedded
4 digital device in pervasiveness of that technology.
5 So we see that as fairly urgent.

6 Regulatory document infrastructure,
7 again, that ties back to Items 1 and 2. So there is
8 dependency there, but we see that as a fairly urgent
9 thing.

10 MR. REMER: Yes, let me interject in that
11 one too. I'm sorry.

12 MR. LUBINSKI: Go ahead.

13 MR. CONNELLY: No, that's fine.

14 MR. REMER: I think if you think about
15 it as a roadmap, and that's what we were trying to do
16 with ours is pick a point out in a future, in a state
17 if you will, where do we want to be? And pick that
18 and said, okay, how do we get to that point?

19 And for me I see, the first two are, yes,
20 we got to get there, through that. But it gets a
21 little fuzzier when I think, okay, how are you guys
22 thinking about rolling all these guidance regulatory
23 requirements, ISGs, opinions all up together and
24 somehow sorting through that.

25 You got to slide you presented a few

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1 months back that had the whole network of the digital
2 I&C stuff on it, for lack of a better work. How do
3 we sort through that?

4 That's kind of like my garage, right?
5 There's good stuff in there and there's a lot of
6 trash. How do I get rid of the trash, keep the good
7 stuff and then add something that makes sense for the
8 future?

9 So I'd personally like to see kind of how
10 do you roll up some of these regulatory
11 infrastructure questions into one thing and make some
12 of this action plans within that one group and then
13 pick a state out there. I know it might not be the
14 final state or the right one, but maybe it's one we
15 can kind of shoot for to say, in a perfect world,
16 this is how I'd like to see it. Maybe a rule in
17 guidance. Or maybe not a rule.

18 You know, I'm not proposing that we do a
19 rule, but that's kind of what comes to me. It gets
20 quite fuzzy when I get down into the second life
21 thing. So anyway.

22 MR. CONNELLY: Good point. Let me give
23 an example. Item Number 11, improvement of the
24 regulatory consistency from licensing to inspection.

25 And we kind of touched on this a couple

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1 times this morning, but policy originates from
2 headquarters but it's the regional folks that have to
3 put that into action.

4 And if you look at, for example, common
5 cause failure in 50.59. One of the things that I
6 think would be beneficial for both the staff and for
7 the Industry, is for everyone to have a clear
8 understanding of what common cause failure is, what
9 has to be evaluated in the 50.59 process.

10 And frankly this is something that we
11 believe the Industry hasn't done as well as we could
12 have done. In terms of the execution of 50.59. It
13 isn't that the technology itself is flawed, is how
14 it's documented and how you demonstrate consistency
15 with licensing basis.

16 So one of the things that we have
17 identified internally is that we need to have a
18 structured rollout of the common cause failure
19 guidance and how to apply it using NEI-96-07 Appendix
20 D. We need to do that in a very structured sort of
21 way. So that everybody understands how to do it
22 correctly.

23 One opportunity that we think exists
24 there is to share those implementation workshops with
25 the regional folks and with headquarters, so

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1 everybody is approaching this from a common level of
2 understanding.

3 Now with this, with Items 1 and 2, this
4 Item Number 11 kind of ties directly into that. And
5 there could be other opportunities where we can
6 improve the level of understanding, both across the
7 Industry and across the staff, and how to implement
8 these things.

9 So where the, you know, the comment was
10 a little vague. There are things that we think could
11 be elevated or would be candidates for integration
12 with other activities. This would be an example of
13 that.

14 And again, we want to get this into the
15 form of a formal comment so we can give it to you in
16 a form that's more digestible. But that's kind of
17 our thinking.

18 MR. LUBINSKI: Yes. Yes, we appreciate
19 that. The more specific the comments can be, we'd
20 appreciate that. So we understand.

21 You know, I guess thought processes here
22 as we go through and then maybe you can help me with
23 some of the clarity is, yes, I guess the underlying
24 assumption.

25 You know, an underlying assumption is if

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1 we endorse or issue new guidance on implementation of
2 50.59 reviews, we just had the assumption, of course
3 we're going to be coordinating with the regions,
4 issuing guidance to the regions, making sure that
5 there's technical guidance out there.

6 Okay, so that was kind of the assumption
7 of what the next steps are. Versus when we looked
8 at Item Number 11 of a more holistic, it gets more to
9 Jason of, what do you see as the future state of where
10 do you ensure the integration of the licensing in the
11 inspection side. So that's kind of the clarity.

12 I will agree Jason's comment we're
13 struggling with a little bit, is looking at the future
14 state, right? What does your vision look like as you
15 go forward?

16 And we're working on that as well as part
17 of this plan and whether or not we can have a true
18 future state as we move forward in the next 90 days.
19 That's going to be difficult.

20 But yes, to put it as a longer-term
21 action though and keep it in there and our focus and
22 keeping the plane moving that way I think important.
23 Because as you said, John, we don't want to pull away
24 the resources from addressing the significant issues
25 at this point, right?

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1 I think, and correct me if I'm wrong, I
2 think it would be failure on the part of the plan if
3 we were to say, well, let's not do any of these
4 activities up front. Put CCF and 50.59 off until we
5 know what your vision looks like at the end point,
6 right?

7 So see heads shaking there that agreed
8 that, yes, that's -- so we need to do it in a uniform
9 way that, and start to put more resources on that
10 longer-term vision as we address some of the first
11 items.

12 Where I struggle with a little bit, and
13 maybe you can help me, is when I think about the
14 regulatory infrastructure or the regulatory
15 structures, as you guys said. Hopefully as part of
16 the paper we provide the Commission we're going to be
17 giving a full view of I&C.

18 And as part of that, talk about I&C and
19 then also talk about the difference between analog
20 and digital and why there's different challenges.
21 And why we're trying to address these different
22 challenges in these action plans.

23 Steve Arndt and Rich Stattel are going to
24 be working on that document for us to try to capture
25 the bigger picture of where we are.

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1 But from a regulatory framework, if I'm
2 going through that process and what they're going to
3 be writing down, most of the regulatory, you know,
4 we're not reinventing the wheel from a regulatory
5 framework, right?

6 NRC has been around since 1975. And
7 we've had regulations, we've had licensing, we've had
8 oversight, right, we got research. So we think, as
9 you come out, you end up in the same regulatory
10 framework. Right? Of the decision points.

11 So I'm trying to understand where you
12 guys are from the connection between your technical
13 groups and your regulatory groups. Because we think
14 that once technical issues resolve, it kind of tells
15 you where you go.

16 Does it go to a rule, does it go to
17 guidance, does it go to oversight, does it go to
18 licensing? So can you help me with that a little
19 bit?

20 MR. CONNELLY: Yes, I'll try to provide
21 a little bit of insight here. So consider ISG-6 for
22 example.

23 There are elements, and I know this has
24 already been identified within the staff, there are
25 elements that have, you know, that there is already

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1 an understanding that there's ways to streamline and
2 simplify and attenuate the financial risks that go
3 along with an ISG-6 type harmonization.

