

UNITED STATES NUCLEAR REGULATORY COMMISSION

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January 21, 2025

MEMORANDUM TO: Jamie Pelton, Acting Director

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Office of Nuclear Reactor Regulation

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FROM: Andrea Veil, Director /RA/

Office of Nuclear Reactor Regulation

SUBJECT: EXPECTATIONS FOR LICENSING EFFICIENCIES IDENTIFIED

DURING MAY 29, 2024, LICENSING WORKSHOP

On May 29, 2024, the U.S. Nuclear Regulatory Commission (NRC) staff conducted a public meeting with representatives from the nuclear industry to engage in discussions pertaining to the NRC's license amendment review (LAR) process (Agencywide Documents Access and Management System Accession No. ML24193A001). NRC staff and industry representatives engaged in dialogue on best practices and lessons learned, developing key takeaways and actions.

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Shortly thereafter, on July 9, 2024, the Accelerating Deployment of Versatile, Advanced Nuclear for Clean Energy Act of 2024 (ADVANCE Act) was signed into law. Section 505 of the ADVANCE Act requires that the Director of the Office of Nuclear Reactor Regulation (NRR) "establish techniques and guidance for evaluating applications for licenses for nuclear reactors to support efficient, timely, and predictable reviews of applications for those licenses to enable the safe and secure use of nuclear reactors." Similarly, as outlined in NUREG-1614, Volume 8, "Strategic Plan Fiscal Years 2022-2026" (ML22067A170), we must utilize an aligned and coordinated approach to efficient licensing, consistent across all divisions in NRR and, to the extent practical, our partner offices. Early communication and engagement with partner offices to achieve alignment on priorities and schedules can be expected to increase efficiency and predictability in NRC licensing. In performing the agency's mission, NRR should continue to demonstrate the Principles of Good Regulation through effective, responsive, and timely regulatory actions, consistent with our organizational values and our open, collaborative work environment.

This memo provides the NRR Executive Team's (ET's) expectations for implementing near-term actions identified during the May 29, 2024, licensing workshop (ML24193A001). These actions are aligned with our commitment to fulfilling the mandates of the ADVANCE Act.

Transparency of Organizational Structure

NRR divisions should proactively take efforts to improve transparency of NRR's publicly available organizational structure and description, providing additional granularity (e.g., branch level organizational functions) as appropriate and practicable. This will enhance NRC's transparency in the role of those involved during the review of any licensing action.

Pre-Application Engagements

When requested by licensees or applicants, effective pre-application engagements help ensure a common understanding for reviews. NRR should encourage use of these engagements to the maximum extent practicable for novel or potentially challenging reviews. Clear and predictable objectives for the staff and licensee engagement during preapplication is essential for supporting the review process. To maximize engagement, wherever feasible, staff and branch chiefs should attend pre-application meetings in person if the applicant or licensee staff have indicated their in-person attendance. Parity in the level of representation between staff and industry ensures effective engagement with the applicant or licensee. NRR divisions should evaluate existing guidance (i.e., LIC-116, "Pre-application Readiness Assessments;" Appendix A of DANU-ISG-2022-07, "Review of Risk -Informed, Technology-Inclusive Advanced Reactor Applications - Roadmap Interim Staff Guidance" (ML23277A139); and RG 1.206, Revision 1, "Applications for Nuclear Power Plants" (ML18131A181)) to collaborate on the development of combined or complementary guidance, as appropriate, to ensure that preapplication engagements identify and resolve potential issues early. Updated guidance should be developed by June 30, 2025, and both internal and external stakeholders will be engaged on the guidance. Where appropriate, measures should be developed for assessing the effectiveness of these engagements.

Disciplined, Safety Focused, Risk-Informed Reviews

The NRR staff should apply available tools to complete risk-informed and safety-focused reviews and document how those risk insights were applied in our safety evaluations.

We expect all divisions to work in an integrated manner when conducting licensing reviews and to fully support these efforts through aligned and coordinated actions.

Obtaining Supplemental Licensee Information: Information needed to support safety, security, or environmental findings must be submitted on the docket. Staff should prioritize the most efficient tools to gather information from licensees where clarification of information in the application is needed or additional information is required to support safety findings. Examples of available tools include audits under LIC-111, Revision 2, "Regulatory Audits" (ML24309A281), and requests for confirmatory information (RCIs) and requests for additional information (RAIs) under LIC-115, Revision 1, "Processing Requests for Additional Information" (ML21141A238). Clarification calls, audit meetings, and public meetings may also be useful to obtain background information, including, where possible, reaching agreement with licensees and applicants on what information should be docketed. Feedback from industry has indicated that leveraging audits, clarification calls, and RCIs over RAIs are most efficient whenever feasible.

<u>Development of Draft Safety Evaluations</u>: Draft safety evaluations (SEs) should be developed before preparing and issuing RAIs to ensure all "holes" (i.e., missing information) in the SE are identified following LIC-101, Revision 6, "License Amendment Review Procedures" (ML23236A583) and LIC-500, Revision 9, "Topical Report Process" (ML20247G279), etc., as appropriate. Development of the "draft SE with holes" is a way to help maintain the focus of reviews through identifying information needs early. RAIs should be vetted by appropriate management prior to issuance. Branch chiefs should confirm that a draft SE with holes was developed in support of the RAIs whenever practicable, and division directors are responsible for ensuring this expectation is met.

<u>Use Risk-Informed Thinking</u>: The staff should continue to implement and expand the use of existing processes, such as LIC-206, Revision 1, "Integrated Risk-Informed Decision-Making for Licensing Reviews" (ML19263A645), to conduct integrated reviews of amendment requests. Using these processes enables us to focus our resources on the most significant issues and avoid missing potentially important risk insights. This focused effort also helps ensure the staff's reasonable assurance determination is based on an integrated safety assessment rather than an assessment of a single technical element of the review. NRR should use these processes to the maximum extent possible, particularly for novel or potentially challenging reviews.

SUBJECT: EXPECTATIONS FOR LICENSING EFFICIENCIES IDENTIFIED DURING MAY 29, 2024, LICENSING WORKSHOP DATED JANUARY 21, 2025

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