MEETING SUMMARY

Public Meeting September 26, 2016
Regulatory Guide 1.206 Revision Project

On September 26 2016, the Nuclear Regulatory Commission (NRC) staff conducted a Category 3 public meeting at NRC headquarters in Rockville, MD, regarding the staff's proposed revision to Regulatory Guide (RG) 1.206, "Applications for Nuclear Power Plants," which provides the format and content guidance for Title 10 of the *Code of Federal Regulations* (10 CFR) Part 52, "Licenses, Certifications, and Approvals for Nuclear Power Plants," applications. The purpose of this meeting was to provide a venue for stakeholders to provide input to the NRC staff in the development of guidance on select topics to be included in the revised RG 1.206.

The public announcement at http://meetings.nrc.gov/pmns/mtg?do=details&Code=20161262 includes links to the agenda, staff presentations, draft guidance documents and a presentation made by the Nuclear Energy Institute (NEI). All meeting materials are publicly available through the NRC's Agencywide Documents Access and Management System (ADAMS). An official transcript of the meeting, which includes identification of the participants, is attached and is an integral part of this meeting summary.

BACKGROUND

The RG 1.206 was issued in 2007 as applicant guidance in anticipation of the submittal of new combined license (COL) applications under 10 CFR Part 52. The "New Reactor Licensing Process Lessons Learned Review: 10 CFR Part 52" (ADAMS Accession No. ML13059A239) identified the need to revise RG 1.206. The NRC staff initiated the revision in 2014 with the overall intent to institutionalize lessons learned from prior and ongoing 10 CFR Part 52 application reviews and to provide updated guidance to future applicants.

In September 2016, the NRC staff held a public meeting to present the proposed RG 1.206 revision initiative and to solicit stakeholder feedback. The September 26, 2016 meeting was the last in a series of public meetings conducted by the NRC staff to engage stakeholders and acquire feedback in the revision of RG 1.206 before issuing a draft regulatory guide for public comment.

MEETING HIGHLIGHTS

The NRC staff presented an overview of the RG 1.206 revision initiative and an update of the draft guidance being developed for Sections C.1 and C.2. The NRC staff explained the venue for the meeting as a facilitated interactive discussion among the meeting participants and the staff for development of draft guidance for select Section C.2 topics. As identified in the agenda, the draft application regulatory topics covered were as follow: (1) C.2.3 "Application Electronic Submittal, " C.2.7 "Design-Centered Review Approach," C.2.9, "Inspections, Tests, Analyses and Acceptance Criteria (ITAAC)" and C.2.16 "Finalizing Licensing Basis Information."

The Section C.2 topics were presented by the staff and each topic engendered discussion among the NRC staff and meeting participants. In addition, NEI shared a presentation of comments on draft application regulatory topic, C.2.14 "Information Change Processes for COL Applicants," that had been discussed at an earlier public meeting. The official transcript documents the details of the discussions which included ancillary topics including NEI's proposed "Integrated

FSAR" presented at the June 2, 2015 public meeting on revision of RG 1.206 (see ADAMS Accession No. ML15152A297), a COL applicant's level of responsibility to notify NRC of safety significant errors in a design certification (DC) that they will incorporate by reference, as well as standardized ITAAC and NEI draft guidance NEI 15-02, "Industry Guideline for the Development of Tier 1 and ITAAC under 10 CFR Part 52," (ADAMS Accession No. ML15147A672).

ACTIONS

The NRC staff will continue the initiative to revise RG 1.206 and will prepare guidance for the presented Section C.2 application regulatory topics consistent with the discussion documented in the transcript.

Official Transcript of Proceedings

NUCLEAR REGULATORY COMMISSION

Title: Category 3 Public Meeting Regarding Regulatory Guide 1.206 (Revision)

Docket Number: (n/a)

Location: Rockville, Maryland

Date: Monday, September 26, 2016

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UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION
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OFFICE OF NEW REACTORS
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CATEGORY 3 PUBLIC MEETING REGARDING REGULATORY GUIDE 1.206 (REVISION)
+ + + + +
MONDAY
SEPTEMBER 26, 2016
+ + + + +
ROCKVILLE, MARYLAND
+ + + + +

The Public Meeting met at the Nuclear Regulatory Commission, One White Flint North, Room O-9B4, 11555 Rockville Pike, at 2:00 p.m., Barbara Hayes, Project Manager, presiding.

NRC PRESENT:
BARBARA HAYES, Project Manager, NRO
BRUCE BAVOL, NRO
LAWRENCE BURKHART, NRO
DON HABIB, NRO*
CAYETANO SANTOS, NRO
CHRISTOPHER WELCH, NRO

PUBLIC PARTICIPANTS:
KATI AUSTGEN, NEI
JANA BERGMAN, Curtiss-Wright
PATRICIA CAMPBELL, GE Hitachi
JOHN CONLY, Certrec Corporation*
STEVE FRANTZ, Morgan Lewis*
ZACH HARPER, Westinghouse*
THOMAS HICKS, SNC
COREY HOSACK, Westinghouse*
HOWARD MAHAN, SNC
ROBERT SISK, Westinghouse
RUTH THOMAS, Environmentalists, Inc.*

*Present via telephone

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P R O C E E D I N G S

(2:00 p.m.)

MS. HAYES: I think it is two o'clock now and we can start this meeting.

This is Barbara Hayes at the U.S. Nuclear Regulatory Commission and we are having a Category 3 Public Meeting about the revision of Reg Guide 1.206. And I'm going to, for the benefit of the folks who are in the room, get the slides started here.

The slide presentation, for anybody who is on the telephone can be found -- well, the best way to go is to go to the public meeting website. This particular presentation is listed there.

It is a Category 3 Public Meeting and so the purpose is to get widespread input on the discussions that are being talked about on the agenda. So, we do welcome discussion from everyone.

And just for those folks who came up with an escort as visitors, you need to be escorted out at the end of the day. So, just let us know if you need to use the restrooms, or leave early for coffee, or whatever it is, and we will make some arrangements.

The ladies' and gents' rooms are at the other end of the hallway, across the lobby.

So, this is meeting number 20161262. If you go to the public meeting website, you will see all of the draft documents that are available, the agenda, and this presentation that we will be working off of today.

The purpose of this meeting is to get input for NRC staff in the development of guidance on selected regulatory topics that are going to be included in the revised Regulatory Guide 1.206.

I'm going to start the meeting by just going around the room so that we know who is here and who is on the phone.

So, I am Barbara Hayes with NRO. I will ask our staff membership from NRC to go first.

MR. BAVOL: Bruce Bavol, NRO, Licensing Branch 4.

MR. BURKHART: Larry Burkhart, NRO.

MR. SANTOS: Cayetano Santos, NRO, Licensing Branch 4.

MS. HAYES: And is there anyone on the phone from NRC?

MR. WELCH: Yes, this is Chris Welch, NRO, ITAAC Group.

MS. HAYES: Okay, thank you, Chris.

And now we are going around the room for people who are not from NRC. Do you want to start, Jana?

MR. HABIB: Also, Don Habib on the phone from NRO.

MS. HAYES: Thank you, Don. Don Habib.

MS. BERGMAN: Jana Bergman, Curtis-Wright.

MS. CAMPBELL: Patricia Campbell, GE-Hitachi.

MR. SISK: Rob Sisk, Westinghouse.

MR. HICKS: Tom Hicks, Excel Services, supporting Southern Company Licensing.

MS. AUSTGEN: Kati Austgen, Nuclear Energy Institute.

MR. MAHAN: Howard Mahan, Southern Nuclear.

MS. HAYES: So, those are people who are in the room and all of the NRC staff. I think there are some people on the phone line who are not NRC staff. Could you introduce yourself, please? And please spell out your name if you could do so, please, if you have a difficult last name.

MR. FRANTZ: This is Steve Frantz from Morgan Lewis.

MR. HARPER: Zach Harper, Westinghouse.

MR. HOSACK: Corey Hosack, Westinghouse.

MR. CONLY: John Conly, Certrec Corporation.

