UNITED STATES OF AMERICA

NUCLEAR REGULATORY COMMISSION

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PUBLIC MEETING WITH NUCLEAR ENERGY INSTITUTE

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U.S. Nuclear Regulatory Commission
Two White Flint North, Auditorium
11545 Rockville Pike
Rockville, MD

Friday, December 4, 1998

The above entitled meeting commenced, pursuant to notice, at 9:05 a.m.

PARTICIPANTS:

CARL PAPERIELLO, NMSS
LIZ TEN EYCK, NRC/FCSS
BILL BRACH, NRC/FCSS
DREW PERSINKO, NRC
GARY COMFORT, NRC/NMSS
HEATHER ASTWOOD, NRC/FCSS
ROB LEWIS, NRC
KATHRYN WINSBERG, NRC

P R O C E E D I N G S

[9:05 a.m.]

MR. SHERR: Good morning, and welcome back. We still have two agenda items on our agenda, but before we proceed with those, it might be useful to attempt to summarize, as a result of yesterday's discussion, what we plan to do and what we are expecting. And if that is not complete, or needs to be clarified, we can work on that.

Then I understand that the NEI and the industry representatives may have a few additional comments to make about yesterday's discussion as well.

I think the first thing is that, by the end of this month, December, NRC plans to post on the web site revised language for the overall performance requirements. This includes the requirements of 70.60(b) on the consequences, which would be primarily oriented to reflect changes in relation to chemical safety and changes to 70.60(c), the levels of protection, to try address the concerns that were expressed yesterday with regard to the language of those provisions.

And we are also planning -- anticipating receiving written detailed comments from NEI on nuclear criticality, and that we will be meeting to discuss those comments and, hopefully, to make progress in identifying needed changes to the criticality SRP chapter in the mid-January timeframe. And I hoping that we will be able to come to agreement on dates today if the right NRC representatives are available.

Also, we will continue our review of the detailed comments, or the comments that NEI provided on the SRP issues, the top 10 issues, and we will make modifications to the SRP accordingly. And we will provide an analysis of the comments indicating how we have incorporated those and put that on the web as well when we finish that process.

We are assuming at this point that we will expect additional comments on issues associated with the SRP, and assuming those comments

are received in the timeframe that allows us to meet our deadlines, we will do the same process for those comments.

Also, the suggestion was made yesterday that NEI might take a -- make an attempt to take one SRP chapter and revise it in a way that they would think that would appropriate, and we would look at that submittal as essentially a proposal for what the general format and content of the SRP chapter should be, and we will look at that proposal in that way in relationship to all the other chapters that are pertinent.

That is an attempt to try to -- I don't know if I left anything out or not, but to summarize kind of where we went off on -- we finished yesterday's discussion and some of our -- how we will deal with some of these issues.

Are there any changes, additions?

[No response.]

MR. SHERR: Okay. Felix, did you have --

MR. KILLAR: Yeah, I just wanted to give you a little review from our perspective. We caucused just after the meeting. We looked at the number of issues. One of the things we looked at and talked about briefly is that there are some other issues of the rule that we haven't got into yet, you mentioned the other day, the reporting requirements, the baseline design criteria, the 70.72 provisions. And what we intend to do is to try and get a position together on those before the end of the year and get a letter in to you on those, so at least you have an understanding of where we stand on those particular issues.

We have our discussion on the ISA this morning, and we anticipate having a follow-up letter on that ISA, based on what we have done to date the results of this discussion, so that you at least have something on the record on the ISA and our -- something more than just the testimony today, but you will have some actual words written down

from us.

MR. SHERR: Do you expect to have that --

MR. KILLAR: We also expect to have that done before the end of the year. Also, we have, as you are aware, we have a draft letter on criticality that we have been working on. We anticipate that we will probably be able to wrap that up next week as a result of the discussion yesterday, and where we are on the draft, and so we should get that in to you probably towards the end of next week as well.

On the criticality section, the one thing that we want to spend a little time on maybe, if you could, is give us a little bit more understanding of what we plan to accomplish and what the objectives of the criticality workshop is. Or if you have any more insights, maybe if you give us a draft agenda so we could be better prepared for it, it would be helpful.

