

Official Transcript of Proceedings
NUCLEAR REGULATORY COMMISSION

Title: Advisory Committee on Reactor Safeguards

Docket Number: (n/a)

Location: teleconference

Date: Tuesday, October 3, 2023

Work Order No.: NRC-2561

Pages 1-157

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ADVISORY COMMITTEE ON REACTOR SAFEGUARDS

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UNITED STATES OF AMERICA
NUCLEAR REGULATORY COMMISSION

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709TH MEETING

ADVISORY COMMITTEE ON REACTOR SAFEGUARDS

(ACRS)

+ + + + +

OPEN SESSION

+ + + + +

TUESDAY

OCTOBER 3, 2023

+ + + + +

The Advisory Committee met via hybrid In-Person and Video-Teleconference, at 1:00 p.m. EDT, Joy L. Rempe, Chairman, presiding.

COMMITTEE MEMBERS:

- JOY L. REMPE, Chairman
- WALTER L. KIRCHNER, Vice Chairman
- DAVID A. PETTI, Member-at-Large
- CHARLES H. BROWN, JR., Member
- VICKI M. BIER, Member
- VESNA B. DIMITRIJEVIC, Member*
- GREGORY H. HALNON, Member*
- JOSE MARCH-LEUBA, Member

1 ROBERT P. MARTIN, Member*
2 THOMAS E. ROBERTS, Member
3 MATTHEW W. SUNSERI, Member
4

5 ACRS CONSULTANT:

6 DENNIS BLEY
7 STEPHEN SCHULTZ
8

9 DESIGNATED FEDERAL OFFICIAL:

10 DEREK WIDMAYER
11

12 ALSO PRESENT:

13 AMY CUBBAGE, NRR*
14 JAMES DOWNS, NMSS
15 WILLIAM KENNEDY, NRR
16 STEVEN LYNCH, NRR
17 TAMMIE RIVERA, NSIR
18 JESSE SEYMOUR, NRR*
19 JIM TOMKINS, Duke Energy
20 BRUCE WATSON, NMSS
21 BERNIE WHITE, NMSS
22

23 * present via video-conference
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 of Nuclear Reactor Regulation

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 and Deployment Considerations

Adjourn

P-R-O-C-E-E-D-I-N-G-S

1:21 p.m.

CHAIR REMPE: This meeting will now come to order. This is the first day of the 709th meeting of the Advisory Committee on Reactor Safeguards. I'm Joy Rempe, Chairman of the ACRS.

Other members in attendance are Vicki Bier, Charles Brown, Vesna Dimitrijevic, Greg Halnon, Walt Kirchner, Jose March-Leuba, Robert Martin, Dave Petti, Thomas Roberts and Matthew Sunseri. Member Ron Ballinger has been excused for part of today's session, but he will be joining us later.

I do note we have a quorum today. And today the meeting is meeting in person and virtually.

The ACRS was established by the Atomic Energy Act, and it is governed by the Federal Advisory Committee Act. The ACRS section of the U.S. NRC public website provides information about the history of this Committee and documents such as our charter, bylaws, Federal Register notices for meetings, letter reports and transcripts of all full and subcommittee meetings, including all slides presented at the meetings.

The Committee provides its advice on safety matters to the Commission through its publicly

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1 available letter reports.

2 The Federal Register notice announcing
3 this meeting was published on September 18, 2023.
4 This announcement provided a meeting agenda as well
5 as instructions for interested parties to submit
6 written documents or request opportunities to address
7 the Committee.

8 The Designated Federal Officer for today's
9 meeting is Mr. Derek Widmayer.

10 A communications channel has been opened
11 to allow members of the public to monitor the open
12 portions of the meeting. The ACRS invites members of
13 the public to use the MS Teams link to view slides and
14 other discussion materials during these open sessions.
15 The MS Teams link information was published in the
16 Federal Register notice and agenda on the ACRS public
17 website.

18 Periodically, the meeting will be open to
19 accept comments from participants listening to our
20 meetings. Written comments may be forwarded to Mr.
21 Derek Widmayer, today's DFO.

22 During today's meeting, the Committee will
23 consider the following topics. Draft white paper
24 microreactor licensing and deployment considerations,
25 fuel loading and operational testing at a factory.

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1 A transcript of the open portions of the
2 meeting is being kept. And it's requested that
3 speakers identify themselves and speak with sufficient
4 clarity and volume so they can be readily heard.
5 Additionally, participants should mute themselves when
6 not speaking.

7 At this time, before we start our first
8 topic, I would like to ask other members if they have
9 any comments.

10 Okay. If not, I would like to ask Member
11 Vicki Bier to lead to lead us in our topic for today's
12 meeting. Vicki?

13 MEMBER BIER: Thank you very much, Joy.
14 As people probably know, the staff issued SECY-20-0093
15 in October 2020 to alert the Commission to several
16 policy matters related to nuclear microreactors that
17 might require departures from current regulations,
18 guidance or precedence and to identify potential
19 policy issues relating to licensing of microreactors.

20 Using feedback from potential developers
21 and licensees, staff has addressed some of these
22 matters with recent regulation revisions and other
23 actions.

24 Today we will hear from staff about three
25 of these matters that need to be addressed for

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1 microreactors, specifically to support licensing of
2 transportable microreactors that might be fabricated
3 at one location and then transported to a different
4 location for deployment.

5 Staff will explain and discuss the issues
6 involved in this and potential regulatory options for
7 addressing those issues.

8 The Committee is addressing this topic
9 solely as part of this full Committee without a prior
10 subcommittee meeting to accommodate the staff's
11 request that we be brief and attempt to finalize a
12 letter report during this meeting rather than the
13 usual format of a subcommittee meeting first and then
14 considering the letter at a future full committee.

15 I've requested that our consultants,
16 Dennis Bley and Steve Schultz participate in this
17 session. I believe that Steve is online. Dennis will
18 hopefully be joining us shortly.

19 We can now proceed to the staff's
20 presentation, and I would be happy to call on Steve
21 Lynch from the Office of Nuclear Reactor Regulation to
22 provide opening remarks.

23 MR. LYNCH: Great. Thank you. Again, my
24 name is Steve Lynch. I am the chief of the Advanced
25 Reactor Policy Branch in the Office of Nuclear Reactor

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1 Regulation.

2 As part of the staff's effort to establish
3 a technology inclusive and predictable regulatory
4 framework for advanced reactors, the staff is
5 preparing policy papers on topics associated with the
6 licensing of factory fabricated microreactors.

7 In contrast to larger power reactors,
8 microreactors may be fabricated and tested at a
9 factory prior to deployment at the final operations
10 site. This introduces unique licensing and policy
11 considerations associated with fuel loading, testing
12 and operation.

13 In recognition of deployment strategies
14 that seek to operate microreactors in the near-term,
15 the NRC staff has developed innovative strategies to
16 facilitate the licensing of these technologies within
17 the NRC's existing regulatory framework using tools
18 such as exemptions and license conditions as
19 appropriate.

20 Additionally, the staff has identified a
21 number of topics, such as transportation of fueled
22 microreactor modules and remote and autonomous
23 operations that are discussed in this paper but will
24 warrant further discussion and dialogue both
25 internally and with external stakeholders, including

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1 microreactors developers, prior to any further
2 engagement with the Commission.

3 The topics discussed today have been
4 shared with external stakeholders through the release
5 of the staff's draft white paper on these subjects in
6 August and in three public meetings held since March
7 of this year.

8 The updated white paper shared with the
9 ACRS last week reflects a refinement of the NRC's
10 staff's transformational thinking on these important
11 topics achieved through ongoing staff discussions and
12 feedback received.

13 We thank the ACRS for working with us on
14 addressing the key issues associated with the
15 licensing and deployment of factory fabricated
16 microreactors, and we look forward to a productive
17 dialogue today. Thank you.

18 CHAIR REMPE: I have a question.

19 MR. LYNCH: Sure.

20 CHAIR REMPE: I've looked through your
21 stores as well as the updated white paper and the
22 original one. And there's not a really good place to
23 do it, you know, I think this is the best place to
24 bring it up. But what is the staff's definition of a
25 microreactor? Can someone with a 77 megawatt thermal

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1 reactor design come in and say it's a microreactor, a
2 30 megawatt? Where is the cutoff for whether it's a
3 microreactor or not?

4 MR. LYNCH: So I'll start with the
5 response and then I will ask Duke to supplement as
6 needed.

7 So the staff is not drawing a firm power
8 boundary on what constitutes a microreactor. If we
9 look to the Department of Energy and the technologies
10 that they are funding and helping develop as
11 microreactors, a rough upper limit is around 50
12 megawatts thermal. And that is consistent with the
13 proposals that we are seeing come to the NRC for
14 potential microreactor designs.

15 Part of what we are considering beyond
16 just the thermal power level is what the actual
17 radiological consequences for these facilities will be
18 in general. While we have not set any limits in our
19 regulations, our expectation is that the hazards
20 associated with these facilities would be similar to
21 currently operating or proposed non-power reactors.
22 So this would typically mean a facility that would be
23 looking to have accident consequences of one rem or
24 less.

25 CHAIR REMPE: So in SECY, the older one,

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1 the 20-0093, it has a sentence in there about the
2 consequences. And that didn't show up in this one,
3 this white paper, and I just was puzzled why the staff
4 backed off from saying that one rem total effective
5 dose equivalent.

6 MR. LYNCH: Duke, do you want -- okay.
7 Well, so I think for this, I don't think there was an
8 intent to shy away from that. I think rather it was
9 more -- the focus of this paper was less on the
10 operational characteristics of the facilities once
11 they're at the final deployment site and more on
12 activities that are going to be happening at a
13 factory, which are going to include fueling of the
14 reactor and potentially some low power testing.

15 So for the purposes of this paper, looking
16 at the consequences of these facilities wasn't as
17 pertinent to the discussions that we needed to have.

18 CHAIR REMPE: I just think it would be
19 nice to have that discussion in anything. I mean,
20 this is the first time. But anyway, that's just --

21 MR. LYNCH: Understood. Understood. No,
22 I appreciate that.

23 MEMBER BIER: If I can make a brief
24 follow-up on Joy's comment, I think part of the reason
25 that I think that's important is because whatever

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1 licensing options get established here, you will need
2 to specify who can use those options or which designs
3 can use those options, and so it's helpful to have
4 that clearly spelled out.

5 MR. LYNCH: Sure. Absolutely.

6 MS. CUBBAGE: This is Amy Cubbage, NRC
7 staff. I'd like to just chime in one this, I think,
8 just to follow on to what Steve said.

9 For the purposes of this paper, with
10 factory fueling and then transporting of fueled
11 modules and the potential for operating a reactor for
12 testing in the factory, it's more practical
13 considerations on the part of the developer that would
14 dictate the size at which they feel that they could,
15 you know, technologically have a reactor that's small
16 enough to be transported in its fully fabricated state
17 and fueled state. The actual size wasn't a factor for
18 us on the safety considerations.

19 VICE CHAIR KIRCHNER: But it's clear that
20 you mean power reactors here.

21 MR. LYNCH: Yes.

22 MS. CUBBAGE: Yes.

23 MR. LYNCH: Yes.

24 VICE CHAIR KIRCHNER: Therefore, but you
25 made the comment that these were being considered as

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1 similar to non-powered reactors? Did you use that
2 magic word that sounds like less regulation, less
3 oversight?

4 MR. LYNCH: So I think, and some of this
5 we'll get into in the details of the presentation.
6 And the context of the remarks I was just making, I
7 was making a technological comparison for the sake of
8 expected power levels. So all of our currently
9 operating non-power reactors operate at 20 megawatts
10 thermal or less.

11 VICE CHAIR KIRCHNER: That's like in every
12 --

13 MR. LYNCH: Yes.

14 VICE CHAIR KIRCHNER: -- test reactor --

15 MR. LYNCH: Yes.

16 VICE CHAIR KIRCHNER: -- and so forth.

17 MR. LYNCH: So that was the comparison I
18 was making here. We do have a proposal in this paper
19 looking at potential utilization of non-power reactor
20 licensing frameworks in order to help facilitate low
21 power testing at a factory, which we believe is one
22 way of scaling appropriate requirements for safety for
23 these facilities that will be doing limited operations
24 at a factory.

25 VICE CHAIR KIRCHNER: Licensing operations

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1 at a factory is one circumstances whereas operations
2 in whatever site they are going to be located in would
3 be --

4 MR. LYNCH: Correct.

5 VICE CHAIR KIRCHNER: -- I would think
6 would be some other consideration.

7 MR. LYNCH: Yes. So at the ultimate
8 deployment site, the NRC staff is not suggesting that
9 anything other than power reactor requirements would
10 be applied to these facilities.

11 VICE CHAIR KIRCHNER: Thank you.

12 MR. LYNCH: I guess to close that, the
13 point is well taken and the staff will consider
14 whether it makes sense to add a more definitive
15 classification of what is considered a microreactor
16 in the context of this paper. Thank you.

17 CHAIR REMPE: I would like that. The
18 expectation is not written down as to which. Anyway,
19 thank you.

20 MR. LYNCH: All right, Duke. I think we
21 can turn it over to you now.

22 MR. KENNEDY: Okay. Thank you very much.
23 Is this audible for everybody? Just closer? All
24 right. I'll get set up here.

25 Okay. So good afternoon, everybody. My

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1 name is Duke Kennedy. I'm a senior project manager in
2 the Advanced Reactor Policy Branch in the Office of
3 Nuclear Reactor Regulation.

4 I'm very happy to be here today to speak
5 to the Committee about this paper. It's been a large
6 effort of collaboration with many divisions in the
7 NRC to get this paper together. It covers a very
8 broad variety of topics that touch on many of the
9 programmatic areas across the NRC.

10 And so I'm happy to have with me here
11 today Bernie White from the Office of nuclear
12 Materials Safety and Safeguards. So he's authored the
13 section on transportation and on storage of irradiated
14 fuel that you will find in the enclosure to this paper
15 as well as helping out with the development of the
16 vote options as well as the regulatory approaches that
17 are presented in the main part of the paper.

18 On the line, Jesse Seymour authored the
19 section on remote and autonomous operations. He will
20 be presenting to you remotely on that topic in the
21 enclosure as well as Tammie Rivera from the office of
22 Nuclear Security and Incident Response, who also
23 contributed to that section on information related to
24 cybersecurity.

25 There are too many others to name, but

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1 this is a great effort of collaboration. I believe
2 there are another 15 or 20 staff on the line who are
3 here to help answer questions related to the various
4 topics in the paper. I have a couple more staff that
5 are here in the room here as well.

6 Next slide. So my presentation will cover
7 the motivation for the paper, Conceptual Deployment
8 Model for Factory Fabricated Transportable
9 Microreactors, and information about the draft white
10 paper that we provided.

11 These slides are meant to help us have a
12 common understanding of what are these microreactors,
13 what does the deployment model look like and what are
14 some of the NRC staff's assumptions in the paper.

15 And then we'll move on to regulatory
16 approaches or features to preclude criticality, fuel
17 loading at a factory and operational testing at a
18 factory. And this is where we will discuss most of
19 what's in the body of the draft white paper.

20 After that, we'll move to the topics that
21 are included in the enclosure to the draft white
22 paper. We'll talk a little bit about stakeholder
23 engagement and then the next steps.

24 Next slide. So this question has already
25 been partially answered, but I will just reiterate

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1 here that in this paper, we are discussing commercial
2 microreactors that would be licensed under Section 103
3 of the Atomic Energy Act.

4 We expect that they would primarily use
5 non-light-water reactor technologies, have power
6 levels in the range of few to several tens of
7 megawatts thermal water, and have small site
8 footprints as well.

9 These factory-fabricated microreactors
10 would be a subset of microreactors. They would rely
11 heavily on standardization and be designed such that
12 they could be produced and manufactured in a factory.
13 This would ultimately have the goal of simplifying
14 licensing and deployment for multiple reactors of the
15 same design.

16 The staff's information paper that was
17 sent to the Commission on policy and licensing
18 considerations related to microreactors introduced, I
19 believe, 10 topics related to microreactors. That was
20 in 2020. And so the paper that we are presenting on
21 today revisits some of those topics and introduces
22 some new topics and focuses some of the previous
23 topics on factory-fabricated microreactors.

24 The staff has also undertaken a number of
25 activities since the publication of that information

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1 paper, including the development of the Part 53
2 proposed rule on risk-informed technology inclusive of
3 the regulatory framework for commercial nuclear power
4 plants, a proposed rule on alternative physical
5 security requirements for advanced reactors, a
6 proposed rule under advanced nuclear reactor generic
7 environmental impact statement, a recently approved
8 rule on emergency planning for small modular reactors
9 and other technologies as well as some other guidance
10 development activities that are currently ongoing.

11 The point of these technology inclusive
12 rulemakings is to have requirements that are scalable
13 to meet the potential risks of the various reactor
14 technologies that could be subject to those rules.

15 So one motivation for this paper has
16 really been that there is growing stakeholder interest
17 in the deployment of these reactors. And we're seeing
18 from three years ago to now formal engagements with
19 the NRC staff through the review of white papers. I'm
20 seeing submission of regulatory engagement plans.

21 We have more and more developers that are
22 approaching the NRC in the very early stages,
23 notifying us that they are interested in this area and
24 considering developing designs. So we are really
25 seeing things ramp up.

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1 And so we feel it's important now to take
2 the proactive approach to provide regulatory clarity
3 on what these developers can do under the current
4 regulatory framework and what things might require
5 additional policy decisions or rulemaking.

6 So we have prioritized in our paper three
7 of these topics that were previously mentioned, the
8 fuel loading at a factory, operational testing at a
9 factory and the topic of features to preclude
10 criticality. We see these as important topics that
11 developers need to have some level of certainty on as
12 they start to develop their licensing documentation.

13 So many of these developers would rely on
14 a manufacturing license. And so just to prepare that
15 manufacturing license application, some of these
16 issues are important for them to understand. And
17 based upon their estimated deployment type of time
18 frames, development of that documentation is starting
19 very soon.

20 So, next slide, please. Okay. So on this
21 slide, we have a depiction of what we're calling the
22 generic deployment model. And it will include
23 numerous activities that involve NRC licensing
24 oversight.

25 So the generic deployment model considered

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1 by the staff in this paper is a combination of
2 features that we've heard from various developers and
3 things that the staff believes may be included in the
4 deployment of factory fabricated microreactors. So
5 this doesn't represent some particular developer's
6 model, but the idea is that it encompasses any of the
7 models that might be proposed by the developers.

8 It is also entirely possible that other
9 microreactors developers would not choose to load fuel
10 in a factory or to operate for testing in a factory.
11 But those deployment models don't raise the same types
12 of policy issues that fuel loading and operation of
13 the factory do.

14 So if we start on the left here, we have
15 the depiction of a factory. And so when you think of
16 a factory, a factory under this deployment model could
17 have various parts. So a manufacturing facility is
18 where a reactor will be manufactured. And the
19 manufacturer of that reactor would be covered by a
20 manufacturing license.

21 In addition to that manufacturing license
22 and manufacturing area, there could be an area in the
23 factory where fuel is loaded into the reactors. And
24 that would be covered under a Part 70 license or an
25 operating license, depending on the options that are

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1 presented in this paper.

2 And then the factory could also have
3 another location where the reactor is actually
4 operated for testing. So while you may have one
5 larger factory, you may have distinct areas within it
6 that are subject to different licensing requirements.
7 They may be overlapping to a certain extent, but they
8 also may be distinct areas.

9 So the next step on the graphic here is
10 the transportation to the deployment site. So
11 reactors would be loaded onto a truck or a train or
12 some other approved transportation means and taken to
13 the deployment sites.

14 So at the deployment site, there would be
15 separate licensing. So licensing that happened at the
16 factory would not be carried over to the deployment
17 site. It would go through a separate licensing
18 process at the deployment site that is specific to
19 that site.

20 There may be some things that happen
21 during licensing at the factory that can be carried
22 over. For example, if there is a manufacturing
23 license at the factory, there may be final design
24 information in the manufacturing license. That final
25 design will not need to be reviewed in the same way at

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1 the deployment site. But I want to be clear that
2 there is licensing in the factory that happens,
3 especially for fuel loading and operational testing,
4 separate licensing that happens at the deployment
5 site.

6 So in this figure, you can see that we
7 have depicted factory fabricated microreactors as
8 having one of two general designs.

9 The first at the top there is what we call
10 standalone or a self-contained microreactor. And this
11 is where everything needed to operate the reactor to
12 produce the power is contained in one package or one
13 container that would just more or less be hooked up to
14 the load. So that's an electrical load or a
15 requirement for process heat.

16 The other design is what we are calling a
17 core module where the core module would contain things
18 like the control rods, the fuel, core support
19 structure, maybe some instrumentation or other things.
20 And that core module would be plugged into some
21 structures and systems that were constructed at the
22 site. So the distinction between those two different
23 designs.

24 Next --

25 CHAIR REMPE: Before you leave that slide,

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1 I know that you only have things on trucks here, but
2 your enclosure talks about other types of deployment
3 scenarios where the module is put on a ship or
4 something where it's flying in the sky.

5 And I'm wondering if we go forward with
6 this white paper in SECY how we assure that the design
7 has adhered to principles, fundamental principles,
8 that are not only applicable in the U.S. but for other
9 scenarios overseas that are not in the U.S.

10 And I'm aware of there was a joint CNA,
11 NEI and WNA publication that talks about a framework
12 for international regulatory efficiency to accelerate
13 nuclear deployment. And they emphasize fundamental
14 tenets like defense-in-depth that IAEA has always
15 advocated.

16 And I'm just wondering if we do this and
17 say, okay, yeah, you can load fuel at the site and put
18 it on a truck if we're not stepping into something
19 where some designs that if you have a little more
20 control in the U.S. if it's only going on a truck,
21 it's not a big deal, but if you start expanding to
22 other scenarios, it could be big deal.

23 And how does what you're doing consider
24 those other options and where you might have something
25 is okay and maybe it's not okay because the design

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1 didn't have defense-in- depth and multiple systems for
2 control or something?