MS. HAYES: If you could send an email to me after the meeting, that will make sure that we get your last names spelled correctly.

So, let's start with the agenda. The primary purpose of this meeting is to get input on the four remaining regulatory topics. Let's look at the agenda here.

We are going through the openings and introductions. I am going to give a very brief overview of Regulatory Guide 1.206 revision process, and then we will go into those four regulatory topics. And then NEI has requested that we have a discussion of the previous regulatory topic that was presented earlier back in October 2015 for a specific discussion.

Let me ask first, though, since I think there are some people who will not stay for the whole hour -- I am looking at Larry -- for the whole two hours, is there any reason to switch things around because there is a priority issue that you want to make sure you are here for?

I'm hoping that this meeting will be concluded in an hour and a half. I think we have given enough time for everything.

MR. BURKHART: The design-centered review approach, I think is of interest to me and the finalizing licensing-basis information for COLs.

I'm not sure what is proposed on the information change processes for COL applicants by NEI but if you could move the ITAAC to last, I'm sure Chris will like that.

MS. HAYES: Okay. Is that good with you, Chris, Chris Welch?

MR. WELCH: Yes, as long as we finish up on time.

MS. HAYES: Okay. Let's head into a brief introduction.

This is the sixth public meeting on the revision of Reg Guide 1.206. This slide basically has all of the previous meeting numbers and all of the previous documents associated can be found at the public meeting website.

NRC staff initiated the revision back in 2014, basically to reflect lessons learned, and started having a series of public meetings where we presented draft material that is going to be included in the guide.

Just as a big reminder, there was a major change in this guide. What you see on the left-hand side, (I am on slide number five right now), was the revision of the structure of the revised guidance back in June 2015. On the right-hand side is the revised structure from October 2015.

What you have on the left actually is very similar to what was in the original guide from 2007. It was massaged and restructured such that a substantial amount of information was in the appendices. What was in there was detailed FSAR information or guidance to applicants. And in October 2015, there was a decision to instead of trying to have highly duplicative guidance between Reg Guide 1.206, which is guidance to applicants, and the SRP, the Standard Review Plan, which is guidance to staff, that we would not include it in the revised Reg Guide 1.206 and we would, instead, have the detailed technical guidance inform and change the process related to guidance to the SRP. So, the SRP will be changed over time. We don't have a public description of what that is exactly going to look like but it is coming fairly soon. So, I just wanted to make sure that everybody is clear on that.

That leaves us with the current table of contents, which has got an introduction, a discussion, and basic regulatory guidance on format and content that is really focused on what sort of components are needed for what sort of application situations.

And then we have C.2, which is guidance that is application regulatory topics. These basically represent some materials that were presented before which have been revised, plus new materials that had not appeared in the original RG 1.206. Several of the ones that we are talking about today would basically fall into that latter description.

So, here is a list of all of the 18 regulatory topics. All of them have been discussed at public meetings and the four that we will be talking about today are the ones with the big red arrows: application electronic submittal; Then the design-centered review approach,

which in previous meetings we referred to as the “Reference COL (RCOL)and subsequent COL (SCOL) applications”. We changed the name because we thought it was more appropriate for a couple of reasons;Then, inspections, tests, analyses and acceptance criteria, which Chris Welch will be talking about towards the end of this meeting; Then, also, finalizing licensing basis information for COLs, also known as the freeze point concept.

So, if there are no questions or comments, I will start right into the first one, which should be very short.

Section C.2.3 of the revised guide is going to be related to electronic application submittals. The drafting material is available publicly on our public meeting website.

Just to briefly describe how it fits together, this basically keeps -- pretty much keeps the guidance from the original Reg Guide 1.206 and the key change has been relative to technical information regarding the electronic portion of the submission, which now directs the applicant to look at our website and provides a link to the information, in terms of electronic formatting issues. That is because even if we updated it now, it probably would not be current five years from now or perhaps even one year from now. So, that is a live link. This is the best way to keep that information current.

The information that is basically preserved from the original Reg Guide is a very nice table taken from the old Reg Guide that gives guidance regarding the type of submission, the addressee, copies, and forms of media, and all the relevant regulations. So, we reviewed this. There are no changes in this from the previous Reg Guide.

It also preserves key guidance related to the referencing of a design certification or an early site permit. And it also preserves guidance that was in the original Reg Guide 1.206 on revised and additional information.

That's pretty much it in a nutshell. It is a very short topic. It is about three pages.

So, any questions, comments?

MS. AUSTGEN: Yes, we have got a couple of comments. First, I would like to applaud the idea to reference the website. It is very beneficial.

Let's see. I guess I will start with a comment on whether it might be a good idea to add a paragraph maybe within the referencing and design certification rule or early site permit that acknowledges the possibility for future applicants to be referencing the renewed design certification or design certification rule that is actively undergoing renewal review. And of course, there is a couple different flavors of that if you are just referencing an application that is undergoing a renewal review to be treated similar to a first of its kind design certification application undergoing its review.

And then if you were a COLA referencing the original design certification and while you are under review, a renewal application comes in, that does not impact you, we would expect, unless you were at a point in time where you voluntarily chose to switch over to the created application.

So, I just thought maybe a paragraph to --

MS. HAYES: So, you would like that to be more explicit.

MS. AUSTGEN: Yes, I think a paragraph wouldn't hurt.

MS. HAYES: Tom.

MR. HICKS: The other comment had to do with hyperlinks. There was a reference in here to if a COL applicant references a DCD about the suggestion to have hyperlinks in each section, where you would reference back to the DCD.

I guess functionally we just had a question about that because I don't believe that if you put hyperlinks in and then you put that file on ADAMS that those hyperlinks will work anymore. I think we have had some issues with that in the past.

If you put everything on a disk, on a DVD, and give it to the staff, then the hyperlinks would work. But for the purposes of electronic submittal, I just think you may have the

electronic data guys go back and look at that comment about providing the hyperlinks for each section, DCD section that is referenced. I just question whether that would really work functionally.

MS. HAYES: Okay, thank you. We will check that.

Anymore comments or discussion points? Thank you very much for those comments.

So, anyone on the phone?

MS. THOMAS: Well, when you asked for people on the phone, you didn't ask if there was anybody from the public.

MS. HAYES: We are talking to the public.

MS. THOMAS: My name is Ruth Thomas and I am with a public interest organization Environmentalists Incorporated.

MS. HAYES: Yes, of course that means everyone from the public.

So, if we have no comments on the electronic submission, let's move on to the design-centered review approach.

There is an ML number that is associated with the document that was released, the draft document for this regulatory topic. This is a new topic that was not addressed in Reg Guide 1.206 and the key document that is of importance here is the regulatory information summary 2006-06, “New Reactor Standardization Needed to Support the Design-Centered Licensing Review Approach”.

I noted earlier that in previous meetings we referred to this as the reference COL and subsequent COL applications title. We revised that primarily because it is a bit of a misnomer because we are not really referencing a previous COL. We are really referencing standard content that is in previous applications, in the RCOL and sometimes in SCOLs, as we have seen in recent applications. So, we have renamed it for this reason.

This regulatory topic provides some high level guidance relevant to NEI's presentation on the “Integrated FSAR” from the June 2015 meeting. And it describes relevant industry and staff practices today, as they have evolved over time, but always in the context of the actual regulatory requirements. The written draft, provides examples of current practices that are useful for people who are outside of the process. These are not going to be discussed in this presentation but that is one of things that is useful within the actual document.

Standardization enhances safety reviews and facilitates public engagement. The DCRA is applicable to COLAs that are referencing a DC, a design certification. The basic concept of the design-centered review approach is you look at one issue, staff reviews it one time, staff establishes one position on it, and then we don't have to review it again later on, if it is, indeed, standard content and is going to be applicable to later applications.

So, RIS 2006-06 basically was a staff response to a time when we had an unprecedented increase in expected applications. So, it has history behind it from when the RIS was actually written. The RIS basically, at that time, presented the concept of this designation of a reference COLA.