As far as taking on an SRP section, we did spend quite a bit of time talking about that. We thought that, you know, the training or chemical ones would be so unreasonable because we have already looked at those, and they are fairly short. We also looked at, rather than taking one of the shorter ones, maybe what we want to do is look at one of the ones that we feel we have more issues with such as the QA one or the -- what is it -- configuration management, what it is called. It has a whole series of ones.

We are not sure whether we can come up with a quote-unquote model and so what we are going to have to do is spend some time looking at that and get back with you on that. But we are going to look at what we can do along those lines. And we have no defined a time for completion of that.

Basically, we looked at the -- what is the outline you use, and we find the outline is fine, it is just a matter of how that material is incorporated in the outline and, once again, some reference

in each of the sections back to the ISA to make it clear rather than just have it referenced in chapter 2. So it is going to take us a little worrying and work to come up with what we feel is, you know, the correct approach. And right now we don't know what -- we know it is not what we want, but we don't know what we want to tell you put there, so it is going to take us some time to do that.

MR. SHERR: Okay. Let me understand, are you indicating that you are going to provide us comments on these various chapters, but not necessarily a rewrite of any particular chapter?

MR. KILLAR: Well, yes and no. If we can come up with one, we will provide you one, but right now, it is not clear to us. We don't -- we haven't sat down to say yes, we can do it, and we so we can't say yes, we can do it. But at the same time, in discussions, there are some things we know we need to do, it is just can we put those in words that are meaningful to you and also meaningful to us.

So we are going to work on it, but right now we didn't see a clear -- yes, this is exactly what we need to do and this is the way to do it. We said we could make them all very short, one or two pages, is that the acceptance criteria go along with the licensee proposals, but we thought that probably wouldn't cut it, so we felt we needed to do a little more work.

MR. SHERR: Okay. What we can expect is we are going to get some additional comments on the contents of the SRP chapters..

MR. KILLAR: There will be some additional comments.

MR. SHERR: And possibly, we might get a prototype SRP chapter.

MR. KILLAR: Correct. We are going to try and move towards that objective, but right now we don't -- different people have different visions of what that may or may not be.

MR. SHERR: Is it fair to ask the timeframe, or is that to

be determined?

MR. KILLAR: Probably to be determined. Certainly not before the end of the year, and I would think, at the earliest, probably towards the end of January, maybe it would even be mid-February. You already have the issues that we identified in the SRP in that letter, and we can certainly elaborate on those some more, you know, if you have questions on those and stuff.

MR. SHERR: Okay. Are we ready to proceed for the next item.

MR. KILLAR: I believe so.

MR. SHERR: The next item is a pretty basis issue, an important issue, the ISA summary, and the agenda shows the industry-NEI presentation first, then followed by discussion. As part of the discussion, we will also have a presentation.

MR. KILLAR: Mark Elliott is our ISA guru today.

DR. PAPERIELLO: Excuse me. I have about a 20 to 30 minute meeting at 9:30. I have to run to that in the other building, but I will be back.

MR. KILLAR: Ted, before Mark gets started, did the other copies of the other presentations, have they been finished?

MR. SHERR: Yeah, I'm sorry. I meant to mention that. On the front desk are copies of all the briefing charts that were provided -- that were presented yesterday. And, hopefully, by the time we finish, if we get copies fast enough, we can copies of today's presentations as well.

MR. KILLAR: Well, I think the only slide we have today is one side that we already put out there yesterday afternoon. I don't know if there's still some there this morning.

MR. SHERR: Okay. I don't know if we need those. You might want to have a copy of it again just to make sure.

MR. ELLIOTT: Good morning, I am Mark Elliott from BWXT in Lynchburg. I'll talk a little bit about the ISA results in the licensing environment. I made a slide. You would have to all come up on the stage to read it, but I tried to get it on one piece of paper.

What I did with this was I took the outline that was in the draft SRP of a license application, the 10 items that were identified in the table of contents of that, and I made three columns over there.

The first one, of course, is the commitments and things that are in the license proper that would require amendment to change. The next column, I called it "on the docket." I consider that to be a space that would available to NRC that would not require prior approval to change. And then the last column, of course, are things that we keep on site and are kept up to date by our configuration management program.