4 You know, the example that everybody
5 always cites is that the license amendment doesn't
6 come until the very end of the ISG-6 process. So
7 from a utilities being risk adverse perspective,
8 you've already invested the preponderance of the
9 modification, you've already invested very heavily in
10 it and the license amendment doesn't come until the
11 tail end of the process. So that's just an
12 inherently risky thing and I think that's already been
13 acknowledged as something that's worthy of
14 revisiting. And the content and the frequency with
15 which you submit paper, the various supporting
16 documents. So we believe that that process can be
17 streamlined and simplified to get a more concise path
18 to the finish line. Does that help?

19 MR. LUBINSKI: Yes, that helps. Okay,
20 so from the standpoint of in a licensing area where
21 it's a little more, using Jason's word, revolutionary
22 in the way we do some of the licensing aspects.

23 MR. CONNELLY: Okay, right.

24 MR. REMER: Yes, and the other thing that
25 I think has caused up a lot of problems and confusion

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1 is you have a BTP 7-19 that lays down kind of an
2 interpretation of a particular thought. That that's
3 all we have to go back to in a particular area. And
4 so people interoperate it differently. And it's
5 unclear sometimes what it means and how it can be
6 applied.

7 So when I'm talking about cleaning out
8 some stuff it may just be like changing that or
9 removing it or saying, hey, we supersede that with
10 this other guide. Or actually we don't need that
11 anymore because now we've got a IEEE guidance
12 document or whatever.

13 Just to make it more clear that, okay,
14 we're going back to the source. Yes, the general
15 design criteria is the big one, but after that you
16 know digital does require some more detailed thought
17 processes to evaluate, so.

18 MR. LUBINSKI: Okay, thanks. I've asked
19 a lot of questions so far, I'm going to be quiet for
20 a minute and ask other NRC folks, maybe if they have
21 any other questions they'd like to depose from you
22 guys.

23 MR. ARNDT: Okay, let me go first. I
24 have three or four questions on specific technical
25 things that you raised in your presentation. Either

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1 intentionally or unintentionally. I want to get some
2 clarification of what I heard.

3 If you go to Slide 6. On that, when you
4 were discussing performance objectives and things,
5 you used words that sounded like you were concerned
6 about the commercial grade dedication process and how
7 that is implemented in digital space. Did you mean
8 to say that?

9 MR. CONNELLY: Less in terms of
10 commercial grade dedication, more in terms of, are
11 there other methodologies we can use to get platforms
12 reviewed, endorsed.

13 MR. ARNDT: Okay.

14 MR. CONNELLY: That was the comment on
15 the TUV and --

16 MR. ARNDT: Yes, I'll get to that in a
17 second. Okay, I understand now.

18 On Slide 7 you highlighted known issues,
19 including ISG-6 that we just got down talking about.
20 The BTP 19, which of course is the common cause
21 failure issues. The various issues associated with
22 603 and 7-4.3.2, which we've discussed at some
23 length.

24 The current version of the plan doesn't
25 have an explicit discussion of IEEE-1012 and the

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1 associated reg guide. This is something that's been
2 discussed by the Industry and the staff a number of
3 times. There's a letter from ACRS recommending us
4 look at that.

5 Does this raise to that same level as the
6 ones listed there and do you think that we should
7 either interrogate this as a separate item or as a
8 part of one of the items currently in the plan?

9 MR. CONNELLY: I don't know that it rises
10 to the same level. But, so for example, one of the
11 comments from the Commissioners was, less
12 prescriptive, more performance criteria based where
13 IEEE-1012 tends to be very, thou shalt do X, Y and Z.

14 This is another opportunity for us to
15 come up with more risk informed graded approaches
16 that are performance based rather than a checklist of
17 compliance, if you will. Does that help?

18 MR. ARNDT: Yes. So I would ask that
19 when you send in your formal comments, if you can
20 either tie that to a specific current action or make
21 a recommendation for a new action. Either to this
22 particular point or a more general point associated
23 with it.

24 MR. CONNELLY: Okay.

25 MR. ARNDT: That would help us understand

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1 where you're going.

2 MR. CONNELLY: Just as a quick follow-up
3 comment to that too as well. I mentioned that one
4 of the working groups that we have, within the digital
5 working group, is to look at the regulatory
6 infrastructure.

7 MR. ARNDT: Okay.

8 MR. CONNELLY: We hope to proceed just a
9 series of formal comments. You know, this is worthy
10 of consideration, this conflicts or this, there's a
11 gap here.

12 We're trying to get more of a cohesive
13 review of everything that's in the regulatory
14 landscape right now and provide that feedback back to
15 the staff.

16 MR. ARNDT: Okay. If you go to Slide
17 10, I'll do the -- this is kind of seemingly out of
18 order, but helpfully it will make sense.

19 In your second bullet you talk about
20 looking at international standards to identify
21 opportunities. The international standards
22 structure, for nuclear at least, is the IAEA document
23 then flows into the IEC documents and then there is
24 a three tiered IEC structure.

25 MDEP really isn't an international

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1 standard. So I assume, by this comment, you mean the
2 former, the current international standard structure
3 that exists. The IAEA high level documents and the
4 IEC documents and their structure associated with it.

5 MR. HERB: Yes, it's not a standard.
6 That's just a current effort within the NRC to look
7 at those standards for harmonization. So that's all
8 we were referring to is maybe the output from that
9 harmonizations effort going forward.

10 MR. ARNDT: Okay. So I would ask you,
11 in your comments, to let us know, is what we're doing
12 okay, should we elevate that, should we put more
13 resources on it, should we move quicker? Basically
14 what's comment?

15 As you know, we've got some relatively
16 small effort in that area. Both in terms of
17 participation in the IEC standards writing and some
18 effort to use those standards, but in a very limited
19 way. So if what we're doing is okay but we need to
20 highlight it or more or whatever.

21 The last question is on that first
22 bullet, and you talked about it briefly. The what
23 is done in most cases, by TUV and CE and various other
24 things, is to certify a platform based on a particular
25 standard. Such as IEC 61508 or 61516.

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1 One thing we could look at is doing that
2 effort based on the international standards. But
3 another way of looking at that is to ask an
4 independent body to do it based on our current
5 endorsed standards. 603 or 7-4.3.2 or whatever.

6 If you could tell us a little bit more
7 about what you're thinking associated with that, it
8 would help us understand and be able to evaluate that
9 better.

10 MR. HERB: This is Ray Herb, Southern.
11 I think what we intended with that, with that bullet
12 was, as a first cut is really -- and one of the issues
13 with the draft RIS, for embedded digital, a lot of
14 the issues that came out of the RIS, or at least some
15 current incarnation, is identification of digital
16 components.

17 And through a third party dedication
18 process, they get pretty deep and heavily into that.
19 And so that would add an additional layer of assurance
20 that either they were or were not digital components.
21 And if they were, were they appropriately vetted and
22 tested and sufficient, of sufficient quality to meet
23 the safety integrity levels.

24 And so I don't know that the initial cut
25 of that would be on the system level component, but

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1 more of a component based qualification standard that
2 would kind of enhance the current guidance we have
3 COTS equipment. And so that's kind of where we were
4 going. And then if we can get further --

5 So really when you would go to the system
6 level of buying a system, you really are still talking
7 about the individual components, rather than the way
8 the system is architect and put together. And that
9 part was still governed under the review of the NRC.

