



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

April 29, 2020

MEMORANDUM TO: Michael I. Dudek, Chief  
New Reactor Licensing Branch  
Division of New and Renewed Licenses  
Office of Nuclear Reactor Regulation

FROM: Omid Tabatabai, Sr. Project Manager */RA/*  
New Reactor Licensing Branch  
Division of New and Renewed Licenses  
Office of Nuclear Reactor Regulation

SUBJECT: SUMMARY OF APRIL 16, 2020, PUBLIC MEETING WITH  
NUCLEAR DEVELOPMENT, LLC, REGARDING ITS RESPONSE  
TO STAFF'S REQUEST FOR ADDITIONAL INFORMATION

The U.S. Nuclear Regulatory Commission staff held a Category 1 public teleconference meeting with Nuclear Development, LLC (ND) on April 16, 2020. The purpose of the meeting was to discuss ND's response to the staff's request for additional information (RAI), dated March 13, 2020.

Enclosure 1 captures the summary of the topics that were discussed during the meeting. The agenda and list of teleconference attendees are included in Enclosures 2 and 3, respectively. The meeting notice for this meeting is available in the Agencywide Documents Access and Management System (ADAMS) under Accession No. ML20097E478. ND's March 13, 2020 response to the staff's RAI is available in ADAMS under Accession No. ML20073P376.

Docket Nos.: 50-438 and 50-439

Enclosures:

1. Meeting Summary
2. Agenda
3. Attendees

cc w/encl.: Distribution via Listserv

CONTACT: Omid Tabatabai, NRR/DNRL  
(301) 415-6616

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DATED: APRIL 29, 2020

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NAME	OTabatabai	SGreen	KKavanagh
DATE	04/21/2020	04/29/2020	04/27/2020
OFFICE	NRR/DRO/IOLB:BC	NMSS/REFS/FAB:BC	NRR/DNRL/NRLB:PM
NAME	CCowdrey	FMiller	OTabatabai
DATE	04/28/2020	04/28/2020	04/29/2020

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**SUMMARY OF APRIL 16, 2020, PUBLIC TELECONFERENCE MEETING BETWEEN U.S.  
NUCLEAR REGULATORY COMMISSION STAFF AND REPRESENTATIVES FROM  
NUCLEAR DEVELOPMENT, LLC**

On April 16, 2020, the U.S. Nuclear Regulatory Commission (NRC) staff met with representatives from Nuclear Development, LLC, (ND) to discuss ND's March 13, 2020, response to staff's request for additional information (RAI) (Agencywide Documents Access and Management System Accession No. ML20073P376).

The NRC staff began the meeting by stating that in order for the staff to complete its review of ND's application to transfer the construction permits (CP) for Bellefonte Nuclear Plant, Units 1 and 2, the staff needed ND to provide additional information regarding RAI Questions 1 and 4. The staff also encouraged ND representatives to engage in an open and interactive dialogue with the NRC staff to ensure that ND understands what additional information the staff needs to complete its review of the ND's application in a timely manner.

Below is a summary of the discussions between the NRC staff and ND representatives regarding RAI Questions 1 and 4.

**RAI 1.a**

The staff explained that ND has indicated in its application, and its March 13, 2020, RAI response, that the engineering, procurement, and construction (EPC) element of the organization will be staffed from personnel from SNC-Lavalin Nuclear (SLN) and Framatome. The application further stated that the Project Oversight element of the organization will also be staffed by personnel from SLN and Framatome. The staff requested ND to clarify how ND intends to ensure that personnel employed in the EPC organization are sufficiently independent from Project Oversight, considering that some of them may work for the same employer (i.e., SLN or Framatome), and reporting relationships may exist between EPC and Project Oversight personnel.

ND representatives asked the staff to clarify whether such independence of personnel should be considered as it would be viewed by SLN and Framatome or from ND's point of view. The staff clarified that since ND is the applicant the question of personnel independence should be discussed as it relates to ND's organization. ND stated that they understood the concern and would supplement their March 13, 2020, RAI response to address the NRC staff's question.

**RAI 1.b**

The staff explained that ND provided detailed information regarding technical qualifications, experience, and expertise of SLN and Framatome in its application. The staff pointed out that ND did not provide the same level of information for other contractors (e.g., MPR Associates and High Bridge Associates) that it intends to employ. In addition, ND has stated in its application that it intends to use "independent contractors" within the Project Oversight element of the organization but has not identified such entities. The staff explained that in order for the NRC staff to make a finding regarding the acceptability of ND's organization, the staff needs sufficient information regarding the technical qualifications, experience, and expertise of all contractors that will play a major role in ND's proposed organization. Thus, the staff is seeking additional information regarding the technical qualification, experience, and expertise of MPR Associates, High Bridge Associates, and other "independent contractors."