It requested first that for each design certification that a design working group be created by industry and that they select a reference COLA that would be a unique combined licensed application used to identify standard content. The standard content would be information that is going to be useful to later COLAs, subsequent COLAs.

RIS 2006-06 also asked for development of annotation that will basically clarify what information in an FSAR and application is going to be associated with a generic DCD, information associated with standard content that is going to be outside the generic DCD but related to COLs that are referencing that DCD and then also separating that from site-specific content.

This was NRC's response to a sharp rise in the demand for reviews by increasing standardization.

The RIS has been followed periodically with a request for information in terms of what applications are expected. Will they be associated with a design-center working group? Is there an R-COLA that is being identified? We have gotten responses periodically from the subsequent RISes as well.

The design-centered review approach was endorsed formally by the Commission's Staff Requirements Memorandum, SRM, SECY-06-0187. So, it has been endorsed, by the Commission.

For the design-centered review approach, the details of how referencing is going to be done has, indeed, evolved over time and much of this has been coming from industry. There has been a lot of interaction back and forth, in terms of what works effectively, what is transparent and easy to follow.

There was a presentation related to the concept of an “Integrated FSAR” that NEI made back in June at one of the public meetings related to RG 1.206 and it seemed like the focus of that was primarily on the inclusion of departures from COLs that are currently under construction.

The full concept is that the DC itself is really not a full design. You don't get to the full design until you are actually going through a COL application that is going to have detailed design for appurtenances, site-specific issues, piping that links to the reactor, and that there is, naturally, going to be some design features that aren't going to be shared by COLs that reference the same DC.

Within this application regulatory topic, we have Appendix A within the document that has some background information on the history of the DCRA and some of the evolution of the process.

I am going to focus on the guidance that is actually in this regulatory topic. Looking at the “Integrated FSAR” concept that NEI proposed, it appears highly aligned with the actual referencing practices that evolved with the DCRA over time. I am going to talk about that and it is actually written in the regulatory topic what some of these practices are.

There are no regulatory requirements that constrain COL applications from further refinement of this referencing practice. The objective should be to always have clarity related to the eventual licensing basis: clarity for NRC, clarity for the licensee or the applicant, and clarity for the public.

We also note that refinements to the current referencing practices are preferable to developing an entirely new approach, since they are familiar, effective, and adaptable. Overall, the “Integrated FSAR” is something that can be entertained but has to be entertained in the right context. And to me, it is a matter of how we describe it, whether we give it a title such as “Integrated FSAR” or if applicants simply developand use revised referencing approaches in COL applications.

I'm on slide number 14 now. Enhancements in referencing must be associated with an actual application for COL and the best place to really get these issues resolved is in the pre-application period. There should be follow-up if there are changes during the application review process but the pre-application period is really when an applicant can set up what referencing expectations are, get feedback, and revise if appropriate. That would include both the way that you are referencing and what you are going to be referencing within that application.

The COLA, the application for a combined license must meet all regulatory requirements and support the NRC safety, security, and environmental findings. One of the concerns that was discussed at that June meeting, was that you can't reference an “Integrated FSAR” as if it is a design certification. You need to be very clear on that and you need to always have the information that is required for environmental and safety and security findings in that COLA.

The plant-specific FSAR is always going to be needed because there will always be some site-specific issues that need to be addressed. The way that FSAR is built can

vary, as long as it is consistent with our requirements and has the plant-specific information that is needed for that particular site.

Referencing of previous NRC reviews needs to be clear and it is most efficient if the COLA demonstrates that it is applicable and that any differences don't impact the previous safety findings. In fact, this basically represents how a referenced finding from a previous application is going to be reviewed by staff. If it has been reviewed and is still applicable and it doesn't change the previous safety findings, then there is an opportunity for taking advantage of this. If you put that information up front within your application, it makes the review simpler.

I will break now, in case there is any discussion that we want before we go into the actual referencing. Anybody have any questions or comments or should we save this until the end?

Okay, I am going to describe some of the processes that are used currently. Probably the primary one is the left margin annotation of a combined license application's FSAR. This is the key referencing approach used in COLAs that reference both the AP1000 and the economic simplified boiling water reactor. Those are two DCs and there is a number of applications that have incorporated by reference those DCs.

It is probably familiar to most of the folks here in the room from industry and from the NRC. The first two bullet points on slide 15, STD represents standard information that is identical in each combined license application that is referencing the same DC. And the concept here is that this would go back to what was referred to and identified as the reference COLA. The second bullet point is the plant abbreviation for the current application. So, for example, WLS is used in the application for Lee and that basically is going to be an identifier that you have plant-specific information. So, traditionally right now, there are two options in terms of information sources or what plant you are looking at. One is an R-COLA and the other one is the proposed plant.

The last five bullet points here are DEP for departure, COL for COL information item identified in the DCD, VAR for variance from an ESP, SUP for supplements that supplement the information in the DCD and CDI for design information that addresses conceptual design information in the generic DCD. Those five elements are really related to the type of material, rather than the source or the plant that they identified. So, that summarizes the primary way of referencing that is currently in practice right now.

In terms of usefulness for an "integrated FSAR" or for upcoming applications, there is no regulatory requirement that that referencing system be used or that it not be modified. This left margin annotation is something that is adaptable for future applications. And again, during the licensing, the pre-application period is the best time to discuss. An applicant can use left margin annotation (which is often simply called LMA) And they can make some modifications if they are going to reference this plant here or this LAR that came out for post-licensing.

The primary importance is that it be clear, so that NRC, the applicant, and the public can clearly understand what the content of the application is.

For example, some changes that might be worth considering for an applicant would be adding annotation beyond just the standard RCOL and the current application by also saying I want to reference something that occurred in a different subsequent COL. That is a matter choice of as long as it is clear and understandable. If you want to modify the LMA so that it makes referencing more efficient, that should be discussed during the pre-application period.

The NEI presentation on the "Integrated FSAR" was fairly general. It seemed like a very important issue was post-licensing submissions from licensees and the associated NRC staff reviews. That includes departures and LARs, if appropriate. A lot of that is because there are constructability issues that are found in the first COLAs after they are under construction. RIS 2006-06 really was focusing on referencing a COL application, rather than an actual COL that has been issued.

Again, forthe left margin annotation, there is no requirement to use it. There is no restriction from changing it, as long as it is clear for the public, NRC, and staff.

Then, there are the "me-too" letters. The me-too letters, is a term that is in our lexicon based on earlier public meetings. The more formal name for it is an endorsement letter and it is related to RAI responses to requests for additional information that are associated with the original reference COLA. These endorsement letters are from subsequent COLAapplicants that want to indicate that a response to an RAI that was issued by NRC on a referenced COL is applicable. An endorsement letter is going to include an evaluation of that RAI response which will include a table listing which identifies the previous RAI and the RAI responses, A copy of the R-COL determination for the RAI, information on whether the RAI was standard or site-specific (is also something that is requested associated with RIS 2006-06),and then a determination as to whether the RAI is designated as standard and is endorsed by the subsequent COL applicant.

So, this is a picture of something that is standard practice now. These me-too endorsement letters have been helpful for staff to quickly identify the RAIs that are being referenced and the RAI responses that are being referenced.

The practice has already shifted a little bit because it is not just the R-COLA that is referenced as seen in the Lee application, in which there is references to Levy responses. I don't think there was any formal announcement by the working group that the Levy was the new R-COL so that formality, I think, isn't always kept up with. The essence is there in terms of using these same processes. The endorsement letters are not required but they are helpful to staff in identifying and making those connections.

I'm on slide 18 regarding COL applications that reference departures and exemption reports. While an applicant's application is still under review, Part 7 is the part of the application that includes exemptions and departures, as well as variances associated with ESPs. This information is available to the public. The referencing system that is in Part 7 of the most recent COLAs all use notations that is very similar to the LMA. And again, it is adaptable, familiar, and makes for something that is going to work fairly well going forward.

If you are looking at something that is post-license, however, Part 7 of the COLA remains unchanged once that license issued. However, during the period from when you are in construction up until the 10 CFR Part 52.103(g) finding, the COL licensee must submit a semi-annual report that provides a brief description of plant-specific departures from the DCD, as well as a summary of the evaluation for each of these.