10 We're just saying, maybe we can help
11 streamline that approval process by using those
12 components that already have a pedigree associated
13 with them. That would be maybe an alternative or a
14 supplement to the 106/439 process that's already been
15 approved at NRC.

16 MR. ARNDT: Okay. So it would help us
17 to understand the comment is, that context, where in
18 the regulatory structure you'd like us to consider
19 adding it or modifying something or replacing
20 something associated with either the component level
21 or the platform level, so we have a better
22 understanding of where we're thinking about looking
23 at it. Okay?

24 MR. CONNELLY: Just one follow-on
25 comment. And maybe I didn't express it as clearly

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1 as I could have. What we're trying to do here is
2 kind of differentiate between the three layers, if
3 you will.

4 There's the operating system and core
5 hardware layer, there's the application software that
6 gets layered on top of that for how you're going to
7 handle a specific function, and then there's the
8 interface to the plant and how it's made consistent
9 with design and licensing basis.

10 So really what we're trying to get to is
11 kind of draw a dividing line at the lowest levels.
12 You know, let that be the focus of entities that are
13 engaged in that all the time and then focus more on
14 the application layer and how it interfaces with the
15 plant. It's a concept we wanted to get on the table.

16 MR. ARNDT: Okay. It sounds like that
17 concept is aligned but not identical to what Ray just
18 said.

19 MR. CONNELLY: Yes.

20 MR. ARNDT: So if you can let us know
21 exactly what you're asking us to look at, appreciate
22 that.

23 MR. CONNELLY: Okay.

24 MR. LUBINSKI: Yes, Rich.

25 MR. STATTEL: Yes, this is Rich Stattel.

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1 I heard you make some recommendations with regard to
2 streamlining or simplifying or consolidating the
3 regulatory infrastructure. And one of the things
4 that came to mind was that this was one of the key
5 objectives of ISG-06.

6 And I would like to mention that we've
7 had some experience with this. So what ISG-06
8 attempted to do is we took guidance from various
9 sources and we tried to consolidate it into the
10 standalone ISG-06 document.

11 So it's a combination of paraphrasing
12 from various guidance documents or simply cutting and
13 pasting out of those documents, the relevant guidance
14 and putting it in one place. And conceptually it
15 sounded pretty good, it sounded like a good idea at
16 the time, but in practice it's created some problems
17 and I'd like to point that out.

18 So what we end up with is guidance that
19 appears in more than one document, right? And what
20 has happened since ISG-06 was issued, in what five,
21 six years now, those source documents have undergone
22 changes. And that guidance has changed.

23 So like as I'm performing the Diablo
24 Canyon evaluation, I kind of look at both of them.
25 And I actually see conflicting guidance.

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1 So we've actually created conflicts in
2 the process of trying to streamline and simplify the
3 process. We've actually made it more complex.

4 So I just caution the group here. I
5 think there's been a lot of good ideas and there's a
6 lot of good thoughts about simplifying, but it's a
7 little bit more difficult goal to accomplish than
8 what might appear on the surface.

9 In truth, those source documents can't,
10 we can't supersede them. A lot of them are IEEE
11 standards. They're consensus standards.

12 We can't do that in an ISG, we can't do
13 that in an NRC document. So they're going to have
14 to remain as independent sources.

15 So I'm kind of leaning toward, I don't
16 know the solution to this, but I'm kind of leaning
17 towards, instead of trying to duplicate the words,
18 let's provide the appropriate references to those
19 source documents. But just a word of caution on
20 those ideas.

21 MR. CONNELLY: Yes, I would agree, Rich.
22 And I would certainly align with the reality that
23 this is not going to be a trivial exercise. These
24 are complex issues and it's going to take a lot of
25 careful consideration as to how we go about doing

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1 this.

2 MR. LUBINSKI: Next Monday? Monday the
3 4th we're having a ACRS subcommittee meeting. The
4 main purpose is to talk about the license amendment
5 request for Diablo. But the ACRS has also asked us
6 to provide a brief overview of lessons-learned.

7 Some of this was already discussed last
8 summer with the Industry as a lessons-learned. And
9 Rich will be giving a presentation where we have about
10 ten, 12 slides on lessons-learned. Rich just gave
11 you one of the discussion points.

12 So that will feed in, we will be using
13 that to feed into the ISG-06 process. Thanks, Rich.

14 MR. STATTEL: Thank you.

15 MR. LUBINSKI: We have Gene Eagle --

16 MR. CONNELLY: Will that presentation be
17 publically available? Is that something we can get
18 access to? We would like to see that.

19 MR. LUBINSKI: Yes, the ACRS meeting is
20 a public meeting.

21 MR. CONNELLY: Okay.

22 MR. LUBINSKI: And of course, anyone can
23 come in and observe the meeting. I'm going to ask,
24 let's see, Christina is sitting in the audience,
25 maybe she can answer the question. Will those slides

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1 be put up on -- okay. So, for those on the phone,
2 everything in that meeting with the ACRS will be made
3 public, including the transcripts of the meeting.
4 From a timeliness standpoint, you can, I'm going to
5 put Rich, you can contact Rich right after the meeting
6 and he'll make sure he can email -- right. Before
7 it goes to ACRS it takes a couple weeks to get that
8 out. But from a timeliness standpoint, they'll be
9 made public that day, so we have no problem emailing
10 those slides to you at that point in time.

11 MR. CONNELLY: Okay, thank you.

12 MR. LUBINSKI: Good. Gene Eagle had a
13 question.

14 MR. EAGLE: Yes. Gene Eagle, instrument
15 control group out of the NRR office.

16 Recently EPRI put out a document that was
17 dealing with the probabilities and of any measures,
18 mitigating measures. And they had a diagram in there
19 that I thought personally was very good.

20 It did not have any numbers on it, but it
21 did kind of emphasize the point of having the RIS or
22 the probability of something taking place and the
23 consequences of that taking place. Which is
24 obviously a very big concern in the nuclear area and
25 safety.

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1 I think one of the things that was quite
2 interesting, that's been brought up, is terminology.
3 And there's been a little concern about the fact that
4 this EPRI document might be a copyrighted document,
5 so I have several questions.

6 One of them is, you'd be able to, in the
7 Appendix D, the NEI 96-07, in adopting or using that
8 EPRI document as a basis. Could you take care of,
9 or you think you'd be able to take care of any
10 problems with terminology and names that might be
11 copyrighted?

12 Because once you put it out, that makes
13 it more public, doesn't it? Is there anything you
14 can help us on that?

15 MR. HERB: I think that the intention
16 from EPRI, and I don't speak for EPRI, by the way,
17 this Ray Herb from Southern Nuclear. I think the
18 intention from EPRI is to release that at a either
19 reduced cost or as a free document in the future. So
20 I mean it will be copyrighted by EPRI.

21 But every effort has been made in the
22 Appendix D document to not say that the EPRI document
23 is required to do the analysis. It is just one
24 method.