3 MR. LYNCH: Sure. So I'll start with a
4 few high level thoughts. One of the things with this
5 paper is we're only looking to come up with strategies
6 for these transportable microreactors within the
7 existing NRC regulatory framework. So this is in
8 either 10 CFR Part 50 or 10 CFR Part 52 for the
9 reactor regulations or the requirements as may be
10 required for materials under Part 70 or transportation
11 in 10 CFR Part 71.

12 So at this point, we're not recommending
13 modifications to these regulatory requirements that
14 currently exist to ensure the safe transportation of
15 material or hardware as it may be for these reactor
16 modules.

17 But also in the context of this paper, we
18 identify transportation as one area that is going to
19 require further consideration. So we only introduce
20 the topic in this paper so as to help identify what
21 are the many areas that the staff need to explore in
22 greater detail.

23 So this paper is not meant to be
24 definitive on everything that we need to do when it
25 comes to transportation. We identify some of the

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1 ideas that need to be considered for this.

2 And when it comes to harmonizing with
3 particularly other countries and how, you know, work
4 may be done between the U.S. and outside of the U.S.,
5 that is something that the NRC staff is currently
6 taking on as part of greater initiatives through Part
7 53 and looking at how our regulatory framework says we
8 reimagine them for the future could better harmonize
9 internationally.

10 So with that, I will give Duke or Bernie
11 an opportunity if you had anything you wanted to add
12 to that.

13 MR. WHITE: Thanks, Steve. So I'm Bernie
14 White. I'm a senior project manager in the Storage
15 and Transportation Licensing Branch in the Division of
16 Fuel Management in the Office of Nuclear Material
17 Safety and Safeguards.

18 It sounded like you were touching on
19 transportation and transportation overseas in other
20 countries and how that is accomplished and whether,
21 you know, our packages can be used over there and
22 safely transported as opposed to, you know, the
23 operational piece, which is NRR.

24 NRC rules for transportation are
25 harmonized with the IAEA standards in Safety Series 6

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1 or specific Regulation Number 6. Sorry. We have
2 harmonized through the 2009 edition. We've got a
3 current rulemaking going through 2018.

4 If one of our packages -- and currently,
5 this is the current framework for transportation. If
6 one of our packages is going to be used in a foreign
7 country, the NRC would issue approval for the package,
8 typically a Certificate of Compliance.

9 The DOT then would issue a Certificate of
10 Competent Authority for International Transport. In
11 whatever country that package is going to go to or
12 through, but also perform what's called a
13 revalidation. And so it would do its own independent
14 review of the application it got from the certificate
15 holder along with the DOT Certificate of Compliance
16 and actually issue their own certificate for
17 transportation.

18 CHAIR REMPE: So if I have a design and I
19 want to deploy it down in Puerto Rico, and I go
20 through this refuel loading. And it's not just going
21 to be staying on a truck. It's going to have to get
22 in the water, and it may go by international waters or
23 something like international locations, you're saying
24 that the package will be fine. And the measures to
25 ensure that you don't have criticality will be

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1 adequate -- to prevent criticality will be adequate
2 with respect to fundamental tenets like defense-in-
3 depth and things like that.

4 MR. WHITE: For transportation,
5 absolutely.

6 CHAIR REMPE: Okay.

7 MR. WHITE: Our rules are generally modal
8 independent. So if we issue an approval you can ship
9 it by any mode with exception of fissile by air. If
10 you want to ship fissile by air, there are specific
11 requirements for that. Or if you want to ship
12 plutonium by air, there are other specific
13 requirements for that. But otherwise our rules in
14 Part 71 are mode independent.

15 CHAIR REMPE: Okay. Thank you.

16 MEMBER BIER: If I can make one more
17 clarification. My understanding is that the section
18 on maritime applications in the enclosure was for
19 maritime deployment of the ultimate reactor, that it's
20 on a ship that can go from place to place. But that
21 this diagram includes not just truck transportation
22 but also say barge transportation or similar. Is that
23 correct?

24 MR. WHITE: Yes, that's correct. This
25 diagram is meant to represent what happened and be

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1 domestically licensed.

2 MR. KENNEDY: Okay. I think I have
3 covered the points I want to cover the points I wanted
4 to cover on this slide. The only thing left is that
5 you can see on the right there we have a
6 decommissioning or a refurbishment facility, which I
7 will discuss a little bit later when we talk about the
8 topics in the enclosure.

9 But this would represent the end of the
10 lifecycle for microreactors that were designed to just
11 be single use or had gone through several fuel cycles
12 and would now be ultimately decommissioned or there
13 could be a refurbishment of reactors multiple times
14 and then redeployment. So this facility could be
15 where they remove the fuel. They perform some
16 maintenance or refurbishment activities. They put new
17 fuel in. They redeploy it.

18 There is nothing to say that the
19 refurbishment facility couldn't also be the factory or
20 co-located with the factory. And one that's important
21 to keep in mind is there are many iterations of how
22 these different parts of the deployment model could be
23 licensed, and who would be licensed to do the
24 different parts.

25 It is possible that one entity would not

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1 only manufacture the reactors, fuel them, test them,
2 but also be the ones who operate them in the field,
3 also be the ones who decommission them and refurbish
4 them or there could be a different licensee that's the
5 deployment site operator. We just don't -- we don't
6 know exactly what all the developers are going to do.
7 So we are trying to keep this at a more generic level.

8 Next slide. Okay. This slide covers our
9 draft white paper that we provided. So just very
10 quickly, it describes regulatory approaches that the
11 NRC staff is developing for consideration by the
12 Commission related to three main topics. The first in
13 the paper is features to preclude criticality, which
14 I will discuss more on the next slide.

15 The second is fuel loading at a factory.
16 The third is operational testing in a factory. And
17 then, again, we have an enclosure that covers a number
18 of other topics, including some near-term strategies
19 that we have which would utilize the current existing
20 regulatory framework to address those topics and also
21 next steps, which may include longer term activities
22 that would require further Commission engagement. I
23 also have links here to where the paper can be found.

24 So I just want to mention here that based
25 on the early feedback that we have received from

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1 developers, one of the main assumptions in this paper
2 is that there will be a manufacturing license for the
3 manufacture of the reactors at the factory.

4 The manufacturing license accomplishes
5 several things. One, it would actually allow for the
6 reactor to be possessed by the owner of the factory.
7 You are not allowed to have a utilization facility
8 unless you have a license to have it.

9 The manufacturing license allows you to
10 have the utilization facility. It also allows for, as
11 I mentioned, final design approval and some regulatory
12 finality about that design. You are also required to
13 have a license in order to manufacture or construct a
14 reactor. So this license would authorize the
15 manufacture of the reactor.

16 And in the manufacturing license, it
17 includes the design of the reactor. It includes some
18 quality assurance provisions. It includes some
19 provisions that are related to the management and
20 oversight and technical control of the manufacturing
21 process. But what it doesn't include is where the
22 reactor will be manufactured or what the building is
23 like that the reactor will be manufactured in. So
24 those aspects are not included in a manufacturing
25 license.

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1 MEMBER MARCH-LEUBA: Does the
2 manufacturing license include one reactor and what if
3 I'm working on 12 in power move, clearly, criticality
4 and safety becomes an issue.

5 MR. KENNEDY: So the manufacturing license
6 provisions in the regulations right now cover unfueled
7 reactors. The manufacturing license doesn't include
8 anything about radioactive material, special nuclear
9 material. So any criticality control provisions are
10 going to be under a different license, whether it's a
11 Part 70 license for the material or it's a Part 50 or
12 52 operating license for the reactor.

13 MEMBER MARCH-LEUBA: And then it will
14 build in SSEs, a vessel, control rods maybe,
15 instrumentation but not fuel?

16 MR. KENNEDY: Under the manufacturing
17 license, yes. The manufacturing license would cover
18 everything in the design of the utilization facility.
19 So it could be an entire reactor for a self-contained
20 design or a core module design, it could just be the
21 vessel.

22 MEMBER MARCH-LEUBA: You must keep in mind
23 that for this to be economical, it would have to be a
24 Model T type factory, right, where you are making it
25 by the vessel.

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1 MEMBER PETTI: Jose, we can't hear you.

2 MEMBER MARCH-LEUBA: Well, sorry about
3 that. Can you hear me now better? I have the
4 microphone in my mouth.

5 MEMBER PETTI: Yes, that's better now.
6 Thanks.

7 MEMBER MARCH-LEUBA: So when we do this,
8 you have to consider this like a car factory, where
9 the model moves along the line, and you are aligning
10 all these components.

11 MR. KENNEDY: Yes, exactly. And maybe I
12 didn't answer your question quite right the first
13 time. So there is nothing in the regulations for a
14 manufacturing license that would prohibit 1,000
15 reactors being manufactured under the one license.

16 There is the duration of the license in
17 the regulations and requirements for renewal, but it
18 doesn't anywhere say you can only make up to 100
19 reactors or up to 10. So it would be up to the
20 developer to design their manufacturing facility to be
21 able to put out the reactors that they wanted to
22 produce under -- you know, of a specific design.

23 If they want to have reactors that are
24 produced en masse, stored at the manufacturing
25 facility or at the factory and store loaded with fuel,

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1 then there are criticality control measures that would
2 need to be specified in a Part 70 license or a
3 facility operating license for those reactors such
4 that that would be done safely. But those criticality
5 control concerns are not in the manufacturing license
6 itself.

7 VICE CHAIR KIRCHNER: So, Bill, along
8 those lines, then what's different here is with the 52
9 manufacturing license, as you said, that doesn't
10 include loading fuel. And taking one step beyond, if
11 some of the applicants actually proposed to
12 operationally test the reactor, that is take it
13 critical and up to some power, that then puts other
14 requirements on the manufacturing facility that go
15 beyond just say making a reactor vessel that would not
16 be fueled at that facility.

17 So what are -- it strikes me, and it feels
18 like, for people that take that step to go further not
19 only allude to but actually test, then right now as I
20 understand the regulations, they would need a
21 construction permit and an operating license. Is that
22 a correct interpretation? And therefore have designed
23 that facility for the radiological hazards and
24 shielding of personnel, et cetera, et cetera.

25 I presume any applicant that proposes to

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1 do all three things you list has to be thinking along
2 those lines. Or is it your intent to write guidance
3 that would make it clear the scope of what is going to
4 be required? Because it changes the manufacturing
5 license considerably from just making components like
6 -- I'll pick on some reactor vessels.

7 MR. KENNEDY: Yes, that's correct. The
8 manufacturing license would not include any provisions
9 related to fuel loading, nothing related to operation.

10 And when I was talking through the
11 deployment model, when you think of the factory, don't
12 think of it as having to just be one building where
13 everything happens. So the manufacturing license
14 proves the design, that could be -- the manufacturing
15 could be done in one building.

16 A separate building where they load fuel,
17 they have to abide by all the requirements that would
18 be, you know, under Part 70.

19 Wherever they operate the reactor, they
20 would need to have a construction permit like you said
21 or a combined license to be able to fulfill all of the
22 requirements for operating the reactor.

23 So it's certainly -- we're not extending
24 the provisions of a manufacturing license under this
25 approach. But what we are adding is the ability to

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1 load the fuel under a Part 70 license.

2 VICE CHAIR KIRCHNER: I was going to make
3 a suggestion later that it would be nice to have some
4 kind of roadmap for a number of reasons that would
5 point people as you -- just take the three bullets
6 that are up there. Obviously, there are going to be
7 requirements with criticality safety and also with
8 fuel loading and then the actual operating. Testing
9 ups the requirements even further and such.

10 So I was thinking, you know, the previous
11 slide or a slide back or two showed a notional
12 deployment strategy. But I was thinking it may be
13 useful to have some kind of notional roadmap of if
14 you're doing this, then these regulations pertain. If
15 you're doing that and complicating a much more
16 aggressive strategy to actually go into operational
17 testing and perhaps build up fission product
18 inventory, then you're going another step, and these
19 are the requirements.

20 And beyond that the other -- this is Walt
21 Kirchner. And the other thing that I think is
22 critical, and I know you're coming to it, and you
23 discuss it quite a bit in your white paper and
24 enclosure, the timelines that go with other aspects of
25 this may be the dominant consideration.

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1 And I scratch my head very hard to think
2 of a way that I could show simply in a tabular way or
3 some illustrative way the timelines that are involved,
4 particularly with the environmental requirements,
5 which in many cases may dominate the schedule
6 considerations and also hearings.

7 So I'll plant that seed now that I think
8 -- it may be also useful for you and your stakeholders
9 as well as presenting to the Commission to have that
10 information in some compact format.

11 We had requested that of your counterparts
12 over in the digital INC branch because we felt that
13 trying to understand digital INC implementation, with
14 all the regulations and all the codes and standards
15 and all the ISGs, was really complicated.

16 So they found a nice way to present the
17 regulatory roadmap and all the guidance for codes and
18 standards or other requirement that were necessary to
19 go through getting a digital INC license on that.

20 MS. CUBBAGE: This is Amy Cabbage. I just
21 wanted to chime in. That is a wonderful idea. The
22 one challenge we have is that right now there are
23 options that we are presenting, and we really need
24 Commission direction before we could definitively lay
25 out whether or not a developer, for example, could

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1 load fuel with a manufacturing license and a Part 70
2 license or whether they would also need a construction
3 permit and operating license or a combined license.

4 So there are a few too many options on the
5 table right now to probably make it as clear as you
6 envisioned. But I think down the road that would be
7 a great suggestion as we continue to engage
8 stakeholders with implementation of whatever
9 commission direction we receive.

10 MR. LYNCH: And to build on Amy's response
11 there, I think it is absolutely a prudent idea to
12 think about when we develop guidance how we are
13 identifying the appropriate regulations that need to
14 be followed for this. And as part of that
15 implementation of Commission direction, the staff does
16 plan to develop guidance. So we can take that into
17 consideration when we develop our guidance.

18 MEMBER BIER: I can expand briefly on
19 Walt's questions. This is Vicki Bier. It sounds like
20 one of the, you know, goals or options of this whole
21 discussion is that you could have operational testing
22 at a factory without an operating license or a
23 combined license. Am I correct?

24 MR. KENNEDY: No.

25 MEMBER BIER: No.

1 MR. KENNEDY: No, no. This is Duke
2 Kennedy.

3 MEMBER BIER: Yeah.

4 MR. KENNEDY: No. There would not be any
5 operation of a reactor without an operating license or
6 a combined license.

7 MEMBER BIER: So is that under Part 50 and
8 52 or --

9 MR. KENNEDY: Yes.

10 MR. LYNCH: Yes. In order to --

11 MEMBER BIER: I may have misunderstood
12 something on the way.

13 MR. LYNCH: So there are -- let's see.
14 Maybe it helps if I go back a slide to -- well, we
15 don't get into enough refinement here. But in that
16 first column here on this slide where we talk about
17 fabrication, fueling and testing at the factory, there
18 are different types of licenses that would be needed
19 for these various activities at the factory.

20 Duke was describing the manufacturing
21 license under Part 52 that would just -- that would be
22 needed just to cover the physical manufacturing of the
23 utilization facility.

24 In order to fuel that reactor module, it
25 would need a Part 70 license. If you want to do

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1 testing of that module, then you would need to apply
2 for either under Part 50 a construction
3 permit/operating license or a combined license under
4 Part 52.

5 MS. CUBBAGE: Just one clarification.
6 Under the current status quo, to load fuel you would
7 actually need an operating license or a combined
8 license. But we are offering options to the
9 Commission where they could do it with the Part 70
10 license and not need the operating license or combined
11 license.

12 MEMBER MARCH-LEUBA: This is Jose. Once
13 the reactor fuel is loaded, did you need an operating
14 license in the truck when it's moving? Because the
15 fuel is loaded.

16 MS. CUBBAGE: Because part of the paper is
17 to establish that, you know, asking the Commission if
18 features to preclude criticality are installed, then
19 the reactor would meet "not in operation" and would
20 not need an operating license that would cover the
21 transport. But it would be going to an entity that
22 has either a combined license or a construction permit
23 on the receiving end.

24 MEMBER MARCH-LEUBA: So before you can
25 remove those additional reactivity controls, you need

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1 to have a license. But the only things you have --

2 MS. CUBBAGE: The license, again -- yeah,
3 a license and authorization to operate by the
4 Commission is a proposal in the paper. So you will
5 see that voting matter one explains all of that, the
6 options for the Commission.

7 MR. KENNEDY: Okay. Thank you for the
8 comments. So one thing I want to just mention before
9 we move on is that this paper does not address matters
10 related to nuclear security, emergency preparedness,
11 fitness for duty, access authorization related to the
12 factory, the deployment site, the decommissioning
13 facility, refurbishment, the fueling facility or
14 transportation.

15 So those topics we would evaluate and
16 consider the need for further Commission engagement.
17 And a big driver for how we would evaluate those
18 considerations is the direction that we are given on
19 this paper.

20 So if fuel could be loaded in a factory
21 with a manufacturing license and a Part 70 license, we
22 might have a different approach than if an operating
23 license were required.

24 So this paper, again, asks for a few --
25 it's a policy direction that are really fundamental to

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1 starting the process of really addressing all of the
2 issues that are related to the deployment of these
3 types of reactors.

4 Next slide, please. Okay. So here we
5 will get into features to preclude criticality. And
6 so staff has developed an approach for features to
7 preclude criticality for Commission consideration.

8 So I will start by saying the point of the
9 features to preclude criticality is that they would
10 make a utilization facility incapable of sustaining a
11 chain reaction. So that's not just saying that it has
12 all of its normal control rods inserted. It would be
13 to say that even if its normal systems were operated,
14 it would still be incapable of sustaining a nuclear
15 chain reaction.

16 VICE CHAIR KIRCHNER: Would it help, Duke,
17 to use the word additional features? Each reactor is
18 designed -- this is Walt Kirchner. Each reactor you
19 design normally to be able to end the conditions of
20 cold shutdown.

21 Usually if you're following the general
22 design criteria, you have two diverse ways to do that.
23 That's just part of good design approaches and such.
24 And I think that precedent is firmly established.

25 Here we are talking about additional

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1 features. I mean, I'm quibbling a little bit with the
2 language, but maybe it will show up better in your
3 guidance that what you are talking about now is
4 something that goes beyond, just as you verbally said,
5 beyond the normal control mechanisms that you would
6 design into a reactor to operate it under normal
7 circumstances.

8 This is something that goes well beyond
9 that and probably includes actually physically -- I
10 haven't through a succinct way to say it, but physical
11 mechanisms to prevent controlled drum rotation,
12 physical mechanisms to prevent inadvertent rod
13 withdrawal, additional control mechanisms that would
14 have to compensate with say transport considerations
15 like water ingress or whatever the reactor design is.

16 I don't know a very generic way to say
17 this. But clearly what you're talking about, and you
18 just said verbally, is something that goes way and
19 well beyond that can be verified that there is
20 substantial shutdown margin in the system when it's
21 actually put together in the factory and moved
22 anywhere, particularly when it's moved.

23 MR. KENNEDY: Okay. Well, thank you for
24 this --

25 MEMBER HALNON: Can I chime in? This is

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1 Greg Halnon. While I was thinking about what you're
2 saying. And actually I kind of like features that
3 preclude criticality. There are kind of three
4 separate types of features we're talking about.

5 There are features that control
6 reactivity. There are features that maintain a
7 reactor shutdown. And those are operating features.

8 The transportation feature is one that
9 precludes criticality. I would not want to mix those
10 together in the same sentence. So this is more in my
11 mind a transportation issue.

12 And, you know, if you have solid features
13 that preclude criticality, then to me that makes the
14 reactor, even though you label it a reactor, it's
15 really just a transportation cask at that point in my
16 mind. And maybe I'm wrong and maybe the staff can
17 straighten me out. But that's kind of the way I'm
18 looking at it. So I kind of like keeping them
19 separate out of the same sentence.

20 MR. KENNEDY: Well, thank you for the
21 comment. This is Duke Kennedy. We do mention in the
22 paper that with features to preclude criticality
23 installed that fuel loaded into the reactor would be
24 similar to fuel loaded in a storage container or a
25 storage location.

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1 However, because the module or the reactor
2 will actually be a utilization facility constructed to
3 eventually be a utilization facility, we chose to take
4 the approach that we would consider this to be a
5 utilization facility at all times so that it remains
6 the utilization facility when it's manufactured, when
7 it's possessed in the factory, when it's loaded with
8 fuel, operated for testing, transported to the
9 deployment site and so on. So it always remains
10 utilization facility.

11 There are other approaches that could be
12 considered where with these features in place it would
13 not be considered a utilization facility, but that's
14 not the approach that we chose to pursue as favored.

15 MEMBER HALNON: If you evaluate when the
16 features preclude criticality are installed, it's a
17 transportation cask. If you remove those features, it
18 turned into a reactor utilization facility. Putting
19 them back in, of course, you would have to deal with
20 the spent fuel or irradiated fuel. But, again, it
21 turns into now a spent fuel cask transportation cask.

22 So it seems to me that pathway should be
23 evaluated for the simplicity in how it works through
24 the regulations. And maybe you did, and this is the
25 best way to go. But I just wanted to make that point

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1 that when I was reading through the paper, that seemed
2 like a clean path. And maybe some behind the scenes
3 stuff makes it unclean, but it seemed clean to me.
4 But thanks. You can move on. Unless you have a
5 specific comment on what I said, I'm good.

6 MS. CUBBAGE: This is Amy Cubbage. Those
7 are really good observations. And we definitely put
8 a lot of thought into this. And one of the bounds
9 that we are trying to stay within in this paper is not
10 needing rulemaking, not needing any changes to
11 legislation. So looking to do what we can do near-
12 term under the current regulations, minimal exemptions
13 could be considered. But ultimately not trying to
14 build a new framework, but to support near-term
15 deployment.

16 And then over on the Part 53 side, things
17 may be different over there where there is rulemaking
18 in play. So thanks for your comments.

19 MEMBER HALNON: Yes, thanks, Amy. But,
20 you know, my point is, I guess now we have time now.
21 Once you start getting deployment, you're not going to
22 really have the time. Maybe it's a parallel path that
23 we look at.

24 MS. CUBBAGE: Yes. Yes, it's a parallel
25 path. We are trying to come up with things that we

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1 could do today that don't need rulemaking, and then,
2 the parallel path of Part 53 is in play, where the
3 staff has proposed that The Federal Register notice,
4 should it be approved by the Commission, would have
5 questions for the public on these matters. So, there
6 is an opportunity for stakeholders to comment on that
7 front. And then, you know, maybe rulemaking could be
8 done on some of these things.

