



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

December 14, 2021

MEMORANDUM TO: Shana R. Helton, Director  
Division of Fuel Management  
Office of Nuclear Material Safety  
and Safeguards

THRU: Jacob I. Zimmerman, Chief  
Fuel Facility Licensing Branch  
Division of Fuel Management  
Office of Nuclear Material Safety  
and Safeguards

FROM: Jonathan G. Rowley, Project Manager  
Fuel Facility Licensing Branch  
Division of Fuel Management  
Office of Nuclear Material Safety  
and Safeguards

A handwritten signature in cursive script that reads "Jonathan Rowley".

SUBJECT: SUMMARY OF OCTOBER 20-21, 2021, FUEL FACILITY  
STAKEHOLDER PUBLIC MEETING

The staff of the U.S. Nuclear Regulatory Commission (NRC) conducted a virtual Microsoft Teams meeting with representatives of the Nuclear Energy Institute (NEI), fuel facility industry, and members of the public on October 20–21, 2021. The purpose of this Observation Meeting (formerly Category 2) was to discuss the status of several initiatives involving the fuel facility industry. Topics discussed during the meeting included the resolution of action items from the March 24–25, 2021, meeting; updates to the integrated schedule and its supplement; status of the Smarter Licensing Program; COVID-19 lessons learned; status of non-fee Billable Work Expenditures; status of Very Low Safety Significance Issue Resolution; status of the Fuel Cycle Smarter Inspection Program; updates on COVID-19 Public Health Emergency (PHE) oversight activities assessment; status of NRC letter on safety margin; status of enhanced security of Special Nuclear Material rulemaking; status of Part 71 rulemaking; overview of NRC Environmental Justice Practice; overview of Transformation Survey; status of high assay low enriched uranium activities; and an update on NUREG-2159, Revision 1.

The public meeting notice with the agenda topics, the meeting presentations, the fuel cycle integrated schedule, and its supplement are available in the Agencywide Documents Access

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and Management System (ADAMS) under Accession Numbers [ML21280A264](#), [ML21292A127](#), [ML21288A144](#), and [ML21288A148](#), respectively. No regulatory decisions or commitments were made during the meeting.

### **October 20, 2021, Meeting Session**

The activities started with the NRC staff discussing the meeting's category and purpose, and the instructions and logistics for conducting it. Opening remarks by Shana Helton, Director of the Division of Fuel Management (DFM), and Janet Schlueter, Senior Advisor, Fuel and Low-Level Waste, NEI followed.

After the opening remarks, the NRC staff started the discussions by presenting the NRC staff resolution of the nine action items resulting from the March 24–25, 2021, Fuel Facility Stakeholders Public Meeting. The action items were the following:

#### **Action Item 1:**

##### **In the area of Smarter Licensing**

- Consider establishing a Web page to provide information on smarter licensing similar to the level of the information provided on smarter inspection.

Periodic status updates of Smarter Licensing Program being added to the NRC public Web site (<https://www.nrc.gov/materials/fuel-cycle-fac/regs-guides-comm.html#building>). This action item is closed.

#### **Action Item 2:**

##### **In the area of Logistics**

- The NEI again requested that NRC staff provide the slides for these meetings earlier to give them more review time and ensure a more robust discussion.

NRC will attempt to provide slides to NEI at least one week prior to meetings. The slides were not provided a week prior for this meeting. This action item will remain open.

#### **Action Item 3:**

##### **In the area of Covid-19 Lessons Learned**

- a. NEI asked that NRC staff inform them what, if anything, licensees could do differently to facilitate inspections during the PHE, and under normal operations.
  - b. Consider the following topic for future discussion: incorporation of remote and hybrid inspections into routine oversight activities.
- a. The NRC staff has not identified anything to be done differently to facilitate inspections during the PHE than under normal operations. Should such areas be identified, they will be communicated.
  - b. The staff has noted this is an area of interest and will keep it under consideration for future discussions.

This action item is closed.

Action Item 4:**In the area of Safety Margins**

- Violations to Title 10 of the *Code of Federal Regulations* (10 CFR) Part 70.62 requirements: NRC staff will consider industry recommendations to clarify the guidance in Inspection Manual Chapter (IMC) 0616 for determining when a violation is a Severity Level IV or minor.