25 And it's a method that we believe is

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1 correct. Because we worked them together. But if
2 another method is developed and you have a perfectly
3 acceptable method to do those same analyses for CCF
4 susceptibility, then the Appendix D does not prohibit
5 that.

6 MR. LUBINSKI: Yes, I --

7 MR. HERB: I think it only references it
8 once.

9 MR. LUBINSKI: I appreciate it. I think
10 what you're hearing from Gene also, and kind of a
11 preview of the discussions we'll have on the 50.59
12 document you provide, if there is some discussions in
13 there that need some clarification and that you
14 believe that the clarification shows up in the EPRI
15 document, we're going to probably ask you to, well,
16 can you provide that clarification just in this
17 document itself so that it becomes public.

18 MR. EAGLE: Another thing that's been
19 brought up a lot, during some of our meetings earlier
20 last week, was the fact that sometimes the actual
21 wording in our ISGs and our branch technical position
22 and then how it's actually used sometimes or how the
23 people have a concept of it. And sometimes we really
24 need to go back and read the actual words themselves.

25 Now for example, in the four point NRC

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1 policy on D3, that is defense-in-depth and diversity.
2 And it very clearly says, the applicant shall assess
3 the defense-in-depth and diversity of the proposed
4 instrument and control system to demonstrate that the
5 vulnerabilities to common mode failures have been
6 adequately addressed.

7 Now, in going back to the EPRI document,
8 they talked a lot about these mitigating
9 circumstance, mitigating measures and preventative
10 measures. Again, back in our BT 1.9, we were talking
11 about design attributes to eliminate consideration of
12 CCF. Which is, I think, is one of the big things
13 we're talking about here.

14 In this we said, many system design and
15 testing attributes, procedures and practice can
16 contribute to significantly reducing the probability
17 of common cause failure. Which is, to me, this is
18 very much along the lines of these conceptual ideas
19 of the risk versus benefit, the incidents versus
20 consequences.

21 But then there was kind of a gap and we
22 said, okay, what are the items that can prevent us
23 from even having to consider common cause failure.
24 And we said there were two, either one could do it.

25 And one of them was sufficient diversity

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1 and the other one was the famous testability of the
2 100 percent testing. And of course the definition,
3 you test every input, test every output and every
4 internal state and you got it.

5 But that obviously is a very difficult
6 thing to attest and that's a very simple device. And
7 it's unusually simple. In fact, they even use a
8 simple term in there.

9 That although there may be possibility in
10 certain items where, you know for instance, some
11 future FPGAs or something like that might achieve it.
12 And my question is, would it be helpful if we went
13 back to talking about an adequate testing or
14 sufficient testing? In other words, something in the
15 gap.

16 Because I think the example we like to
17 look at was that SSPS card that brought about some,
18 a lot of 50.59 concerns.

19 But the technical part of it, when they
20 got through looking at that thing, that had had
21 hundreds of thousands of tests of combinations. And
22 when they got through looking at it, there was
23 absolutely no question that card have been thoroughly
24 tested to an adequate and sufficient level that we no
25 longer had a real safety concern of it being there.

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1 So my question is, if you could answer,
2 what about this idea of a gap in here? We can fill
3 this gap somehow with somehow of defining or just
4 bringing about adequate testing or sufficient
5 testing. Would that be a help?

6 MR. CONNELLY: John Connelly with
7 Exelon. That would be a huge help.

8 And you alluded to it. The SSPS card
9 issue, I'm sorry, I'm doing this from memory, but as
10 I recall, that was subjected to two to the 27 test
11 cases.

12 You know, obviously a very rigorous and
13 comprehensive testing protocol, but was it 100.0
14 percent? You know, that's kind of the discussion we
15 got into.

16 Is 99.9999 percent good enough, vs. a 100
17 percent. And yes, I think that would be very
18 beneficial, very helpful, to get some constraints, if
19 you will, put around that concept.

20 MR. LUBINSKI: If I can on this? This
21 is a good discussion, but I think it more appropriate
22 is a good discussion as part of the CCF meetings.
23 And we have one coming up on the 26th we talked about.

24 So I think rather than, you know, we want
25 to use our time to talk about the action plan more.

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1 But yes, if we can bring that up at the appropriate
2 meeting as we move forward.

3 And Gene kind of teed-up an idea to talk
4 about. And Ross is nodding over there so she, not
5 nodding off, but nodding yes. But we can bring that
6 up. So good, thanks, Gene.

7 MR. EAGLE: Okay, advertisement again.
8 Remember on April 6th we do have our webinar. It's
9 only about one hour, two to three. And hopefully
10 you'll give us back John to do the introduction or
11 welcoming.

12 MR. LUBINSKI: That's the embedded
13 digital device. So, okay. Other questions,
14 comments from the room here?

15 I'm going to go to the phone line in a
16 minute, but Norbert's coming up to the microphone
17 there.

18 MR. CARTE: Norbert Carte, senior
19 technical reviewer. Can we go to Slide 7 for a
20 second?

21 I think there might be some
22 misunderstanding about what performance based should
23 address. I believe the direction was for the
24 regulatory requirements to be performance based, not
25 necessarily to develop guidance that's performance

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1 based.

2 Now I agree performance based guidance
3 can be helpful, but I think part of the problem with
4 regulatory uncertainty is performance based criteria.
5 And the example is independence. So two channels
6 must be independent.

7 And it took a lot of discussion about how
8 to actually achieve independence. And the digital
9 communication ISG is one aspect of that.

10 So I think performance based criteria can
11 be very problematic. They can lead to regulatory
12 uncertainty.

13 I think we could use some very
14 prescriptive guidance about this is how you can
15 achieve the performance based criteria in the
16 regulations, but I think we need both. And I think
17 the goal of just eliminating or trying to implement
18 performance based guidance has the risk or runs a
19 significant risk of introducing regulatory
20 uncertainty.

21 Because what it takes to achieve
22 independence for digital communication may be
23 different for you then for me. And then we'll argue
24 about that. There's nothing to resolve that
25 argument. Nothing to mediate that. And maybe the

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1 regulator always wins in that discussion.

2 MR. LUBINSKI: Did you want to respond
3 to that John?

4 MR. CONNELLY: No.

5 MR. LUBINSKI: No?

6 MR. CONNELLY: No.

7 MR. LUBINSKI: Yes, and I think that's
8 interesting. I appreciate that comment, Norbert.
9 And I think there's also, I'll say a cultural aspect
10 to that that we, as NRC, as a regulator and also as
11 the Industry, is reg guides that are issued or
12 guidance that's issued that can be prescriptive in
13 nature, could be one way of meeting the requirement.
14 Doesn't necessarily mean it's the only way.

15 And that's the, again, the cultural part
16 we need to get by, that there may be 90 percent of
17 the community that would say, oh yes, I'm going to
18 follow that process and it may be prescriptive and 90
19 percent of the people are happy, okay. You know, the
20 other ten percent still can come in with an
21 alternative means, right? Because again, the
22 regulations themselves are performance based. Just
23 may be more questions or issues that need to be
24 addressed before we get there.