9 MEMBER HALNON: Okay. I just hate to have
10 establish a position that's not maybe ideal, but it is
11 near-term, and then, we sit on it for five, six, seven
12 years waiting for someone to deploy. And we could
13 have been doing a much cleaner path that whole time.
14 So, that's the point I was trying to make.

15 But thanks.

16 MEMBER ROBERTS: Yes, this is Tom Roberts.

17 I was looking for a little clarification
18 on what the term "preclude criticality" means. Is
19 that a .95 k-effective, like the existing Part 72
20 rules? Is it some larger margin? And I think it's,
21 typically, about first-of-a-kind reactors where you
22 may not have the kind of quality benchmark data on the
23 particular configuration with the Halo or some exotic
24 reflector or modern materials, or something of that
25 like? So, what degree of margin are you thinking when

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1 you use the term "preclude criticality"?

2 MR. KENNEDY: I think this is something
3 that we would want to engage more with stakeholders on
4 to really understand, based on different designs, what
5 types of features could be developed; how they would
6 function. And so, the paper doesn't set any kind of
7 a limit, and that's something I think we would need to
8 explore further. But it would preclude criticality by
9 some margin, and that would be something that we would
10 need to develop.

11 VICE CHAIR KIRCHNER: Would you also be
12 thinking double contingency? And I bring that up
13 because Greg just mentioned something. You know, you
14 could rely in the transfer mode on the cask to provide
15 neutron absorbers, and such, to ensure criticality.
16 But if the module for whatever accident transport
17 scenario or moving situation evolves where you don't
18 have that absorber, do you have a second backup means
19 to ensure you're still below .95? I'll just say .95,
20 but --

21 MR. LYNCH: So, one clarification with
22 this is that the Part 70 requirements for criticality
23 control would be still applicable. So, double
24 contingency principle would be applied. What we're
25 looking at here are specific features to preclude

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1 criticality that would be required on the reactor
2 module itself under the Part 50 or 52 license.

3 MS. CUBBAGE: Yes. And this is Amy
4 Cubbage.

5 I think a key point in the first sub-
6 bullet is making it incapable of sustaining a
7 reaction. So, we're, basically, needing to take
8 something that's designed to be a reactor and
9 temporarily make it incapable of being a reactor in
10 order to say it's not a reactor in operation. Because
11 if it's a reactor in operation, then, you know, you
12 would be back to option 1A, where to load fuel, you
13 would need a license.

14 MEMBER ROBERTS: So, what I think I'm
15 hearing is, if there's a principle being incapable of
16 sustaining a nuclear k-reaction, but there's no real
17 use case yet or going through an actual example of
18 what it might take to get you there?

19 MS. CUBBAGE: Right. So, if this option
20 were to be approved by the Commission, we're
21 committing that we would engage with stakeholders to
22 develop guidance. And we need to be thinking
23 technology-inclusive. And so, that's where we're
24 headed.

25 MEMBER ROBERTS: All right. And it might

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1 be beyond existing requirements in Part 72 or Part 70?

2 MS. CUBBAGE: Yes.

3 MEMBER ROBERTS: Or it might exist with
4 them? But you haven't figured that out yet. Okay.

5 Thank you.

6 MS. CUBBAGE: Right. Right. Some
7 features could be used to fulfill obligations for this
8 requirement and, also, Part 70 and 71. They don't
9 necessarily have to be mutually-exclusive.

10 CHAIR REMPE: As you explore that, if they
11 did operational testing at the facility, I would have
12 more confidence on how much margin would be required
13 than if they didn't. Because I have lived a lot of
14 years in Idaho, where they tried to start up EBR-I and
15 it couldn't go critical. And they had to ship it back
16 to Chicago, and then, try again.

17 But, anyway, yes, I just think that that
18 is something that would give me more confidence. Fuel
19 loading/misloadings occur. And so, anyway,
20 operational testing could enhance safety, as well as
21 improve economics.

22 VICE CHAIR KIRCHNER: But it could
23 complicate life for all if you actually build up any
24 fission product inventory.

25 Now, for the purposes of this discussion,

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1 it's really an approach to criticality that you would
2 want it over a novel design. So that you were sure
3 that, as Tom mentioned, you know, if there were a
4 unique or novel feature in the design, you are still
5 confident you went 95 or less, you know. But that
6 part you could do with criticality, approach to
7 criticality. You don't need to operate.

8 CHAIR REMPE: You're right. I meant
9 (audio interference).

10 MS. CUBBAGE: The other piece we need to
11 remember is that the manufacturing license would
12 require final design information, similar scope and
13 level of detail to a design certification. So, we
14 would have required that the applicant met 50.43(e),
15 which would require that the safety features of the
16 reactor had been demonstrated; all methods that
17 they're using would have been appropriately validated
18 with test data, as needed. So, you know, it could be
19 that, before they even get to this point of
20 manufacturing a reactor and trying to load fuel, they
21 may have had to have built an initial test facility to
22 be able to get the data they needed to support the
23 manufacturing license.

24 MEMBER MARCH-LEUBA: And we keep bringing
25 up the term "prototype."

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1 MS. CUBBAGE: Right. Yes, it's part of
2 50.43(e) as well. That's an option.

3 MEMBER ROBERTS: And, Joy, I think you
4 were making my point, that if you transported a
5 completed reactor that's a first-of-a-kind reactor
6 without having done some criticality testing at the
7 facility, or, yes, some sort of critical test, then
8 how do you know that it's incapable of withstanding a
9 nuclear chain reaction in transit? And that doesn't
10 seem like an obvious -- you know, it doesn't seem like
11 it has an obvious answer. You have a lot of margin,
12 I would think. And coming through an average margin,
13 that is, and how you convince yourself you have it,
14 doesn't seem trivial.

15 MR. KENNEDY: Okay. Thank you for the
16 discussion.

17 So, I just want to hit on a couple more
18 points on this slide before we move on.

19 So, I just want to emphasize that the
20 features to preclude criticality would really perform
21 the regulatory function of the staff being able to
22 consider that the reactor is not in operation and
23 loaded with fuel. So, this would be a change in the
24 Commission's historic position that fuel loading is
25 part of operation.

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1 So, what that would allow is that reactors
2 that were loaded with fuel would not be considered to
3 be in operation and could be transported under the
4 current regulatory framework for transportation;
5 whereas, the current regulatory framework for
6 transportation is not set up for reactors that are in
7 operation.

8 So, if reactors were -- if the use of
9 features to preclude criticality are not allowed, then
10 there would need to be some other regulatory changes
11 to allow these reactors to be shipped from a factory
12 to a deployment site when loaded with fuel.

13 So, the other thing I wanted to mention
14 was that the removal of the features to preclude
15 criticality could function as a milestone, similar to
16 initial loading of fuel under the current regulatory
17 framework. So, there are some provisions in the
18 Atomic Energy Act and some regulations that use
19 initial loading of fuel into the reactor as a
20 milestone. And so, the removal of those features to
21 preclude criticality would function in a similar way
22 to accomplish the underlying purpose of those
23 provisions of law and those regulations.

24 MEMBER PETTI: So, I think, Members, this
25 is a key issue that we have to cover. This is sort of

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1 seminal to the whole approach. I mean, I think it's
2 a pretty good metric to substitute, but I think it's
3 something we want to talk --

4 VICE CHAIR KIRCHNER: I think you're
5 right, Dave. It's really key to their -- one of the
6 options and approaches they have.

7 Of course, what the designers are going to
8 have to think carefully about is -- and let me just
9 say that you're putting handcuffs on the reactor, or
10 however you want to, rhetorically, describe what this
11 requires, to have to think carefully now about this,
12 because you've got to pick it up and put it in a
13 shipping container, or something. You really have to
14 just, if that's the precedent and that's the
15 milestone, then you can't take the handcuffs off until
16 you get there and you have a COL, or whatever, at the
17 actual destination of site.

18 But, actually, now that I think about it,
19 for example, it couldn't be the shipping container
20 that provides it. It's going to have to be something
21 in addition that's integral to the actual module or
22 the reactor design.

23 MS. CUBBAGE: Exactly. Because you're
24 going to remain with the reactor from whatever it's
25 shipped in, if it's shipped in something, and then,

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1 you're going to install at the site. And you have to
2 be able to do all that with these features still
3 installed because you can't remove them until you get
4 authorization to operate from the Commission, either
5 the 52.103(g) finding for a COL or the issuance of the
6 license for an OL.

7 MEMBER MARCH-LEUBA: Yeah, but the
8 engineering features to handcuff the reactor are not
9 difficult. I mean, your control rods are seen and you
10 will screw them in. So, you need to remove it. I
11 mean, it's not difficult to do.

12 So, conceptually, we have to agree that,
13 as long as those --

14 MEMBER PETTI: Be careful. Yes, you're
15 right for making sure it doesn't go critical when
16 you're at each facility or the manufacturing or before
17 you start. Now, transportation, even on the impact on
18 the transportation legs, I mean, you have to have more
19 shutdown margin than you do just that --

20 MEMBER MARCH-LEUBA: Yeah.

21 MEMBER PETTI: And that's a new
22 constraint.

23 MEMBER MARCH-LEUBA: We know how to
24 calculate those things. You don't need to dump your
25 reactor in the bottom of a lake before you're sure of

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1 it. That's not difficult to do.

2 MEMBER PETTI: There are lots of
3 constraints on these types of systems that don't make
4 them -- that make them more than just simple.

5 MEMBER MARCH-LEUBA: But, conceptually,
6 where we have to agree is that, as long as these, call
7 it, handcuffs are in place, this is not a reactor;
8 it's a shipping container. And putting the reactor
9 into operation includes removing these devices, so
10 that they can become critical.

11 Conceptually, think of it as there are
12 some shims that prevent the control rods to go down.
13 Then, the reactor can never go critical.

14 CHAIR REMPE: Be careful. I took Amy's
15 comment to heart. They looked at saying it's not a
16 reactor during transportation, and they said this
17 would require a rulemaking.

18 You guys carefully evaluated this and said
19 this is the most efficient way to proceed in the near-
20 term. And I think that is something that I need to
21 have confidence in, and I'm seeing all the heads
22 shaking up, yes, we looked at it carefully; this can't
23 work easily.

24 MR. KENNEDY: Yea, and I agree completely
25 with these comments. The decision on features that

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1 preclude criticality and what they would accomplish is
2 fundamental to this paper. I believe we say so in the
3 paper. And the other options that we're presenting,
4 and how we're going to treat other parts of the
5 deployment model, really hinge on what the decision is
6 on this topic.

7 MEMBER BIER: One other question which is
8 kind of related to Jose's point of how sure do you
9 have to be is, presumably, the features, whatever they
10 are, have to be designed to withstand transportation
11 accidents, right? There could be shocks along the
12 way.

13 MR. SCHULTZ: Amy, this is Steve Schultz.
14 You mentioned earlier that you want to
15 proceed in such a fashion that the approach chosen
16 would be technology-neutral, or technology-inclusive.
17 As you've dealt with the stakeholders, we know there's
18 a number of different types of designs that have been
19 proposed for the microreactor. Are you getting the
20 feeling from the stakeholders that this is achievable?

21 MS. CUBBAGE: We actually haven't had any
22 detailed conversations, frankly, on this matter. We
23 did get stakeholder feedback that they want to have
24 engagement as we develop the guidance, and that they
25 were interested in performance-based, high-level, not

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1 prescriptive requirements, because the varying nature
2 of the designs.

3 MR. SCHULTZ: Okay. That makes sense.
4 Thank you.

5 MS. CUBBAGE: Yes.

6 MR. KENNEDY: Okay. Can we move to the
7 next slide?

8 Okay. So, the next topic that we'll cover
9 is the regulatory approaches for fuel loading at a
10 factory.

11 So, we have two approaches. The first
12 approach is what I would say is, more or less, the
13 status quo approach, where the factory owner or the
14 factory operator would need to have a Part 50 facility
15 operating license or a Part 52 combined operating
16 license in order to load fuel into the reactor. This
17 would be allowed under the current regulatory
18 framework. This is not a matter for a policy
19 decision. This is just how it would work now. If you
20 want to load fuel, that's operation. You need a
21 license to operate, and it can be done that way.

22 Of course, along with obtaining an
23 operating license or a combined operating license, our
24 environmental review, a review by the ACRS, hearings,
25 a lot of steps that are involved in issuing an

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1 operating license or a combined operating license.

2 So, the second option is what we've
3 already discussed. It is that the factory operator
4 would have a manufacturing license that would
5 authorize the manufacture and the possession of the
6 reactor, and then, a Part 70 license that would
7 authorize possession and handling of special nuclear
8 material in the form of the fuel. And the reactor
9 would be in an acceptable location for them to put
10 that fuel under the Part 70 license.

11 Move to the next slide.

12 Okay. So, we'll focus on the second
13 option now and the Part 70 license. So, the first
14 bullet here, you can see it says that the license
15 application for the Part 70 license would include
16 criticality safety controls required by Part 70 for
17 factory operations. So, I just don't want you to be
18 confused when we say, "factory operations" here. We
19 don't mean operating the reactor. We mean the
20 activities going on at the factory related to loading
21 the fuel and possessing the fuel.

22 I apologize that that was a poor word
23 choice, but I just think it's critical to make the
24 distinction that we don't mean operation of the
25 reactor there.

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1 Okay. So, the Part 70 application, as
2 we've discussed a little bit, and the Part 70 license
3 include requirements for criticality controls. And
4 so, again, the features to preclude criticality are
5 not the same as the Part 70 criticality controls.
6 Part 70 requires things more than just subcriticality.
7 There's also monitoring and procedures. And so, all
8 of those need to be in place still, not just the
9 features to preclude criticality.

10 Features to preclude criticality have the
11 function of making the reactor incapable of sustaining
12 a chain reaction, but Part 70 requires more than that,
13 more proper criticality safety. Okay.

14 CHAIR REMPE: So, I have a question about
15 decommissioning funding and when the need to provide
16 assurance that you have funding for decommissioning
17 would become a concern for a manufacturing facility.
18 I'm thinking about, historically, in the U.S. where
19 there's government funding and projects get cancelled,
20 and this machine, this factory that's going to be
21 producing 100 modules at a time, suddenly, finds half
22 of their customers are gone and there's no place to
23 ship. And do they have to have funding to guarantee
24 that, if there's no customer, they can D&D all of
25 these reactors?

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1 MR. KENNEDY: Yes. So, just to be careful
2 with words, so if the reactors are operated for
3 testing at a factory --

4 CHAIR REMPE: Subcritical testing?

5 MR. KENNEDY: Yes, if they're operated,
6 they need to have decommissioning funding assurance.

7 So, in the paper, I believe there's a
8 footnote that mentions that there may be ways that we
9 need to control the decommissioning funding assurance,
10 such that, if a reactor is fabricated, tested, shipped
11 to the deployment site, and no longer under the
12 license, that that decommissioning funding is going to
13 be transferred over to the next reactor that's
14 operated there.

15 So, there are ways that we would need to
16 consider the particular operational scenario at the
17 factory; how many fueled reactors can be there; how
18 many reactors can have been tested and waiting on a
19 shelf to be purchased. So, there are, again, a lot of
20 intricacies in how the deployment actually works as to
21 how we would do that. But, certainly, a reactor that
22 has an operating license has to have decommissioning
23 funding assurance.

24 CHAIR REMPE: If a facility that has a
25 construction permit says, "Okay, I'd like to order one

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1 from the manufacturing licensed factory," and I've
2 already realized I'm going to have to have D&D
3 funding, even though I don't have the module there
4 yet, could they cover the decommissioning funding for
5 the manufacturer? And if they were a savvy, you know,
6 facility, could they say, "I'm only going to make
7 modules for which I have a customer that has -- that
8 they're going to cover?"

9 And is there a way that -- and this is not
10 a safety issue; more, it's a financial. But I'm just
11 trying to think of "What if?" scenarios and what
12 happens sometimes when we have government routine
13 cancels. And could they do something like that?

14 MR. KENNEDY: So, I don't know the exact
15 details of how the different decommissioning funding
16 arrangements would work. Also, considering whether
17 the factory licensee might be the one who's actually
18 operating it at the deployment site. So, maybe it's
19 the same entity that has the money.

20 Or there are just many, many potential
21 iterations. And I think what we've encouraged
22 potential applicants in many scenarios is to engage
23 with us in pre-application discussions if there are
24 interesting situations like this.

25 And so, this is another one where we don't

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1 really have enough information yet from developers
2 about how they plan to actually sequence operational
3 testing, or if they are going to be the deployment
4 site licensees as well, to be able to say, "This is
5 exactly how it works." So, there are just so many
6 "What if?" scenarios; it's almost like --

7 CHAIR REMPE: So, your job is just to say
8 somebody's got to pay to decommission this?

9 MR. KENNEDY: Yes.

10 CHAIR REMPE: And they can figure out?
11 Okay. That sounds --

12 MS. CUBBAGE: Yes, the other piece, just
13 to make it clear, you know, on this slide here where
14 we're talking about fuel, just loading fuel, and we're
15 not into that regime, but if you get to the point of
16 you're going to test a reactor in the factory, I'd be
17 very surprised if a developer wanted to test, and
18 then, put a reactor on the shelf. I think if they're
19 testing a reactor, it's probably getting ready to go
20 ship out the door to a site that has a construction
21 permit or a combined license in hand.

22 So, some of those scenarios you're talking
23 about, Dr. Rempe, could definitely come into play.

24 CHAIR REMPE: I just was curious about it.
25 Because I'm getting to have a devious mind like Jose,

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1 where you think of "What if's?" and how you can get
2 it, you know -- thank you.

3 MEMBER HALNON: This is Greg.

4 Just real quick on decommissioning -- and
5 I know you're going to probably talk a little bit more
6 later -- but there's decommissioning the reactor and
7 there's decommissioning the site. Are you guys
8 looking at those two separately or as one entity in
9 this case?

10 MS. CUBBAGE: Probably best to hold that
11 question until we get to that slide --

12 MEMBER HALNON: Okay. That's fine.

13 MS. CUBBAGE: -- if that's okay.

14 MEMBER HALNON: I just didn't know if we
15 were going to get to it later on.

16 Thanks.

17 MR. KENNEDY: Okay. I think the final
18 thing that I want to mention on this slide is that one
19 of the assumptions in this paper is, also, that the
20 only fuel-cycle-related activity that would be
21 happening at the factory is possession and loading of
22 special nuclear material. So, that type of activity,
23 typically, would not fall under the requirements in
24 Subpart (h) of 10 CFR Part 70, which relates to
25 additional activities like fuel manufacture or

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1 plutonium processing.

2 So, if there were other activities going
3 on at the same factory under the same Part 70 license,
4 there may be some additional requirements to what we
5 put on the screen here. But we're focused in this
6 paper just on the factory that receives fabricated
7 fuel, and then, loads it into the reactor.

8 MEMBER PETTI: So, just again to be clear
9 on this slide, this really fits only under the Option
10 B here, right?

11 MR. KENNEDY: Yes.

12 MEMBER PETTI: You're, basically, saying
13 I don't need a Part 50 or 52 license; I can just do
14 Part 70? If I have that premise of including
15 criticality, it's considered as an acceptable
16 definition on the reactors?

17 MR. KENNEDY: Yes. Thank you for that
18 clarification. That's my oversight on not
19 specifying --

20 MEMBER PETTI: There are so many caps here
21 that, if you just read the slide without looking at
22 the one before, you can easily get lost.

23 MR. KENNEDY: Yes. Thank you for the
24 clarification.

25 Okay. Next slide, please.

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1 In the next slides, we'll talk about
2 actually operating the reactor for testing at the
3 factory.

4 I think we've made it clear that, if
5 you're going to operate a reactor, you need to have a
6 license, whether it's a Part 50 license or a Part 52
7 license. And even under operation for testing, it
8 would be a power reactor.

9 So, although we talk about non-power
10 reactor licensing in the paper, we're not saying that
11 one of these reactors should receive a license, say,
12 under Section 104(c) of the Atomic Energy Act, the
13 research and development facilities. So, we're not
14 considering that.

15 These are commercial reactors that are
16 power reactors, the design and the manufacturing
17 licenses for a power reactor. The reactor will
18 eventually be operated as a power reactor at the
19 deployment site.

20 So, for testing in the factory, what we're
21 saying in the paper is that you would need to have a
22 combined license or a facility operating license.

23 MEMBER MARCH-LEUBA: And do you envision
24 a license for the facility or for each core?

25 MR. KENNEDY: So --

1 MEMBER MARCH-LEUBA: Because this is a
2 reactor that you're going to ship somewhere else.
3 But, in an operating reactor, I replace the fuel every
4 18 months if I have a new core, but I don't get a new
5 license. So, I could have a -- in my facility, I
6 could have a room where I bring new reactors and that
7 becomes my facility. Do you know what I'm talking
8 about?

9 MR. KENNEDY: I do. I guess I think
10 that's a slightly later slide, but I'll address it
11 now.

12 So, there was a Commission paper in 2011
13 that was for multi-module facilities. And it was
14 focused mostly on small modular reactors and a
15 facility where over time reactors would be added to a
16 site, and they may share some common safety systems or
17 structures.

18 So, we looked at that paper for different
19 potential strategies for licensing multi-module sites.
20 But the scenario here is different because you add a
21 reactor; you take a reactor away, but you keep some of
22 the same systems.

23 And so, it becomes more complicated as to
24 how do those systems go from one reactor to the next,
25 because each reactor has to have its own license.

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1 MEMBER MARCH-LEUBA: Considering, I mean,
2 if I was designing it, I would have a room that is
3 maybe a containment where I put my reactor, my new
4 reactor, to test it. Take it away. Put a new one.
5 So, I mean, the configuration is exactly the same,
6 right?

7 MR. KENNEDY: Yes. So, this is a
8 potential consideration, not only at the factory, but
9 also at the deployment site itself, where there may be
10 some structures, like power conversion equipment in a
11 building that lasts for the entire life of having
12 reactors operating at the deployment site. But, over
13 the course of that lifetime, five new reactors come
14 and go.