The industry recommendations are still under consideration. This action item will remain open.

Action Items 5 and 6:**In the area of Low Safety Significance Issue Resolution**

- The industry requested the opportunity for more involvement/transparency in the development process of the screening questions.
- The NRC staff should consider licensee participation in the tabletops

Subsequent to the March meeting, the fuel cycle industry did not provide any additional example past issues to tabletop, and the NRC staff has slightly refined its progressive screening process based on the one internal tabletop activity. As opportunities arise to further develop and refine the progressive screening process, the NRC staff will consider holding a workshop to walk through some experiences and how they were used to further improve the staff guidance. If an example past issue is identified to tabletop by the industry, the NRC will consider walking through the tabletop with industry participation and/or feedback. This action item is closed.

Action Item 7:**In the area of Low Safety Significance Issue Resolution**

- The NRC staff should consider the situation where licensees put commitments in place that go beyond the regulations. The Low Safety Significance Issue Resolution process may trigger license amendment requests to remove those commitments.

A licensee can pursue a license amendment to change or remove prior commitments. The NRC staff would review such requests using our normal processes, which would include considering the safety significance of the commitment and its relationship to the regulations and regulatory compliance. This action item is closed.

Action Item 8:**In the area of Security for Facilities Possessing Category II Special Nuclear Material**

- Consider developing generic guidance on the main fuel types.

The NRC staff has begun development of a draft Interim Staff Guidance. This action item is closed.

Action Item 9:**In the area of Security for Facilities Possessing Category II Special Nuclear Material**

- NEI request: provide in advance the date for releasing question and answer (Q&A) information.

The Q&As were made available on the NRC public Web site (<https://www.nrc.gov/reactors/new-reactors/advanced/rulemaking-and-guidance/fuel-cycle.html>) in October 2021. This action item is closed.

### **Integrated Schedule Chart and Supplement Updates**

The NRC staff provided updates made between June and October 2021 to the rulemaking and regulatory activities listed on the integrated schedule chart of regulatory activities impacting the fuel cycle industry. The integrated schedule supplement was also updated with changes from June to October. A detailed summary of the changes to the chart is provided under ADAMS Accession Number ML21288A152. The NRC staff posted the updated integrated schedule and updated supplement on the NRC public Web site at <https://www.nrc.gov/materials/fuel-cycle-fac/regs-guides-comm.html#cumeffects>.

### **Status of Smarter Licensing Program**

The NRC staff discussed the status of the Smarter Licensing Program. The NRC staff began by refreshing memories about the Smarter Licensing Program charter, near-term (NT), mid-term, and long-term recommendations, and action plans. The NRC staff informed the participants that the NT recommendations have been incorporated into NRC Division Instructions (DIs). The DIs will be made available to the public. The industry requested an opportunity to discuss the deltas (what has changed from the old version to the new) in the DIs upon reviewing the DIs after they become available. The NRC staff suggest that the industry may submit comments on the DIs in writing, if preferred.

The public was afforded an opportunity to provide comments or ask questions on the status of the Smarter Licensing Program. No comments were provided, nor questions asked.

### **COVID-19 Request for Regulatory Relief and Lessons Learned**

The NRC staff provided an update on the status of COVID-19 related exemptions the NRC reviewed since the March 24–25, 2021, Fuel Facility Stakeholders Meeting. The NRC staff detailed the completed emergency preparedness exercise exemptions and those under review since the March meeting. The NRC staff informed the industry that following NRC guidance and having pre-submittal discussions were the main lessons learned during the reviews.

The public was afforded an opportunity to provide comments or ask questions on the COVID-19 Request for Regulatory Relief and Lessons Learned topic. No comments were provided, nor questions asked.

### **Non-fee Billable Work Activities**

During this presentation, NRC staff provided updated information on the budgeted versus utilized non-fee billable work in the Fuel Facilities Business Line for fiscal year 2021. The NRC staff covered the hours spent on each activity. The NRC staff also provided a list of activities to be worked on in fiscal years 2022 and 2023. The NRC staff requested the industry to start submitting letters of intent to assist the NRC with budget formulations in fiscal year 2024 and beyond.