25 If there's no other questions -- before

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1 I go to the phone I want to go back to Slide 10 I
2 believe it is. Talking about the, you know, and this
3 gets a little bit to, I said we'd come back to a
4 comment Mr. Lewis made earlier. His was talking
5 about international standards.

6 You've expanded that beyond
7 international standards and talked about some other
8 federal agencies as well. And Steve hit just a
9 little bit, but I'm going to ask, when you say examine
10 in the standards, I can read this in two different
11 ways. Okay?

12 One is, as we're developing our
13 standards, are we looking at other industries, are we
14 looking at international communities for ideas and
15 standards and ways of doing things better?

16 And I think that is part of our current
17 process. And no matter what we do we do that. And
18 we're starting to look at that from the standard of
19 our CCF.

20 I mean going forward, 50.59 is a little
21 different because it's a, you know, very much an NRC
22 specific. But anything in the technical area we
23 currently do that.

24 I can also read it as in looking towards
25 harmonization, if you will, with the international

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1 standards. And looking at Jason's comment earlier
2 is, are you recommending an end goal to be able to
3 look at and say, rather than have an NRC specific
4 standards trying to work more towards adopting the
5 international standards instead.

6 MR. CONNELLY: Well this kind of ties
7 into your previous comment, you know, as far as maybe
8 90 percent of the industry aligns with this
9 methodology, but the other ten percent wants to bring
10 a different approach.

11 What this was trying to get to, if you
12 look at the degree of penetration that digital
13 technology has gotten international versus
14 domestically, there is a delta there. So there are
15 things that are working in other venues that we think
16 are worthy of consideration.

17 If you look at some of the, well
18 obviously the new bills. So domestic new bills have
19 got the same high degree of integration.

20 But legacy plants across the world, we're
21 kind of on the other end of the spectrum in terms of
22 the amount of digital technology that we've deployed.
23 So we would like to look at some of those
24 international standards and how did they do it, how
25 did they get further down the path than we did.

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1 That's --

2 MR. LUBINSKI: And learning from the
3 ideas. And saying, as we're looking at CCF, what is
4 the international community doing in this area.

5 So we're looking at another technical
6 issue. What is the international community doing to
7 get lessons-learned?

8 MR. CONNELLY: Okay.

9 MR. ARNDT: Steve Arndt. With respect
10 to that comment, our current action plans in the
11 action, the integration action plan, doesn't have
12 that level of granularity.

13 As I think we've talked about at the CCF
14 workshop last week, we are already planning to do a
15 lot of that work in the CCF area. And we may
16 obviously do it in other areas as well.

17 So if you think that that level of
18 granularity, particularly that item is needed in the
19 plan itself, please let us know. Because that's
20 something we want to take as input on how we structure
21 what's actually in the plan.

22 MR. LUBINSKI: Maybe we can go to the
23 phone now. Angela, do we have any comments or
24 questions from people in the phone line?

25 OPERATOR: Yes. We have a question from

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1 Dan Cronin. Your line is open.

2 MR. CRONIN: Hi. Dan Cronin, University
3 of Florida. And I'm a member of the National
4 Organization of Test Research and Training Reactors.

5 And I just wanted to make sure that
6 there's some representation in the working groups,
7 from the research and test reactor licensee
8 committees. So I'm posing that as a question.

9 I appreciate this meeting and I see that
10 it looks like there's going to be a real push here to
11 wrap up some of these digital I&C issues in the next
12 six or eight months. Particularly 50.59 and common
13 cause, which are the two that are most important to
14 the research and test reactor community as well.

15 But I'm a little concerned again that
16 there may not be any research and test reactor
17 representation in these groups. At least taking a
18 look to make sure there aren't going to be show
19 stoppers that are going to shut down any of our
20 reactors.

21 MR. LUBINSKI: Yes, if I can respond on,
22 yes, this is really two answers to the question. Let
23 me start with the NRC's.

24 We don't have a joint working group
25 between the NRC and the Industry. We're coordinating

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1 our activities.

2 So from there standpoint of the NRC,
3 we'll speak just for NRC and then I'll ask the
4 Industry to speak for their working group.

5 So we are coordinating internally from
6 that standpoint. Norbert Carte just stepped up to
7 the microphone and wanted to add a comment on that.

8 MR. CARTE: Yes, Duane Hardesty is
9 participating in the 50.59 group. So we are in
10 contact with the research and test reactors.

11 And Duane and they normally contact the
12 I&C group to do the reviews. So we are keeping them
13 in mind.

14 MR. LUBINSKI: Yes, we have -- thank you.
15 So that was a specific example. And there was a big
16 interest in the embedded digital devices from the RTR
17 group as well. So they have been involved.

18 So I'll let the Industry speak from their
19 side.

20 MR. REMER: Yes, from our standpoint, we
21 definitely have representation at NEI in the research
22 and test reactor area.

23 I will take that as an action just to
24 double check. I have kept Janet involved with our
25 activities, but I'll take that as an action to make

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1 sure she understands.

2 MR. CRONIN: Did you say Janet?

3 MR. REMER: Yes.

4 MR. CRONIN: Okay, Janet Schleuter --

5 MR. REMER: That's right.

6 MR. CRONIN: -- is the point of contact
7 at NEI?

8 MR. REMER: That's right.

9 MR. CRONIN: Okay, thank you. And,
10 Norbert, the two 50.59 working group, you said was
11 you and Duane. Is that strictly internal? Those
12 working group meetings are all internal, there's no
13 public --

14 MR. CARTE: Yes, internal --

15 MR. CRONIN: -- those meetings?

16 MR. CARTE: Yes, that is correct.
17 Internal to the NRC. We're including the regions
18 research and test reactors. As well as different
19 offices inside the NRC.

20 MR. LUBINSKI: And as we move forward,
21 if you look at the action plan, there may be
22 opportunities where we're having public interaction.
23 But we don't have public members of the working group.

24 MR. CRONIN: Okay, thank you very much.

25 MS. SPAULDING-YEOMAN: This is Deirdre

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1 Spaulding-Yeoman. Maybe the caller wasn't on the
2 line earlier.

3 To reiterate, that there is a public
4 meeting that will be taking place on April 28th. So
5 we welcome your feedback and input at that time.

6 MR. LUBINSKI: Thanks, Deirdre,
7 appreciate you highlighting that meeting and
8 advertising for us. Angela, anyone else on the line?

9 OPERATOR: Yes. Next question comes
10 from Ken Scarola.

11 MR. SCAROLA: Yes, hi, this is Ken
12 Scarola. I'm a digital I&C and HFE consultant to the
13 Industry.

14 But first let me say I'm very sorry that
15 I'm not at the meeting today. My daughter had a baby
16 last night, and I have grandpa babysitting duty for
17 her 15-month old. So this is a busy day for us.

18 MR. LUBINSKI: Well congratulations, and
19 it sounds like it's a much more important issue.

20 MR. SCAROLA: Well yes, but this is an
21 important issue also. So, you know, my 15-month old
22 is being very patient here, so we're okay so far.