So, even once a COL has been issued, the departure information is available and the NRC reviews of these are also available through the correspondence related to the material.

Again, NRC staff encourages the discussions occur during the pre-application period, regarding referencing the COLA or anything that is post-COL issuance.

There is also a brief section about COLAs that reference post-licensing information. This information could be of value to COL applicants because of -- we will be talking a little later about the concept of the freeze point but COL applicants will sometimes be deferring certain changes until after the license has been issued. That means that there might be a number of changes that occur after the license is issued that are useful and of interest to future COL applicants. There are the constructability issues that are also encountered between licensing and the 52.103(g) finding. There are also potential startup issues directly after the 52.103(g) finding that might also be of interest.

In terms of guidance, there is no regulatory requirements that would restrict a COL applicant from referencing these post-licensing amendments. And that includes departures and changes or licensing amendment requests. That information is generally publicly available and there are no constraints that would limit an applicant from referencing them.

Whether it is efficient or useful, is really up to the applicant to decide but it would be, again, something that should be discussed during the pre-application period. If it occurs later during the COLA review process, then having continuing discussions regarding referencing a

licensee's LAR, is very valuable.

And then after that, Appendix A has some interesting historyand this document is peppered with a number of examples.

There is often no concise description of what some of these processes are. Looking through the examples is, perhaps, difficult if you are not already familiar with the process but it should be beneficial to anyone who wants to become more familiar with it.

So, that is the presentation. Do we have discussion points on it?

MR. HICKS: This is on the actual document that was posted. Page 4, it is talking about the content of Part 7. And it says for each departure, detailed information is provided in Part 7 on the departure supporting whether NRC approval and exemption is required.

We will note that under the certification rules, under Section 10, it states that only a brief description of the departure and a summary of the evaluation of the departure is required.

MS. HAYES: Okay, so rather than detailed information, you think summary is more appropriate?

MR. HICKS: Yes. Well, to follow the regulation -- to follow the rule.

And then the detailed information is always available through audit.

MS. HAYES: Okay.

MR. HICKS: But we don't provide that in Part 7.

MS. HAYES: Thank you.

MS. AUSTGEN: That would seem to better align with Section C.1.7, which was discussed in previous meetings but that actually gives the guidance for Part 7.

MR. HICKS: Right. I think we made some comments on that section, too.

MS. AUSTGEN: It echoes brief description language.

MR. HICKS: Yes, typically what we consider brief would be if you looked at the semiannual reports that are made by the two COL licensees now, that report has to meet the same criteria in the rule. The statement applies to both COL applicants. So, that is and will be typically assumed to be a summary description, a summary of the evaluation, what was in those reports.

So, that is what we expect to provide in Part 7 as far as departures.

MS. HAYES: Thank you, Tom. Any comments?

MR. BURKHART: That's consistent with what all the COL applicants have done already, right?

MR. HICKS: Well, unfortunately, I think the current COL applicants, Part 7s are written a little differently because when we started writing Part 7 ten years ago, we didn't -- it wasn't done in the light of doing these semiannual reports. We took a different approach.

And then this Reg Guide 1.206 guidance that talked about Part 7, I think the draft that you guys put out did sort of copy what previous COL applicants had done in Part 7 and we had made the comment that really that that was not required by the rule and we refer to these same statements.

So, our comment here is similar to the comment we made on the other.

MR. BURKHART: To make it consistent with what the regulations require.

MR. HICKS: Make the certification rule, right.

MS. HAYES: Thank you very much, Tom. Anything else?

MR. HICKS: IN the endorsement letter discussion, just a minor thing. One of the bullets you had was that the evaluation provide a copy of the R-COL determination that the RAI was the standard RAI. Was that the second bullet on your slide? Isn't it right up on page 4? It is on page 4 also in the document.

But basically what I wanted to say was that not all of the design centers did it that way.

MS. HAYES: So, we are talking about endorsement letters. There is a table

listing R-COL RAIs including RAI ID numbers --

MR. HICKS: Right.

MS. HAYES: -- a copy of the determination for the R-COL.

MR. HICKS: Yes, that bullet there, that second bullet wasn't done by every design center. In other words, when an R-COL submitted a response, not every design center had a statement in there that said this is a standard response.

MS. HAYES: Okay.

MR. HICKS: I think AP1000 did it but I think in the history of the RAI, we didn't do it. And there is a lot of discussion about why we should or shouldn't do it. But the bottom line is I don't think that is really needed anyway for this purpose. So, it is just a comment.

So, if you want to include that, you can say that the evaluation may include items such as these three things but it may not always include those things.

MS. HAYES: Okay.

MR. HICKS: I mean the evaluation will certainly say whether or not the S-COLA endorses it or not. Whether or not it is called standard or not really doesn't matter.

MS. HAYES: Okay. So, typically is too strong. The word may is more appropriate.

MR. HICKS: Yes. Yes, I think so.

MS. HAYES: Thank you. Anything else?

MR. HICKS: No, I don't have anything.

MR. BURKHART: So, this is Larry Burkhart. I mean I was at the last meeting you had on the “Integrated FSAR”, your proposed one.

I think as Barb said, that following the design-centered, if your approach is consistent with what we have done in the past, then you just see what you propose as an “Integrated FSAR” to be consistent with a design-centered review approach. It is just if you are going to reference, for example, another AP1000 comes in, if they are still referencing the current certified design and they want to incorporate some of the amendments that have been approved, the key is to somehow annotate and find a specific DCD and FSAR that is based on and already approved a license amendment. They are very clear about that.

There has to be some level of detail around discussion there has to be as far as if it is still applicable and everything still applies. It is something we need to work out during our pre-application review. But that is why Barb's suggestion of having these pre-application interactions is important so the staff understands how you are going to come in with your application and we can do it efficiently with recognizing we have already done reviews for some of these license amendments and they probably are directly applicable.

So, the key is the clarity, as Barb said.

MR. HICKS: And I think, and Howard can comment too on this, but I think there is some accountability there with an integrated COLA that there would be a pre-application meeting where we would go over the exact way that we plan to do that and show how we cover the things that we just talked about.

MR. BURKHART: Because I think there are a lot of efficiencies that can be gained from looking at the SEs we have already done for some of the license amendments.

You know you can't just really only accept it based on saying it is applicable. There has to be some sort of review to make sure there is not something specific about that other application that would negate or make some part of the review --

MR. HICKS: We would expect to do a site-specific evaluation of each one to see if there was anything that would change the evaluation for some reason.

MR. BURKHART: Sure. And referencing like five AP1000 design changes that are standard to all, you know Levy, Lee, Turkey Point, but they are not really listed as standard content.

MR. HICKS: You mean the ISU on the --

MR. BURKHART: The ISU-11 design. You know you just have to be clear what those are, that the staff already reviewed them. I think that can be done.

It is kind of easy to do it right now for Levy, Lee, and Turkey Point because they are all going to an FSAR/FSER at the same time. We need to keep in mind that it could be a couple of years down the road that we need to be able to have a way to remember that we have already reviewed that one issue and had one position.

I'm sure we will do it. We just need to figure out a way to make it clear in the application.

MR. HICKS: Right, and that would be in Part 7 mostly. And then the annotations would be in the FSAR to show those changes.

MR. BURKHART: Okay. So, I think we may not use the term "Integrated FSAR" because we just see it as an extension of the design-centered review approach. It is how you identify the application coming in and then how do we deal with the evaluation we have already done on those things that we have completed.

MR. MAHAN: Well, part of what we were worried about is what the reviewer would see just in the package. Because what you are going to get in Part 2 is going to look -- if we use the "Integrated FSAR" approach, it is just going to look totally different from what they have seen and they incorporated by referenced. Because basically, they are going to get an FSAR, a real FSAR with all the DCD and everything included.

We just wanted to make sure the guidance is in there that says, hey, expect this. You could see this in this approach.

MR. BURKHART: Right. See, that's where I see the value of the pre-application review, where we can actually interact in a public setting with some of the reviewers, so they understand exactly what we are going to see.

