



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D. C. 20555

JAN 12 1979

MEMORANDUM FOR: Harold R. Denton, Director, Office of Nuclear Reactor  
Regulation

THRU: Domenic B. Vassallo, Assistant Director for Light Water *DV*  
Reactors, Division of Project Management

FROM: Emanuel Licitra, Project Manager, Light Water Reactors  
Branch No. 3, Division of Project Management

SUBJECT: SUMMARY OF MEETING HELD WITH POST-CP APPLICANTS TO DISCUSS  
OL REVIEW MATTERS

At the request of Mr. Harold Denton, Director, NRR, a meeting was held on December 13, 1978 in Bethesda, Maryland with representatives of the utilities, listed in Enclosure 1, with pending OL applications. The purpose of the meeting was to discuss (1) staff policies regarding the review of the pending OL applications, and (2) the criteria for establishing priorities for the review of those applications. The areas of discussion are identified in Enclosure 2. Enclosure 3 provides a list of the attendees.

### Introduction

Mr. Denton stated that we recently held meetings with applicants, for whom we are currently reviewing CP or OL applications, to discuss review schedule matters and staff resources. At those meetings, we had discussed the scope of OL review matters, including the resolution of recurring issues, and the method for establishing review priorities. Since the matters discussed at those meetings are applicable to the review of pending OL applications, Mr. Denton indicated that he thought it appropriate to also discuss those matters with the post-CP applicants.

### Review Scope

We stated that we currently use the Standard Review Plan in our review of applications. Since issuance of the Standard Review Plan, staff manpower requirements have increased due to its use. Experience gained from currently operating reactors have also increased staff manpower requirements for case reviews. For example, in 1975, DSS needed about 500 man days to review an OL application but now takes about 1700 man days. Evaluation of novel features, such as a computer protection system, further increase staff manpower requirements.

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Our review of OL applications will include an evaluation of Standard Review Plan deviations. Since most, if not all, plants currently in the post-CP stage were originally reviewed prior to issuance of the Standard Review Plan, certain aspects of these applications may have been accepted on some other defined basis. Therefore, where deviations with the Standard Review Plan exist, the staff will be required to identify the basis for acceptance in the SER.

During the course of our OL reviews, we will also consider Category 2, 3 and 4 items. Category 2 and 3 items pertain to new regulatory guides or branch technical positions, or changes to existing guides and positions, which the Regulatory Requirements Review Committee (RRRC) has approved for backfit on all plants (Category 3) or backfit on a case by case basis (Category 2). Category 4 items pertain to matters which have not been processed through the RRRC but have been approved by Mr. Denton for application on a case by case basis. Copies of the current Category 2, 3 and 4 items have been transmitted to the post-CP applicants so that they may be considered in the preparation of their FSAR's. Mr. Denton pointed out that future considerations by the RRRC on new guides and positions will include a period for public comment before any final decisions are made.

An additional review requirement has been imposed by an Appeal Board decision regarding generic issues (ALAB-444). That decision states that with regard to unresolved generic issues, the staff should provide the basis for continuing licensing and plant operations while the generic issue is being resolved. Therefore, this matter will also be considered in our review of OL applications. Mr. Denton stated that we have proposed a list of 14 items to the Commission that are currently considered "unresolved safety issues." These issues are a subset of the generic issues which are encompassed by the ALAB-444 decision.

We stated that, because of the above considerations, the staff review of an OL application currently takes about 24 months to complete. In order to minimize staff manpower requirements, we attempt to perform a common review for similar plants or plant features, where appropriate. In this regard, Mr. Denton stated that the post-CP applicants should maintain an awareness of how we are resolving issues for plants currently under review which are similar to their plants.

Mr. Denton stated that industry can help minimize manpower review requirements by facing up to review issues sooner and by utility management focussing attention on these issues. He added that, with the existence of the Standard Review Plan, the identification of Category 2, 3 and 4 items, and the public awareness of matters to be considered by the RRRC, our requirements for acceptance are all out in the open. In this regard, Mr. Denton stated that we would not resort to "arm twisting" to resolve issues and that we would be prepared to go forward to the ACRS or to hearings with differences of opinion if the staff and an applicant cannot reach agreement on an issue.



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In response to a question, we stated that if an applicant requests an appeal meeting regarding differences of opinion between the staff and the applicant, the appeal process should start from the lower levels and proceed up to the next level until the issue is resolved. Appeals of Category 2, 3 or 4 items should go directly to Mr. Denton's level since the Director of NRR has already approved these items for consideration in the review process.

Another suggestion for minimizing schedule delays was to have applicants present novel ideas as soon as possible. We also suggested that industry should think of and recommend other ways to streamline the review process. In this regard, General Electric plans to meet with us shortly to present their views on the subject.

