



UNITED STATES  
NUCLEAR REGULATORY COMMISSION  
WASHINGTON, D.C. 20555-0001

September 21, 2018

MEMORANDUM TO: Dennis C. Morey, Chief  
Licensing Processes Branch  
Division of Licensing Projects  
Office of Nuclear Reactor Regulation

FROM: Joseph A. Golla, Project Manager */RA by Jonathan Rowley for/*  
Licensing Processes Branch  
Division of Licensing Projects  
Office of Nuclear Reactor Regulation

SUBJECT: SUMMARY OF PUBLIC PHONE CALL ON AUGUST 7, 2018,  
WITH THE NUCLEAR ENERGY INSTITUTE REGARDING  
CONTROLLED UNCLASSIFIED INFORMATION

On August 7, 2018, the U.S. Nuclear Regulatory Commission (NRC) staff held a public phone call with the Nuclear Energy Institute (NEI) and other stakeholders. The purpose of the call was to discuss with NEI their concerns regarding implementing the Controlled Unclassified Information (CUI) Rule (32 CFR 2002).

External stakeholders included representatives from NEI, VC Summer, Xcel Energy, Dominion, Entergy, Stars Alliance, Exelon, TVA, PSEG Nuclear and Curtiss-Wright Corporation. The following topics were discussed at a high-level:

- The NRC's draft CUI Policy Statement,
- External stakeholder written agreements,
- The proposed timeline for the CUI Communication Plan,
- Treatment of safeguards information (SGI) as a result of CUI,
- Consideration of potential impacts to external stakeholders,
- NEI's initial understanding of the CUI Rule (that the CUI Rule only impacts government agencies).
- The projected schedule for CUI implementation at the NRC.

During the meeting, NEI was interested in discussing the projected schedule for CUI implementation. NEI recommended that the NRC staff communicate with licensees early in the CUI development process. This early communication will assist licensees with identifying any concerns or potential impacts to their programs as a result of the NRC's plans to implement CUI. As an example, NEI mentioned a prior NRC rulemaking where they were initially told by

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the NRC that there would be no impact to power reactors. Late in the rulemaking process, the NRC identified that there would be an impact to power reactors and the NRC had to issue guidance to provide enforcement discretion for power reactor licensees to come into compliance with the new rule. During the call, the licensees conveyed that they want to be engaged throughout the process as the NRC develops its CUI guidance for NRC staff. The staff reiterated that it is the intention of the NRC to seek external stakeholder involvement in the process as CUI guidance is developed. The NRC CUI Program Manager stated that the working group has a draft communication plan which considers NRC engagement with various stakeholders including Agreement States, materials and fuel cycle licensees, vendors, operating reactors, non-power reactors, new reactors, etc.

NRC staff also discussed the projected schedule for CUI implementation as shown in SECY-18-0035. NEI representatives and some licensees expressed concern about the impact of the CUI rule to industry, especially regarding such things as safeguards information, inspection reports that are currently marked SUNSI (Sensitive Unclassified Non-Safeguards Information) or OUO (Official Use Only), and how the CUI rule would transcend to them. An NRC staff member responded that any changes to specific sections of 10 CFR Part 73 (Physical protection of plants and materials) that reference SGI, would occur through the NRC's rulemaking process to make the markings consistent with the CUI rule (i.e., nomenclature changes). The NRC representative also conveyed that through the rulemaking process, there would be public engagement in the form of public meetings and a formal comment period. Industry representatives responded that even simple nomenclature changes that change the description of the required markings are significant impacts to them because they would have to update their procedures, training, documents, etc.

The subject of written agreements was also discussed during the call. Specifically, licensees were seeking to understand how written agreements will be implemented and how it will impact them. The NRC CUI Program Manager communicated that this is something the NRC CUI working group is evaluating and that in parallel, are also interacting with other Federal agencies on to identify best practices so that NRC is consistent where appropriate. The Program Manager also indicated that additional interaction via a potential public meeting would probably be beneficial once the working group is further along.

An NEI representative expressed that they are concerned about other impacts in the future to licensees as a result of the NRC's implementation of CUI.

An industry representative asked if prior generic communications that have been issued to convey SUNSI handling requirements would be rescinded once the CUI rule is implemented at the NRC. The NRC CUI Program Manager responded that if a recommendation to rescind (or revise) prior generic communications is made through the working group, steering committee, or higher NRC management, that coordination would need to occur with NRR's generic communications branch to ensure alignment with the generic communications process.

No comments or questions were received on the call by members of the public.

Enclosure:  
Attendees List

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**NRC-001**

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<b>NAME</b>	JGolla	TMensah	DMorey (HCruz for)	JGolla (JRowley for)
<b>DATE</b>	9/18/18	9/13/18	9/12/18	9/21/18

**OFFICIAL RECORD COPY**

**NRC Public Phone Call Attendance  
CUI**

**August 7, 2018**

Beth Wetzel	NEI
Steve Meyer	Stars Alliance
Allen Fulmer	VC Summer
Sara Scott	Xcel Energy
Dennis Morey	NRC/NRR
Joe Golla	NRC/NRR
Rob Norman	NRC/NSIR
Tom Hayden	Dominion Energy
Lisa London	NRC/Comm
Tanya Mensah	NRC/OCIO
John Moses	NRC/OCIO
Philip Couture	Entergy
Larry Parker	Stars Alliance
David Pallansch	GenCo Nuclear
Pat Asendorf	TVA
Deann Raleigh	Curtiss-Wright Corp.
Giselle Huckoby	PSEG
Trina Washington	PSEG
Larry Wilson	Dominion Energy
Rick Wesley	Dominion Energy
Richard Hanson	Dominion Energy
Roger Minner	Dominion Energy
Beverly Plunk	CB&I AREVA MOX Services
Susan Townsend	CB&I AREVA MOX Services
Nathan Faith	Exelon
Roxanne VonHabsburg	Fermi 2
Alicia Davis	Fermi 2