



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

September 21, 2026

Mr. Ross Moore
Vice President of Regulatory and Oversight
Oklo, Inc.
3190 Coronado Dr.
Santa Clara, CA 95054

**SUBJECT: EXPECTATIONS REGARDING CONSTRUCTION ACTIVITIES
 ASSOCIATED WITH THE PROPOSED OKLO, INC. AURORA
 POWERHOUSE AT IDAHO NATIONAL LABORATORY**

Dear Mr. Moore:

The purpose of this letter is to clarify the expectations for the U.S. Nuclear Regulatory Commission (NRC) staff's finding that there is reasonable assurance that a facility was constructed and will operate in accordance with NRC requirements for an applicant seeking an NRC license for commercial operation, when that specific facility was previously authorized and tested by the U.S. Department of Energy (DOE) or the U.S. Department of War (DOW). The NRC is committed to leveraging DOE and DOW authorizations to the maximum extent practicable to streamline subsequent NRC licensing and is providing the information in this letter to help achieve this outcome.

Based on previous interactions with you, the NRC staff understands that you intend to seek an NRC license for the proposed Oklo Inc. Aurora Powerhouse facility at Idaho National Laboratory currently undergoing DOE authorization, once construction of the facility is complete and it has demonstrated the ability to function safely. To support an eventual commercial application, the NRC staff is providing the enclosed information to clarify NRC's regulatory authority as it relates to facilities constructed under DOE or DOW authorization and to describe the staff's approach to making its reasonable assurance finding, which is required prior to issuing an NRC operating license, for a facility that has already been constructed.

If you have any questions, please contact me at William.Kennedy@nrc.gov or 301-415-2313.

Sincerely,



Signed by William Kennedy on 09/21/26

William Kennedy, Chief
Advanced Reactor Licensing Branch 1
Division of Advanced Reactor Licensing
Office of Advanced Reactors

Project No.: 99902095

Enclosure:
As discussed

cc: Oklo Powerhouse via GovDelivery

Purpose

Executive Order (EO) 14300, "Ordering the Reform of the Nuclear Regulatory Commission," directs the NRC to facilitate advanced reactor technology deployment and establish expedited regulatory pathways for designs previously authorized by U.S. Department of Energy (DOE) or the U.S. Department of War (DOW). On December 11, 2025, the NRC staff issued a memo on "Expectations for NRC Staff Involvement with Prospective NRC License Applicants Planning to Refer to DOE and DOW Authorization Processes" (Agencywide Documents Access and Management System (ADAMS) Accession No. ML25322A208). The voluntary process described in the memo mirrors the NRC's pre-application process and is intended to help facilitate mutual understanding of design information and the early identification of issues that may be barriers to NRC licensing to help maximize the opportunities to leverage a prior authorization to enable an expedited review.

In those cases where a prospective applicant intends to seek an NRC license for commercial operation of an already built facility authorized by either DOE or DOW, it is important to note that there are additional considerations that must be addressed related to the construction of the facility prior to issuance of an NRC operating license (OL) for that facility. As described below, the NRC staff must make a finding that a facility has been constructed and will operate in accordance with its licensing basis. Because the NRC's jurisdiction begins upon the submission of an NRC license application, the NRC staff does not have the authority to perform inspections during the construction of a facility authorized by DOE or DOW that would normally inform such a finding. The following sections describe the NRC's regulatory framework relevant to construction inspections and the process that the staff plans to implement to assess the information needed to support the findings necessary for the NRC to grant an operating license to an applicant referencing a DOE- or DOW-authorized and built design. These sections also describe best practices that can be used to optimize NRC's ability to use information from activities conducted during DOE or DOW authorizations, such as by enabling NRC observation of construction-related activities.