#### Submittal of OL Applicants and Establishment of Review Schedule

We stated that an applicant should submit its OL application about 30 months before the projected fuel load date. This submittal time will accommodate a 24 month staff review period, but time only for a limited hearing, if required.

In order to provide the staff with realistic fuel load dates for manpower planning purposes, we utilize the NRC's Caseload Forecast Panel. This panel has established a model which is useful in estimating the fuel load date based on past experience. In order to allocate available staff resources, the panel's forecasted date is also utilized in establishing priorities for the review of OL applications. In establishing review priorities within NRR, operating reactors receive top priority, followed by OL applications and then CP applications.

Where the Caseload Forecast Panel's forecasted fuel load date differs significantly from an applicant's forecasted date (usually because an applicant will use the earliest achievable date), an attempt is made to reconcile the difference via a site visit prior to OL tendering. In any case, the initial review schedule will be established on the basis of at least meeting the Caseload Forecast Panel fuel load date.

In response to a question, we stated that adjustments to the review schedule (and priorities) can be made, if necessary, but not before the Q-1 phase of review has been completed. Also, the Caseload Forecast Panel will reassess its forecasted fuel load dates on a regular basis, based on changes in the status and pace of construction. The next reassessment is planned for around March of 1979.



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Other Discussion Items

Dr. Mattson stated that one of the major recurring issues during an OL review has been the issue regarding environmental qualification of electrical equipment. He is concerned that industry's performance to date in resolving this matter has been unsatisfactory. This is an issue that an applicant clearly should have control over. An applicant should not depend on the NRR audit of the qualifications as a substitute for the applicant's QA function. Dr. Mattson recommended a more concerted effort on the part of the utilities to resolve this matter. He cautioned against "re-inventing the wheel" on every case. Once it is determined that an item of equipment is environmentally qualified for one plant, it is quite likely that the results may be applicable to other similar plants.

Mr. Denton discussed the accelerated review which is being performed for Palo Verde 4 & 5 in accordance with the recommendations of NUREG-0292. The review process includes dedicated reviewers and public meetings near the site area. Public meetings have also been held for the Fort St. Vrain and Duane Arnold plants. Additional public meetings for other plants are tentatively planned on a monthly basis (i.e., each month hold a public meeting for a different plant).

Mr. Denton pointed out that, with regard to Category 2, 3 and 4 items for Palo Verde 4 & 5, the applicant has indicated that it will also implement these items on Palo Verde 1, 2 & 3. He stated that the Palo Verde applicant estimates that the total cost of implementing applicable Category 2, 3 and 4 items on Palo Verde 1, 2 & 3 is about \$25 million for all three units and that most of this expense is due to the requirements for industrial security, fire protection and venting of the main steamline compartment.

Mr. Denton stated that the Commissioners set their regulations to be minimum standards which should be met. Exemptions from these regulations will be considered if the health and safety of the public is not affected. If such exemptions are required, they should be identified early since they require Mr. Denton's approval and, possibly, Commission approval.

Mr. Denton pointed out that the Commission receives various petitions from the public proposing actions for the Commission to take (either on a generic basis or on an individual license application). Such petitions are acted on expeditiously. Any petitions filed by industry (regarding proposed Commission action or changes in regulation) would receive similar prompt attention.

In response to a question, Dr. Mattson stated that if an applicant finds that it is not getting timely attention from members of DSS, the applicant should bring the situation to his attention.



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Other matters discussed included:

- (1) Topical Reports - Applicants should focus on any referenced topical reports in an FSAR which we have not yet approved. These topical reports will require utility attention to assure that the vendors resolve any problems with the reports in a time frame that is compatible with the schedule for completion of the FSAR review.
- (2) Pretendering Meetings - We stated that we would be receptive to pretendering meetings with an applicant for the purpose of providing guidance in specific areas to assist in the preparation of an FSAR.
- (3) Standard Format - Revision 3 to the Standard Format for Safety Analysis Reports was recently issued and should be followed for SAR's submitted after one year of the Revision 3 issuance date. However, changes are in substance, not format, compared to Revision 2 of the Standard Format.
- (4) Blue Book - The blue book will be made public shortly. (It is published every other month).