23 I just wanted to comment that I listened
24 in this morning, on and off, to many good concepts
25 and plans. But I'm really concerned that none of

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1 these plans seem to explicitly address the most
2 fundamental key issues that must be resolved to allow
3 those plans to yield products that will make any
4 substantial difference in the digital transition.
5 And let me explain what that is.

6 In the NEI letter to the NRC of February
7 23rd, which provided comments on the staff's initial
8 plan, NEI stated that Industry and staff must reach
9 agreement on two fundamental key issues.

10 The first are the defensive measures that
11 can preclude the need to consider a CCF in
12 deterministic safety analysis. And there was a lot
13 of discussion from Gene Eagle on that point about
14 adequate testing. Well, what is adequate testing.

15 Then Norbert talked about the
16 prescriptive guidance that the staff has on
17 independence. Well, we don't have that kind of
18 guidance on CCF or what it takes to preclude CCF.
19 And it's that lack of guidance that has really
20 resulted in a very stagnant digital transition.

21 The second point that NEI made in their
22 letter is that for CCFs that cannot be precluded, we
23 need agreement on deterministic analysis methods that
24 are consistent with the beyond design basis nature of
25 some, and I stress some, of some CCFs.

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1 So as stated in the NEI letter, I highly
2 recommend that the staff's plan very explicitly
3 address these two fundamental key issues, through a
4 high priority action item with an expedited schedule.
5 Then we can build on that agreement through the
6 execution of the additional plan actions.

7 From what I've seen, the most recent NRC
8 plan has not addressed this comment, saying that CCF
9 and 50.59 are the highest priority, is just a sound
10 bite. And that's not sufficient to bring the focus
11 of Industry and NRC resources on these two
12 fundamental issues. And that focus is absolutely
13 necessary if we're going to make any progress on CCF
14 or 50.59.

15 Now let me also say that, now once we
16 have alignment on these issues, then we have the
17 foundation to address all the issues that are in the
18 staff's plan. Such as performance based review
19 criteria, 50.59 evaluations, embedded digital
20 devices, improvements in commercial grade dedication,
21 digital product certification, a graded approach and
22 the commensurate revisions and streamlining of staff
23 guidance.

24 For example, how can we ever accept a TUV
25 or any third product certification without first

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1 reaching agreement on the digital defensive measures
2 needed to preclude CCF. And then ensuring that that
3 third party review included an evaluation of those
4 defensive measures.

5 It's just makes no sense that we could do
6 anything like that, without first reaching agreement
7 on defensive measures.

8 Well, I have a concern that without
9 agreement on these issues, the efforts to achieve our
10 regulatory environment, that embraces the digital,
11 that transition, will certainly produce a lot of new
12 paper, but not a lot of concrete results.

13 And I say this because it's evident
14 through the recurring revisiting of the lack of
15 digital transition progress, every ten years or so,
16 since the late 1970's and we've had no market change.
17 We keep revisiting this issue over and over again.

18 And the reason we do it is because we
19 don't go after the fundamentals. The fundamentals
20 have to be resolved first, then we can take on all
21 the paper that supports those fundamentals.

22 Now please keep in mind, that prevention
23 of CCF has always been the basis of all I&C regulatory
24 criteria. Whether the source of the CCF was an
25 earthquake, an EMI hazard, an electrical fault, a

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1 shared signal failure or even a desire or
2 manufacturing defect, certainly the complexity of
3 digital systems presents some new potential sources
4 of CCF.

5 But in the same manner that NRC, Industry
6 have reach agreement on defensive measures to prevent
7 CCF from all prior known sources, we can and must
8 reach agreement on defensive measures for these new
9 sources that are plaguing our digital transition.

10 So again, I encourage the staff to not
11 address this with sound bites, but to address this by
12 going after the key foundation issues. Thank you.

13 MR. LUBINSKI: Thanks. I'll start
14 responding to your comment, and I'm going to turn to
15 Ross in a second, is clearly the action plan is not
16 designed to be sound bites and we don't believe it's
17 sound bites.

18 We believe the fact that we have listed
19 the common cause failure as one of the near-term items
20 that needs to be addressed in reaching alignment on
21 that, in moving forward, we think is very important.

22 What we were trying to lay out in the
23 plan itself is the steps to get there. Not
24 necessarily all the technical issues associated with
25 each of these items.

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1 That comes as part of the meetings and
2 discussions. Ross, I'm going to ask you to provide
3 comments on how you would address this.

4 MS. ALVARADO: Yes, this is Rossnyev.
5 Ken, I hear your comment. And we received that
6 comment in the NEI letter and we are looking into it
7 as a part of our technical evaluation. So we are
8 concerned. It's not that we have disagree, we're
9 still working on it.

10 The one comment I want to make, Ken, and
11 I think we explained these on the meeting that we had
12 on March 21st, defensive measure is an EPRI concept
13 that is part of the EPRI document. Since that
14 document we don't have it, and it's not been endorsed,
15 we cannot use that concept as such. So we will have
16 to look into something similar to that, if that's the
17 approach that we want to take.

18 And I think Gene wrote that up into the
19 issue that we're having, with these concepts being
20 defined in Appendix D. If that's the case, been
21 using Appendix D. If we don't have access to those
22 concepts or if the approval done by stakeholders
23 don't have access to that, we cannot use that.

24 So I just want to point out that that's
25 an EPRI concept that we will have to work with you

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1 guys to see how, if that's the path to go for common
2 cause failure, how we can approach that.

3 MR. LUBINSKI: And if I can, I appreciate
4 that, Ross. So it explains, we do want to look at
5 these issues, we are going to look at these issues as
6 part of CCF.

7 MS. ALVARADO: Right.

8 MR. LUBINSKI: Jason, you're one of the
9 point of contacts, I guess, on the NEI letter that
10 was referenced by Ken. So when we read that in the
11 letter, we looked at it from the standpoint of the
12 major comment, with respect to the action plan is,
13 this needs to be a priority issue, which it is. With
14 respect to the details, we're putting that into those
15 meetings and plans.

16 And I'm seeing nodding from you that
17 that's where your intent was with that comment?

18 MR. REMER: Yes, that's right. Just on
19 the common cause, I would rather look at, if EPRI has
20 a fantastic idea that will work, let's figure out how
21 to get what you need to do your stuff, okay? Because
22 if that's the only problem we got, we can solve that
23 problem.

24 MS. ALVARADO: Oh, yes.

25 MR. REMER: Okay?

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1 MS. ALVARADO: We haven't got to that
2 yet.

3 MR. REMER: If it's the way to go, we can
4 figure out something. We'll write a letter, I'll
5 write a letter. You know, we'll do something. But
6 if it's the right way, then we'll figure out how the
7 rest works.

8 MS. ALVARADO: Okay.

9 MR. SCAROLA: So let me make a comment
10 about sense of measures. Because this is certainly
11 not an EPRI proprietary concept.

12 Seismic qualification is a defensive
13 measure against an earthquake causing the CCF. EMI
14 qualification is a defensive measure.