Background

The Atomic Energy Act of 1954, as amended, (AEA) requires that the NRC make an independent safety finding that there is reasonable assurance that a facility has been constructed and will operate in conformity with the application and in conformity with the provisions of the Act, as amended, and of the rules and regulations of the Commission. As part of the safety finding determination, the NRC staff will review an applicant's quality assurance program (QAP) to verify proper implementation and control of quality activities. Specifically, the NRC requires that safety-related structures, systems, and components (SSCs) for nuclear facilities be designed, fabricated, constructed, and tested in accordance with recognized quality standards and regulatory requirements. Title 10 of the *Code of Federal Regulations* (10 CFR), Part 50, "Domestic Licensing of Production and Utilization Facilities," Appendix A, "General Design Criteria," requires, in part,

Structures, systems, and components important to safety shall be designed, fabricated, erected, and tested to quality standards commensurate with the importance of the safety functions to be performed... A quality assurance program shall be established and implemented in order to provide adequate assurance that these structures, systems, and components will satisfactorily perform their safety functions. Appropriate records of the design, fabrication, erection, and testing of structures, systems, and components important to safety

Enclosure

shall be maintained by or under the control of the nuclear power unit licensee throughout the life of the unit.

Appendix B, "Quality Assurance Criteria for Nuclear Power Plants and Fuel Reprocessing Plants," to 10 CFR Part 50 sets forth the requirements for quality assurance programs for nuclear power plants and reprocessing plants licensed under 10 CFR Part 50. This appendix specifies 18 quality criteria which must be addressed in a QAP, such as design control, procurement document control, and identification and control of materials, parts, and components. The regulations in 10 CFR Part 52, "Licenses, Certifications, and Approvals for Nuclear Power Plants," and 10 CFR Part 53, "Risk-Informed, Technology-Inclusive Regulatory Framework for Commercial Nuclear Plants," also include provisions for a quality assurance program, requiring the provisions of 10 CFR Part 50, Appendix B be met. If an applicant proposes to use an alternative to Appendix B, that alternative would need to accomplish similar objectives and be approved as part of an NRC licensing process.

In support of making its finding of reasonable assurance that SSCs are built and will operate in accordance with the facility's licensing basis, the NRC staff implements oversight and inspection programs, such as the advanced reactor construction oversight program (ARCOP). The NRC staff issued SECY-23-0048, "Vision for the Nuclear Regulatory Commission's Advanced Reactor Construction Oversight Program," to communicate to the Commission the plan to develop the ARCOP. SECY-25-0103, "Update on Development of the U.S. Nuclear Regulatory Commission's Advanced Reactor Construction Oversight Program," provided the Commission information on the NRC staff's approach under the ARCOP for advanced reactor construction inspections, the inspection finding significance determination process, project quality assessment, and enforcement.

For construction permit (CP) holders, the ARCOP supports the NRC staff's decision to issue an OL by verifying that the facility is built and will operate in accordance with its approved design. Since the quality of some safety-significant SSCs is more easily verified during construction and installation of the SSCs, ARCOP includes in-situ inspections of SSCs during construction. In addition to risk-informed inspection sampling of SSCs, ARCOP focuses on verifying proper implementation of the QAP to ensure that construction activities for SSCs that are not directly inspected are conducted in accordance with the approved design. ARCOP also includes verifications of aspects of security and operational programs. Completing the ARCOP oversight at a facility with a CP supports the finding, in accordance with 10 CFR 50.57(a)(1), that the facility is substantially completed, in conformity with the CP and the application as amended, the provisions of the Act, and the rules and regulations of the Commission. This is a prerequisite for issuance of an OL. For COL holders, the ARCOP also verifies completion of the COL acceptance criteria in accordance with 10 CFR 52.103(g), which is required prior to fuel load. The ARCOP supports the safety finding for facilities for Part 53 in a similar manner to Parts 50 and 52, depending on the license type.

Similarly, for non-power production and utilization facilities (NPUFs), the NRC implements the NPUF construction inspection program to provide reasonable assurance that the final design and construction of NPUFs have been completed in accordance with applicable regulations, license requirements, and commitments.

NRC's Independent Safety Finding that a Facility was Constructed and Will Operate in Accordance with its Licensing Basis

As discussed above, the NRC's staff has no regulatory authority in the oversight of a facility's construction or testing under DOE's or DOW's authorization, and, therefore, cannot conduct the inspection activities that would be necessary to support a finding that a facility is constructed and will operate in accordance with its licensing basis.