The public was afforded an opportunity to provide comments or ask questions on the non-billable work topic. No comments were provided, nor questions asked.

### **Very Low Safety Significance Issue Resolution**

The NRC staff provided a status update on the Very Low Safety Significance Issue Resolution (VLSSIR) activities. The industry was informed of the issues the NRC is currently addressing and the objectives. The NRC indicated the next step will be to turn its focus toward issues clearly in the licensing basis that are of low safety significance. The industry was invited to attend a November 2021 meeting on an independent spent fuel storage installation inspection issue that will include a discussion on the VLSSIR process.

The public was afforded an opportunity to provide comments or ask questions on the VLSSIR topic. No comments were provided, nor questions asked.

### **Status of Smarter Inspection Program**

The NRC staff provided a status of the Smarter Inspection Program. The NRC staff started by reminding the audience of the reason for the program and of the approved recommendations presented by the Smarter Inspection Program working group. Fuel cycle inspection guidance documents were revised as a result, and the implementation of the program completed in June 2021.

The public was afforded an opportunity to provide comments or ask questions on the Smarter Inspection Program topic. No comments were provided, nor questions asked.

### **COVID-19 Public Health Emergency Oversight Activities Assessment**

The NRC staff provided an update on Phase B of the NRC's COVID-19 PHE Oversight Activities Assessment. The NRC staff elaborated on what Phase B entails, the Phase B working group's objectives, the methods for receiving feedback, best practices that were determined, challenges faced, and inspection activity recommendations for current and future public health emergencies. The Phase B report is anticipated to be made available to the public by the end of November 2021. The industry suggested that Phase B be used as a commitment to transformation (committing to continue with activities that worked well during the emergency once the emergency has concluded).

The public was afforded an opportunity to provide comments or ask questions on the public health oversight activities assessment topic. No comments were provided, nor questions asked.

### **Region II Inspection Topics**

The NRC staff informed the industry that inspection Manual Chapter (IMC) 2600 Appendix B, "NRC Core Inspection Requirements," was being revised to adjust material control and accounting observation frequencies for Category III and gas centrifuge facilities to align with the inspection frequencies for those procedures in IMC 2683, "Material Control and Accounting Inspection of Fuel Cycle Facilities." In addition, the NRC staff informed the industry that the observation resource estimate was being reduced from 30 hours to 20 hours.

The public was afforded an opportunity to provide comments or ask questions on the Region II Inspection topic. No comments were provided, nor questions asked.

### **Status of NRC Letter on Safety Margin**

The NRC staff informed the industry of the status of the forthcoming NRC letter responding to NEI letters on its position on safety margin, and suggested edits to Inspection Manual Chapter 0616. The NRC letter is expected by the end of 2021.

The public was afforded an opportunity to provide comments or ask questions on the safety margin topic. No comments were provided, nor questions asked.

### **SRM on SECY-19-0095**

The NRC staff provided a status of enhanced security of Special Nuclear Material rulemaking. Via [SECY-19-0095](#) in October 2019, the NRC staff recommend discontinuation of the rulemaking. The Commission disapproved that recommendation in [SRM-SECY-19-0095](#) in August 2021. The Commission directed the NRC staff to develop a notation vote paper with a full range of options for the scope of the rule. The NRC staff is working on the notation vote paper.

The public was afforded an opportunity to provide comments or ask questions on the SRM topic. No comments were provided, nor questions asked.

### **Part 71 Proposed Rule Status**

The NRC staff provided a status of the Part 71 rulemaking. The meeting participants were given a walkthrough and examples of how, via the rule, the NRC planned to harmonize its regulations with those of the International Atomic Energy Agency, changes to a U.S. Department of Transportation rulemaking, and several NRC initiated changes. A 75-day public comment period on the rule is anticipated to begin in late 2021.

A question was asked about the possible overlap in the regulation of quality assurance programs for those who hold both NRC and Agreement State licenses. Questions were also asked about the proposed biennial reporting on the quality assurance program when there were no changes made to the program and concerns were expressed that this would add unnecessary burden on licensees.