15 But a defensive measure is simply a
16 title. There is nothing proprietary about that.
17 It's a label.

18 So yes, certainly we can use the EPRI
19 document as a starting point, for this discussion.
20 But the EPRI document is not the only source of
21 defensive measures. There are certainly other
22 defensive measures and we ought to be talking about
23 those and finding out how to reach agreement on them.

24 So I guess I have a different perspective
25 on this because as a designer of I&C systems, I've

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1 been applying defensive measures to prevent CCF from
2 all different kinds of sources, for my entire career.
3 This is not new and unique to EPRI.

4 MR. LUBINSKI: Ken, I appreciate the
5 comment. And as we said, we want these comments to
6 come during the CCF meetings. The next one is the
7 26th of April.

8 And if you're able to participate in
9 person, great, if not, by telephone would be great
10 also so that we can address these issues as we move
11 that issue forward.

12 Angela, someone else on the line?

13 OPERATOR: Yes,

14 MR. KEENE: John? One second, Angela.

15 MR. LUBINSKI: Oh, I'm sorry.

16 MR. KEENE: Just for clarification for
17 the person that are listening on the, for people that
18 are online or on the phone call.

19 The NEI comments that were delivered on
20 February 23rd are in ADAMS. And the ADAMS accession
21 number for the package is ML16067A356. And that will
22 give you the two comments, which is the NEI letter,
23 and then also the comments that came out as an
24 attachment. And that's for additional information
25 so they can go forward with it.

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1 MR. LUBINSKI: Thank you, Todd,
2 appreciate it. Okay, Angela, the next person on the
3 line.

4 OPERATOR: Question comes from Marvin
5 Lewis.

6 MR. LUBINSKI: Yes, Mr. Lewis?

7 OPERATOR: Press *6 on the user line.

8 MR. LEWIS: I'm on the line. I'm Marvin
9 Lewis, sorry about that. One of my problems with the
10 foundational issues is that they have to be reported.

11 I want to just give you an example.
12 Hopefully I don't have to mention which reactor I'm
13 talking about. Or reactors.

14 Mainly leaks through the ceiling and the
15 control room. This is not reported. Sometimes it's
16 just mopped up and it's not reported.

17 I think that water on a electronic
18 console can cause CCF. Maybe I'm wrong, hopefully.
19 Maybe the consoles are totally waterproof, forever.

20 But this is sometime that often is not
21 reported. These small things are not reported. And
22 these small things are, may or may not, cause CCF.

23 And I just bring this up as an example of
24 the known unknowns. Whether they're known unknowns,
25 I'm not sure.

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1 And this is an example of a way these
2 issues can get around any consideration of CCF.
3 Thank you.

4 MR. LUBINSKI: Okay, I'm going to respond
5 first and I think Mr. Connelly wanted to comment as
6 well is, when we talk about issues that you just
7 brought up, water leaking onto electronic components,
8 that's a concern, whether you're talking about
9 digital systems or analogue systems, and does need to
10 be addressed. And is a real day issue that we believe
11 we are addressing.

12 From the scope, we don't see a difference
13 in that, in the digital I&C aspects. If there is
14 something that were different and unique, we would
15 address that as part of the digital I&C actions.

16 Mr. Connelly, you wanted to comment?

17 MR. CONNELLY: Yes, I was going to say
18 exactly the same thing. And to add to that, if you
19 look at the EPRI research, what you're describing is
20 environment disturbances.

21 Whether they be fire, flood, seismic.
22 You know, could be any number of contributors. But
23 those are environmental contributors to common cause
24 failure and they are specifically addressed as part
25 of this exercise.

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1 MR. LUBINSKI: Thank you. And with
2 respect to that, did EPRI identify anything unique
3 with respect to digital versus analogue with respect
4 to those kind of issues?

5 MR. CONNELLY: No. The same sorts of
6 events can happen whether you're in the analogue
7 domain or the digital domain. To varying degrees.

8 So for example, EMI/RFI. Analogue
9 components can be affected by EMI/RFI. Digital
10 components can be, but to varying degrees and
11 depending on the application.

12 MR. LUBINSKI: Great, thank you.
13 Appreciate that. Angela, do we have anyone else on
14 the line with a question or comment?

15 OPERATOR: There are no further
16 questions at this time.

17 MR. LUBINSKI: Okay, I'm looking around
18 the room, don't see anyone walking to a microphone.
19 And we actually are pretty close to being on schedule.

20 So I'm going to turn back to Todd.
21 What's next on the agenda?

22 MR. KEENE: Next is just a recap and a
23 discussion of action items.

24 MR. ARNDT: Before we do our final recap,
25 in the room we've put up the questions again. We've

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1 pretty much digressed into this after the questions
2 for the Industry. But if anyone has comments on the
3 broader issues associated with scope, priorities,
4 missing items, the longer-term big picture strategy,
5 this is your time to talk. Hearing none.

6 MR. LUBINSKI: John, you wanted to
7 comment?

8 MR. CONNELLY: Yes, just to reiterate.
9 We want to take the time and do the due diligence to
10 go through the digital action plan in more detail.
11 It does take a little time to digest it. Maybe we
12 want to give this the full consideration that it
13 deserves.

14 MR. LUBINSKI: Great. Yes, that's a
15 lead into my next question, before we go to kind of
16 a recap maybe is, docking those issues last Friday,
17 Federal Register Notice went out today, we're having
18 out meeting today.

19 I appreciate everyone participating. I
20 personally got value out of the meeting today.
21 Hopefully members of the Industry and the public did
22 as well.

23 We do have, we've requested comments to
24 be in by April 24th. We would like to get comments
25 earlier, if people have those comments. Especially

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1 if you believe they're significant comments or
2 questions that need clarification.

3 And then the question I have is, should
4 we be arranging for another public meeting or webinar
5 and if so, the timing of that. The 24th is not that
6 far away.

7 So I see a nodding of heads. Yes, that
8 that's an idea. Any recommendation on a timeframe?

9 MR. REMER: You're saying before the
10 public comment period closes --

11 MR. LUBINSKI: Yes.

12 MR. REMER: -- another meeting? I'm not
13 sure.

14 MR. LUBINSKI: Because let me go from a
15 timing standpoint, if we were to look at this. We
16 plan to provide something to the Commission on the
17 25th of May.

18 MR. REMER: Right.

19 MR. LUBINSKI: Which means that the
20 action plan itself, we haven't put a hard date on
21 this, but we're probably looking close to the end of
22 April, beginning of May, that we'll have finalized
23 that action plan.

24 So we don't have a lot of time between
25 the 24th and the beginning of May to make those kind

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1 of changes along the way. So that's why we're hoping
2 to get comments early in going forward with this.

3 And we thought another meeting, whether
4 or not it's a meeting on the action plan itself or a
5 meeting on any specific items, if we felt that we
6 were getting comments back that, you know, comments
7 on the first five items may not be significant and
8 there's no need to rehash those but, and I'm only
9 pulling for example out is, if we said we want to
10 have a meeting focused on two issues, such as embedded
11 digital devices and ISG-06. Just if that were the
12 case.

13 Not saying we would necessary those two
14 issues, but if people wanted to pull those issues and
15 said, should we be looking at these activities.