The license application submitted to the NRC must include a final safety analysis report with sufficient detail for the NRC to make its required safety findings. In order to support the necessary findings, the NRC staff intends to follow the process described below to identify and rely on information in support of a safety finding for a facility constructed under a DOE or DOW authorization process:

- In accordance with the NRC's requirements, applicants will have a QAP, including programmatic aspects addressing management and traceability of quality activities and documentation control. Applicants must provide the NRC staff with the appropriate information to establish a basis for the NRC safety determination that the facility was constructed and will operate in accordance with its licensing bases. The staff anticipates there will be overlap between what is done to comply with DOE and DOW requirements and what would need to be provided to the NRC, and the staff will utilize as much of that information as possible to avoid duplication of effort and enable an expedited review.
 - The NRC staff intends to review, as appropriate, the complete and auditable record of construction activities and all relevant documentation to make its safety finding.
 - To establish a basis for the NRC safety finding determination, the NRC staff will review the adequacy of an applicant's QAP to meet NRC requirements. Further, the NRC will also inspect QA documentation to verify proper implementation and control of quality activities. Quality assurance documentation will need to demonstrate NRC regulatory compliance and provide confidence in the integrity and performance of safety-related or risk-significant components and the construction of nuclear facilities.
 - The comprehensive documentation to provide the complete and auditable record of construction activities and QAP implementation should include, but is not limited to, design specifications, procurement records, fabrication and inspection reports, material certifications, audit and testing results, construction records, records demonstrating quality assurance during construction, and any other documents demonstrating compliance with NRC requirements. This documentation should be made available to the NRC upon request.
 - The availability of proper documentation facilitates the NRC staff's ability to effectively verify that a facility conforms with NRC licensing requirements. Proper documentation ensures that any issues identified during fabrication and construction, such as nonconformances or reportable defects, are fully traceable and appropriately dispositioned. Proper documentation availability

also supports the maintenance of quality records for the operational life of the component, as required by NRC regulations.

- Areas in which the DOE or DOW construction requirements differ from NRC requirements should be identified by the applicant and discussed with the staff and DOE early, preferably in pre-application.
- Prospective applicants that are pursuing a DOE or DOW authorization may wish to engage with the NRC staff during facility design and construction to seek feedback on the information being collected for a future NRC license application and to facilitate an efficient NRC license review and approval process. This engagement could potentially include direct observation of specific construction-related activities, depending upon NRC staff availability. Particular consideration should be given to key construction activities that would otherwise not be observable at a later date. In those cases, the prospective applicant should coordinate with the assigned NRC project manager as far in advance as possible to align on relevant points in the process where NRC staff feedback would yield the most benefit. Any request for NRC staff observation and feedback is voluntary. It is possible that the NRC will need to rely on DOE or DOW oversight of construction activities that may also generate documentation that could support a future NRC finding about the adequacy of construction of the facility for a commercial license. The prospective applicant should coordinate with the NRC project manager to identify which DOE or DOW construction oversight activities may be referenced as part of a future application. Ultimately, the staff's finding that a facility is constructed and will operate in accordance with NRC safety requirements will be made on the basis of information submitted to the NRC in a docketed application. Additional information for NRC staff engagement during the DOE or DOW authorization activities can be found in the December 11, 2025, memo previously discussed.

Summary

The NRC is required to make a finding of reasonable assurance that a facility was constructed and will operate in accordance with NRC requirements. To perform that review for an applicant requesting a commercial NRC license for a facility constructed under the DOE or DOW authorization process, the NRC staff intends to verify the quality of construction activities through the means discussed above. This process applies to NRC licensees or applicants for an NRC license or permit under 10 CFR Parts 50, 52, and 53 that are seeking licensing of nuclear facilities and activities under the regulatory jurisdiction of the NRC. We look forward to working with you to leverage progress made under DOE or DOW authorization programs to expedite NRC licensing.

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WITH THE PROPOSED OKLO, INC. AURORA POWERHOUSE AT IDAHO
NATIONAL LABORATORY DATED: SEPTEMBER 21, 2026

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