15 MEMBER MARCH-LEUBA: So, you're not
16 calling it a new core; you're calling it a new
17 reactor?

18 MR. KENNEDY: It's a new utilization
19 facility, right, that requires its own license. So,
20 we've outlined a couple of different strategies in the
21 paper. It's discussed in the enclosure.

22 We did look at the feasibility of options
23 related to other approaches, like a 50.59-style
24 approach for changes, testing experiments where --

25 MEMBER MARCH-LEUBA: So, that's a mobile -

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1 -

2 MR. KENNEDY: I mean, we looked at options
3 all the way up to that. And what we ended up with in
4 this paper, because it's focused on what we can do
5 under the current regulatory framework -- and we
6 covered this topic in the enclosure, which is also
7 just information topics -- we came back to this point
8 that you would need, under the current regulatory
9 framework, a separate license for each reactor. And
10 you would have to account for those --

11 MEMBER MARCH-LEUBA: Even though the
12 license would contain exactly the same information as
13 before, because you haven't changed anything? And you
14 just need a new signature.

15 MR. KENNEDY: So, with the finality
16 provisions in the manufacturing license, the final
17 design information, the license for the first reactor
18 would have reviewed those common structures. And so,
19 a lot of those approvals could be leveraged for
20 approval of the next one.

21 So, I'm not going to say it's just a
22 signature, but there's certainly a lot of
23 work/analysis that would be done that would be
24 applicable to a reactor of identical design.

25 So, this is an area --

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1 MS. CUBBAGE: Yes, and to add to that,
2 Duke, you know, for the deployment site and for the
3 factory, for multiple reactors, we could issue, for
4 example, all together all the construction permits
5 that you need at one time or all of the combined
6 licenses you need all upfront. We wouldn't have to
7 come back later and do them separately. They could be
8 all combined into one hearing.

9 CHAIR REMPE: But the cost is per
10 megawatt. So, you would, if they're going to have 10
11 modules at the site over its lifetime, you would
12 charge them 10 times 50 megawatts for the license,
13 right?

14 MS. CUBBAGE: Now, are you talking about
15 our annual fees?

16 CHAIR REMPE: No. If someone comes in to
17 have a new reactor licensed, you charge them for a
18 reactor, right --

19 MS. CUBBAGE: We charge --

20 CHAIR REMPE: -- per megawatt?

21 MS. CUBBAGE: No, no. We charge --

22 CHAIR REMPE: For the total megawatt of
23 the facility, is what I'm trying to say when I say,
24 "per megawatt."

25 MS. CUBBAGE: Yes, yes. So, we charge an

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1 hourly fee for the review and for the issuance of the
2 license. We charge an annual fee for operating
3 reactors that have begun commercial operation.

4 So, for each reactor, we would charge the
5 annual fee at such time that they were ready to deploy
6 it and hit commercial operation, and then, we would
7 stop charging the annual fee for that reactor when it
8 ceased to be operating.

9 CHAIR REMPE: Okay. I was confused.
10 Thank you.

11 MS. CUBBAGE: No, no, no worries. It is
12 confusing.

13 MEMBER MARTIN: This is Member Martin. I
14 have a question probably on power versus non-power.

15 I would imagine, for a number of
16 microreactor designers, they're just thinking, "I want
17 a criticality test, a physics test." I'm not going to
18 strap in, you know, a primary coolant system, a power
19 system. I just want to, you know, put the fuel
20 package together in more like a spent fuel ask and
21 possibly do some testing.

22 At some point, I would think if you do it
23 enough times, you wouldn't have to do any physics
24 testing. You might do it five times --

25 MEMBER PETTI: You would think so. You

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1 would think so.

2 MEMBER MARTIN: You know, you feel pretty
3 good about it, and then, you would be done. And why
4 can't you call that a test reactor for a few times,
5 and then, they're just packaging? That's still part
6 of your charter here.

7 But they don't want our reactor. You just
8 want a little package. And I don't know what's the
9 difference between a test reactor for physics testing
10 and what microreactor designers would be wanting here,
11 et cetera.

12 They're not going to be attaching coolant
13 systems. They're not going to be attaching the
14 turbine island. It's pretty simple.

15 MEMBER PETTI: Well, I mean, I was
16 thinking the same thing. Certainly, when it's at the
17 site, it's a power reactor. But when it's just
18 testing, if they're going to do subcritical or some
19 low-power, kilowatt-level testing, it seems like the
20 power reactor license is overly burdensome for what's
21 there.

22 And as I understood it when I read the
23 white paper, Part 50, you may be able to do that.
24 But, under 52, you don't have that flexibility because
25 52 was really only written for power reactors.

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1 So, you pick your poison. Do you want
2 two-step licensing and everything a microreactor or do
3 you go one step and you've got the burden of the power
4 reactor license? And it seems like what you really
5 want, maybe maximum flexibility, is something where
6 you could go one step with a utilization or something.

7 MS. CUBBAGE: Yes, so this is Amy Cabbage.

8 I think the issue is that it's the same
9 machine that is eventually going to be operated as a
10 power reactor, and it was too difficult to say this
11 same machine is one thing over here and it's something
12 else over here. So, we're consistently applying that
13 it is a power reactor. However, for the purposes of
14 the testing in the factory under option 3B, we are
15 including an option for the Commission that they could
16 use the non-power reactor standards --

17 MR. LYNCH: Yeah.

18 MS. CUBBAGE: -- even though it's a power
19 reactor.

20 MR. LYNCH: Yeah. Agree. Agree
21 completely with the observations that the full power
22 reactor regulatory requirements could be over-labored
23 in some for a microreactor that is doing factory
24 testing. And that's the conclusion that we reached in
25 the paper.

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1 And as Amy said, based on our
2 understanding of how implementation of the current
3 regulatory framework and applicable laws are, we can't
4 switch back and forth between the same reactor that
5 is, ultimately, going to be operated as a power
6 reactor at the deployment site and call it a testing
7 facility or a research reactor, which would be
8 licensed under Section 104(c) of the Atomic Energy Act
9 at the site.

10 So, there are limitations under the
11 current Atomic Energy Act framework and our
12 regulations. So, for the purposes of this paper, we
13 were looking for the most straightforward strategies
14 within the existing frameworks we have without
15 proposing any legislative or regulatory changes.

16 But we do believe that using the
17 regulatory tools that we have, such as exemptions,
18 license conditions, we can scale the requirements that
19 are necessary for testing at the facility and apply
20 regulatory requirements that are more similar in the
21 expectations to what is applied for the non-power
22 reactors. So, we think we can get to that ultimate
23 goal of reducing the burden on these facilities, so
24 that it's commensurate with the risk and safety of the
25 facilities.

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1 MEMBER PETTI: So, in that case, then,
2 does the license get transferred from the facility
3 where it's manufactured? Or is it two separate
4 licenses? So, does it get terminated? Because
5 there's so much complexity of it.

6 MS. CUBBAGE: So, two separate licenses.

7 MEMBER PETTI: Two separate licenses?
8 Okay.

9 MS. CUBBAGE: Yeah. It could be the same
10 entity, but it's a different location, is one of the
11 key points.

12 MEMBER PETTI: Thank you.

13 MR. KENNEDY: Yes, I think you mentioned,
14 also, pick your poison, which one option is to go
15 through the power reactor licensing process according
16 to the power reactor regulations for operational
17 testing at the factory. And that can provide some
18 synergy with the licensing at the deployment site.
19 So, there's potential there, because they would be
20 using the same regulatory framework at both places.

21 For operational testing at the factory
22 under the non-power reactor or reviewed according to
23 the non-power reactor regulations, you might not get
24 all of those same benefits, but you might not have to
25 have as many exemptions or demonstrate the same level

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1 of operational programs at the factory if you're only
2 operating at 100 watts or a kilowatt, or whatever.

3 So, it's there is definitely a tradeoff
4 that's highly dependent on the actual details of the
5 operational testing program.

6 MEMBER HALNON: Yes, this is Greg.

7 It's also dependent --

8 VICE CHAIR KIRCHNER: Go ahead, Greg.

9 MEMBER HALNON: Well, I was just going to
10 say, it's also dependent on -- most will probably have
11 a prototype testing for the nuclear portion of this
12 thing. You may be testing hydraulics or other things
13 in the factory, but, you know, the developers will
14 take the path of least resistance, both technically
15 and regulatory-wise. And if it's better to do a
16 prototype testing of nuclear capabilities outside of
17 the factory, and then, just test hydraulics, I mean,
18 that's one way to do it.

19 So, my guess is that the total deployment
20 strategy will include the path of least resistance
21 relative to the regulatory and technical aspects of
22 it.

23 VICE CHAIR KIRCHNER: I was going to say
24 the same thing, Greg. I mean, you know, it's not all
25 incumbent on the NRC to solve these problems. The

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1 designer has to think carefully about their deployment
2 strategy. And I will just give you one example.

3 If you have relatively inert coolants, it
4 would be relatively easy in the factory to fill up the
5 system and hydro it, for example. But if you are
6 using salts or sodiums or other exotic coolants, I
7 don't think you want to do that, and then, face the
8 transport problems that come with it.

9 So, I mean, each of the different
10 technologies are going to have to take a look at this
11 and sort out what is the best path forward, both in
12 schedule space and cost, to come up with a deployment
13 strategy. It's asking a lot for the NRC to have to
14 solve that for everyone.

15 MS. CUBBAGE: Yes, this is Amy Cubbage.
16 I'd like to also chime in.

17 I want to make sure we're not confusing
18 things like demonstration testing or prototype testing
19 with pre-operational testing. So, we're not talking
20 about first-of-a-kind testing that's needed to support
21 the safety conclusions that we would have already made
22 in the manufacturing license. So, the manufacturing
23 license would be approving the design, just like we
24 would approve a design as part of a design
25 certification. We're going to have to have all of the

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1 appropriate testing already be done to demonstrate the
2 safety of the facility and any novel safety features
3 and fuel, et cetera. So, we would have already had
4 that conversation.

5 Now, we're to the point of mass producing
6 these things, and whether or not you want to do part
7 of your startup and pre-op testing at the factory or
8 whether you want to defer it all to the deployment
9 site.

10 So, some developers have argued that there
11 are safety benefits to doing some of that testing in
12 the factory because they can have specialized
13 personnel and equipment in the factory to accomplish
14 that, and then, not run the risk of you've transported
15 this module the site; there's a problem. We need to
16 ship it back to the factory. So, that's what we're
17 talking about here.

18 Does that help or confuse matters?

19 MEMBER PETTI: Yes. No, that helps.

20 Thank you.

21 MR. KENNEDY: Okay, thanks.

22 So, move to the next slide, please.

23 So, we've already discussed these options,
24 but just to be clear that our first approach would be
25 to use a power reactor operating license or combined

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1 license, issued under Part 50 or Part 52, that would
2 limit the operation to that needed for operational
3 testing. Again, this is, more or less, the status
4 quo. This is an option that's open to developers at
5 this point.

6 The additional approach to use the non-
7 power reactor regulatory framework is a new approach
8 that we're proposing here. As mentioned, the choice
9 between these two frameworks, if the non-power reactor
10 approach were approved, would be up to the developer,
11 and to what fit best with their deployment model.

12 So, the goal here is to offer an alternate
13 approach that may be better suited to certain
14 deployment models and certain operational testing
15 programs.

16 VICE CHAIR KIRCHNER: Have you thought
17 through what limits would govern option 3B, fission
18 product inventory or what? I mean, at some point, you
19 would have to say, okay, there's a hazard here, and
20 it's contained within something that now we're getting
21 back to the definition and the power levels, and so
22 on, for microreactors, but it's kind of understood
23 with the non-power reactors that you're going to have
24 a large fission product inventory. So, how large is
25 that inventory?

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1 Or someone earlier -- it may have been Joy
2 -- mentioned, you know, is it going to be based on an
3 actual accident happens at the facility, such that the
4 dose is below some guideline of 1 rem, PAG, or
5 something?

6 MR. KENNEDY: Once again, the analysis of
7 the safety analysis and the safety evaluation for
8 operation of the factory will account for what's been
9 approved in the manufacturing license. And so, one
10 thing to look at is, in setting the actual operating
11 limits and conditions for the factory, and what
12 operational programs are needed to support those,
13 things like what power level do they want to go to as
14 compared to full power operation; are they willing to
15 limit how many hours they can operate, so that we can
16 develop an actual maximum source term for the
17 operation in the factory?

18 So, that's how --

19 VICE CHAIR KIRCHNER: Or are they willing
20 to build a containment at the fabrication facility for
21 the operational testing, which is, seriously, it's an
22 alternative; they could do that.

23 So, it's a little murky ground here,
24 because is it going to be based on fission product
25 inventory or is it going to be based on hazard

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1 analysis?

2 MR. LYNCH: Yeah, I think, Walt, this also
3 plays into how we, ultimately, define what constitutes
4 a microreactor; it may play into this. I would
5 expect, when it comes to fission product inventory,
6 that it should be relatively low compared to when the
7 reactor is at its ultimate deployment site. Yes, I
8 would, for the most part, assume this is fresh fuel
9 coming in that will have very short duration use to do
10 this testing at low powers. So, I would expect that
11 fission product inventory would be relatively low.

12 And to Duke's point, you know, we do need
13 to have some further engagement with developers to
14 understand what is the full nature and scope of
15 testing that will be done at these facilities, so that
16 we can understand what hazards could be expected and
17 how best to apply the appropriate regulatory
18 requirements to protect both workers at the facility
19 and the public.

20 MS. CUBBAGE: We should also be clear that
21 the non-power reactor framework is protective of
22 public health and safety and is scalable, based on,
23 you know, the hazards posed by the technology.

24 And, Steve, correct me if I'm wrong, but
25 there's no upper limit on a testing facility, is that

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1 right?

2 MR. LYNCH: That is correct.

3 MEMBER MARCH-LEUBA: Yeah, but for this
4 thing to work, you should be able to ship your reactor
5 back to a facility or a decommissioning facility after
6 it has operated for 10 years at full power. So, I
7 mean, I wouldn't be worrying that much about a few
8 hours of operation at 100 watts.

9 VICE CHAIR KIRCHNER: No, but you have to
10 know what's coming next in the presentation is, hey,
11 after you do all this, you have to ship it.

12 MEMBER MARCH-LEUBA: Yeah.

13 VICE CHAIR KIRCHNER: Well, guess what?
14 Now, you have a radioactive hazard, a source.

15 MEMBER MARCH-LEUBA: If you can do that
16 instead -- you can do the previous one.

17 VICE CHAIR KIRCHNER: So, all of a sudden,
18 you know, with the designers, I don't think that the
19 NRC has to solve this as much as -- I mean, the NRC,
20 there is a good framework in place, but the designer
21 is going to have to make some serious tradeoffs here.
22 Because if you run up your fission product inventory,
23 you've got to shield the shipment.

24 MEMBER MARCH-LEUBA: You operate it for 10
25 years at full power. You have an inventory.

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1 VICE CHAIR KIRCHNER: Well, you have a
2 bigger problem coming back --

3 MEMBER MARCH-LEUBA: Yeah.

4 VICE CHAIR KIRCHNER: -- but it may not be
5 the same shipping container.

6 MEMBER MARCH-LEUBA: It may be more
7 expensive that you have to design, too, but --

8 VICE CHAIR KIRCHNER: I think we defeat
9 the fuel criticality, the duration survey, but
10 anyway --

11 CHAIR REMPE: Is there a blanket number
12 for the total, the equivalent, the dose equivalent
13 value in Part 70 for what a facility can release?

14 MS. CUBBAGE: So, on Part 70, we would
15 just be talking about fuel load, not operation of the
16 reactor. So, I think it's a different concept.

17 CHAIR REMPE: Is there a dose limit? They
18 have to always -- any sort of accident has to be less
19 than 1 rem?

20 MR. LYNCH: So, we may need to follow up
21 with you on this, but I know, when you get into higher
22 hazard facilities in Part 70, particularly where
23 Subpart (h) would apply, that's where you have dose
24 limits analyzed to 25 rem, similar to the power
25 reactors, but there are differences in the assumptions

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1 in terms of preventive and mitigative features in the
2 facility.

3 CHAIR REMPE: And we do have staff --

4 VICE CHAIR KIRCHNER: The dose limits are
5 the same for a manufacturing license.

6 CHAIR REMPE: Okay. Because that's what
7 I'm kind of going by. I think that you may need
8 something different for the microreactors if you just
9 go with what it is for the Part 70, if they allow for
10 higher hazards.

11 MR. LYNCH: Yeah. So, yeah, but --

12 MS. CUBBAGE: Steve, we do have staff on
13 the line --

14 MR. LYNCH: Go ahead, Amy.

15 MS. CUBBAGE: -- that are our Part 70
16 experts. I don't want to stumble over this. So,
17 could someone please chime in?

18 MR. LYNCH: We have a staff member in the
19 room approaching the microphone.

20 MS. CUBBAGE: Great. Great. Thank you.

21 MR. DOWNS: So, I was only half-listening
22 back there to the conversation because it was very
23 difficult to hear in the back of the room with the
24 conversation going on. Could you kind of just focus
25 me in on what the question was?

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1 CHAIR REMPE: Okay. During the other
2 discussion, there was a comment made that they might
3 be able to just use the Part 70 limits as something
4 that would bound what the microreactor could be. And
5 is there a limit for an accident? And I'm hearing
6 from another member it's still 25 rem total dose
7 equivalent.

8 VICE CHAIR KIRCHNER: It's 52. Part 52 is
9 the manufacturing license.

10 CHAIR REMPE: Right, but you said --

11 VICE CHAIR KIRCHNER: Part 70 is the
12 possession license.

13 MR. DOWNS: Exactly.

14 CHAIR REMPE: Right.

15 MR. DOWNS: Exactly.

16 CHAIR REMPE: Can you introduce yourself?

17 MR. DOWNS: I will, absolutely.
18 Absolutely. I just wanted to get that.

19 Okay. So, my name is James Downs. I'm a
20 Senior Project Manager with the Office of Nuclear
21 Material Safety and Safeguards. I'm the Division of
22 Fuel Manufacturing. I'm one of the project managers
23 assigned to some of the Part 70 facilities.

24 So, the limits that are discussed for Part
25 70 are specific to the facility. Okay? Anything that

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1 you're talking about as far as what's the limit of the
2 reactor, they're apples and oranges.

3 CHAIR REMPE: Okay. So, if you have an ML
4 license, it would have a Part 52 license, right?

5 MR. DOWNS: Correct.

6 CHAIR REMPE: And the operation --

7 MS. CUBBAGE: Oh, wait, wait. Joy, excuse
8 me, Joy. The ML is approving the design for the
9 deployment site. It's not authorizing any operation
10 of the reactor.

11 CHAIR REMPE: Right. And so, if I want to
12 do pre-operational testing or subcritical testing, is
13 there a limit for that facility? And I've been
14 hearing, "Oh, well, we'll try to do that under Part
15 70."

16 MS. CUBBAGE: No, no, no.

17 MR. DOWNS: No.

18 MS. CUBBAGE: We're loading fuel under
19 Part 70 only. It does not authorize any operation --

20 CHAIR REMPE: Okay.

21 MS. CUBBAGE: -- of a reactor.

22 CHAIR REMPE: Okay. Now, I now load fuel
23 under Part 70. Is there a limit, a dose limit, for
24 that aspect of this process? -- is where I'm trying to
25 get to.

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1 MS. CUBBAGE: Okay. So, that would be
2 looking at criticality issues.

3 CHAIR REMPE: And is it going to be 1 rem
4 total dose equivalent? And I'm hearing, well, it's
5 something depending on the facility. There's not a
6 lower threshold that could be tied to the microreactor
7 as it's going through this process.

8 MS. CUBBAGE: So, we need to separate
9 these things just for a moment. Okay?

10 So, if you're talking about Part 70,
11 you're talking about loading fuel only.

12 CHAIR REMPE: Okay.

13 MS. CUBBAGE: And you're not operating it
14 for testing it.

15 CHAIR REMPE: But the most limiting value
16 is what I'm trying to get to.

17 MS. CUBBAGE: Okay, but the Part 70 limit
18 would have no bearing on operation of a reactor in a
19 factory for testing. Operation of the reactor for
20 testing in the factory would currently be covered
21 under an OL or a COL.

22 CHAIR REMPE: Okay.

23 MS. CUBBAGE: The dose limit, the dose
24 limit legally is 25 rem at this point. Now, you're
25 asking, are we going to establish a lower threshold

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1 for operating a reactor for testing in the factory?

2 CHAIR REMPE: At a microreactor. But I'm
3 trying to see -- I don't want to be recommending that
4 somebody define what a microreactor is. And if you
5 say, well, it's in terms of the consequences,
6 everything is 25 rem. And I'm wondering, is the fuel
7 loading under Part 70 going to be less than 25 rem?
8 And I'm not hearing any --

9 MR. DOWNS: It would not be, no.

10 CHAIR REMPE: It would not be less?

11 MR. DOWNS: It would not be less, right.

12 CHAIR REMPE: But it could be 25 rem?

13 MR. DOWNS: It could be 25 rem. So, there
14 is some nuance in the Part 70 world as far as whether
15 those Subpart (h) requirements apply or not, you know,
16 whether it's there are other types of fuel cycle
17 operations going on at the facility. If the Subpart
18 (h) requirements are applicable, yes, then, that 25
19 rem is actually in the regulations.

20 If it's a facility, kind of what Duke has
21 been talking about earlier today, where they're just
22 putting -- they're just fueling the reactor, right;
23 they're bringing in fabricated fuel, inserting it into
24 the microreactor, those requirements, they are a
25 little less specific because it's just under the

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1 requirements of 70.22, and those requirements focus on
2 the description of equipment in facilities used by
3 applicants to protect health and safety, procedures to
4 protect health and safety. There's no prescriptive
5 limit, then, at that point. And we, typically, refer
6 to those as greater than critical mass facilities.

7 So, you're not going to be -- you're still
8 going to be around that 25 rem. I mean, that's
9 acceptable for a larger-scale facility. It's probably
10 going to be acceptable for a smaller-scale facility,
11 but it's going to be dependent upon the licensee's
12 submittal at that point and those procedures and
13 facility characteristics that are in place.