ND asked the staff to further clarify the question. The staff explained that the follow-up response should include information about the contractors that ND has already identified in its application (i.e., MPR Associates and High Bridge Associates), and also provide information about other “independent contractors,” which have not been identified. Specifically, in the former case, ND should provide information regarding technical qualifications, experience, and expertise of contractors. In the latter case, ND should provide information about how such contractors would be evaluated by ND, what role(s) they would be expected to play in the organization, and information regarding the technical qualifications, experience, and expertise that such contractors would be expected to have. ND stated that they understood the concern and would provide an appropriate response.

#### RAI 1.c

No further discussions or information was needed.

#### RAI 1.d

In order for the NRC staff to make a finding regarding the acceptability of ND’s proposed Operating Element of the organization, the staff needs sufficient information regarding the technical qualifications, experience, and expertise of the Operating Contract partner. The NRC staff requested ND to supplement its RAI response and provide additional information regarding the identity of the Operating Contract partner and its technical qualifications, experience, and expertise.

ND inquired about whether it would be possible to use a license condition (or similar mechanism) that would allow ND to defer providing information about the Operating Organization and the preliminary plan for the conduct of operations until a later date. The NRC staff responded that ND would need to submit its request in writing and explain the bases for its request. The staff would then consider the request.

#### RAI 1.e

The NRC staff explained that in accordance with Title 10 of the *Code of Federal Regulations* (10 CFR) 50.80(b), an applicant for a CP or operating license transfer shall include as much of the information described in 10 CFR 50.33 and 10 CFR 50.34 with respect to the identity, technical, and financial qualifications of the proposed transferee as would be required by those regulations if the application were for an initial CP. The staff further explained that in evaluating ND’s response to RAI Question 1.e, the staff reviewed the information that the current operating reactor licensees had provided in their CP applications regarding the preliminary plans for operating organization, training of personnel, and conduct of operations, per 10 CFR 50.34(a)(6). The NRC staff stated that, as required by 10 CFR 50.80(b), the level of information that ND needs to provide in its CP transfer application regarding the operating organization, training of personnel, and conduct of operations should be commensurate with what would have been required of ND if it were submitting an initial CP application. The NRC staff requested ND to supplement its response to RAI Question 1.e accordingly.

ND requested the staff to clarify why a CP transfer applicant would need to provide detailed information regarding preliminary plans for the operating organization, training of personnel, and the conduct of operations. The staff referred ND to the regulations in 10 CFR 50.80(b) and 50.34(a)(6) and also suggested that ND may review previously approved CP applications

regarding the acceptable level of information that previous CP applicants had provided to address the regulatory requirements in 10 CFR 50.34(a)(6).

#### RAI Number 4

The NRC staff from the Quality Assurance and Vendor Inspection Branch led the discussions regarding RAI Number 4. The NRC staff reviewed ND's Nuclear Quality Assurance Program (NQAP) in accordance with the requirements contained in Appendix B to 10 CFR Part 50, "Quality Assurance Criteria for Nuclear Power Plants and Fuel Reprocessing Plants," 10 CFR 50.80, "Transfer of Licenses," 10 CFR 50.34(h), "Contents of Applications; technical information," 10 CFR 50.54(a)(3), "Conditions of licenses," 10 CFR 50.55, "Conditions of Construction Permits, Early Site Permits, Combined Licenses, and Manufacturing Licenses," Standard Review Plan (SRP), NUREG-0800, Chapter 17.5, "Quality Assurance Program Description - Design Certification, Early Site Permit and New License Applicants," Revision 1, and the Commission Policy Statement on Deferred Plants, 52 *Federal Register* 38077 (1987).

Specifically, regarding RAI Number 4, the NRC staff stated that, based on ND's RAI response, it appears that ND believes its NQAP for Bellefonte Units 1 and 2 is the same as the NQAP that the staff had approved for Tennessee Valley Authority (TVA) for Bellefonte's construction permit. The staff further explained that ND is using a later revision of the TVA NQAP that has been amended and modified over time, specifically, removing design and construction activities from the NQAP. TVA performed a gap analysis for the Clinch River ESP application and added additional QA controls for that application. Some of those additional QA controls are applicable to a construction permit, but it does not appear that ND incorporated those additional QA controls in its NQAP.

