

**CHRISTOPHER E. EARLS**  
*Senior Director, Regulatory Affairs*

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June 13, 2018

Mr. Mark Miller  
Acting Director, Division of Inspection and Regional Support  
Office of Nuclear Reactor Regulation  
U.S. Nuclear Regulatory Commission  
Washington, DC 20555-0001

**Subject:** NEI 18-07, "Licensee Performance Assessments – Methodology for Licensee Identification of Latent Design Issues"

**Project Number:** 689

Dear Mr. Miller:

On behalf of its members, the Nuclear Energy Institute (NEI)<sup>1</sup>, is submitting this draft guidance document, "NEI 18-07, Methodology for Licensee Identification of Latent Design Issues" for NRC staff consideration and use during discussions at a future public meeting.

NEI and its members are pleased for the opportunity to provide input to the NRC working group, chartered to improve the effectiveness and efficiency of engineering inspections. Part of NRC staff's initiative to review the suite of engineering inspections, with the goal to improve effectiveness and efficiency, included consideration for licensees to perform a self-assessment to credit one NRC inspection during the 4 year inspection cycle. The industry team developed the attached licensee performance assessment (LPA) guidance following NRC's principles of good regulation: independence; openness; efficiency; clarity; and reliability. The industry team was comprised of both regulatory and engineering representatives from different fleets. After the draft LPA guidance was developed, it was then table topped by representatives from different fleets to ensure its feasibility.

The industry anticipates next steps to include a public meeting to discuss draft NEI 18-07. In addition, NEI and the industry requests to work with NRC staff to select one of the 2018 currently scheduled NRC EQ program inspections to pilot the LPA guidance. Piloting NEI 18-07 on an NRC EQ program inspection would be beneficial because the NRC has an experience base with inspection results from the EQ inspections.

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<sup>1</sup> The Nuclear Energy Institute (NEI) is responsible for establishing unified policy on behalf of its members relating to matters affecting the nuclear energy industry, including the regulatory aspects of generic operational and technical issues. NEI's members include entities licensed to operate commercial nuclear power plants in the United States, nuclear plant designers, major architect and engineering firms, fuel cycle facilities, nuclear materials licensees, and other organizations involved in the nuclear energy industry.

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NEI anticipates making changes to Draft NEI 18-07 based on comments received at a public meeting and lessons learned during the demonstration. NEI 18-07 will then be submitted for NRC endorsement. The industry will then have tool, endorsed by the NRC, to implement and credit one of the NRC engineering inspections during the 4 year inspection cycle.

Sincerely,

A handwritten signature in black ink that reads "Chris Earls". The signature is written in a cursive style with a long, sweeping underline.

Chris Earls

c: Christopher Miller, RII  
Anthony Gody, RII/DRS  
Brian Holian, NRR

Attachment