14 CHAIR REMPE: So, it's not clear to me
15 that you're going to be limited to 50 megawatts
16 thermal in a reactor --

17 MR. DOWNS: No.

18 CHAIR REMPE: -- that's doing testing from
19 the current regulations today.

20 MR. DOWNS: Yeah.

21 CHAIR REMPE: But I'm trying to go to --
22 and I apologize for misstating some things to confuse
23 the topic.

24 MR. KENNEDY: Yeah, and I'll clarify, too,
25 to build off of -- and, yeah, please, James, please

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1 correct me if I'm wrong here as well.

2 But if you're just loading the fuel at the
3 facility and not doing any testing, so you just have
4 that Part 70 license, for that, as Amy had stated, we
5 are mostly concerned about criticality. And our
6 expectation would be that appropriate criticality
7 controls would be in place to preclude criticality at
8 that reactor module that just has that fuel load that,
9 then, may be transported to the final deployment site.

10 So, we, hopefully, would, you know, while
11 we want to make sure that we have appropriate measures
12 in place to protect against any inadvertent
13 criticalities, but assuming that we have put the
14 appropriate measures and physical protections in
15 place, that fuel load should be done such that there
16 isn't a criticality and it's just fresh fuel in a
17 subcritical configuration.

18 MR. DOWNS: That's correct. And remember,
19 you've still got the Part 20 requirements for
20 radiation protection that apply, you know, at that
21 fuel facility, at the fuel-loading facility, that
22 factory.

23 VICE CHAIR KIRCHNER: So, how would you --
24 okay, we've put handcuffs on the facility that -- or
25 the reactor module that's in question. How would you

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1 treat a criticality experiment? You would have to
2 take the handcuffs off to go make your approach to
3 criticality.

4 MS. CUBBAGE: Yes. So, you would need an
5 operating license or a combined license. You can't do
6 that under Part 70 alone.

7 VICE CHAIR KIRCHNER: Right. So, what I'm
8 churning on, Amy, and for the members here, is there's
9 a lot of value in perhaps doing an approach to
10 criticality experiment to validate neutronics. You
11 can do that. You can build up a fission product
12 inventory. It wouldn't complicate your shipping
13 issues as much.

14 But I would have to take my handcuffs off,
15 so that I could just take the control rods to a
16 position where I'm starting to get a count and getting
17 enough, you know, information and data.

18 So, I just raise that as a practical
19 concern. Because I think in our earlier discussion,
20 once you put these things that render the system
21 incapable of becoming critical, then you lead them on,
22 so to speak, until such time as the unit is delivered
23 at the actual site that has a permit to operate the
24 reactor. Is that right?

25 MR. KENNEDY: Yeah, that's right.

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1 So, one point that you raise that I don't
2 think is explicitly covered in the paper is trying to
3 operate the reactor with, as you say, the handcuffs on
4 or the features to preclude criticality installed, to
5 verify that those features are actually precluding
6 criticality.

7 VICE CHAIR KIRCHNER: Yeah.

8 MR. KENNEDY: We had covered in the paper
9 the situation where the features to preclude
10 criticality would be in addition to the normal
11 reactivity control features --

12 VICE CHAIR KIRCHNER: Yes.

13 MR. KENNEDY: -- and that they would be --
14 their designed installation would be specified in the
15 manufacturing license or in a design certification
16 that was referenced. So that the ability of those
17 features to preclude criticality under all conditions
18 would already be analyzed in the manufacturing
19 license --

20 VICE CHAIR KIRCHNER: Yeah.

21 MR. KENNEDY: -- in the final design of
22 the reactor; and that the operational testing at the
23 factory would be for things like ensuring proper
24 neutron flux distribution and operational
25 characteristics of the reactor without the features to

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1 preclude criticality installed.

2 So, you would never actually put the
3 handcuffs on in the factory if you were going to
4 operate it for testing.

5 VICE CHAIR KIRCHNER: Yeah.

6 MR. KENNEDY: You would only put them on
7 when you were done and you wanted to transport it.

8 VICE CHAIR KIRCHNER: For transfer
9 purposes.

10 MEMBER MARCH-LEUBA: It makes no sense to
11 me to do testing at a facility. You do the testing on
12 a prototype, No. 1, and then, you build them exactly
13 the same. Because, even if you tested my reactor in
14 the facility, you transported it; you shook it; you
15 dropped it. When it gets to the final resting place,
16 you have to test it again. You might as well test it
17 there. That's not my job.

18 CHAIR REMPE: How do you verify they
19 didn't have a misloading event or a situation, if you
20 don't do any testing before you leave?

21 MEMBER MARCH-LEUBA: Oh, no, no, no.
22 While you load your reactor, you're doing criticality
23 testing.

24 CHAIR REMPE: Okay, but I thought you just
25 said don't do any testing --

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1 MEMBER MARCH-LEUBA: No, don't pull rods
2 to make it go critical.

3 CHAIR REMPE: Okay.

4 MEMBER MARCH-LEUBA: But what are you
5 commissioning?

6 CHAIR REMPE: Okay.

7 MR. KENNEDY: So again, we've heard from
8 developers, things that they're considering, and their
9 deployment models. And so it would be up to them to
10 choose if they would gain a benefit from this testing.
11 We're trying to provide a --

12 MEMBER MARCH-LEUBA: Is this even an
13 expense? Plus you need a feasible license. If you
14 can live without it, that's what I would do. But you
15 should provide them with flexibility, the regulation.
16 That's what you're trying to do.

17 MR. KENNEDY: Correct. I'd like to move
18 to the next slide then. Just very briefly, one of the
19 potential benefits of applying the non-power reactor
20 regulatory framework is that this framework is already
21 set up for low power short duration operations. And
22 so there may be already guidance documents, standards
23 in place that can be applied in a fairly
24 straightforward manner to these types of operations
25 whereas tailoring all of the power reactor regulations

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1 to fit the specific situations may be more burdensome.

2 As I mentioned when you go from
3 subcritical or zero power or low power physics testing
4 to something like a nearly full power operational
5 testing in the factor for whatever reason, you may get
6 back to non-power reactor regulations and requirements
7 that are more like power reactor requirements because
8 the non-power regulatory framework does scale up in
9 terms of the requirements as you go up past certain
10 criteria in terms of power level for the reactor. So
11 again, this option is posed for flexibility in cases
12 where a developer decides that it would be
13 advantageous to them. I think that is the last slide
14 on operational testing. So now we're actually moving
15 into the information topics in the enclosure.

16 MEMBER ROBERTS: I have one quick
17 question. This is Tom Roberts. Getting to what Joy
18 was asking earlier, NUREG 1537 has requirements for
19 research reactors and requirements for test reactors
20 where the research reactor requirements have a much
21 stricter dose limit. Were you thinking about applying
22 the research reactor requirements or leaving that up
23 to the applicant to propose which they would use?

24 MR. KENNEDY: When we would apply the non-
25 power reactor regulatory framework, we would still

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1 consider the differences between research reactors and
2 testing facilities. And so right now, there's a 10
3 megawatt cutoff in the regulations. And we've
4 typically applied the 10 CFR Part 20 radiation
5 standards to even hypothetical accidents at research
6 reactors.

7 There is a draft final rule that would
8 propose different accident dose limits for research
9 reactors. That is not yet approved. And so we would
10 continue to use the current practice in the near term.
11 And I think -- do you want to add to that, Steve?

12 MR. LYNCH: Yeah, just to clarify.
13 Currently as you've said, there are no dose limits for
14 research reactors. Testing facilities do use the
15 analytical acceptance criteria on Part 100 of 25 rem.
16 And currently, that is defined as those facilities
17 that operate at above 10 megawatts thermal or meet
18 another subset of criteria such as having a liquid
19 fuel loading or a loop going through the core of the
20 reactor.

21 However, the currently operating research
22 reactors have voluntarily proposed to use 100 millirem
23 as their dose criterion. So that is not imposed by
24 regulation but rather voluntarily adopted for
25 conservatism by the currently operating reactors. But

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1 as Duke said, the staff has proposed in its non-power
2 production utilization facility rulemaking that
3 establishing a dose criteria of one rem would be
4 appropriate or a facility to be considered a research
5 reactor. But that is not limiting the dose that could
6 be applied. Basically, it's a threshold blow which
7 you would not need to follow the 10 CFR Part 100
8 siting criteria.

9 MEMBER ROBERTS: Yeah, thanks. So which
10 of those constructs are you thinking for this factory
11 testing of a micro reactor? Are you thinking about
12 using the research reactor requirements or guidelines
13 or practices or whatever they are at the time? Or are
14 you thinking about leaving that up to the applicant
15 and actually accepting the 10 CFR 100 type limits?

16 MR. KENNEDY: I think it's up to the
17 applicant to the extent that they choose what power
18 level and characteristics are going to define their
19 operational testing program. So if they kept the
20 operation to low power levels, short duration, then
21 the research reactor regulatory framework would be
22 probably more applicable. If they wanted to go into
23 the testing facility regime, then again they have to
24 comply with Part 100, they start to get closer to the
25 power reactor framework anyway.

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1 So one other thing to consider when you're
2 talking about the accident dose limits is that
3 typically research reactors consider a hypothetical
4 accident that occurs at full power operation until the
5 maximum fission product inventory is built up in terms
6 of dose consequences which is not where we would be
7 expecting to get with these reactors operated for
8 testing in the factory. So expect to have much, much
9 smaller source terms that would probably not even
10 approach the same type of consequences that we see for
11 currently operating research reactors which have been
12 able to demonstrate their accident doses are well
13 below the 100 millirem in Part 20.

14 MR. LYNCH: Yeah, and to build on this, I
15 think it's important to remember that going in, these
16 reactors would be licensed as power reactors. And
17 what we are proposing here is that we would look to
18 use the tools that are available to us, whether that's
19 conditions on a license that is issued or exemptions
20 to tailor the requirements to match the risks and
21 hazards of the facility to ensure safety. So Part 100
22 would likely be at the default requirement that's
23 applicable.

24 And as Duke said, if the developer comes
25 to us, describes what they want to do for testing, we

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1 understand the doses that might be expected and
2 hazards associated with that. Then we could use the
3 tools available to us to scale the requirements. And
4 they could resemble more closely requirements that we
5 would impose upon non-power reactors.

6 VICE CHAIR KIRCHNER: Before you go on, I
7 think there's a transition from your previous slide to
8 this next phase. And I can't help but just caution
9 anyone out there listening the two big challenges. If
10 you go operational at the factory and build a fission
11 product inventory, you've got some considerable
12 additional challenges in terms of transport.

13 And the other thing that I think the staff
14 has to be concerned about is essentially you would
15 have something like ITAAC that demonstrated that host
16 transportation, the loads that the -- whatever module
17 or set of modules are transported. Even if they've
18 been tested operationally will probably have to be
19 operationally tested again to ensure certain critical
20 functions. Certainly, reactivity control and all the
21 rest to ensure that through transport these things
22 haven't been damaged or otherwise enabled.

23 And for certain designs, things like
24 clearances and such turn out to be very important
25 factors that are inherent feedback and so on. And so

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1 there are a number of things that the potential
2 applicant should be thinking about because even if you
3 operationally test at the factory, you're probably
4 likely to repeat a large part of that program in situ
5 at the actual site to demonstrate, among other things,
6 that nothing went wrong in the transportation
7 operation and installation of the site. And so you
8 may -- they may find themselves repeating a good deal
9 of their operational test program all over again. Is
10 that right? Just I throw those two cautions out.
11 Certainly the staff I think is going to have to be
12 thinking about something like ITAAC that looks at,
13 okay, post-transportation, were there any impacts on
14 critical design, aspects of this actual module?

15 MS. CUBBAGE: So I just wanted to respond
16 to that if I could. Great points. Agree with you
17 completely. So there will be some sort of ITAAC for
18 the site to ensure that the module has arrived and is
19 being installed at the site, consistent with the
20 license.

21 And then we also have -- we did a
22 rulemaking back about a dozen years ago called the
23 ITAAC maintenance rule. So any ITAAC that are closed
24 in the factory, the licensee for the deployment site
25 is responsible for ensuring that those ITAAC continue

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1 to be met until the 52.103(g) is made and they have
2 authorization to operate. So yeah, it is possible
3 they would have to repeat things to demonstrate that
4 the ITAAC are still fulfilled. But all great points.
5 Thank you.

6 CHAIR REMPE: This is Joy, and I've
7 discussed with Member Bier. And rather than go to the
8 next section on the enclosure, we think it would
9 behoove us to take a small break. I know we started
10 late, but we kind of figured this one would be
11 different because of combining the subcommittee into
12 the full committee and trying to do a letter this
13 month.

14 So it's almost 3:30 on the East Coast.
15 Let's come back at 3:45 and be ready to do the second
16 part of this presentation. And thank you.

17 (Whereupon, the above-entitled matter went
18 off the record at 3:29 p.m. and resumed at 3:45 p.m.)

19 CHAIR REMPE: Okay. It's now 3:45, and
20 I'd like you guys to restart your presentation or
21 resume your presentation. Don't restart.

22 (Laughter.)

23 MR. KENNEDY: Thank you. Go to the next
24 slide, please, Steve. Okay. So we've already covered
25 a number of things that are in the information topics

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1 just through our discussion so far. So I may go a
2 little more quickly through a few items.

3 But the first one is something I don't
4 think we've really talked about much yet. And this is
5 the time frame for operating at the deployment site.
6 Excuse me. So the time frame that we're talking about
7 in this information topic is the time from when a
8 licensee, a permit holder receives their construction
9 permit or their combined operating license to the
10 point where they're actually authorized to operate the
11 reactor or they receive their operating license.

12 So the deployment time frame is really how
13 long does it take from when I'm able to have the
14 reactor start coming to the deployment site to when I
15 can actually turn it on for operating and for power
16 production. I just want to be -- I want to be clear
17 about that. So the assumption is more or less that as
18 a deployment site construction permit holder, for
19 example, as soon as I get that construction permit, I
20 can say, okay, please send me the reactor that I
21 ordered six months ago that's been tested and is ready
22 to come. And then one of the regulatory steps that
23 need to happen in order for that reactor actually
24 begin operating, so what we recognize is that --

25 MR. BLEY: Can I interrupt you just a

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1 second? It's Dennis Bley. You mentioned construction
2 permit. But if we're actually talking about a device
3 that's been fabricated at the factory and brought out,
4 would you really have a construction permit? Or would
5 you just have an operating license?

6 MR. KENNEDY: Yes, you would have a
7 construction permit. So each deployment site because
8 the licensing at the deployment site is separate from
9 anything -- any of the licenses that happened at the
10 factory for operational testing, the deployment site
11 licenses either have to be construction permit in an
12 operating license or a combined license. Part of that
13 is the consideration that at the deployment site, you
14 may have to construct safety-related systems or do
15 activities at the deployment site that are defined as
16 construction. And so you need to have a construction
17 permit or a COL to actually do those activities. So
18 --

19 (Simultaneous speaking.)

20 MS. CUBBAGE: The other thing I would add
21 to that, Duke, is that we would expect a level of
22 design maturity given that you've already had a
23 manufacturing license and the design is already -- the
24 module has already been fabricated such that the
25 construction permit could contain -- construction

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1 permit application could contain final design
2 information for major portions of the design and could
3 have a high level of design finality if the applicant
4 --

5 (Simultaneous speaking.)

6 MR. BLEY: That would be most likely,
7 yeah.

8 MS. CUBBAGE: Yes, yes. But then the
9 combined license is also another option.

10 MR. BLEY: Can you -- do you envision that
11 you could get a construction permit and an operating
12 license in essentially the same time and do the
13 construction? But then when the --

14 MS. CUBBAGE: So you would need to --

15 MR. BLEY: -- reactor comes, you'd install
16 it and turn it on?

17 MS. CUBBAGE: You would need the
18 construction permit or COL to begin anything defined
19 as construction at the site or a limited work
20 authorization. And then you can't give an operating
21 license until construction is substantially complete.
22 So there would have to be at least some gap there.

23 MR. LYNCH: Yeah, I can build on to that.
24 Amy is absolutely correct. The one efficiency that a
25 developer could use, though, is by submitting a single

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1 application for the construction permit and operating
2 license when they have complete design information
3 available. So they could submit that single
4 application, but we would still issue a construction
5 permit. And then an operating license is two separate
6 actions.

7 MS. CUBBAGE: And the developer could
8 choose in that circumstances that they would prefer
9 the combined license option. But there are some ins
10 and outs with regards to ITAAC and timelines and
11 things of that nature that Duke is going to get into.

12 MR. BLEY: Okay. Well, we'll see how it
13 all turns out. But I'm --

14 MS. CUBBAGE: Yeah.

15 MR. BLEY: -- thinking that's a little
16 odd. But go ahead.

17 MEMBER BIER: If I can ask a follow-up
18 question. I mean, it seems to me like the
19 requirements of the operating site are different
20 partially because of the timeline that something is
21 going to be operated there for decades or whatever.
22 You need the time for the local stakeholders to weigh
23 in and for environmental impact and all of that kind
24 of thing.

25 I'm not very familiar at all with the

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1 requirements for manufacturing and any one reactor
2 will only be at the manufacturing site for a short
3 period of time. But conceivably, that site could be
4 in operation for a long period of time, producing
5 multiple reactors. And what are the requirements
6 regarding the nearby stakeholders near a manufacturing
7 site?

8 (Simultaneous speaking.)

9 MS. CUBBAGE: Go ahead.

10 MR. KENNEDY: So the factory, if there's
11 a license for operational testing at the factory, each
12 module also has to go through all of the hearing
13 requirements, the environmental review requirements,
14 review by the ACRS. So that was one thing that we
15 mentioned earlier is if you require an operating
16 license at the factory for something like fuel
17 loading, it introduces a lot of requirements. But
18 certainly those are necessary to fulfill the NRC's
19 obligations under the Atomic Energy Act to involve the
20 public and the process. And so anything that happens
21 at the factory that involves reactor operation goes
22 through the same types of environmental review.

23 MEMBER BIER: Yeah, but if you have fuel
24 loading and some radioactive material present on east
25 a periodic basis if not on an ongoing basis, would

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1 there be stakeholder involvement associated with that?

2 MR. KENNEDY: Yes, there would be. That's
3 part of the licensing process for either Part 52 or
4 Part 50 license at the factory.

5 MS. CUBBAGE: I think she was referring to
6 the stressed fuel load option and in which case the
7 Part 70 license would have an environmental aspect as
8 well.

9 MEMBER BIER: Okay. Thank you, Amy.

10 MR. KENNEDY: Thanks. Okay. So the paper
11 discusses there are two different pathways presented
12 which is Part 50 pathway and the Part 52 pathway for
13 operating the reactor at the deployment site. Both
14 pathways have requirements for hearings at the
15 deployment site that would have to be completed before
16 authorization to operate or an operating license is
17 issued. And in the regulations, each hearing period
18 is 60 days opportunity to request a hearing.

19 And then hearings under Part 52 are
20 related to ITAAC closure. And those have ITAAC
21 hearing procedures that have been approved. They
22 specify time frames for accomplishing steps in the
23 process of receiving information from licensees, from
24 issuing notifications to the public that are
25 administrative in nature.

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1 And there's potential savings of some time
2 in completing those steps, especially if an applicant
3 knew they were going to receive a reactor and they
4 knew they were going to need to have a hearing
5 requested by a certain date. And they want to try to
6 expedite the notification process. That's possible.

7 Under the Part 50 process, there's also a
8 requirement for a hearing that covers more than just
9 ITAAC closure because ITAAC under Part 50, the hearing
10 covers everything associated with the operating
11 license which includes the full design of the reactor.
12 And the hearings for Part 50 licenses follow generic
13 milestones that are in the regulations. So there's
14 some possibility for shortening the time frame under
15 Part 50.

16 And that relates to the time it takes to
17 receive an application for an operating license to an
18 acceptance review to docket it and to provide the
19 notice of a 60-day opportunity for a hearing. So in
20 the paper, we describe in the near term strategy some
21 steps that we might be able to take to shorten some of
22 those time frames. But ultimately under both
23 processes, you run into the time needed to notice a
24 hearing and then to conduct the hearing if it's
25 requested.

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1 And even the 60-day opportunity to request
2 a hearing could be substantially longer than the time
3 it takes for, say, a self-contained micro-reactor to
4 show up at the site and be placed in the proper
5 location, to be checked, and to be ready to be turned
6 on. So we're looking for opportunities to reduce
7 those time frames in a way that still allows for all
8 the proper public engagement under the Atomic Energy
9 Act. So we've laid that out in the near term
10 strategies.

11 The one thing also is the environmental
12 review that's associated with operation at the
13 deployment site. Under a combined license, the
14 environmental review is completed at the time of
15 issuance of the combined operating license under the
16 Part 50 process. There's a supplement to the
17 environmental impact statement that happens at the
18 operating license stage. So that has the potential to
19 add significant time to the deployment time frame if
20 there's no hearing requested. So do you have a
21 question?

22 MEMBER BIER: Yeah, for the 60-day notice,
23 I understand that it may be a very short time between
24 when the reactor arrives on site and when it's really
25 to be turned on or tested or whatever. But the

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1 licensee is presumably going to know that they're
2 expecting one much more than 60 days in advance. It's
3 not, like, ordering on Amazon. Can you send it in
4 three days? So can they start that stakeholder
5 notification process and when they know that they're
6 planning on this?

7 MR. KENNEDY: So under a COL, the ITAAC
8 are specified in the COL. The COL needs to be issued
9 before. Otherwise, the public doesn't know what the
10 ITAAC are.

11 So there's a possibility in other cases
12 like with the Part 50 process where you know things
13 are going to have to be done. And you can start them
14 much sooner and try to reduce some of the time that
15 you might spend waiting for environmental work to be
16 done or for a hearing to be completed. But that is
17 one case where you really can't start that one really.

18 MEMBER BIER: Thank you.

19 MR. KENNEDY: You're welcome. Okay. So
20 I think again we end up in the situation here where
21 it's up to the developer to decide is considering
22 everything is the Part 52 licensing process at the
23 deployment site preferable or is the Part 50 licensing
24 process preferable. And so in the paper, we lay out
25 what takes time and how much time could it possibly

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1 take to try to inform that decision. And then we are
2 looking as we get more experience, perhaps, with
3 licensing, we might find ways to adjust hearing
4 procedures or milestones or even regulations that
5 would allow for a more streamlined approach while
6 still accomplishing the underlying purposes of the act
7 to involve the public and the process and to reach all
8 the required safety findings.