So the first two items, of course, are things that are there now, and that have been for many years in the license application. 3(a) is what I call the ISA program, or the administrative requirements of the program, and the commitment to perform the analyses, what we are going to look at, what methods we are going to use, what types of people we are going to use to assess these things. It is going to have criteria in it that talks about the approach we take to grading the controls and the assurances. And then it will also commit to some type of summary update frequency.

And so then in 3(b) is really the ISA implementation which contains voluminous information, including the detailed process descriptions in which you would have temperatures and pressures, and different ranges of operations, the individual accident sequences of the operations that were identified through the ISA. And then items were allowed on for safety, the valves, the level gauges, the active passive engineered controls, administrative controls, procedures, things like that. And then, of course, the assurances that are applied to those

items, the maintenance requirements, the function tests, the surveillances, things like that, that make sure that these things are available and reliable when called upon.

And then the third part of the ISA section of the license application, I called the ISA summary and you have said in the past that you wanted something submitted as some part of a summary. So in the SRP, I think there was an example of a summary in there, so these items that I listed under 3(c) come from the draft SRP as to the types of information that you would expect to see in the summary. And the ones with the asterisks beside them are things that we think are available in other parts of the license application already. The site description, the facility description, the ISA method and the ISA team qualifications, of course, were listed in 3(a).

So, the summary, I guess, would reference those. It would also have a summary process description in it and some accident sequences which would only be the ones that you are most interested in, which would be the high risk scenarios.

And then a controls overview, we don't propose that we put each valve, gauge in the summary. We intend on saying, you know, what parameters are controlled in that operation and are active in that accident sequence.

And then, of course, rad and chem safety are pretty much as they are now. The performance requirements and the program description would be in the license. The implementation of that program and the depth of the implementation, or the rigor of the implementation of that program would be determined through the results of the ISA. That would determine what areas you needed to focus on most.

Chemical safety and fire safety, the results of the ISA really determine what are the performance requirements of that program and what the program consists of. So I really didn't put anything down

for that. Those types of things would be determined through the ISA results. There may be many parts of the plant where there are not any chemical hazards of concern and, therefore, there wouldn't be any types of programs required in that area. There may be other areas where there are, and a program may be established for that area.

Fire safety, a little bit more broad than chemical safety because of the potential for delivery off-site.

But, anyway, those two, we felt that the ISA results would really guide and direct the performance requirements and the program description of that program.

And then emergency management being the same as it is now, with an emergency plan and a design basis accident for delivering the greatest impact off-site.

The decommissioning, two parts to that. One, the funding plan, which we are submitting now. And then, two, the decommissioning plan, and the decommissioning plan would be developed -- the performance requirements and the program description are developed, are based on what you are decommissioning. Of course, if it is the whole site at licensee termination, then it would be fairly large and cover the whole site. But, as we discussed yesterday, some parts of it, there may be some small parts of the site that are being decommissioned now, so 70.38 may be invoked in preparing those types of plans.

We put "to be determined" on here because we didn't know exactly where it would go. Maybe from our discussions yesterday, I know 70.38 requires a plan to be approved, so, certainly that would be in the commitment in the license, and maybe some other types of information regarding the decommissioning activities would be placed in the other columns. But if we didn't have -- we didn't spend a lot of time on it, we didn't have any foresight into where those would go.

And then, of course, the management control systems, which

are probably the most significant part of the license application, I believe, would be certainly in the license. The systems that we use, the management control programs and systems, procedures, the affirmations that we are going to do things according to the rules and regulations and what types of audit systems and corrective actions and things like that that are going on, the configuration management assurances, training and things of that nature.

I think maybe many of our licensees' licenses are configured somewhat in that manner now. In talking to some of the other people, there have been things that have been sent up to you that aren't incorporated into the license proper but remain as a letter in the public document room on the docket. So that is all I have prepared to talk about. Does anybody have any questions about these?

MR. BRACH: Mark, I just want to clarify, on your table, on the right-hand column, you have on-site and you have a parenthetical, configuration management. I just want to clarify, in your discussion, you identified that Item 10, management control systems, including a number of different aspects, one of which is configuration management. So I just want to clarify I am reading this correctly, that configuration management would be included under Item 10, management control, and that your reference in the right-hand column for control, or for maintaining the ISA would be -- one aspect would be control through your configuration management control program, is that what you -- if I am reading that correctly.