MR. HICKS: And we plan on doing that, if that is the way we get the program running.

MR. BURKHART: But I think for everybody's sake, the public's, the applicant's, and the NRC's is to save resources. We have to take advantage for those who used what we have already done where it is justifiable.

MS. HAYES: So, the summary is we didn't like this point-by-point for everything that was in the proposal but having looked at the design in NEI's mind, we think that we do have an adaptable system for keeping it within the regulatory context. when there is a COLA to look at. Again, the pre-app period is going to be very important.

MR. BURKHART: Right, and this is Larry Burkhart again.

And when we do start those pre-application interactions, that gives us a much better opportunity and timeliness to give more guidance to the reviewers on how they should look at precedence in some of these issues, how they might be able to incorporate it into the SE for the COL application.

MR. HICKS: That is a good lead into our part -- what he just said.

MS. HAYES: Let's do it.

So, at this point, are there any other comments on the DCRA at this point? Because I think we would like to move into an NEI presentation regarding C.2.14.

And I do have on the computer a copy of C.2.14 that was discussed back in June, as well as the staff presentation on it, if you need to refer to either of those during this discussion.

So, who is going to be speaking, Tom?

MR. HICKS: Yes, I will. This is Tom Hicks. You can go to the next slide.

This presentation is talking about the C.2.14, as Barbara mentioned. And a draft of this came out last year, I think it was, that had some language on it. And on this first slide, we quoted that language. This is for a COL applicant referencing a design certification. And this is talking about changes to Tier 2 information.

And what the current draft says, that last one we saw, says that departures form Tier 2 made in compliance with Section VIII.B.5 of the Design Certification Rules that do not require prior NRC approval will be considered resolved. The NRC staff will not re-review these departures in the COL proceeding, as described in Section VI.B of the Design Certification Rules.

I think that is good language. It comes right from the rule. And I think I even heard from Tom that you were going to add some stuff about auditing to that write-up. I forget who the person was that was writing this section. I can't remember the name but anyway, she had run it by OGC and they were looking at adding some language about auditing, which is fine, you know auditing the departure evaluations.

But what we felt was that this is good but, having been doing this for a lot of years, we still foresee potential staff questions coming up on a particular departure that say I need to write an RAI on this departure to write my SER.

Okay, well, so we addressed that potential. If you go to the next slide, we wanted to add another paragraph to this section. Now, this paragraph, let me give it a little history. The first design certification, the ABWR, came up with those words that are in all of these certification rules. And there is a lot of SECY papers that went back and forth before that first certification went. And if you go back and read all of those, you can get a history of where they came up with the words that were on that previous slide about finality of departures.

And when they issued the ABWR certification rule, there was supplementary information in the *Federal Register* that the agency issued that explained where that item VI came from about Tier 2 changes that don't require prior NRC approval or have finality.

And this paragraph that we have on the slide we would like to insert and basically excerpts from that *Federal Register* notice that explains where that came from. And basically what it says is that if properly implemented -- let me start over and read the whole thing.

"The basis for this position, as described in the supplementary information accompanying the initial ABWR certification rulemaking, is that the departure process, if properly implemented by a COL applicant, "must logically result in departures which are both 'within the envelope' of the Commission's safety finding for the design certification rule and for which the Commission has no safety concern. Therefore, it follows that properly implemented departures from Tier 2 should continue to be accorded the same extent of issue resolution as that of the original Tier 2 information from which it was 'derived.'" Which essentially means that departures that are determined to not require NRC approval have the same finality as the Tier 2 information where they came from.

And I bet if you asked all the people in NRO whether departures the COLA applicant makes have finality of the certification rule status, 90 percent would say no. So, I think that this is an important concept that we feel should go into the Reg Guide. Because what it says is you don't need any additional information to write your safety evaluation on this departure because the commission has said if the process is properly implemented, and that is verified through audit, then that departure falls within the safety evaluation that the Commission wrote for the certification rule.

So, there is no additional safety finding that the staff has to make during a COL applicant proceeding.

MR. BURKHART: This is Larry Burkhart. So, if properly implemented by a COL and you mentioned an audit, an inspection, let's call it whatever it is, then there needs to be further discussion about what the scope of that audit or inspection is.

MR. HICKS: Well, we have had it. We had at Vogtle one summer. We have had audits of the departure process. You know the staff comes in, they audit whether they are following. They have a process that meets the rule and where they are following the process. And I would expect if a COL applicant was going to use this same approach and incorporate these departures, that the staff would do an audit and come down, let them see the process that they used for that as departures, verify that it is following the rule and make some conclusions about

whether or not it is being properly implemented.

MR. BURKHART: So, I think this is all very good. This is a very good discussion and I actually thank you for highlighting this wording. I was not aware of it.

But from a legal sense of whether or not somebody, for instance, could put a contention against a departure that is made under Tier 2, and I don't know the answer to this -- I'm asking you.

MR. HICKS: There was a discussion in the rule about that. And honestly, I didn't get into that here about contentions and all that.

MR. BURKHART: That may be a different issue.

MR. HICKS: It may be a different issue.

MR. BURKHART: Your point here is how --

MR. HICKS: It does have finality. It does have finality. So, you would have to go back and look and see what that means in the context of a certification rule when you say something has finality, as far as whether -- well, for example --

MR. BURKHART: Well, if it has finality, then --

MR. HICKS: If it has finality, then you would say no, right?

MR. BURKHART: Then it shouldn't be context.

MR. HICKS: For the same reason that in a COL proceeding someone couldn't raise a contention on a paragraph that was incorporated from the DCD because that is finality.

MR. BURKHART: Right.

MR. HICKS: This would have the same finality.

MR. BURKHART: Right, so what I am just curious about, when you come in with say there if is a Stewart County application, you have go back to the certified design and then prior to the application, there has to be a whole list of all of the departures.

MR. HICKS: Yes. Absolutely. That would be in Part 7.

MR. BURKHART: So, I guess we are going to consult the lawyers about it.

So, I think what you are saying is that not all of those departures could be subject to a contention -- some of those departures would have finality is what you are saying.

MR. HICKS: Most of them. The only ones that wouldn't are the ones that would be subject to license amendments.

MR. BURKHART: Right.

MR. HICKS: You are looking at 500 departures, maybe, a global amount, say that don't require approval, prior NRC approval, and maybe less than 100 now that do.

MR. BURKHART: Yes, so I am going to have to go back and talk to our lawyers to see because we would have need clarity on that.

But I think in general the staff agrees that at least this should be a graded approach to how we review the departures, right?

MR. HICKS: Right.

MR. BURKHART: My point is that Tier 2 changes should be, whatever they are, they should be less safety important than the changes to Tier 2 start, Tier 1. Remember, we can't forget Tier 2 changes that involve Tier 2 --

MR. HICKS: Those aren't included here --

MR. BURKHART: Right.

MR. HICKS: -- because that would require a prior NRC approval.

MR. BURKHART: Right and that gets to the “if properly implemented” issue.

MR. HICKS: Yes, well this one talks about those that do not require prior NRC approval. Okay?

MR. BURKHART: Right.

MR. HICKS: Right.

MR. BURKHART: Right. So, I am just --

MR. HICKS: And I would expand on what you said about a graded approach

because this says “and for which the Commission has no safety concerns”.

MR. BURKHART: Yes.

MR. HICKS: So, that's pretty strong language.

MR. BURKHART: That is pretty strong language. So, what was the context of this?

MR. HICKS: This was the first certification rule, where these words got put in the certification, they had to basically say where these words came from. And so they wrote supplemental information in that rulemaking that said this is where these words came from.

And if you go back even further, there are SECY papers that discussed back and forth what words should be put in the first rulemaking for a DC.

MR. BURKHART: So, this is what was probably in what they called the statements of consideration.

MR. HICKS: Yes, that's the same thing. They call it supplemental information.

MR. BURKHART: Not exactly in the rule.

MR. HICKS: Well, it was published in the *Federal Register.*

MR. BURKHART: Yes, I'm just questioning myself. This seems to be like important enough to put in the rule.