9 Okay, next. I think I've already covered
10 that one. So I should advance the slides. Next
11 slide, please. So the next topic is licensing
12 replacement reactors. And this goes back to a
13 discussion earlier about --

14 VICE CHAIR KIRCHNER: Before you go on,
15 this is where I think something that graphically
16 illustrated the requirements and the regulations for
17 both the 10 CFR 50 or 52 as well as the 51
18 requirements for the environmental reviews, some kind
19 of timeline that shows here's the best you can do that
20 you don't have a contested hearing or something or you
21 can get away -- get away isn't the right way to say
22 it. You can demonstrate that your impact is minimal
23 with a micro-reactor. And therefore, maybe not have
24 to do a full blown EIS, maybe an environmental
25 assessment with a policy would suffice and so on.

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1 But it seems to me you do discuss all of
2 this in the paper. But laying out a timeline so that
3 the Commission and the potential applicants could look
4 at this and see. I would say how much time, what the
5 minimum time is required by regulation for each of
6 these steps in the process so that they can then look
7 at and then do a calculation on their own part about
8 which strategy we want to adopt. Just reading through
9 the entire paper, it's hard to sort out and remember
10 all the steps and all the windows that are necessary
11 to get from the start to the finish of each process.

12 MS. CUBBAGE: I think that's a great
13 suggestion. We've kind of laid that out for
14 ourselves. And as we go forward with developers, we
15 can certainly walk them through that.

16 MR. KENNEDY: Thank you.

17 MEMBER MARCH-LEUBA: I said it before.
18 But conceptually replacing a reactor that has been
19 running for ten years and has burned up the fuel with
20 an identical component that the only difference is
21 fresh fuel where you just place it. That's what we
22 do. We're refueling reactors.

23 We don't get a new license. Conceptually,
24 you're refueling your site. I just think this is
25 complicating. Requiring a new license complicates

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1 life, even though as I said earlier that new license
2 might just require a new signature because it's
3 exactly the same submittal that you did ten years ago.

4 MS. CUBBAGE: I think this is an area
5 where we couldn't tackle everything as policy matters
6 in this paper. So what we were laying out is what we
7 believe to be a strategy today without needing
8 Commission policy or rulemaking. But what you're
9 outline is something we could certainly look towards
10 in the future as a next step after this paper.

11 MEMBER MARCH-LEUBA: If you think
12 centrally when you refuel an operating reactor, you
13 could reduce the spacers and put every pin in the old
14 spacers. But you don't. You put the whole fuel
15 element because it's easier to build it in the
16 facility in the factor and you refuel the whole fuel
17 element. That's what you're doing here.

18 MS. CUBBAGE: Right. So today we do
19 refuelings without even an amendment if they're not
20 changing anything. They can do steam generator
21 replacements. They can do vessel head replacements.
22 We just haven't taken it so far as it's a whole new
23 reactor showing up on a truck, right? And so what
24 we're saying is under the current framework and policy
25 that a new reactor showing up needs a new license.

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1 MEMBER MARCH-LEUBA: Your approach is
2 conservative and it will work. And I'm willing to bet
3 that it's not going to be that onerous because the
4 license will be just a carbon copy of the previous
5 one. And so the review will be very easy, very fast.

6 MS. CUBBAGE: I'll take it a step further.
7 We could issue all the construction permits
8 concurrently at the beginning. Or we could issue all
9 the combined licenses concurrently at the beginning
10 and they would just be held there waiting for such
11 time that the new reactor would show up. So yeah, I
12 agree with you on that. But this is definitely an
13 area we're going to continue to engage stakeholders on
14 and potentially go back to the Commission if we come
15 up with additional possible approaches.

16 MEMBER MARCH-LEUBA: Then, of course, let
17 me be the contrarian. I don't know of any vendor that
18 will keep the design exactly the same for ten years.
19 They will change something.

20 MS. CUBBAGE: I was going to say that but
21 I didn't.

22 MEMBER MARCH-LEUBA: Okay.

23 CHAIR REMPE: So what about Part 53? Any
24 chance that you could take some of these more bigger
25 steps in rulemaking and put it in Part 53 where it's

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1 all said and done since you guys have been studying
2 this so much --

3 (Simultaneous speaking.)

4 MS. CUBBAGE: So Part 53 is before the
5 Commission. And so what the Federal Register notice
6 looks like when it goes out is out of our hands at the
7 moment. But the staff did propose to the Commission
8 some questions around micro-reactor licensing.

9 There's only so far we can go in a final
10 rule without having to re-notice a proposed rule again
11 if that makes sense. So you kind of have to give the
12 public an opportunity to comment. And the changes
13 between a proposed rule and a final rule need to be a
14 logical outgrowth.

15 So it kind of depends on what the
16 Commission puts out in the proposed rule should they
17 approve a proposed rule, what kind of questions are in
18 the Federal Register notice, what kind of comments
19 received, and then seeing how far changes could go in
20 a final rule before you'd have to re-notice another
21 proposed rule. But your point is well taken. There's
22 an opportunity out there now.

23 CHAIR REMPE: Depending on what the
24 Commission direction is and public comments, one could
25 have some substantial changes in it and incorporated.

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1 Anyway, just a thought.

2 PARTICIPANT: I do want to acknowledge it
3 looks like Bruce Watson from the staff may have some
4 additional thoughts to share.

5 MR. WATSON: Yeah, one of the -- I guess
6 I'll just follow up with what Amy was talking about is
7 that, yeah, you may have a new reactor that may
8 require a new license. But it's -- the site is not
9 definitely going to go into a decommissioning status
10 if they're going to replace the reactor. But there
11 probably would be some kind of license to be used or
12 be remaining for the rest of the site for the
13 possession of any radioactive material that's there
14 while they take out the old reactor, put in the new
15 one.

16 And as I was mentioned I guess from one of
17 the ACRS members that they're going to change the
18 design a little bit in a ten-year period. So I guess
19 the new reactor as I was looking at it would come with
20 its own new set of tech specs. And the operating
21 license would follow.

22 So we're looking at it. It's just one of
23 those things we haven't, I guess, drawn a total
24 conclusion on. But we're looking at the various
25 options. So I just wanted to point that out. So

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1 thank you. That was a good comment.

2 MR. KENNEDY: Okay. So just a couple more
3 points related to this. So recognizing that
4 developers will likely not want to have an
5 interruption or extended interruption in power
6 production, they may bring the replacement reactor to
7 the site, get it ready for operation, shut down one
8 reactor, put the next one into operation almost
9 immediately. And so technically they may have more
10 than one operating reactor at a site, or the site may
11 be designed to have ten of these micro-reactors.

12 So one of the considerations is in
13 licensing a site. Need to consider how many reactors
14 are going to be there operating at any one time as
15 well as what is the total duration of expected
16 operation of reactors at that site. So the --

17 MEMBER MARCH-LEUBA: You might see a
18 reactor in a gas field production facility. I'm
19 pumping gas out of the ground. And ten years from
20 now, I discover a new area. So I need two more
21 reactors.

22 So I'm going to have a multi-unit. You
23 have to be flexible enough to do that. It's not just
24 refueling. Your power demands are going to change
25 with time.

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1 MS. CUBBAGE: Yeah, if they want to do
2 that, they would have to get another license to add
3 more capacity, unless the original license
4 contemplated higher capacity.

5 MEMBER BIER: So in the interest of time,
6 I think maybe we should try to move along a little
7 more expeditiously in this enclosure section in part
8 because a lot of the things here don't really require
9 immediate feedback from the Committee.

10 MEMBER HALNON: Vicki, this is Greg. Just
11 one real quick comment on the second bullet there. We
12 put a letter November 2021 on the EP rule. You might
13 refer back to that. There was a comment about the
14 transportable reactors. And that kind of is
15 irrelevant in this case along with the EP stuff.

16 MR. KENNEDY: So with that, I think we can
17 move to the next topic in two slides, Steve. So I
18 believe Jesse Seymour is on the line to discuss the
19 next topic on autonomous and remote operations.
20 Jesse?

21 MR. SEYMOUR: Thanks, Duke. I appreciate
22 it. So my name is Jesse Seymour, and I'm an license
23 examiner, a human factors technical reviewer in NRR.
24 And I worked with Dr. David Desaulniers and Ian Jung
25 along with Tammie Rivera of NSIR to develop the remote

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1 and autonomous operations portion of the draft SECY.

2 So the potential for applicants to
3 potentially seek the inclusion of remote or autonomous
4 operating concepts in their facilities is a matter
5 that we continue to think through and to bring to the
6 attention of the Commission. It's something that we
7 raised in the 2020 SECY that was discussed earlier in
8 the meeting today. And it's also something that we've
9 raised to the attention of the Committee and talked
10 about as part of the development of our proposed Part
11 53 rule.

12 So with these transport micro-reactors
13 just because of the potential for how these would look
14 to be employed, this is an issue that we see as being
15 tied into this potentially and therefore something
16 that we need to be thinking about. So we envision
17 that a combination of technological advances. And the
18 economic -- economics I should say -- associated with
19 these micro-reactors will continue to creep momentum
20 between the deployment models and again these use
21 cases.

22 And I think because of that, it's going to
23 be important for us as a staff to have thought through
24 this and to have the technical review processes that
25 we'll need to adequately address them. We believe

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1 that there's important matters of policy underlying
2 both autonomous and remote operations that should be
3 brought to the Commission's attention via the draft
4 SECY that is presently under discussion which is why
5 we elected to incorporate this topic into the
6 enclosure. As we noted back in the 2020 SECY that was
7 discussed earlier, both autonomous and remote
8 operations raised potential policy-related matters and
9 very important matters at that.

10 For example, autonomous operation could
11 entail things like reactive manipulations being
12 performed by automation rather than by licensed
13 operators as well as potentially eliminating humans as
14 a layer of defense in depth. Separately, remote
15 operations could raise new human factors engineering
16 and cybersecurity considerations as well too. And in
17 the enclosure, we try to talk through and parse out
18 some of those issues in more detail.

19 I should note that this Committee has
20 previously expressed its view on the notion of
21 unattended plant operations and that the concept of
22 maintaining some minimum degree of human oversight
23 irrespective of automation is important. And that's
24 something that we incorporated into our proposed Part
25 53 framework. So again, we were sensitive to the

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1 viewpoint that the Committee raised there, and that's
2 something that we're carrying forward into our
3 thinking on this issue.

4 The potential of our future reactor design
5 to demonstrate adequate safety performance while
6 operating autonomously may be an area in which the
7 Commission will need to make a policy decision
8 regarding whether some form of human oversight will be
9 required, even if it's rendered unnecessary from a
10 strict safety or defense-in-depth standpoint. And
11 that would include keeping a person in the loop as a
12 conservative measure for public confidence. So again,
13 that's something that we're kind of calling out there
14 in the enclosure as being an area where there may be
15 a Commission policy call involved.

16 MR. BLEY: Jesse?

17 MR. SEYMOUR: Yes.

18 MR. BLEY: Dennis Bley. Now if we have a
19 human in the loop but not at the site, you have to
20 have some really secure means of communication. We
21 just had some good examples today of difficult if you
22 were making communications always work. And I know
23 the staff -- well, I think the staff deferred to a
24 larger government examination of geomagnetic storms.
25 But they can interrupt almost every kind of

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1 communications possibility and maybe inject signals
2 into the process too. Have you been considering that
3 aspect and to what extent?

4 MR. SEYMOUR: It's absolutely something
5 we've considered. And this is something that we touch
6 upon in the paper as well too. And a key thing and I
7 think I've raised this in a different forum in front
8 of the Committee before as part of the Part 53
9 discussion.

10 But realistically, any suitable approach
11 to remote operations, to do that logically and to do
12 it safely, you would either have to provide a very
13 high degree of assurance and ability of operators to
14 remotely accomplish things like credited human
15 actions. Or alternatively, eliminate reliance on such
16 actions for the achievement of safety functions. And
17 the key point there is there's a fundamental
18 philosophical question at play here is that, that you
19 could ever have truly 100 percent full proof reliable
20 communications with a remote site.

21 And if you're not able to establish that,
22 then how are you going to account for the fact that
23 you can potentially lose communications with it?
24 Again, if you've got a construct where the operators
25 intervention is not needed for safe outcomes, it makes

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1 that technical question a little bit easier to answer
2 there. But again, the communications piece of this is
3 something that's key.

4 And something I was going to touch upon a
5 little later but I can bring up now is just that we do
6 have ongoing work with the Office of Research that
7 we're doing to do a more detailed research-based
8 treatment of the remote operations topics. And
9 there's a few layers to that. But some of the
10 elements, the specific questions we're digging into
11 are how you accomplish remote monitoring, the remote
12 control functions, and things of that nature. And a
13 lot of this is meant to inform that question of is it
14 something that could be done safely? And if it is,
15 what are the ground rules going into that? So --

16 MR. BLEY: The other alternative you
17 mentioned is to show that you don't have any need --

18 MR. SEYMOUR: Yes.

19 MR. BLEY: -- for intervention. And
20 that's also in a way problematic because at least
21 until we get some years of experience in operating the
22 systems, we might have a theoretical claim that you'll
23 never need intervention. But nature has a way of
24 surprising us on those kind of things. It seems to me
25 if I'm coming in with a design that I eventually might

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1 want to use in an autonomous way, I ought to have a
2 plan for somehow testing out that hypothesis that I
3 will never need intervention over the first quite a
4 few years of operation in my new design. And I'm not
5 sure you've raised that kind of issue at this point.

6 MR. SEYMOUR: In the Part 53 work that
7 we've done, the way that we addressed the potential,
8 and again, we didn't speak directly to remote and
9 autonomous in an explicit way in that rule. But we
10 tried to bound a very wide range of technological
11 considerations. And one of them that we considered
12 was the need to always have a layer of defense-in-
13 depth kind of wrapped around the entire construct.

14 And the reason being is because of those
15 analytic uncertainties. If you're going through
16 especially on the pilot built of a first of a kind
17 facility and you're making the case that you've got
18 inherent safety because of just the design of the
19 fuel, things that are baked right into the
20 engineering. One of the things that that's always
21 kind of a specter that's out there is that you could
22 potentially have uncertainties, right?

23 So how do you account for that? And
24 again, I think this gets back to the point that under
25 initial analysis, you may have said, well, there's no

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1 need for human intervention there. What are the known
2 and unknowns? What did we miss, right?

3 And so one of the concepts was having a
4 layer of defense in depth that do not require human
5 action, right, to achieve. And part of that was to
6 help bound that. Now that's one of the things we
7 thought about when we were considering the self-
8 reliant mitigation facility which was kind of a
9 separate idea that was there.

10 But one of the things we have kicked
11 around in these discussions is, would it be reasonable
12 to expect that a remotely operated facility would have
13 to meet that type of pedigree of safety? Just to go
14 ahead and provide some assurance that loss of
15 communication would be acceptable. But again, self-
16 reliant mitigation facility, and this is something
17 we've only kind of preliminarily discussed.

18 What would have that additional layer of
19 defense in depth, right, that wouldn't credit humans?
20 So again, it's a very key point, right? Again, if we
21 look at things -- I think you brought up the point of
22 a solar storm, right, things that cause kind of mass
23 disruptions of communications. Unless you're hard
24 wiring through fiber optics or something like that,
25 again, those types of events could be very damaging.

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1 MR. BLEY: Even if you hard wire, there
2 might be some interaction. Maybe with optical cable,
3 that's different. I haven't really thought about it.

4 But if you go back 150 years or whatever
5 it was, there was a big geomagnetic storm and it wiped
6 out all the telegraph systems around the country. So
7 hard wiring might not be the answer, at least if
8 you're talking metallic wires. I guess where I was
9 kind of coming from is, is there value in suggesting
10 if you're a vendor who's looking in the future
11 possibly to autonomous operation?

12 You ought to build in some kind of a
13 multi-year test and information gathering plan into
14 your application to build confidence that when you get
15 to that point, it's going to work the way you planned
16 it. And I haven't thought that through. It's off the
17 top of my head. But something like that seems to make
18 sense to me.

19 MR. SEYMOUR: It's a good philosophical
20 point. I don't have a good answer for that because
21 the notion of prototyping a facility and doing kind of
22 a pilot build and run, that has its own nuances to it
23 and so forth. But something that we've talked about
24 is the notion that the self-reliant mitigation
25 facility would require a fairly well established body

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1 of supporting information to write the analyses to go
2 through and to justify that. And even that isn't
3 meant to be an unintended model, right?

4 There's still a generalized reactor
5 operator capability to do some assessment, shut the
6 facility down, that type of thing. So again, it's a
7 good point. Now the geomagnetic storm, I think you
8 mentioned. I believe that was the Carrington Event.
9 I think that's a famous one.

10 But again, that is kind of something that
11 we put into our thought experiments there. What
12 happens if you have something like that?
13 Communications are gone.

14 And suddenly, things like having time
15 critical operator actions to do things, to mitigate
16 accidents and doing that from a distance, immediately
17 that starts to present challenges. So Steve Lynch, I
18 know you're on. I'm not sure if you have anything
19 that you wanted to add about the kind of prototyping
20 of the facility that developed a data set or whatever
21 for it.

22 MR. LYNCH: Hi, Jesse. I think you've
23 covered it pretty well. I mean, I think I'll just
24 make that distinction that we are looking at the
25 prototyping of the facilities. That is looking at

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1 additional safety features that we can place upon the
2 reactor itself under the 50.43(e) to ensure safe
3 operations. But I think you covered everything well.

4 MR. BLEY: There's a point I just
5 peripherally mentioned and maybe one of you can
6 address it. My memory is back when President Obama
7 was near the end of his term there was a presidential
8 order directing that everybody who was needed,
9 communications, that sort of thing ought to look into
10 their own capability to withstand those kind of
11 storms. And I thought after that, there was some
12 agreement among federal agencies that one of them had
13 the lead in doing that. And I haven't heard anything
14 in quite a few years in that area. Can you tell me
15 what's happening there?

16 MR. SEYMOUR: So that is something that I
17 can't speak to myself. I know we've got, I think,
18 Tammie Rivera I think from a cybersecurity side of
19 things. I'm not sure. Tammie, is that something that
20 you've dealt with on the cyber side?

21 MS. RIVERA: Yes, this is Tammie Rivera
22 with security bridge in the Office of Nuclear Security
23 in the incidence response. And Jesse, I think you
24 covered that topic pretty well. And your specific
25 questioning here, I do not have any knowledge on that.

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1 And any information that I could offer would be
2 speculative. And I want to avoid that.

3 MR. SEYMOUR: Okay. Yes, thanks, Tammie.
4 I appreciate that. And so offhand, I'm not sure if
5 that's something that we can speak to.

6 (Simultaneous speaking.)

7 MR. BLEY: Okay. There should be somebody
8 on the staff who is aware of this program within the
9 government. We could inform back on it.

10 MS. CUBBAGE: We'll take note of that.
11 And this is a topic that we're kind of re-teeing up in
12 this paper but not seeking any Commission direction.
13 So as we move forward, there'll be other opportunities
14 to engage ACRS certainly before we put up another
15 paper on this topic.

16 CHAIR REMPE: So members, I just would
17 like to remind you that we have a lot more content and
18 we really need to try and be done with the
19 presentation by 5:15. I know we started late, but
20 we've got public comments and we do need to read in a
21 draft letter today is the goal. Okay. Thank you.

22 MR. SEYMOUR: Okay. Thank you. And so
23 just to go ahead and just ramp up, so again, our plan
24 going forward as we intend to further develop our
25 understanding of the industry's deployment models,

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1 again, we're looking at the potential use of things
2 like artificial intelligence, trying to better
3 understand that. And again, really focusing in on
4 these concepts such that we'll be ready for them at
5 the appropriate time, have the guidance and the
6 regulatory framework in place.

7 So again, what we're doing right now is
8 we're identifying any gaps in the existing human
9 factors engineering regulatory framework that are
10 needed to address those deployment models. And we're
11 developing the technical bases for new guidance that
12 may be needed. Again, I mentioned the research
13 project that we're currently doing. And so with that
14 being said, I'll go ahead and turn it back over to
15 Duke so we can move through the rest of the
16 presentation.

17 MR. KENNEDY: Okay. Thanks, Jesse. And
18 I'm going to turn it over to Bernie to discuss
19 transportation.

20 MR. WHITE: Thanks, Duke. So in the
21 enclosure of the paper, we wanted to introduce the
22 different types of packages and the different approval
23 mechanisms we have under Part 71 for shipment of
24 transportable micro-reactors. So going back to the
25 figure that Duke has showed on slide 4, there's two

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1 potential shipments, one from the factory to the
2 deployment site, then one from the deployment site
3 back to potentially a refurbishment or a
4 decommissioning facility.

5 Shipment from the factory is probably
6 going to be a Type A package unless it's been
7 operated. Then it could be a Type B fissile package
8 depending upon how much radioactive material was
9 generated during operations. We haven't defined that
10 demarcation line between Type A and Type B or Type A
11 fissile and Type B fissile. Each licensee would have
12 to determine that and how long it wants to operate and
13 what power level and then determine what type of
14 package it would be using --

15 VICE CHAIR KIRCHNER: Bernie, at this
16 point, is there some devotional demarcation where you
17 would make that A/B decision?

18 MR. WHITE: Okay. So when I say that, I
19 mean there's no demarcation line in terms of amount of
20 operation. So --

21 (Simultaneous speaking.)

22 VICE CHAIR KIRCHNER: Is there an
23 inventory?

24 MR. WHITE: There is in the back, Appendix
25 -- Part 71, Appendix A. There's an A1 and A2

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1 quantities listed for numerous radioisotopes. This
2 would be a mixture of radioisotopes. And so the
3 applicant would figure out how much of each isotope it
4 has and then do one over sum of the fractions to
5 determine what the aggregate A2 is. And then so if
6 you're above that, it's a Type B package.

