



NOTES: NRC MEETING WITH NEI REGULATORY ISSUES TASK FORCE

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On July 21, the RITF met with members of the NRC staff to discuss regulatory topics of mutual interest.

NRC Attendees: Michelle Evans (NRR), Anne Boland (NRR/DORL), Tim McGinty (NRR/DSS), Chris Miller (NRR/DIRS), George Wilson (NRR/DORL), Trent Wertz (NRR) and several Branch Chiefs and Project Managers from NRR/DORL, NRR/DPR, and JLD.

RITF attendees: Bruce Montgomery (NEI), Jim Barstow (Exelon), Marty Murphy (Xcel), Beth Wetzel (TVA), Lance Sterling (STP), Craig Sly (Dominion), Tom Lentz (FENOC), Steve Meyer (STARS), Steve Catron (NextEra), and Justin Wheat (Southern Nuclear)

Licensing Topics:

2016 Licensing Training and Professional Forum

RITF expressed gratitude at NRC's level of participation in this year's forum, which is on par with or exceeds the level enjoyed last year. NRC requested a list of topics that the industry would like Bill Dean to address in his keynote speech.

Industry Response to NRC RIS 2015-16, "PLANNED LICENSING ACTION SUBMITTALS FOR ALL POWER REACTOR LICENSEES"

RITF asked NRC to reflect on the quality of the industry responses, and NRC's views going forward on how this information will be maintained current and used/useful in resource planning at NRC.

NRC stated that they appreciated the 100% response from the industry. Information on licensing submittal plans and schedules is being kept current via frequent verbal discussions between the NRC DORL PMs and the plant/corporate licensing staffs. NRC achieved a full quarter of data as of Q2 2016 and is beginning to analyze it. The data appears to be of sufficient quality and comprehensiveness for NRC to begin running reports on the projected workload within each technical branch. This will allow NRC to move resources around internally to support the work and to predict the need to obtain contract support.

For routine/straightforward licensing actions NRC requested at least a six-month heads up, and for very complex licensing actions NRC is seeking up to a three-year advance notice.

NRC stated that they receive information on planned licensing submittals when they attend NEI working group meetings (emergency planning, security, risk-informed steering committee) that appears to conflict with the information they received in response to RIS 2015-16. The RITF advised NRC to treat information from these other groups as "aspirational"/statements of general intent, and to only use the contemporary information provided by licensees through the NRC PMs as the actual licensee-approved plan for submittals.

NRC explained that the concept of Centers of Excellence (COE) has gained popularity. The COE concept will help concentrate agency expertise on a particular function (e.g., technical

July 21, 2016

specifications) within one office that will then be made available to benefit the entire agency. Other COEs either exist or are being considered or developed in the areas of external hazards, allegations, and quality assurance.

LIC-101, License Amendments/ LIC-109, Acceptance Reviews

NRC stated that the NRR "expectations memorandum" that had been discussed during past RITF meetings was now in place and in use with close oversight by the management team. The NRC stated that the licensing efficiencies resulting from the memorandum will be institutionalized by revising LIC-101 and -109. In the meantime the NRC stated that the expectations memorandum would be available to the RITF by publically releasing it during the week of July 25.

Some of the more notable changes will be that the one-year review "clock" will start once the licensing request has been accepted. Once accepted the licensee will receive an estimate of the review hours required. This will be used to flag the need for a future interaction with the licensee if it appears the review will exceed the estimate. NRC stated that the acceptance reviews will focus on the quality and completeness of the request and that NRC will not spend as much time trying to work with (coach the) licensee during this phase to establish sufficient information to complete the review. Consequently, the industry should expect an increase in the number of rejections at the acceptance review stage.

NRC stated they will further explain the changes implemented under the expectations memo at the 2016 Licensing Training and Professional Forum.

Process Topics

Status of the NEI Operability Determination Process Guidance

NEI provided an update on the development of the industry guidance document and stated that the first product, a definition of the entry conditions for the process, is expected to be available for discussion with NRC in September. The RITF stated that this was timely in view of the ongoing debate on the degraded baffle-former bolt issue and how to assess the safety of continued operation for plants not having completed an inspection.

Restoring a Safety Significance Perspective under 50.72, Prompt/Immediate Reporting

RITF explained that industry may be interested in a future activity to adjust the regulatory reporting framework to reduce prompt/immediate reports for issues that are demonstrably of very low safety significance. The NRC stated they would be open to that discussion.

NRC's Design Compliance Enforcement Discretion Process

NRC provided an update on this project and explained that the "transparency" concerns expressed by Commissioner Baran were being addressed and were not viewed as insurmountable. When

July 21, 2016

asked why NRC had not yet allowed NEI to engage NRR/DRA on the task of defining the risk threshold for entry into this long-term enforcement discretion process, NRC responded there was not yet internal alignment on the basic approach and was likely the cause of the reluctance to have discussions with NEI at this point. RITF informed NRC that the industry would stand by to assist. The process outline is complete and has been distributed internally for review and comment. The NRC stated that the level of internal interest in learning about this new process is very high and that considerable time is being spent attending various staff/group meetings across the NRC to provide an overview. NRC indicated the original plan to complete the process and make it available for use by the end of 2016 may be at risk.