MR. HICKS: In the rule, no it is not in the rule itself. The previous statement about finality is in the rule and this just explains where that came from.

MR. BURKHART: Okay. Yes, I guess that what I am discussing is I don't think we disagree with you. It is something I need to go back and talk about.

But I could go further and say I think that we do agree with this statement because we should be focusing on those issues that are most safety-significant and that follow the regulations.

Okay, now this is good. This is good. Okay, these are good comments.

MS. HAYES: Thank you very much. Any further discussion on this presentation?

Then, I would say let's get back to the main presentation.

So, we'll talk about ITAAC after this.

But right now, let's talk about the slide 27, C.2.16 is regarding finalizing licensing basis information. The intent of this is basically to retire ISG DC/COL ISG-11, which basically came from I guess the 2008 time period from a series of discussions and meetings back then.

The freeze point concept was intended to address challenges that are inherent to reviewing a design that is still evolving and under review at the same time.

The topic addresses freeze points for COL applications and DC applications. It is also relevant to ESP applications, however, we have not seen that in practice so far and it doesn't seem to be as applicable. The write-up that will be made public in the very near future focuses really on DC and COLAs.

So, one of the questions we asked ourselves when we were looking at ISG-11 is is this valuable for future applicants. It certainly has been valuable to past applicants. The answer for future applicants is that it could be or may well be so it is definitely appropriate to keep here in Reg Guide 1.206.

The concept of the freeze point is to have the applicant make a determination or a statement formally to NRC that this particular revision that is under review right now is the one that has the licensing basis we want to have used for your determination and that there are going to be some changes to the overall design that will be submitted at a later point after the issuance of the license or certification.

This made sense to folks at the time. The real question, though, that is at the heart is that there were concerns regarding which of those changes could be deferred and what they are going to relate to. At the heart of ISG-11 is basically a statement saying that yes, you

can go ahead and make this declaration but if there are changes that are going to affect the staff's ability to make their finding related to safety, security, and the environment, then those have to be addressed and cannot be deferred. There are a couple of examples from the ISG-11 regarding these items.

It is worth pointing out is that we have developed this terminology in the ISG but there is no formal requirement that an applicant for DC or COL actually say this is our official freeze point letter. There is no such requirement and the de facto, the fallback, position is whatever has been submitted to us through the formal processes for review is the de facto freeze point. However, when things get busy and when staff is reviewing one set of RAI responses and then another revision comes in at the same time, it is actually very beneficial to formally say don't look at that one, look at this one. But again, it is optional to make it as a formal declaration.

The examples that were in ISG-011 regarding information associated with changes that could not be deferred until after the licensing or certification review would be correction of significant errors, ensuring compliance with NRC regulations, changes needed to support other licensing-basis documents, technical corrections that if not changed would preclude operation within the bounds of the licensing basis and significant vulnerabilities related to PRA insight.

And right now, we have envisioned that the document that we are going to share in draft form later this week is going to be consistent with that original list.

The write-up will also talk a little bit about DC applications or certification requests and COLAs. Basically, COLAs have the same restrictions regarding deferring changes that relate to NRC's needed finding. We are including a note that if you are referencing a DC that is still under review and has not been certified yet, which has been the situation in the past and could be the situation in the future, basically the COL applicant is going to be the one that bears that schedule risk associated with delays that occur due to DC delays.

In terms of DC certification requests, you have the same restrictions regarding what can be deferred. It is worth noting that you are going to have more significant long-term impacts for things that are deferred because those will all be things that if a COL wants to use them later on, the COL applicant will have to come in with a departure for it. So, it changes the game a little bit and has a longer impact time-wise.

For example, something that might be deferred is going to be related to fuel design. That is an area where you have a higher probability that the vendor will come up with a suggestion afterwards, after the certification.

The last section of the write-up basically talks about DC errors that are found after certification but could in fact impact actual COL applications that have been reviewed. Here, regardless of whether it is identified before or after a COLA freeze point , a COL applicant still needs to address those DC errors. Reliance on findings for the DC will have to be within reason. Resolution of the DC errors can't be deferred until after the COL issuance if it affects information that the staff relies upon. Under no circumstances will NRC grant an application that does not satisfy the Atomic Energy Act and Commission regulations. Again, the COL application bears the scheduled risk associated with any errors that are found in the DC after certification and those need to be addressed before a license can be issued.

One thing on NRC's side is that for DC safety significant errors, a resolution of them may be documented in a regulatory information summary so that they can be shared more widely, in terms of how any such errors are found, et cetera.

So, that is basically it in a nutshell. Bruce, do you have anything to add?

MR. BAVOL: Not yet.

The significant errors that were discussed, and I think they were all covered previously with an NEI letter, meetings, responses were sent back in July, July 18th I believe were letter date. And we haven't yet -- I mean there wasn't anything that was brought forward from that letter yet. So, this might be -- is there any discussion on that from the history of how that

was discussed?

MS. AUSTGEN: So, we will watch with interest for the availability of this particular write-up. We have looked at the response letter from July to the staff on this issue of what the COL applicant would have to resolve, if it was part of the design certification.

And we are not sure exactly where we want to go yet. I think we are still in that phase where we have to figure out, okay, is there another option out there that both industry and NRC can agree on because we have provided some suggestions and staff has not liked those. And staff has provided some suggestions and we are like, we don't know about that.

So, still to be determined there.

MR. BAVOL: I think the license condition which was originally discussed subsequently all the significant errors were addressed at the Levy application. But I think there was a license condition that was discussed with the shield building analysis or something along that line. So, while I think there is a category of issues that Barbara was talking about that had that threshold from ISG-11 and there are other circumstances yet to be determined but that would come under a license condition option.

But the question is, is this a unique situation. Was this a unique situation? Will this come up again in the future where you have got the two licensees, construction, and significant errors coming up, holding up an applicant? One might say ESBWR would be but again, it is nothing that is addressing itself right now.

MR. HICKS: Is the guidance going to address, the one you are going to put out, what the obligation is on the COL applicant to even be aware of something -- I'm talking about going forward now -- how a COL applicant would even become aware of such a problem, let's just say? I mean who has got the obligation under the regulations to notify say you guys of something like that?

MR. BAVOL: Well, what is ISG-11 doing for you?

MR. HICKS: ISG-11, though, I mean you are talking about a design that is certified. So you have a COL applicant that is referencing a certified design. Okay? I mean, they may or may not know what is going on with design changes with Westinghouse.

What obligation is there for that applicant? I mean if the applicant is not a Southern Company applicant or a SCANA applicant, how are they going to know what stuff is going on, what design change might have occurred, what error might have occurred? Whose obligation is it to report such a thing?

MR. BAVOL: It's in Part 21.

MR. HICKS: Okay, but Part 21 is a much higher threshold than ISG-11.

MR. BAVOL: I agree.

MR. HICKS: Unless you are going to make that the threshold in this guidance, then that would address the problem.

MR. BURKHART: No, we certainly wouldn't make Part 21 the threshold of the guidance.

MS. CAMPBELL: No, really why not?

MR. BURKHART: Well, that would be a decision -- it is a good discussion point.

MR. HICKS: Because that solves the problem.

MS. CAMPBELL: I mean that seems to be appropriate.

MR. HICKS: Right now, we are really in an area where you are expecting a COL applicant to have some sort of obligation to report some design error that they may or may not even know about. Because again, you have a certified design. They are working on their site-specific stuff. They are not doing design details.

MR. BURKHART: They are not interacting at all with their vendor?

MR. HICKS: Well, they may or may not be but the question is, under regulation, who has the obligation here. And it is not clear that the COL applicant has an

obligation.

MR. BURKHART: Well, it is clear that when the, well, they have to have a QA program. All these entities have to have QA programs.

When they get the license, they have the ultimate responsibility for the safe construction and operation.

MR. HICKS: When you get a license. That is a different situation. I'm talking about during the application process.

You have a situation where like this is a Levy or Turkey Point. They have an application going in. They are not doing design changes. I mean all those design changes are being done by Westinghouse for say for Vogtle. I mean that is separate.