7 VICE CHAIR KIRCHNER: And for the
8 uninitiated, what's the big difference between A and
9 B?

10 MR. WHITE: So Type A quantities are
11 shipped under DOT rules, self-certified on accident
12 resistant packages that a value limits the dose to an
13 individual. And it's all based on the Q system that
14 IAEA developed. And so it limits the dose to 5 rem or
15 less in an accident.

16 And to something like -- and I can't
17 remember the exact numbers -- but a couple of rem at
18 most during normal transit. Type B quantities are in
19 -- we call them accident resistant packages. But
20 they're packages that are put through hypothetical
21 accident conditions and then they're evaluated for
22 criticality safety. It's fissile dose rate
23 containment criteria to minimize --

24 VICE CHAIR KIRCHNER: Would a -- I'm
25 trying to lead you somewhere. Sorry, Joy. This is

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1 important, though, for the applicant. How much
2 fissile inventory can you ship and still stay under
3 Type A? How many kilograms?

4 MR. WHITE: So a Type A package cannot
5 ship hardly any fissile material. That would be a
6 couple of grams. It's Type A fissile package. And
7 that's -- the distinction is if it's a fissile
8 package, Type A, comes to NRC for review.

9 VICE CHAIR KIRCHNER: Right.

10 MR. WHITE: And you can ship as much as
11 you can show it's subcritical in that, from grams,
12 kilograms, to hundreds.

13 VICE CHAIR KIRCHNER: So that's typical
14 of, like, PWR, BWR --

15 (Simultaneous speaking.)

16 MR. WHITE: Right, right. Fresh fuel
17 assembly packages, for example, hexafluoride, enriched
18 hexafluoride, they're Type A fissile packages.

19 VICE CHAIR KIRCHNER: Right. And then B
20 is -- you got to do your homework.

21 MR. WHITE: Right. So B is the dose rate.
22 It has dose rate and containment criteria. Type B
23 fissile package is spent fuel.

24 VICE CHAIR KIRCHNER: Is it -- well, never
25 mind. I was going to say that it wouldn't take much

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1 operation to cross the line, would it?

2 MR. WHITE: Probably not. A lot depends
3 upon the parallel. If you're operating at full power,
4 you're talking minutes. If you're talking a
5 milliwatt, it's different. And it depends upon the
6 operating regime that each licensee wants to do at the
7 factory.

8 VICE CHAIR KIRCHNER: So when you do
9 guidance, I think it would be enormously helpful to
10 try and kind of -- don't just say, go to -- which I'm
11 doing here, an appendix. But kind of, I think, you
12 should try if you could lay out the guidance, for
13 example, Type A is fresh fuel assemblies for PWRs and
14 so forth. B would be spent fuel and so on. So the
15 people are really thinking through the implications.
16 Okay. Thank you.

17 MR. WHITE: Thank you. I've covered most
18 of that by examples, what the different types of
19 packages are. So transported on the front end to the
20 deployment site, I mean, the real difference between
21 whether it's a Type A fissile or a Type B fissile
22 package is the fact that it has to be evaluated for
23 dose rate after hypothetical accident conditions and
24 it's got containment criteria for both normal
25 conditions and for accident conditions.

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1 Because both sets of packages, because
2 they're fissile packages, they're subject to normal
3 conditions in transport, hypothetical accident
4 conditions, and criticality safety criteria. So next
5 slide, please. So talking about different types of
6 framework. So if you have a package that you can meet
7 all of Part 71 and that's pretty. It's standard.

8 That's what we routinely do for fresh fuel
9 assembly packages, hexafluoride spent fuel packages.
10 The real issue with these packages, we don't know how
11 they'll be damaged when subject to hypothetical
12 accident conditions. And so if you do the
13 hypothetical accident conditions is a 30 foot drop
14 onto an unyielding surface and the most damaging
15 orientation.

16 A 40-inch puncture test and the most
17 damaging orientation on the most damaging spot, a 30-
18 minute fire, and then an immersion test, right? It's
19 3-foot immersion for fissile packages and a 50-foot
20 immersion for all packages. If one can't meet the
21 criteria in Part 71 after those tests, there's three
22 different types of package approval standards that one
23 could use.

24 There's 71.41(c) which is alternative
25 testing environmental conditions. So instead of doing

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1 at 30-foot drop, you can do a 25-foot drop. But you'd
2 have to have compensatory measures or something to
3 account for that distance.

4 The limitation on that is, though, you'd
5 still have to meet the containment criteria and the
6 dose rate criterion Part 71. So there's no relief
7 from that. There's 71.41(d). We instituted that.

8 We call that a special package
9 authorization. And that was really put in there for
10 large packages, something like shipment of reactor
11 vessels. If reactor vessel can't meet the definition
12 of low specific activity or surface contaminated
13 objects, that's what we put it in there for.

14 It takes a one-time shipment. That one-
15 time shipment is probably an unlikely -- would
16 probably make it very unlikely that a transmittal
17 micro-reactor would use it. Because you couldn't ship
18 it from the factory to the deployment site and then
19 back.

20 You can only ship it from the deployment
21 site back. And there's the issue of what if you have
22 multiple reactors at the same facility. Is that a
23 one-time shipment? We really haven't exercised that
24 to date.

25 And then there's the exemptions. An

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1 exemption space, you can take exemption to anything
2 you want in the roles as long as you can show that you
3 don't endanger life, property, and/or common defense
4 and security. In November and December, we'll be back
5 talking to this ACRS subcommittee on a risk informed
6 methodology for transportation package approval.

7 That takes -- that would use exemptions
8 from Part 71 -- potentially exemptions from Part 71.
9 We have a full committee meeting on that in December.
10 And so you hear a little bit more about what some in
11 the industry were thinking about their thoughts for an
12 exemption space. Next slide, please.

13 Now we'll move into the topic of spent
14 fuel. So when NRC issued its final rule in 1980
15 codifying the specific license requirements for an
16 individual spent fuel storage installation under 10
17 CFR Part 72, we added the definition of spent fuel.
18 That definition of spent fuel means that the fuel has
19 been withdrawn from a reactor and has cooled at least
20 one year prior to being placed into an ISFSI.

21 And that was back in the day most of the
22 fuel and still most of the fuel today is light water
23 reactor. It comes out of the reactor, goes into a
24 spent fuel pool for some period of time. And that
25 period of time used to five to seven years at least.

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1 And a lot of licensees have shortened it
2 now down to maybe two, three, four, five years. But
3 there's still that minimum one-year requirement for
4 that. In order for fuel to be placed into an ISFSI
5 licensed under Part 72, it would have to be cold one
6 year and has to be withdraw from the reactor.

7 And that's two different implications for
8 a couple different licensees. If you have a
9 transportable micro-reactor who wants to store the
10 fuel at the deployment site, that would have to be
11 stored under Part 50 and not Part 72. We have
12 something like a pebble bed reactor where pebbles are
13 coming out every day, and they want to be placed into
14 a storage facility.

15 That storage facility would be licensed
16 under Part 50 absent exemptions that one year minimum
17 pool time requirement in Part 71. Next slide, please.
18 So one point, request exemptions from a one-year
19 requirement were from the requirement to withdraw from
20 the reactor. However, under Part 72, we could only
21 issue that to licensees.

22 If you're familiar with Part 72, we have
23 both specific and general licensees come to NRC -- or
24 not general licensees, storage cask vendors come to
25 NRC for dry cask storage approvals. There's

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1 certificates of compliance for that. And those
2 compliances are used at general licensees. We could
3 not issue an exemption, the certificate of compliance
4 holder to make it generally applicable to a licensee
5 for either of those provisions because it would
6 violate the APA, the Administrative Procedures Act.
7 The Administrative Procedures Act, that is NRC doing
8 the rulemaking without going through the rulemaking
9 process.

10 MEMBER MARCH-LEUBA: And the one-year
11 decay criterion, that -- would it apply for testing of
12 the facility if any power is reached? Or would it
13 require an exemption?

14 MR. WHITE: I have to go back and look at
15 Part 72. But I think it depends on what you consider
16 the facility. I think it says --

17 MEMBER MARCH-LEUBA: If you have a Part 50
18 license.

19 MR. WHITE: Yeah, if it's not a Part 50
20 license, then it might not. And I think that's
21 something we'd have to discuss with our lead counsel.

22 MEMBER MARCH-LEUBA: They might have to
23 get an exemption because they really don't have any
24 fissile products or source term or decay heat.

25 MR. WHITE: And so that's all I really

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1 want to mention about spent fuel storage, just those
2 kind of two points which are applicable both to
3 transportable micro-reactors and advanced reactors.
4 Thanks.

5 MR. KENNEDY: And I'll move into the next
6 topic which is decommissioning process and
7 decommissioning funding assurance. We've already
8 discussed some of this. I won't repeat that here.

9 But the idea is that at the end of the
10 life cycle of an individual reactor module, it would
11 be removed from the deployment site and taken to
12 another facility for ultimate decommissioning or for
13 refurbishment and then redeployment. So that involves
14 actually physically transferring the reactor off the
15 deployment site and also giving it to another entity
16 that has a license that authorizes them to receive it.
17 So again, we may have very complicated scenarios where
18 depending on which licensees are holding which
19 licenses for decommissioning or for operation at the
20 deployment site, there may be different
21 considerations. But there are a couple underlying
22 points.

23 First, the decommissioning is going to
24 have to decommission not just the reactor but also the
25 deployment site at the end of the life of that

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1 deployment site. So there will need to be
2 considerations for what activities and decommissioning
3 are specific to the deployment site and which
4 activities are specific to the reactors themselves.
5 And so this -- go to the next slide, please.

6 This raises one complication which is
7 related to the funding assurance. Typically, the
8 reactor would have decommissioning funding assurance
9 that would apply to the decommissioning of that
10 reactor at its site where it's operated. But here we
11 may have decommissioning funding assurance have to
12 account for activities at two different places. And
13 so there's just a recognition that we would need to
14 have that accounted for in the decommissioning plan
15 and in a decommissioning cost estimate as well.

16 CHAIR REMPE: So thinking about what's
17 happening with the light water reactors today and we
18 have a lot of ISFSIs on the sites with fuel issues.
19 And if there's not a facility to receive the modules
20 after their deployment, again, you may end up --
21 you'll have this limit about how many modules that are
22 spent, I guess, or something in the site that would
23 limit it. And the whole thing would just stop.

24 But I just am kind of wondering you can't
25 require any assurance. And so they just need to know,

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1 hey, you can do this for a while until you find a
2 place to ship them off to. Or you're going to be
3 having to shut down. Even if you can buy more
4 modules, you can't bring more to the site. Isn't that
5 the situation?

6 MR. KENNEDY: So I don't know that's
7 necessarily the situation. If the modules could be
8 transferred offsite and defueled and the fuel put into
9 an ISFSI.

10 CHAIR REMPE: There's no place yet still
11 to do that. And so what happens if that place doesn't
12 exist at some point? Again, there's a lot of
13 assumptions in this scenario. I'm just kind of
14 wondering if that should be made clear at some point
15 to folks that you don't have a facility to ship them
16 off to, to refuel them, you're going to be stuck with
17 -- you can't have a whole parking lot of spent modules
18 on the site. You'll have a limit on how many you can
19 have. And just I was looking at the slides --

20 (Simultaneous speaking.)

21 MS. CUBBAGE: Ultimately, when we issue a
22 license, we need to be able to conclude that they'll
23 be able to safely store the used fuel on site. So the
24 reactor -- the deployment site license holder would
25 have to have provisions for this in the eventuality

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1 that there wasn't another place for the fuel to go.

2 CHAIR REMPE: So the first micro-reactors
3 will need to have provisions for storing the spent
4 fuel onsite unless they can identify a place to ship
5 it to. Is that what I heard you say, Amy?

6 MS. CUBBAGE: Yeah.

7 CHAIR REMPE: I don't think I saw that in
8 the white paper anywhere. Is it on the enclosure?

9 MS. CUBBAGE: We'll have to take a look
10 back to see if we need to --

11 (Simultaneous speaking.)

12 CHAIR REMPE: Because I think that would
13 be a nice idea. But I didn't see it, or I wouldn't
14 have asked the question.

15 MR. KENNEDY: Thanks. Yeah, we'll take a
16 look.

17 VICE CHAIR KIRCHNER: I could imagine
18 hybrid scenarios of a different kind. That may be
19 advantageous to ship the fueled reactor, especially if
20 it's fresh, out to the site and then go through
21 operational testing and conditioning and all the rest.
22 And then when it comes down -- comes time to shut
23 down, assuming this could be economically feasible,
24 remove the fuel from the module, store the fuel
25 separately from the module.

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1 Would that be -- would there be anything
2 that would preclude that. In other words, they could
3 design for refueling so to speak or defueling. They
4 have to anyway, de facto.

5 But they could design it so that could
6 easily be done. The core module whatever is fuel --
7 spent fuel now could be stored separately from the
8 rest because they don't, for example, build up a large
9 inventory of byproducts in the rest of the reactor
10 module. That may be much more easily dispensed with
11 separate from the fuel. So I can see a hybrid model
12 where they would -- and that would address also if
13 there's no place to ship the fuel, then they could
14 consolidate the spent fuel much more readily than
15 trying to tuck it in a module in a vault or something.

16 CHAIR REMPE: Well, yeah, as long as they
17 have provisions on the side, unless they have a place
18 to ship it to, that would be a good thing to add to
19 the white paper. I don't mind how they do it. But I
20 just know what's happened with --

21 VICE CHAIR KIRCHNER: I don't know it's a
22 good thing. But it's just an option that I could
23 envision happening.

24 CHAIR REMPE: Well, the Reg Guide ought to
25 think about it because we've had a different

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1 experience with the light water reactors.

2 MR. KENNEDY: Thank you. So I guess the
3 last thing is just to mention that right now the
4 regulations have formulas for figuring out how much
5 decommissioning funding assurance is required for
6 reactors that are tied to pressurized water and
7 boiling water reactors of much higher power levels.
8 So we would be considering whether site specific
9 decommissioning cost estimates would be more
10 appropriate for these reactors which would be using
11 different technologies.

12 And they have, again, these different
13 decommissioning scenarios than what's typical for
14 light water reactors. Okay. Next slide, please. So
15 the next topic is siting in densely populated areas.
16 What I want to cover here is that the staff is
17 currently working on a revision of Reg Guide 4.7 which
18 is general site suitability criteria for nuclear power
19 stations.

20 And this is revisions that are consistent
21 with recent Commission direction on a Commission paper
22 on population-related siting considerations for
23 advance reactors. And so the Commission approved the
24 staff's approach to revise the population-related
25 siting guidance in order to provide technology

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1 inclusive, risk informed, and performance-based
2 criteria. So we understand that some developers may
3 eventually seek site reactors in locations that are
4 not consistent with that Reg Guide as revised and not
5 consistent with the underlying regulations in Part 100
6 where reactors may -- they may want to site reactors
7 in, for example, population centers greater than
8 25,000 people.

9 So anytime that a developer would seek to
10 do such a thing, we would have to further engage with
11 the Commission on that. And so this is one of those
12 areas where we don't have any concrete plans from the
13 developers. But we understand that there's potential
14 for this to happen.

15 And so we're thinking about it now and
16 continuing to engage with stakeholders so that if this
17 is something that they want to pursue, we will be
18 ready to engage with them further and with the
19 Commission as appropriate. So the next topic is
20 commercial maritime applications. This was raised
21 very early in the session today.

22 So this topic, commercial maritime
23 applications, commercial space applications which is
24 next, and mobile deployment of micro-reactors are all
25 areas where we are aware of stakeholder interest and

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1 ongoing activities. But there's really not enough
2 information right now for us to start taking any
3 concrete actions like we are proposing in some of the
4 other topics. It's really kind of stay engaged with
5 the community, aware of developments, and then
6 reassess whether or not we need to take additional
7 steps.

8 So I don't know how much detail you really
9 want me to go into on these topics. But there are
10 many different maritime applications being considered
11 with each one having its own host of regulatory
12 challenges or issues, things that don't necessarily
13 fit exactly in our current regulatory framework, like,
14 international shipping with nuclear propulsion. So
15 for maritime, the staff was staying engaged with the
16 Department of Energy and its maritime nuclear
17 application group.

18 And so that's one area where we get
19 information about what are some of the current
20 developments going on in that area so that we can stay
21 informed. Space applications, I think the main point
22 for space applications is that in the case of fully
23 commercial space applications of micro-reactors, the
24 NRC's regulatory framework is adequate for its
25 responsibilities for terrestrial-based licensing

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1 activities. So if a reactor is operated for prototype
2 testing and it's a commercial reactor that falls under
3 our regulatory jurisdiction, we have the regulations
4 to do that.

5 Transportation, we have the regulations to
6 be able to have these reactors transported to the
7 launch site. At the point of the launch site, the
8 regulatory authority for these reactors transfers over
9 to the FAA's Office of Commercial Space
10 Transportation. So at this point from what we know,
11 the NRC's regulatory framework is adequate for fully
12 commercial space applications of micro-reactors.

13 And then finally -- thanks, Steve -- for
14 mobile reactors, we've heard that there's a
15 consideration of whether these reactors could be
16 rapidly deployed for as needed, where needed, when
17 needed operation to provide extra energy for disaster
18 relief or increased temporary demands. And really the
19 challenge is that, as we've mentioned, there's time
20 frames that are associated with an environmental
21 review and with hearings. And right now, those
22 activities are tied to particular sites.

23 So while we could pre-license some sites
24 for more rapid deployment by going through some of the
25 activities, the framework really isn't set up for

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1 someone to be able to take a reactor anywhere in the
2 country that it's needed with only a few weeks' notice
3 or a few days' notice. So this is another area where
4 we'll stay apprised of what's the demand from
5 developers for these types of facilities and reassess
6 whether or not we need to engage further with the
7 Commission on those types of deployment strategies.
8 Next slide. So just to recap on our stakeholder
9 engagement, in March, we presented proposed topics to
10 be included in this paper and receive some oral
11 feedback during that meeting.

12 In July, we went back to the advanced
13 reactor stakeholder meeting and we laid out which
14 topics we intended to include to get additional
15 feedback. And then in September just recently, we
16 held a public meeting after the release of the first
17 draft of the white paper. I think over 200 attendees
18 at that meeting, virtually and a few in person.

19 We received feedback during the meeting.
20 I would say that it was generally favorable and was
21 forward looking in the sense that the community wants
22 to stay engaged in this process as we get direction on
23 the paper and go into implementation. And as we
24 pursue some of the other topics that are now presented
25 as information topics but have next steps or near term

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1 strategies that may involve guidance or additional
2 rulemaking.

3 Finally, we received two letters recently
4 from the Nuclear Energy Institute and from
5 Westinghouse Electric Company that provided some
6 written feedback. This was after the public meeting
7 that we held. So that written feedback, again,
8 largely focuses on things that would be done in the
9 implementation of the approaches in this paper or in
10 the next steps and provides some comments also on how
11 the paper treats various topics.

12 And so there are some items that we can
13 consider in those comments for -- in further
14 development of this paper and in future work. Okay.
15 So finally for the next steps, we're developing a SECY
16 paper that we're hoping to send to the Commission this
17 month that will include a request for direction on the
18 three main topics that we covered in this presentation
19 on futures to preclude criticality, approaches for
20 loading fuel, and operational testing at the factory
21 as well. And then it will, again, provide this
22 enclosure with information topics that staff will
23 continue to engage on with the Commission as
24 appropriate.

25 That is the end of my presentation slides.

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1 So thank you very much for all of the discussion and
2 feedback during this meeting. And again, it was a
3 pleasure to bring this paper and appreciate agreeing
4 to meet on a shorter time frame than necessary. Thank
5 you.

6 MEMBER BIER: Okay. Thank you very much.
7 Are there any quick additional questions or comments
8 from Committee members? Yes, we have somebody.
9 Dennis?

10 MR. BLEY: Yeah, it's Dennis Bley. When
11 you send the SECY paper up to the Commission, assuming
12 they support the way you're headed, will this require
13 rulemaking? Or what do you expect to be the direction
14 you get back?

15 MR. KENNEDY: So the goal is to not have
16 any rulemaking required for the options and approaches
17 presented in this paper that would be implemented
18 under the current regulations with appropriate
19 regulatory vehicles such as exemptions or license
20 conditions or hearing orders and that there would
21 likely be guidance development related to things such
22 as features to preclude criticality but no rulemaking.

23 MEMBER BIER: Okay.

24 MR. BLEY: I'm sorry. I lost my mic for
25 a second. Have you -- under the assumption that

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1 you'll get the go ahead on this, have you started
2 laying out what kind of guidance you would need to do
3 or actually started on some of the guidance?

4 MR. KENNEDY: So we have general ideas for
5 which things would require guidance development or at
6 least examining whether more guidance development is
7 needed. But I would say that's still an activity that
8 we would be looking at once we get the Commission
9 direction on which approaches they would support. So
10 at this point, there's more work to do on that, but
11 not until we receive Commission direction.

12 CHAIR REMPE: Have you thought about in
13 the paper including something like this is what we're
14 doing for the short term, but we realize that in the
15 longer term that we will need -- it would behoove us
16 to after we get some experience to pursue rulemaking?
17 Or that Part 53 may be an opportunity where something
18 could be done? I mean, just a caveat to kind of say,
19 hey, we're not just stopping here?

20 MR. KENNEDY: So there are a couple places
21 where the paper does mention Part 53 may provide
22 longer term approaches to some of these issues. But
23 we were trying to keep this paper focused on what we
24 can do now. And initial thinking was maybe we can
25 include other rulemaking options also. But in

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1 developing the paper, it became clear that it was
2 covering so many topics. Options were needed in the
3 near term that we decided to just focus on those near
4 term approaches that would require just a Commission
5 policy decision rather than a rulemaking.

6 MR. LYNCH: Yeah, and certainly the
7 proposals that we will have in this paper do not
8 preclude any future actions that the staff may take
9 for rulemaking if we determine that it's necessary.
10 But I think it is a good point that decisions on that
11 will largely depend on engagement that we have with
12 stakeholders and get a better understanding of their
13 deployment models and any type of rulemaking
14 activities if not covered under Part 53. It could be
15 pursued in parallel with what we're proposing in this
16 paper and addressed in subsequent interactions with
17 the Commission.

18 MEMBER BIER: Okay. Any additional
19 questions or --

20 (Simultaneous speaking.)