### **Environmental Justice Practice**

The NRC staff provided an overview of the review of the NRC Environmental Justice Program. The NRC staff informed the audience of considerations of environmental justice, recently issued related Executive Orders, a systematic review of the NRC Environmental Justice Program, benchmarking the NRC program against other Federal agencies, and of its external/internal stakeholder outreach efforts. The NRC presented highlights from its outreach and listed ways that stakeholders can provide comments/feedback on the review of the NRC Environmental Justice Program.

The public was afforded an opportunity to provide comments or ask questions on the Environmental Justice Practice topic. No comments were provided, nor questions asked.

## **Transformation Survey**

The NRC staff informed the audience of its Transformation Survey. The survey seeks feedback from a variety of stakeholders on the perceptions of the NRC's transformation efforts. The NRC believes the survey will result in growth for the agency. The survey runs through March 31, 2022, and the audience was informed of the multiple ways to access the survey.

The public was afforded an opportunity to provide comments or ask questions on the Transformation Survey topic. No comments were provided, nor questions asked.

After a recap of the action items for the day and closing remarks from NRC staff and NEI, the meeting was adjourned.

## **October 21, 2021, Meeting Session**

The meeting resumed at 10:00 AM.

Similar to the previous day, the activities started with NRC staff discussing the meeting's category and purpose, and the instructions and logistics for conducting it. Opening remarks by NRC and NEI senior management followed. After the remarks, the meeting's main activities resumed.

## **Status of High Assay Low Enriched Uranium**

The NRC staff provided an overview of high assay low enriched uranium (HALEU) activities. The NRC staff informed the industry of the regulations and guidance being assessed to ready for HALEU submittals. The NRC staff detailed the meetings and training staff has undertaken to enhance the technical knowledge of the subject. Pre-application interaction was encouraged to help better support reviews

The public was afforded an opportunity to provide comments or ask questions on the HALEU topic. No comments were provided, nor questions asked.

## **Status of Draft NUREG-2159**

The NRC staff presented a status of draft NUREG-2159, Revision 1. The NRC staff started by giving an overview of what draft NUREG-2159, Revision 1 encompasses and how to provide comments during the comment period (ending November 22, 2021). The NRC staff included a discussion of the differences in guidance and management control and accounting program elements between facilities that possess Category II and Category III quantities of special nuclear material.

A member of the industry indicated that two different versions of NUREG-2159 exist in the public domain which has led to confusion and wasted resources within the industry. The NRC committed to inquire into the discrepancy. The NRC staff assured the industry that the version issued via the *Federal Register* notice (86 FR 52926) is the version on which comments are being accepted.

The public was afforded an opportunity to provide comments and ask questions on the NUREG-2159 topic. No comments were provided, nor questions asked.

## **Roundtable Discussion: Tracking of Enriched Uranium**

NEI and industry requested to briefly discuss the tracking of foreign obligations on low enriched uranium, an item that was not on the agenda. NEI and industry informed the NRC staff of some challenges related to their interpretation of the NUREG instructions for reporting foreign obligations on E1 and E2, specifically the need to obtain prior government approval for blending activities. NEI and industry asked the NRC for more interaction and discussion on the subject, potentially during a public meeting prior to the end of 2021. The NRC staff expressed interest in having a public meeting but indicated the timing of the meeting cannot be determined as the NRC has to work with multiple international agencies on the subject to reach a conclusion on how tracking will be done.

## **Summary of Meeting's Discussions**

Following the completion of the discussions of the agenda items, the NRC staff provided a summary of the discussions held during both days, followed by a discussion on the action items that resulted from the meeting. The NRC staff continued the meeting with closing remarks by Ms. Shana Helton, Director, DFM, and Ms. Janet Schlueter, Senior Advisor, Fuel and Low-Level Waste, NEI.

## **Adjourn**

The meeting participants were asked one last time if there were any question or comments on the topics discussed over the 2 days. Neither the NRC staff, NEI, industry, nor members of the public raised a question or made a comment; thus the meeting was adjourned at 11:30 AM. The NRC staff plans to conduct its next fuel facility stakeholder interaction with the industry during the spring of 2022.