MR. BURKHART: Well, you are right in the way everybody found out about the problems, it wasn't necessarily by requirements. It was the discussions in the design-centered that allowed them to discover these things.

Was it a bad thing? Was it a good thing? My opinion is it is a good thing to find these issues so that they can be addressed.

Now, the issue of who is required to report them --

MR. HICKS: Well we are talking about going forward. I mean you get somebody that has got a license application that is going through a review and they get six months before they are going to get a license and then, all of a sudden, somebody finds out that they found this problem when they were building SCANA that needs to be fixed.

MR. BAVOL: But again, timing. If you have a period of time where that is applicable when the reactor is up and running and everything is -- you are talking about a span of time --

MR. HICKS: I'm talking about an application.

MR. BAVOL: -- from a COL application with a licensed -- that has a license, that construction is being done, issues are being found during that construction. And then when all those issues are ironed out over a length of time after the 103(g) finding. So, you have this period of time where an applicant in that period of time, you are basically saying, how would they know that there is an issue that came up during construction?

MR. HICKS: And what obligation do they have to even do anything about it?

MR. BURKHART: So, the only obligation you have is what the regulations require. I know I am stating the obvious but it is true.

MR. HICKS: But the regulations don't even talk about this.

MR. BURKHART: Well, exactly. But when the staff is made aware of some information, because the ISG, that is guidance to the staff.

And in fact on at least one or two of the COLAs, we actually wrote RAIs because we hadn't yet been officially told on the docket that there were issues.

MR. BAVOL: And I believe that is how we found out about those issues with the condensate return.

MR. BURKHART: So, you bring up a good point.

MR. HICKS: So, I think what it points out, though, is a problem with this whole approach and that you are putting this burden on a COL applicant for something that is in a design that has already been approved in a design center.

MR. BURKHART: Well, you're right. And in fact, we are looking at a spectrum of solutions to this issue.

In my opinion, it would have been great to have a part of either Part 52 or the appendices that says if you meet these ISG-11 criteria, you need to report that to the NRC, the vendor not the COL applicant.

So, I think you are right that we know that there is a gap with respect to -- well, first of all, is the threshold we are choosing the right threshold of reporting or should it be Part 21 or should it be something else? And then who should do that report?

MS. CAMPBELL: Well, it goes to the other issue, too. The COL application is a major activity for the applicant. It is very time-dependent and they have a certain deadline to get it done over a period of time with certain costs that eventually may go back to rank pairs.

And so they can do a license amendment later. So, it seems like the ISG-11 threshold should be at least as high as Part 21 and then do the license amendments later. If it is okay to do it for COL later, once you do the freeze point, why can't you do those documents like that?

I mean it is just -- I think we just need to wait and see how it is written up but you know it does need to be written --

MR. BURKHART: But this guidance isn't going to solve this issue, this particular issue because I am sure you are familiar with the letters that went back and forth between NRC and NEI where both sides were using specific legal arguments.

We argued that our findings had to be made in reason and if we are aware of other issues with the design that would cause us to question our safety and security findings, that we would have to resolve those issues before.

MS. CAMPBELL: But how does that not become a Part 21 issue, if you have got those concerns?

MR. BURKHART: Well, Part 21 is significant -- who knows --

MR. BAVOL: Significant safety I think is the wording.

MR. BURKHART: Right. How could a plant under construction ever meet that threshold? Which I know is an argument you are trying to make.

MS. AUSTGEN: Yes, how could a plant applying for a license ever meet that threshold?

MR. BURKHART: So, I mean this is the conversation we have had for over a year now in other forms.

MR. HICKS: But if you have got to get rid of ISG-11 and put it all in to this guidance, it seems like you would try to make this guidance, bring it up to speed, bring it up to date, at least.

MS. AUSTGEN: So, I would suggest or maybe try to leave it in this context: We have not seen the draft write-up on this yet. So, we will watch with interest for that. And the types of things that we will be thinking about as we prepare our comments and our feedback to you on that are the things like are the ISG-11 criteria still appropriate for what they were originally developed for? Are they also appropriate for required changes to a design certification, when one of these subsequent COL applicants comes in? And if we don't believe they are, which we probably don't, but if we don't believe that they are, we will, of course, continue those interactions separately with the staff to try and figure out what the criteria should be and, perhaps, we won't be able to resolve that issue at the same time as we move forward with Reg Guide 1.206, just because it is not complete in its negotiation.

MR. BURKHART: Yes, I mean you bring up a very good subject that, in my opinion, we should bring something into the regulations for clarity. But that is beyond the scope of this.

MS. CAMPBELL: Well, what are you going to do with the AP1000 rule? Are you going to impose the generic change to incorporate those changes?

MR. BURKHART: The NRC is not going to impose a change.

MS. CAMPBELL: Well then how could this be a problem?

MR. BURKHART: So, that was an option for us to do that.

MS. CAMPBELL: But you will have future applicants who are not under the rule if there was an error. If it rose to the level of a Part 21, you would probably take some action. I mean it just needs to be thought about in the context of --

MR. BURKHART: Yes, well I can say that we have thought about it. And also I can say that the applicants came to us with these changes, too. So, this was not forced upon

anybody.

MR. HICKS: But you don't give them a license until the issue has been resolved.

MR. BAVOL: I thought Levy took that on the very first time.

MR. HICKS: They had to take it on because they were told they weren't going to get a license.

MR. BURKHART: Can you find the document that says that?

MR. HICKS: I think there was a document. But anyway, yes.

MR. BURKHART: This is a subject that would have been Reg Guide 1.206, I think.

MR. HICKS: There was a letter.

MR. BURKHART: So, there are many tools that can be used. So, we are where we are. I'm not saying we shouldn't revisit where we are. And I'm not the person who makes that decision.

So, I think what Katie is saying is a very good way to address this. If you have comments on the draft, certainly put those in writing.

MS. CAMPBELL: So, what are the next steps about the draft? Is it going to be sent out to the --

MS. HAYES: Well, my goal is to have the two ones that did not make it to the public meeting notices out later this week.

MR. SISK: Did I hear this week?

MS. HAYES: This week, yes. That is the goal. And it takes a couple of days for me to do the submission to ADAMS and get it up there. That is the goal.

One is the ITAAC which one is going to be ready to go. This one on freeze points-- we will probably talk about this a little bit later this afternoon or tomorrow or something.

MR. HICKS: Are these going through OSG before they go out or not?

MS. HAYES: Yes, OGC.

MR. HICKS: They are -- OGC. OGC, yes.

MS. HAYES: We try and get really good alignment before we bring them to the public for discussion, so that we don't have to rework it later on for internal reasons.

MR. BURKHART: But for the last subject, of course you know our OGC was very heavily involved in the letters that went out.

MS. HAYES: So and of course we are talking about a draft topic that is intended to go into the main DG, which will then be out for public comment. So, this is not the last bite of the apple. But that is my goal, to get that out later this week.

Any additional discussion on finalizing license basis information?

We just have one item for this meeting and that is related to ITAAC. Chris, are you with us?

MR. WELCH: Yes, I'm still here.

MS. HAYES: Lovely.

MR. WELCH: I'm a little short on time so I will just go through this.

MS. HAYES: Okay, great.

MR. WELCH: Okay, the first slide.

MS. HAYES: There we go. Yes, we are on slide 21.

MR. WELCH: Yes, there will be an ML number, we will eventually get it once the document is finished through its review process or approval process.

It is basically a rewrite in its entirety, not very similar at all to the prior version and the object here was to remove the material that is all specified in the standard review plan, Chapter 14.3 and Chapter 14.3 and supplements 14.3.1 through 12.

The section has an overview for basically just a short perspective on the history, some of the differences of Part 50 and 52 and then it goes into the guidance section.

One notable thing is this write-up does not reference or speak to the standard ITAAC project.

So, there is basically four sections, an overview, the regulatory requirements, discussion on the ITAAC basis, format, content, design descriptions, and then a nice history. I believe I credited NEI for what they had provided in their draft NEI 15-02. It is just a good source of information of the history behind the ITAAC.