Industry Comments on Draft NRC "Service Life" RIS

RITF provided an overview of the industry comments submitted to NRC by NEI letter on July 18. The four key areas of concern expressed in the letter are considered by the RITF to be significant enough that a public meeting should be held by NRC prior to issuance of any final RIS. The NRC responded that a public meeting had already been held in January and seemed reluctant to agree to another one. The RITF reflected on the fact that the FRN publishing the draft RIS had already indicated NRC's plan to hold another public meeting. NRC stated that they had not yet had a chance to review the NEI letter and would take the request for a meeting under consideration.

Industry Awareness and Plans to Address the Electrowatch Part 21 Report

NRC provided an overview of this Part 21. The RITF stated NEI was not aware of the report until NRC published the agenda for the meeting. A review of the Part 21 by the RITF concluded there was little information in the report that would allow licensees to assess the impact of the quality assurance program deficiencies noted. NRC agreed and stated that NRC's high-level review of equipment failure data did not reveal any trends in failures of the affected components across the industry. On the other hand, NRC also observed that components covered by the Part 21 were likely installed in fairly large numbers in many, if not most plants. NRC requested NEI to help characterize the safety significance of the Part 21. RITF agreed to ensure NEI was engaged through EPRI and/or NUPIC, and will follow-up with NRC in the near future.

Reaction to the April 29 AREVA Letter on Topical Report Reviews/Approvals

NRC discussed how priorities for reviewing topical reports were set and indicated that a response to the AREVA letter had just been signed out, dated July 6.

NRC is working on a revision to LIC-500 and is considering a public meeting to discuss it prior to issuance. NRC stated that monthly calls are held with the vendors (GE, Westinghouse, AREVA) to discuss topical reports and solicit feedback. NRC emphasized the need for the staff to understand how a topical report will be used by licensees and that priority would be given to reports that have been/will be referenced by licensees.

July 21, 2016

NRC said that many topical reports are reviewed by DSS and that the recent rebaselining activities have freed up some resources that can be applied to these reviews. NRC also said they will increase the use of audits to eliminate the need for some RAIs.

RITF will follow-up with AREVA and the Owners Groups on how the letter is being received, and will provide feedback to NRC.

Miscellaneous Topics

July 26 NRC Stakeholder Meeting

The RITF provided a very brief overview of the topics to be discussed by industry stakeholders at the meeting. Credit will be given to the NRC's efforts in the area of licensing effectiveness and efficiency.

Status of NRC Project AIM Task 19 Initiatives

This topic was largely covered earlier in the meeting, but NRC has additional actions under Task 19 that will result in additional improvements in the areas of "technical adequacy" and "decision-making." These initiatives are still developmental and will be discussed at a future RITF meeting.

Restructuring NRR

NRC discussed plans to restructure NRR to meet the future NRR budget. NRC explained there are four options under consideration that will be presented to Bill Dean by the end of July. Within the options are proposals that "lean forward" in anticipation of a future merger with NRO. Bill Dean is expected to make a decision on the selected option by the end of September.

Delivering the Nuclear Promise

RITF provided a brief status of the regulatory improvement opportunities (IO) being pursued. One IO on oversight may lead to submittals from some licensees to revise the quality assurance program pursuant to 50.54(a)(3) to eliminate the requirement for the offsite review committee. RITF stated these would be communicated in advance to NRC as part of the licensee submittal plans routinely discussed with the NRC PMs.

NRR Reviewer Stability/Continuity

RITF inquired how NRC deals with turnover of reviewers when a licensing action was in-progress. NRC stated that turnover and reassignments were inevitable, and that a reviewer assigned to a request that was in progress is expected to come up to speed as part of assuming responsibility for the review. RITF acknowledged this but asked what change management tools NRC used to ensure the continuity of the review was not unduly impacted by the reassignment. The NRC responded that there were no written process/expectations for this.

NRC Perspectives on Outcomes from RIS 2015-17, "Submittals of UFSARs..."

July 21, 2016

RITF asked for NRC's views on how industry responded to the NRC's request for licensees to voluntarily submit redacted versions of their UFSARs. NRC responded that the response was varied, with some plants submitting redacted versions and others not. NRC stated they were verifying the redacted versions met their expectations for removing information considered by NRC to be SUNSI, and were conducting complete reviews of the UFSARs that were not redacted by licensees. The RITF challenged the fee-billing decision by NRC considering that the new federal Controlled Unclassified Information (CUI) policy did not apply to licensees. NRC responded that the fee-billing policy was made under the current NRC SUNSI policy that applies to licensees.

Next Meeting

The next RITF meeting with NRC will be October 20, 2016.