21 MEMBER BIER: -- comments? Yeah, Dennis.

22 MR. BLEY: One quick one, Vicki. If the
23 Commission should tell you to go ahead with the status
24 quo, I assume you'd still need guidance.

25 MR. KENNEDY: So it depends on which

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1 status quo option, whether it would require just
2 guidance or may require more engagement with the
3 Commission, either through rulemaking or other policy
4 decisions. So as we mentioned features to preclude
5 criticality or fundamental to some of the other
6 options. So without those, we may need to pursue a
7 different rulemaking related to facilities that would
8 be in operation while in transport.

9 (Simultaneous speaking.)

10 MR. BLEY: So summarizing a little,
11 although it might seem that going with a status quo
12 approach would not be disruptive, it might lead to a
13 need for rulemaking which could make things even more
14 stretched out.

15 MR. KENNEDY: Yes, and I believe that's
16 described in the paper.

17 MEMBER BIER: Also I think part of the --
18 part of my interpretation at least of your answer if
19 it's correct is that the options on one, two, and
20 three are not really mix and match. You can't pick
21 and choose and say we're going to do 1A but then 2B
22 and 3B because they depend on 1B. Is that correct?

23 MR. KENNEDY: So Option 1B, loading fuel
24 under Part 70 license -- I may have just mixed them up
25 too. Under Option 2B, loading fuel under a Part 70

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1 license with a manufacturing license, that relies on
2 features to preclude criticality. The options related
3 to operational testing at the factor, to actually do
4 the operational testing don't rely on anything else.
5 But to be able to then ship the reactor to the
6 deployment site, then it relies on features to
7 preclude criticality. So yes, there's definitely --

8 MEMBER BIER: There's some logic to which
9 options you would go with as a package kind of.

10 MR. KENNEDY: Yeah, and one other thing.
11 It may be obvious at this point. But the reason that
12 we have Option 2 for fuel loading and Option 3 for
13 operational testing is some developers say we just
14 want to load fuel. We just want to get that far.

15 Others say we want to go all the way to
16 operational testing. So then Option 3 is required.
17 So they don't deal with anything in Topic 2. They
18 just go straight to the license.

19 MEMBER BIER: Okay. Yes?

20 MR. BLEY: I have one more suggestion
21 actually. It's just a minor thing but it's important
22 to me. It's in the enclosure that you finish with
23 siting in densely populated areas.

24 I would just suggest you move that up to
25 the first paper at the end so that the micro-reactor

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1 proponents don't overlook the fact that this is a
2 power reactor. And you have to comply with 10 CFR 100
3 which is different for tests and research reactors.
4 No, I didn't say that correctly. The rules are
5 different for tests and research reactors. You still
6 have to comply with 10 CFR.

7 MR. KENNEDY: Thank you for that. We'll
8 take a look.

9 MEMBER BIER: Okay. If there are no
10 further Committee or consultant comments, then we will
11 now open up for brief public comments, whoever is out
12 there. And you can either unmute yourself on Teams or
13 on the phone line. I'm not sure what the procedures
14 are exactly.

15 I know we have received a couple of
16 written comments. I assume that anybody who had not
17 provided written comments so far can still choose to
18 do so, although maybe kind of uncritical. We're going
19 to have a letter, but --

20 CHAIR REMPE: Clarification.

21 MEMBER BIER: Yes.

22 CHAIR REMPE: We did not receive written
23 comments.

24 MEMBER BIER: Correct.

25 CHAIR REMPE: The staff received --

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1 MEMBER BIER: Yes.

2 CHAIR REMPE: -- written comments on the
3 white paper that was provided a while back.

4 MEMBER BIER: Given that we're hoping to
5 write a letter this week if we get consensus, there
6 may not be much time. But anyway, any additional
7 public comments online today?

8 (No audible response.)

9 MEMBER BIER: Okay. If not, then thank
10 you very much for the presentations. That was very
11 informative, especially given all of the complexities
12 of the issues to see how they all fit together. So I
13 appreciate that. And do we need a short break before
14 letter reading, or --

15 CHAIR REMPE: Yes, in order for the staff
16 to come in. At this time, we are going to go off the
17 record. And court reporter, I know this is the end of
18 what we'll need you for, for this 709th meeting.

19 So tomorrow and the rest of the week,
20 we're going to have our planning and procedures
21 meeting tomorrow morning. But we don't need the court
22 reporter. And we're doing letter writing the rest of
23 this meeting.

24 So thank you for your assistance. Again,
25 sorry about the problems with the link issue today.

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1 And thanks for everyone's patience dealing with that.

2 And let's plan to restart at 5:10. Do you
3 think we can get Sandra in to bring up the letter by
4 that time? And we'll read in the letter. Thank you,
5 and thanks for your presentations.

6 (Whereupon, the above-entitled matter went
7 off the record at 5:03 p.m.)

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NRC Staff Draft White Paper on Licensing and Deployment Considerations for Factory-Fabricated Micro-Reactors

ACRS meeting - October 3, 2023

William Kennedy

Amy Cubbage

Advanced Reactor Policy Branch

U.S. Nuclear Regulatory Commission

Contents

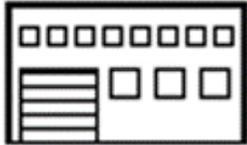
- Motivation for the paper
- Conceptual deployment model for factory-fabricated transportable micro-reactors
- NRC Staff Draft White Paper, “Micro-Reactor Licensing and Deployment Considerations: Fuel Loading and Operational Testing at a Factory”
- Regulatory approaches for features to preclude criticality, fuel loading at a factory, and operational testing at a factory
- Other licensing and deployment topics and potential near-term strategies and next steps
- Stakeholder engagement
- Next steps

Motivation for this Paper

- Stakeholder interest in the deployment of factory-fabricated micro-reactors is increasing
- The NRC staff is currently in pre-application engagements with several factory-fabricated micro-reactor developers that are considering novel deployment models (e.g., fuel loading and operational testing at a factory)
- The NRC staff is prioritizing development of strategies to provide for the predictable and efficient licensing and regulation of these designs and operational models, and the identification and resolution of associated policy issues

Conceptual Deployment Model for Factory-Fabricated Micro-Reactors

Fabrication, Fueling, and Testing at a Factory



Fabricate the module, load fuel, and potentially operate the module for functional testing

Transportation to the Deployment Site



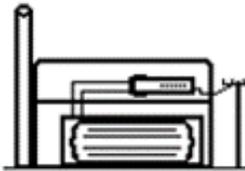
Factory-fabricated modules may contain fresh or irradiated fuel



Power Operation at a Deployment Site



Stand-alone, self-contained micro-reactor design



Core module with onsite reactor building and power conversion equipment

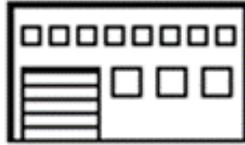
Transportation from the Deployment Site



Modules may contain spent or irradiated fuel

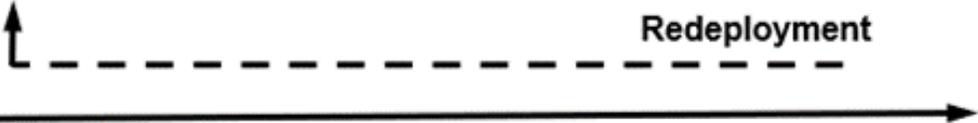


Decommissioning or Refurbishment for Redeployment



Remove fuel and decommission the module or refurbish and refuel the module for redeployment

Deployment Lifecycle



NRC Staff Draft White Paper

- Describes regulatory approaches the NRC staff is developing for consideration by the Commission related to three topics:
 1. Features to preclude criticality
 2. Fuel loading at a factory
 3. Operational testing at a factory
- Includes an enclosure with information on other licensing and deployment topics and potential near-term strategies and next steps the NRC staff is considering
- The draft white paper and enclosure are available at:
 - [Updated NRC Staff Draft White Paper on Micro-Reactor Licensing and Deployment Considerations \(ML23264A802\)](#)
 - [Updated NRC Staff Draft White Paper on Micro-Reactor Licensing and Deployment Considerations – Enclosure \(ML23264A803\)](#)

Regulatory Approaches for Features to Preclude Criticality

- The NRC staff is developing approaches for features to preclude criticality for consideration by the Commission
 - Features to preclude criticality would make a factory-fabricated micro-reactor incapable of sustaining a nuclear chain reaction under any conditions
 - The Commission’s historical position has been that operation of a reactor includes the loading of fuel and a reactor would be “in operation” when loaded with fuel regardless of whether features to preclude criticality are installed
 - Several requirements in the Atomic Energy Act of 1954, as amended (AEA), and 10 CFR Parts 50 and 52 must be satisfied before the reactor is placed into operation or are premised on the reactor being in operation. Also, several requirements are tied to initial fuel load or to initial fuel load by a combined license holder
 - Under this approach, removal of features to preclude criticality would also serve as the best analogue to initial loading of fuel for reactors without such features to accomplish the underlying purpose of requirements tied to initial fuel load
 - The staff plans to recommend an approach in which a factory-fabricated module that included features to preclude criticality would not be “in operation” when loaded with fuel and operation would begin with the removal of those features

Regulatory Approaches for Fuel Loading at a Factory

- The NRC staff is developing approaches for licensing fuel loading at a factory under the existing regulations for consideration by the Commission:
 - Option 2a: Facility operating license issued pursuant to 10 CFR Part 50 or a combined license issued pursuant to 10 CFR Part 52 that limits operation to fuel loading
 - Option 2b: Manufacturing license issued pursuant to 10 CFR Part 52 for manufacture and possession of the utilization facilities and a license to possess special nuclear material issued pursuant to 10 CFR Part 70 that authorizes loading fuel into utilization facilities that include features to preclude criticality
 - Staff plans to recommend Option 2b

Regulatory Approaches for Fuel Loading at a Factory

- The license application would include the criticality safety controls required by 10 CFR Part 70 for factory operations (e.g., fuel storage, fuel handling, loading fuel in a module), which may be different than or in addition to the features to preclude criticality included in the factory-fabricated module that would be described in the 10 CFR Part 52 manufacturing license application
- The application for the 10 CFR Part 70 license would include the technical qualifications of the manufacturer to engage in fuel loading activities in accordance with applicable regulations
- The 10 CFR Part 70 license would specify the quantity and form of special nuclear material allowed to be possessed and place requirements on areas, structures, and equipment within the factory where the fuel is handled and stored

Regulatory Approaches for Operational Testing at a Factory

- A power reactor facility operating license or combined license is required to operate a power reactor for testing at a factory
- The safety analysis for operational testing would leverage the approved power reactor design in the manufacturing license and be tailored to the proposed conditions for testing at the factory
- The application for the license for operational testing would include the testing program, maximum power level, cumulative operating time, factory-located design features, technical specifications, and operational programs necessary at the factory

Regulatory Approaches for Operational Testing at a Factory

- The NRC staff is developing approaches for licensing operational testing at a factory under the existing regulations for consideration by the Commission:
 - Option 3a: Facility operating license issued pursuant to 10 CFR Part 50 or a combined license issued pursuant to 10 CFR Part 52 that limits operation to that needed for operational testing (status quo)
 - Option 3b: Facility operating license issued pursuant to 10 CFR Part 50 *based on the regulations for non-power reactors*, that limits operation to that needed for operational testing
 - Staff plans to recommend Option 3b to provide an alternative licensing approach in addition to that available under Option 3a

Regulatory Approaches for Operational Testing at a Factory

- Under Option 3b, the applicant would prepare its construction permit and operating license applications and the NRC staff would conduct its reviews primarily using the guidance in NUREG-1537, “Guidelines for Preparing and Reviewing Applications for the Licensing of Non-Power Reactors”
- The NRC staff would assess the appropriateness of and apply the necessary non-power reactor regulations (e.g., through exemptions, license conditions, and/or hearing orders) and guidance for operational programs to account for a wide variety of designs and operational testing characteristics

Regulatory Approaches for Operational Testing at a Factory

- Under Option 3b, the NRC staff would focus its review of the construction permit and operating license applications on:
 - factory-located design features not covered in the approved power reactor design
 - operational programs
 - technical specifications
 - operator licensing
 - emergency preparedness
 - physical security
 - siting
 - environmental considerations

Other Licensing and Deployment Topics and Potential Near-Term Strategies and Next Steps

Timeframe for authorization to operate at the deployment site

- Factory-fabricated micro-reactors may have significantly simpler and shorter construction activities at the deployment site compared to large light water reactors and could be ready to begin operation in days to weeks to a few months after obtaining a construction permit or combined license
- Several requirements in the AEA and 10 CFR Part 50 and Part 52 that are related to the environmental review, the schedule for intended operation, public notifications, the opportunities for hearing, authorization to operate the facility, and others include timeframes that could add up to many months in total

Other Licensing and Deployment Topics and Potential Near-Term Strategies and Next Steps

Timeframe for authorization to operate at the deployment site

- For licensing under 10 CFR Part 52, the NRC staff plans to clarify the circumstances under which the schedule for intended operation and initial fuel load can be accelerated and is considering ways to streamline public notifications, hearings, and the authorization to operate, as appropriate
- For licensing under 10 CFR Part 50, the NRC staff is considering opportunities to expedite steps in the processing and review of applications for facility operating licenses, such as acceptance review and docketing, milestones for hearings, and the supplement to the environmental impact statement

Other Licensing and Deployment Topics and Potential Near-Term Strategies and Next Steps

Licensing replacement reactors

- Factory-fabricated micro-reactors might be periodically replaced with reactors of the same design at the end of their lives or fuel cycles, and each reactor would be required to have its own combined license or facility operating license
- A licensee might have multiple fueled reactors on site in various states of operation and shutdown to allow for transition from the operating reactor to the replacement reactor with minimal downtime. This would need to be considered in the safety and environmental reviews

Other Licensing and Deployment Topics and Potential Near-Term Strategies and Next Steps

Licensing replacement reactors

- The NRC staff previously addressed similar concepts and considered licensing options for multi-module facilities in SECY-11-0079, “License Structure for Multi-module Facilities Related to Small Modular Nuclear Power Reactors,” dated June 12, 2011 (ADAMS Accession No. ML110620459)
- The NRC staff is considering approaches under 10 CFR Part 50 and Part 52 where the construction permit application or combined license application would cover all reactors envisioned to be operated at the deployment site and each reactor would be authorized to begin operation under its own facility operating license or combined license once the Commission had made the required findings

Other Licensing and Deployment Topics and Potential Near-Term Strategies and Next Steps

Autonomous and remote operations

- Proposed designs for factory-fabricated micro-reactors (and potential designs for other types of reactors) might include autonomous and remote operational characteristics to reduce the number of operators and other categories of personnel at the facility site
- As previously noted in SECY-20-0093, “Policy and Licensing Considerations Related to Micro-Reactors,” dated October 6, 2020 (ADAMS Accession No. ML20129J985), both autonomous and remote operations raise potential policy-related matters
- The NRC staff plans to further develop its understanding of the industry deployment models for factory-fabricated micro-reactors with respect to industry plans for remote and autonomous operations, identify any gaps in the existing human factors engineering review needed to address the deployment models, and develop the technical bases for any new guidance that may be needed

Other Licensing and Deployment Topics and Potential Near-Term Strategies and Next Steps

Transportation of fueled reactors

- Factory-fabricated micro-reactor developers (and potentially developers of floating nuclear power plants that use reactors with higher power levels) envision transporting fueled reactors from a fabrication site or a refurbishment and refueling facility to the deployment site for operation and later removing fueled reactors from the deployment site at the end of their useful lives or fuel cycles
- Transportation packages for factory-fabricated micro-reactors may consist of the reactor itself or the reactor plus additional overpack, as needed. Packages for transporting a micro-reactor from the factory to the deployment site could be either a Type A fissile (Type AF) or Type B fissile (Type BF) package, as defined in 10 CFR Part 71

Other Licensing and Deployment Topics and Potential Near-Term Strategies and Next Steps

Transportation of fueled reactors

- The NRC staff intends to use the existing regulatory framework (primarily 10 CFR Part 71) to review transportation of fueled commercial micro-reactors in the near term, which may include the use of the alternate test criteria in 10 CFR 71.41(c), the special package authorization option in 10 CFR 71.41(d), or exemptions, as appropriate

Other Licensing and Deployment Topics and Potential Near-Term Strategies and Next Steps

Storage of fuel after irradiation in a power reactor

- Depending on the duration between the last use of the fuel as an energy source and placement of the fuel into a dry storage facility, different regulations may apply to the storage of fuel withdrawn from the reactor
- The definition of spent fuel in 10 CFR 72.3 includes criteria that the fuel has been withdrawn from a nuclear reactor following irradiation and has undergone at least one year's decay since being used as a source of energy in a power reactor

Other Licensing and Deployment Topics and Potential Near-Term Strategies and Next Steps

Storage of fuel after irradiation in a power reactor

- In order to use an independent spent fuel storage installation to store irradiated power reactor fuel withdrawn from a reactor that had undergone decay for less than a year, the licensee would be required to apply for a specific license under 10 CFR Part 72 and request and justify exemptions addressing the one-year decay time requirement in the regulations
- The NRC staff intends to engage with stakeholders as they further develop their strategies for handling and storage of irradiated and spent fuel generated in factory-fabricated micro-reactors

Other Licensing and Deployment Topics and Potential Near-Term Strategies and Next Steps

Decommissioning process and decommissioning funding assurance

- Factory-fabricated micro-reactor deployment models might involve transporting a reactor away from the deployment site to a facility at a different location for decommissioning at the end of its life or for refurbishment and refueling before re-deployment
- Depending on the activities to be conducted at a decommissioning facility or a refurbishment and refueling facility, the facility may need to be licensed under a combination of the regulations in 10 CFR Part 30 for byproduct material, Part 50 or 52 for a facility operating license or combined license, Part 70 for special nuclear material, and Part 72 for spent fuel storage

Other Licensing and Deployment Topics and Potential Near-Term Strategies and Next Steps

Decommissioning process and decommissioning funding assurance

- The draft white paper addresses a scenario in which the reactor module is decommissioned away from the deployment site. In this scenario, the deployment site licensee would need to establish decommissioning funding assurance that considers the cost of removing the reactor from the site and decommissioning it elsewhere in addition to the cost of decommissioning activities at the deployment site.
- The NRC staff may consider site-specific decommissioning cost estimates that appropriately account for all activities at both locations and all waste disposal costs

Other Licensing and Deployment Topics and Potential Near-Term Strategies and Next Steps

Siting in densely populated areas

- Some micro-reactor license applicants might seek to site reactors at locations that are inconsistent with the current Commission policy and the regulations in 10 CFR 100.21(b), i.e., a location within a population center of 25,000 residents or more
- The NRC staff is currently revising the population-related siting guidance in Regulatory Guide (RG) 4.7, “General Site Suitability Criteria for Nuclear Power Stations,” Revision 3, issued March 2014 (ADAMS Accession No. ML12188A053) to provide technology-inclusive, risk-informed, and performance-based criteria to assess certain population-related issues in siting advanced reactors
- In the near term, the staff will continue its effort to revise RG 4.7 and will review license applications in accordance with current Commission policy that allows alternative population-related criteria but precludes siting a commercial power reactor, no matter the size or type of reactor, within a population center of 25,000 residents or more

Other Licensing and Deployment Topics and Potential Near-Term Strategies and Next Steps

Commercial maritime applications

- The NRC staff is aware of growing interest in commercial maritime applications of factory-fabricated micro-reactors and other reactor technologies for stationary power production, marine vessel propulsion, production of decarbonized fuels, and other uses
- Depending on the particular application, deployment of commercial maritime reactors could introduce a host of policy issues and legal matters, especially for nuclear propulsion in the international shipping industry
- The NRC staff will continue to engage with stakeholders and monitor developments related to commercial maritime applications and assess the need for future Commission direction

Other Licensing and Deployment Topics and Potential Near-Term Strategies and Next Steps

Commercial space applications

- The NRC staff is aware that developers are considering space applications of factory-fabricated micro-reactors. However, the NRC staff is not aware of any plans for fully commercial space applications
- In the case of a fully commercial space application of a factory-fabricated micro-reactor, the NRC's established regulatory jurisdiction and licensing authority would cover the related terrestrial activities prior to launch activities, which would be under the authority of the Federal Aviation Administration's Office of Commercial Space Transportation (a part of the Department of Transportation)
- If developers engage the NRC staff on terrestrial activities related to commercial space applications of factory-fabricated micro-reactors, the NRC staff intends to apply the established regulatory framework, as informed by the potential licensing approaches and strategies outlined in this presentation

Other Licensing and Deployment Topics and Potential Near-Term Strategies and Next Steps

Commercial mobile applications

- Factory-fabricated micro-reactor deployment models might include scenarios where the reactor would be operated on an as-needed, where-needed basis, such as for disaster relief or to meet temporary increases in demand
- The current regulatory framework for reactor licensing is not conducive to this deployment strategy because the regulations in 10 CFR Part 100 apply to every site at which a reactor may be operated, and NRC's implementation of the National Environmental Policy Act relies on performing an environmental review that contemplates a particular site

Other Licensing and Deployment Topics and Potential Near-Term Strategies and Next Steps

Commercial mobile applications

- Also, the NRC must complete its licensing process (safety and environmental reviews, hearings, etc.) before the Commission can issue a facility operating license or authorize operation under a combined license. The licensing process may take a minimum of several months to complete, limiting the ability to rapidly deploy a reactor to meet immediate, short-term needs
- The NRC staff will monitor developments in the commercial sector related to deployment models and the demand for commercial mobile micro-reactor licensing. The staff will assess the need for future Commission direction and rulemaking in this area

Stakeholder Engagement

- Public meetings March, July, and September 2023
 - Favorable feedback from stakeholders on scope of the paper and the options developed by staff
 - Request for continued engagement on guidance for implementation of Commission direction
- The Nuclear Energy Institute and Westinghouse Electric Company provided written feedback on the draft white paper

Next Steps

- Send a SECY paper to the Commission on licensing and deployment considerations for factory-fabricated micro-reactors in October 2023:
 - Request Commission direction on “features to preclude criticality”
 - Request Commission direction on regulatory approaches for loading fuel and operational testing at the factory
 - Provide information on other topics, including the NRC staff’s related near-term strategies and next steps

Questions?