*E. A. Licitra*  
Emanuel Licitra, Project Manager  
Light Water Reactors Branch No. 3  
Division of Project Management

Enclosures:  
As Stated



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Enclosure 1

List of Attending Utilities

December 13, 1978 Meeting

Carolina Power and Light (Harris 1-4)  
Cleveland Electric Illuminating (Perry 1 and 2)  
Duquesne Light (Beaver Valley 2)  
Florida Power and Light (St. Lucie 1 and 2)  
Gulf States Utilities (River Bend 1 and 2)  
Illinois Power (Clinton 1 and 2)  
Jersey Central Power and Light (Forked River)  
Kansas Gas and Electric (Wolf Creek)  
Niagara Mohawk Power (Nine Mile Point 2)  
Northeast Nuclear Energy (Millstone 3)  
Northern Indiana Public Service (Bailly)  
Northern States Power (Tyrone)  
Philadelphia Electric (Limerick 1 and 2)  
Public Service of Indiana (Marble Hill 1 and 2)  
Public Service of New Hampshire (Seabrook 1 and 2)  
Rochester Gas and Electric (Sterling)  
Union Electric (Callaway 1 and 2)  
Virginia Electric and Power (North Anna 3 and 4)



1. The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that this is essential for ensuring the integrity of the financial system and for providing a clear audit trail. The text notes that without proper record-keeping, it would be difficult to identify and prevent fraud or other irregularities.

2. The second part of the document outlines the specific procedures that should be followed when recording transactions. It details the steps from the initial receipt of funds to the final entry in the accounting system. The text stresses the need for consistency and attention to detail throughout the entire process.

3. The third part of the document addresses the role of technology in modern accounting. It discusses how the use of computerized systems can improve efficiency and reduce the risk of human error. However, it also notes that proper training and internal controls are still necessary to ensure the reliability of the data.

4. The final part of the document provides a summary of the key points discussed and offers some concluding thoughts on the overall importance of sound financial practices. It encourages all staff members to take their responsibilities seriously and to work together to maintain the highest standards of accuracy and transparency.

ENCLOSURE 2

AGENDA

MEETING WITH POST-CP APPLICANTS

DECEMBER 13, 1978

OPENING REMARKS

POLICIES AND PRACTICES ON CONDUCTING OPERATING LICENSE REVIEWS -

- Standard Format and Content Guide - applicability of Rev. 2 and 3.
- Category I through 4 matters - handling of.
- Proposed approach to handling Regulatory Requirements Review Committee (RRRC) matters.
- Use of Standard Review Plan (SRP).
- Handling of SRP deviations - implementation of Office Letter No. 9.
- Generic items - handling of by staff and participation by applicants and industry in resolving.
- Referencing of Topical Reports.
- Handling of applicant appeals of staff positions.

SCHEDULING

- Optimum time for docketing of OL application.
- Use of NRC Case Forecast Panel in establishing construction completion dates for developing OL review schedule.
- Development and use of staff review priority list.

APPLICANT COMMENTS



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ENCLOSURE 3

LIST OF ATTENDEES

NRC REPRESENTATIVES

H. Denton	-	NRR
R. Boyd	-	NRR, DPM
R. Mattson	-	NRR, DSS
R. DeYoung	-	NRR, DSE
D. Ross	-	NRR, DPM
D. Vassallo	-	NRR, DPM
E. Licitra	-	NRR, DPM
H. Berkow	-	NRR, DPM
B. Kirschner	-	NRR, DPM
S. Kari	-	PLA
P. Boehnert	-	ACRS Staff

UTILITY REPRESENTATIVES

John Arthur	-	Rochester Gas & Electric Corporation
Paul Wilkens	-	Rochester Gas & Electric Corporation
E. Ashby Baum	-	Virginia Electric & Power Company
E. Beckett	-	SNUPPS (Also representing Northern States Power Co.)
N. A. Petrick	-	SNUPPS
Bruce Beckley	-	Public Service of New Hampshire
D. N. Merrill	-	Public Service of New Hampshire
E. M. Shorb	-	Northern Indiana Public Service Company
R. J. Bohn	-	Northern Indiana Public Service Company
J. E. Booker	-	Gulf States Utilities Company
W. G. Council	-	Northeast Utilities Service Company
J. P. Cagnetta	-	Northeast Utilities Service Company
Jim Coughlin	-	Public Service of Indiana
D. R. Davidson	-	Cleveland Electric Illuminating Company
Gary Groscup	-	Cleveland Electric Illuminating Company
J. A. DeMastry	-	Florida Power & Light Company
C. S. Kent	-	Florida Power & Light Company
Orin F. Pearson	-	Florida Power & Light Company
Robert C. Hagan	-	Kansas Gas & Electric Company
Gene P. Rathban	-	Kansas Gas & Electric Company
H. D. Honan	-	Philadelphia Electric Company
R. H. Logue	-	Philadelphia Electric Company
P. W. Howe	-	Carolina Power & Light Company
M. A. McDuffie	-	Carolina Power & Light Company
S. F. Manno	-	Niagara Mohawk Company
C. V. Mangan	-	Niagara Mohawk Company
E. J. Woollever	-	Duquesne Light Company
R. E. Martin	-	Duquesne Light Company
Ted J. Myers	-	GPU Service Corporation
Edward Wallace	-	GPU Service Corporation
A. C. Passwater	-	Union Electric Company
D. F. Schnell	-	Union Electric Company