The staff quoted regulations in 10 CFR 50.34(h)(3), "Conformance with the Standard Review Plan (SRP)," that the SRP was issued to establish criteria that the NRC staff intends to use in evaluating whether an applicant/licensee meets the Commission's regulations. The NRC staff then described the applicable Sections of the SRP that ND would need to address in its NQAP. Specifically, the staff requested ND to supplement its RAI response to provide the required information per the following SRP Sections:

#### SRP Section A. "Organization"

The staff requested ND to include the following information in its NQAP:

- Engineer Procurement Contractor (EPC) roles and responsibilities,
- The EPC's involvement with the ND organizational descriptions and ORG chart,
- Organizational elements which function under the cognizance of the QA program, and
- Descriptions of the Nuclear Power Group (NPG), or Nuclear Procedure System (NPS).

#### SRP Section B. "QA Program"

The staff requested ND to include the following information in its NQAP, Section 3.3.3:

- Specify the frequency assessments of effectiveness on quality services, and
- Reinstate the controls on the management position responsible to arrange for the assessment by an independent organization on an annual basis.

#### SRP Section C. "Design Control"

The staff requested ND to include the following information in its NQAP:

- In Section 7.2.6, clarify the responsible design organization required to identify and document the particular design verification method(s) used,
- In Section 7.2.4, clarify Engineer Procurement Contractor (EPC) design control in accordance with SRP Section C, "Design Control", interface control of design information transmitted across interfaces is documented and controlled, and
- In Section 7.2.7, clarify the measures that are provided to ensure design changes, including field changes, are subject to the same design controls that were applied to the original design and are reviewed and approved by the organization that performed the original design unless the originating organization designates another responsible organization.

#### D. SRP Section V. "QA Program Commitments"

The staff stated that, in accordance with the SRP, certain quality assurance program commitments are necessary, including regulatory guides, generic letters, and standards. Specifically, the staff mentioned SRP Section V.1, "Regulatory Guides and Generic Letters," and SRP Section V.2, "Standards." The staff requested ND to supplement its RAI response to address the QA program commitment information that is currently missing from its NQAP.

#### E. Commission Policy Statement on Deferred Plants (52 Federal Register 38077)

The staff mentioned the Commission's Policy Statement on Deferred Plants, which states, "In the context of this policy statement, it is expected that a utility, planning to maintain its reactivation option or transfer of ownership to others, will identify any SSC which are important to safety and establish appropriate [MPD] for these SSC[s]." The staff then requested ND to include the following information in its NQAP:

- In Appendix G, clarify the current status of structures systems and components (SSCs) maintenance, preservation, and documentation (MPD) and how ND will be addressing any issues entered in the CAP affecting SSCs.

#### Meeting Conclusion

At the conclusion of the meeting, ND representatives stated that they understood the NRC staff's questions and the additional information that ND needs to provide in the form of a supplemental response to the RAI. ND inquired about whether it would be possible to use a license condition (or similar mechanism) that would allow ND to defer providing information about the Operating Organization and the preliminary plan for the conduct of operations until a later date. The staff responded that ND would need to make this request in writing and provide a justification before the staff could provide a response. No follow-up teleconference meeting was scheduled and the staff awaits ND's supplemental information to continue its review of ND's application.

## **PUBLIC TELECONFERENCE MEETING AGENDA**

<u>Time</u>	<u>Topic</u>	
3:00 p.m.	Introductions and Opening Remarks	All
3:15 p.m.	ND's Response to Staff RAI	NRC/ND
4:00 p.m.	Opportunity for Public Comment	All
4:10 p.m.	Meeting Adjourned	

## **List of Meeting Attendees**

### **Nuclear Regulatory Commission**

Anna Bradford  
Omid Tabatabai  
Kosmas Lois  
Fred Miller  
Kerri Kavanagh  
Richard Turtill  
Nick Savvoir  
Victoria Huckabay  
Kayla Gamin  
Michael Dudek  
Lynnea Wilkins  
Anita Ghosh-Naber  
Carla Roque-Cruz  
Bob Caldwell  
David Roth  
Tison Campbell  
Chris Cowdrey

### **Nuclear Development, LLC**

Joe Bourassa  
Timothy Matthews  
William McCollum, Jr.

### **Department of Energy**

Michael Reed  
Mark Higgins  
Thomas Pollog  
Chin Cheung  
Paul Truckley  
Andrea Lachenmayr  
Sharon Thomas  
Markus Popa

### **Tennessee Valley Authority**

Christopher Chandler  
Andrew Taylor