In the requirement section, it basically just goes through the possibilities, the early site permit, design cert, and combined license, recognizing C.2.9 is really speaking to the combined license. But since the combined license can invoke by reference a design cert and early site permit, it was appropriate to identify them.

And it is just talking about the ITAAC requirements that are associated with that. The early site permit would deal with emergency planning, depending on the content of the early site permit. And if there was a limited work authorization, there could be ITAAC associated with the geological aspects of the site, more foundations, et cetera.

If it has a design cert, the design cert takes from Tier 1 and Tier 2, Tier 1 being the certified design material and the ITAAC and Tier 2 basically being the equivalent of the final safety analysis report.

And then the combined license could be for custom design, i.e., doesn't reference a standard design or a certified design. If it is a custom design and they choose to provide design descriptions, they should be called ITAAC design descriptions. That differentiates them from design descriptions that are associated with the certified design.

And again, the combined license could incorporate by reference the early site permit and the design cert.

The next section is the ITAAC basis. That is to be entered into the Chapter 14.3 of the FSAR or the DCD. And it refers to the methodology and the process and procedures used to develop the ITAAC by the licensee or the applicant. It should contain the cross references to the critical items such as the risk-significant PRA attributes and the assumptions and the safety analysis.

And a new section then gets into the ability to provide ITAAC supporting information, where if we are given ITAAC, you can describe the inspection tests or analysis that is being used or amplify the required acceptance criteria. And that is an item that fell out of the standard ITAAC development process working with industry.

And then there is guidance on the format and content. Again, it recommends the three column-table format with the design commitment; inspections, tests, and analyses column; and the acceptance criteria column.

And just to highlight some specific requirements of the design descriptions: the design descriptions should be derived solely from the detailed design information in the FSAR or Tier 2 of the DCD: a graded approach should be used when determining items and design information to enter into Tier 1 or have ITAAC developed; and the fact that the ITAAC are meant to validate the top level design and performance characteristics that have risk or safety significance.

I went through that rather quickly and I should have told you every time I changed slides but I apologize for that.

MS. HAYES: That's all right. It was easy to follow, Chris.

Any discussion on anything Chris Welch had to say about what is in this topic?

MS. AUSTGEN: Yes. So, again, we will look with interest when this section is available for review. I will be sure to pass along your compliments to the folks who worked on NEI 15-02 for their regulatory history and some of the other bits that you referenced.

So, of course we understand the status of those ongoing discussions on NEI 15-02 and that industry and NRC are still very much working towards a guidance document on standardized ITAAC that could be endorsed in its own Reg Guide.

Looking at the scope of everything that Chris presented for this section and the scope of NEI 15-02, it looks like there is a lot of alignment or overlap, depending on how you want to look at it.

So, the question is, is there an ultimate plan for once NEI 15-02 is endorsed, hopefully in a Reg Guide, how that would then be fed back to Reg Guide 1.206 or the most logical way, again, to not duplicate guidance but to really make sure that everything is logically organized and clear for the users.

MS. HAYES: Chris, any comments?

MR. WELCH: I don't really have a comment on which direction we are going forward with 15-02.

As you know, the ultimate goal is to incorporate the proposed standard ITAAC into the SRP of the NUREG-0800 in to Chapter 14.3 and its supplements. And updating those documents is in a schedule and we are just following the schedule.

MS. AUSTGEN: Okay. So, the draft for C.2.9, since you have removed anything that would have been duplicative to the SRP 14.3, have you also put a pointer in there to SRP 14.3 and so then that would be somewhat evergreen, as 15-02 is endorsed and incorporated in the SRP, then it would be naturally be tied back to this NUREG?

MR. WELCH: Right. And the guidance section about the ITAAC basis format, content, design descriptions specifically references the applicants to the RIS 2008-05, as well as all of the SRP chapters that have any bearing on ITAAC, including Section 19.3 for a RTNSS, Regulatory Treatment of Non-Safety Systems. So, there is a tie. Yes, there is a tie.

MS. AUSTGEN: Okay. All right, so we will look forward to reviewing that when it comes out later this week.

MS. HAYES: And this is Barbara, I was just going to add that, again, we are looking at a draft document that is going to into a DG that goes through a public review process. So, it seemed more logical to let the discussion of that NEI 15-02 finalize at the same time, rather than hold off on everything.

So, that was part of my thinking on this.

MS. CAMPBELL: So you said these were the last four. So, are you predicting any kind of publication date for the draft?

MS. HAYES: I do have one and I think I shared it with Katie. It might have slipped a few weeks. I am going to be away, which is why we are rushing this meeting today.

So, right now, I am at a point where I am putting things together so that we can serve our process internally.

So, the comments that we have had at this meeting, I have written them down as best I can and we will see if we can resolve any issues. There were a couple of things that were raised, most of them I got.

I think the one related to the finalizing licensing basis, I would like to have some discussions with DNRL before making changes but I think I basically understood.

So, I am planning on putting this together and start moving it forward.

MR. HICKS: What was the date?

MS. AUSTGEN: Is it still fourth quarter of this year for the complete draft guide or is that slipping a couple of weeks, pushed us into the first quarter next year?

MS. HAYES: I'm not sure. I will send you an email later if I -- I don't know how recently I updated you. It has not slipped not very much, if it has slipped at all since the last communication.

MR. HICKS: And that will be the whole thing.

MS. HAYES: There will be a complete DG, just one part. Before we were going to have two or three DGs coming through. Now, that we don't have the detailed FSAR information in there, it makes sense to make it much smaller.

MR. SISK: So, let me ask a question. And maybe it has been discussed prior

but standardized ITAAC will not be incorporated into the Reg Guide?

MS. HAYES: Right now, it is not included in this draft version of the regulatory topic that is going into the draft guide.

MR. SISK: Is there a plan to subsequently include it? I guess I am just wondering why are we separating standardized ITAAC from --

MR. HICKS: He said it is going into the SRP, isn't it?

MR. SISK: I'm sorry. What did you say, Tom?

MR. HICKS: I think he said it is going in the SRP instead of the Reg Guide, right? Isn't that what you said, Chris?

MR. WELCH: I actually had plans to put them into SRP 14.3.

MR. HICKS: So not in this Reg Guide but in the standard review plan, right?

MR. WELCH: Correct. We want to keep all the ITAAC stuff in SRP 14.3, just leave the Reg Guide as a high-level document that points to the different requirements to provide some advice.

MR. SISK: Thank you. That helps me a lot. Thank you.

MR. HICKS: I have one other question. The ITAAC supporting discussion, is that information that you would expect to go in a COLA? I don't know. Or was that just background information that you are putting in the Reg Guide?

MR. WELCH: Background information in the Reg Guide.

MR. HICKS: Oh, okay.

MR. WELCH: And part of it you would expect to find in the DCD because there is a requirement that currently exists that the analyses, the tests that should be described, the DCD should have one method of completing the ITAAC that has been reviewed and approved by the staff.

MS. HAYES: Any further discussion on the ITAAC?

MS. CAMPBELL: Will it address site-specific ITAAC as well? Because what you just discussed or what DCD would apply to site-specific ITAAC, that it would be the FSAR rather than the DCD that would have the information.

MR. WELCH: That is correct.

MS. CAMPBELL: So, are you going to cover that in the SRP?

MS. HAYES: Did you hear the question?

MR. WELCH: Yes. Yes, I believe the SRP goes through it all.

MS. CAMPBELL: So, that may go more towards your question, Tom.

MR. HICKS: Maybe. We will see what comes out.

MS. CAMPBELL: Thank you.

MS. HAYES: Okay, I think we're finished with all the regulatory topics. If there is any feedback regarding the meeting in general, I have some written feedback forms. There is a feedback button on the public meeting site.

Any last comments or discussion?

Well, then I thank everybody for their input at the meeting today. This is very much appreciated by NRC staff and will help to inform our finalization of this draft guide for the revision.

Thank you all.

(Whereupon, the above-entitled matter went off the record at 3:40 p.m.)