## **Action Items**

The following action items resulted from the discussions during the meeting:

1. The NRC and NEI/Industry shall exchange any meeting presentation materials at least one week prior to the scheduled meeting date.
2. The NRC staff was requested to place the corrected integrated schedule of regulatory activities chart on the NRC public Web site for the fuel facility stakeholders meeting.
3. NEI/Industry suggested that integrated schedule of regulatory activities chart include the draft interim staff guidance on security for facilities possessing Category II special nuclear material.
4. The NRC staff is to inquire how the industry was able to obtain two different versions of draft NUREG-2159.
5. The NRC staff will consider NEI/Industry suggestion of having a public meeting by the end of 2021 to discuss the tracking of higher enriched material.
6. The NRC will work to make as many licensing division instructions publicly available as possible.

7. The NRC and NEI/Industry will work to have the dates for the 2022 Fuel Facility Stakeholders Public Meetings (Spring and Fall) set by the end of January 2022 to help assist all parties with planning and preparation.

Enclosure:  
List of Attendees

SUBJECT: SUMMARY OF OCTOBER 20-21, 2021, FUEL FACILITY STAKEHOLDER PUBLIC MEETING

DATE: December 14, 2021

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NAME	JRowley	ELee	JZimmerman	JRowley
DATE	11/29/2021	11/30/2021	12/08/2021	12/09/2021

**OFFICIAL RECORD COPY**

LIST OF ATTENDEES

OCTOBER 20-21, 2021 FUEL FACILITY STAKEHOLDERS PUBLIC MEETING

<b>Name</b>	<b>Affiliation</b>
Matt Bartlett	U.S. Nuclear Regulatory Commission (NRC)
Gregory Goff	NRC
Leira Cuadrado	NRC
James Rubenstone	NRC
Mirabelle Shoemaker	NRC
Charles Patterson	NRC
Jacob Zimmerman	NRC
Lindsey Cooke	NRC
Michael Greenleaf	NRC
Donnie Harrison	NRC
Shana Helton	NRC
Suzanne Ani	NRC
James Downs	NRC
Joel Rivera Ortiz	NRC
Eric Michel	NRC
Alayna Pearson	NRC
Myla Ruffin	NRC
Brannen Adkins	NRC
Timothy Sippel	NRC
Osiris Siurano-Perez	NRC
Jonathan Rowley	NRC
LaDonna Suggs	NRC
Jennifer Tobin	NRC
Lynnea Wilkins	NRC
Yawar Faraz	NRC
David Tiktinsky	NRC
Richard Jervey	NRC
Larry Harris	NRC
Jason Piotter	NRC
Gregory Suber	NRC
Yoira Diaz	NRC

<b>Name</b>	<b>Affiliation</b>
Jenny Weil	NRC
Jill Shepherd	NRC
Cynthia Taylor	NRC
Dylanne Duvigneaud	NRC
Irene Wu	NRC
James Firth	NRC
Hipo Gonzalez	NRC
Aida Rivera-Varona	NRC
Doris Lewis	NRC
Marshall Kohen	NRC
Tom Pham	NRC
Glenn Tuttle	NRC
James Hammelman	NRC
David Spangler	BWXT Nuclear Operations Group Inc.
Charles Patterson	Honeywell Metropolis
Robert Sanders	Honeywell Metropolis
Tim Tate	Framatome
Mike Wilbricht	Framatome
Calvin Manning	Framatome
Scott Murray	Global Nuclear Fuel - Americas
Pat Jenny	Global Laser Enrichment
Jennifer Wheeler	X-Energy
Gerard Couture	X-Energy
Janet Schlueter	Nuclear Energy Institute
Nima Ashkeboussi	Nuclear Energy Institute
Blake Bixenman	Urenco USA
Robert Link	Link Nuclear LLC (Nuclear Energy Institute consultant)
Elise Malek	Westinghouse Columbia
James Tomkins	Kairo Power
Darrell Gardner	Kairo Power
Marty Karr	CENTRUS
Abhijit Sengupta	U.S. Department of Transportation
Andrea Jenetta	Platts Publication
Susan Hoxie-Key	Southern Nuclear Operating Company
Robert Oelrich	Pacific Northwest Laboratory
Joseph Rivers	USA Nuclear

<b>Name</b>	<b>Affiliation</b>
Edwin Lyman	Union of Concerned Scientist
Kelly Fitch	CENTRUS
Mitchell Meyer	
Philip Klevorick	
Thomas Fay	
Kurt Terrani	