16 MR. CONNELLY: To your point, I mean
17 there's a lot of moving parts. And let's just be
18 blunt, there's a lot of moving parts to this and
19 there's a lot of things that are dependent on each
20 other. So frequent communications and frequent
21 interaction I think is going to be beneficial parties
22 concerned.

23 MR. REMER: Yes.

24 MR. CONNELLY: I'm not sure where we can
25 dovetail this in, but I do think just having a

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1 continuous dialogue is going to help us all.

2 MR. REMER: Maybe. Yes, I mean if we
3 can do it right after the comment period closed, or
4 something like that, to give us a chance to get all
5 our stuff together and then talk about it. Maybe
6 that following week. Even at a telecom.

7 MR. LUBINSKI: Okay. Let's --

8 MR. REMER: This will be helpful.

9 MR. LUBINSKI: Yes, Todd talked about it.
10 Let's take an action from the meeting here that NRC
11 is going to investigate the timing for --

12 MR. REMER: Yes.

13 MR. LUBINSKI: -- and scope of another
14 meeting. Whether it's before or after the comment
15 period and definitely no later than the end of April.

16 MR. REMER: Yes.

17 MR. LUBINSKI: And what I encourage, I
18 brought up at the beginning of the meeting, is if you
19 have comments, please get them early, if you have
20 questions, please call the points of contact. For
21 the five items, people spoke today.

22 We've got the leads right there and
23 you've got their phone numbers or emails. You can
24 ask questions, provide comments to them.

25 You've got my name, email, phone number,

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1 you can call me and I'll get you in contact with the
2 right person for any ideas on how to move this
3 forward. Okay?

4 Okay, Todd, what's next? You do action
5 items first or --

6 MR. KEENE: Actually I was going to cover
7 the reactor side, but there's nothing else. We had
8 a few of them.

9 I'm going to leave the NEI ones. I'll
10 assume that you guys wrote down your own action items
11 so I'm not going to task any item with any of these.

12 I'm going to go over the ones that I got
13 out of our comments and --

14 MR. LUBINSKI: Now you are tasking them
15 with one they already have is, there's a document due
16 on April 1st.

17 MR. KEENE: But that was preexisting.

18 MR. LUBINSKI: Yes.

19 MR. KEENE: And this may not be an all-
20 inclusive list, I'll also trust Jenny, she probably
21 has better notes than I do, she always does.

22 All right, first one is 50.59. There was
23 a review to ensure that we would take the comment
24 under consideration to review for the, that it's not
25 nuclear power plant specific and we need to ensure

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1 that we have RTRs included in the, potentially in the
2 title and in ensuring our thoughts. And our
3 inclusion of the processes.

4 For 603, consideration of other
5 standards. There's an example, is the ISA-84, the
6 standard one that was brought up. And I think that's
7 also included in what NEI discussed in their
8 presentation.

9 There's a follow-on for the embedded
10 digital device RIS. The meeting is happening next
11 week, for the comment resolution. The meeting is
12 going to be discussing the comment resolution
13 document and we'll investigate and review how we can
14 release the RIS and the comment resolution in
15 conjunction, in support of that meeting.

16 Also, based on what Mr. Marvin brought
17 up, Mr. Lewis had brought up, use the inclusion of
18 the ISO standards to get back into the international
19 standards.

20 NEI specifically requests that an
21 integrated schedule of the planned events, and as
22 part of division in what we were doing with the SECY
23 paper and what the action plan is, that is an integral
24 part of it. Just trying to get the visual, get the
25 document to have the final product provide, we can

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1 give an integrated timeline, but trying to get the
2 document, or what will be included in the document,
3 will be an integrated schedule. Obviously sooner
4 rather than later we'll probably assess with your
5 comments.

6 And investigation and timing of the scope
7 of the second meeting not to be no later than the end
8 of April. Anything that I missed?

9 Just one that I want to add as far as a
10 comment that I think we'll take as an action too is,
11 with respect to looking at some of the specific items,
12 conditions with respect to 603 and 7-4.3.2, looking
13 at those and making sure, as we address them, we're
14 considering their performance based and technical
15 neutral nature of those. I don't want to give a
16 misperception in anyway.

17 MR. KEENE: Okay, that's all I have for
18 as far as that. Other than close out of the meeting,
19 I have no other action items.

20 MR. LUBINSKI: So closeout of the
21 meeting, we had a Category 3 meeting today. We
22 didn't make room right now for any additional public
23 comments because everyone was participating as
24 members of the public essentially, so appreciate
25 that.

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1 I want to say, first I want to thank the
2 NRC staff who put together the document and got it
3 out for public comment. A lot of great work done in
4 a short period in time so my big thanks and kudos.

5 Same kudos to the folks who are
6 participating today. Whether you're here in person
7 or on phone.

8 As been stated a number of times, the
9 document was just issued publically last Friday. So
10 we do understand that you haven't had a chance to go
11 through the document many times, but we do appreciate
12 the time you took to go through it and appreciate the
13 comments that you provided today and look forward to
14 more comments.

15 From my standpoint, I believe that it was
16 beneficial to have this meeting today. It allowed
17 us to communication more what our thinking was with
18 respect to the plan so that people who were commenting
19 and have an interest have a better understand of what
20 we were trying to achieve and can focus your comments
21 more on, you should clarify this versus we disagree
22 and you should do something different. And we've
23 heard some of those today.

24 And finally, we talked about this being
25 a living document as we move forward and being updated

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1 every six months. Well, it's going to be a living
2 document over the next six weeks.

3 The NRC is not just sitting back and not
4 changing the document, our folks are working on
5 modifying the document. I would say as we speak, but
6 we're in the room so not really as we speak, but we
7 will continue over the next six months, or six weeks,
8 to modify that document to put it together and
9 incorporate these comments and improve the quality
10 and clarity as we move forward.

11 And a final thanks to everyone who made
12 presentations today. NRC staff and NEI, we
13 appreciate you formulating your comments in a
14 presentation. These will be made part of the meeting
15 summary, what you provided today. And we do
16 appreciate the clarification on all these comments
17 that we had that were more clarified as the meeting
18 went on.

19 So with that, thank you -- Todd, before
20 I say adjourned you were going to say something?

21 MR. KEENE: Yes, I just want to reiterate
22 and reemphasize the fact that although the meeting is
23 being transcribed, written comments are acceptable
24 and it makes it much easier for us to take them into
25 consideration.

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1 And as noted in the Federal Register
2 Notice and on the meeting notice, due to the short
3 timeline and the short turnaround requirements of
4 this project, there will not be any written response,
5 a dedicated written response, to any comments that
6 are provided.

7 And that's just because this, keeping in
8 mind this is an action plan. This isn't a regulatory
9 requirement, this is what our staff's intentions in
10 our integrated action plan is to resolve this.

11 MR. LUBINSKI: Okay, thanks, Todd. And
12 we look like we're about 12 minutes early in our
13 meeting and I don't think anyone's complaining about
14 that. So with that, our meeting is adjourned.
15 Thanks.

16 MR. KEENE: Thanks.

17 (Whereupon, the above-entitled matter
18 went off the record at 11:48 a.m.)

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