MR. ELLIOTT: Yeah. The configuration management control program at a facility is so large and contains so many different items that all create configuration management, and the ISA, being as a tool used to look at safety and document the safety bases that are in place, would be put into that configuration management program.

Now, that configuration management program also consists of

quality assurance and inspections and all those things that feed back through each other to maintain the configuration that you have, your internal change control system, things like that. I didn't mean for that to be misleading, but it would be there and be kept up to date through that system, yes.

MR. PERSINKO: I have a question. Based on what you said up here, it looks to me that the only item that 70.72 provision would apply to would be the ISA summary. But, yet, you said that is -- you are free to change that. So are you proposing to eliminate the 70.72 section?

MR. ELLIOTT: Yes. I would think that there could be some type, if you needed a threshold to require a license amendment, I think that there would be some criteria you could develop other than that, and it may be license-specific.

MS. ASTWOOD: I have a question. On your ISA summary on the controls overview, can you give me an example of the controls?

MR. ELLIOTT: Does anybody want to describe that?

MR. GOODWIN: Those would be the controls that would be incorporated into the process or the system, and we are again talking about the ones for the high risk accident sequences. But, for example, we have three basic types of controls. One would be your passive controls which require no human intervention, if you will; the active engineered; and the administrative type controls, which are heavily dependent upon human intervention.

And then within those three categories, we would describe, you know, the types of controls like maybe, for example, temperature gauges or geometries, you know, being limited to certain diameters. I am trying to think of some other good examples. Limiting your dimensions on your equipment, maybe the test that would be performed, a function test of controls that might control levels, things of that sort.

MS. ASTWOOD: How is that different than items relied for safety in 3(b)?

MR. VAUGHAN: Let me just a little bit to that. That -- if you notice, we got their parenthetically their overview and what we were aiming at when we put that there is to (1) write a summary that is publicly consumable, and if you go to the high level detail of specific items, et cetera, that is not going to be publicly consumable, and so it really doesn't seem to do the public much good for us to have that information on the docket.

And the second thing is we were trying to condense it and have it a workable document at a general level of understanding, as opposed to the level of knowledge and detail you would have to know if you went down another step. And we are not trying to fence out the NRC from any level that they want to interface, it is just we believe that you all have certain jobs to do and there ought to be an overview type of description that would work well with the public and would work well with the NRC. And then, of course, the facility has to have the total detail so we can implement and manage our plant. So that's --

MS. ASTWOOD: But the total detail would be on-site?

MR. VAUGHAN: Right. Well, it has to be. I mean you can't operate your program if it is not.

MR. ELLIOTT: I think we also recognize that there is a line somewhere, and I think we have tried to draw it, that you can have as much information as we have, but the understanding still won't be there without being in the context of the operating facility.

MS. ASTWOOD: Right.

MR. SHERR: Can I ask a question, on the same subject? Of course, this item, what is going to be submitted to NRC is, of course, one of the key issues that are dealing with. I think the concept here is okay. Yeah, it basically needs to be provided to NRC, the controls,

and we are still having a question in terms -- okay. Now, the question really is what level of detail, which is, you know, -- NRC doesn't want too much details, and, of course, you don't want too much details. The question is just, what is the reasonable bound?

I understand, I mean one thing is what is on the public record, the other thing is what is needed in order for NRC to make an informed licensing decision, in an efficient manner. NRC could spend a lot of time at the facility reviewing everything, but I don't think that is in anybody's interest. So there's a balance between how much detail is provided to essentially minimize the need to go to the facility and look at all the details, at the same time recognizing, yeah, but you don't need all the details here, and the licensee may need to do it on a selective basis.

I am just saying that this is a key issue, I think, in terms of what we need to be working on that provides that balance.

MR. BRACH: Let me, if I can, I want to follow-up on what Ted was just saying. While information is on the docket, that doesn't mean necessarily in the public docket room. Really, some information is proprietary. Depending on the facility, it may be of a classified nature. But that -- all of our discussions doesn't change that handling of information, or to the extent it is propriety or classified, the protection of that information.

I think what Ted is referring to is it may very well -- really, what is on the docket and available to the public needs to be complete enough for the public to understand and be able to, if you will, mirror the type of review and come to the same conclusions we have with regard to completion of our licensing review action, but it may very well be that the information on the docket but not in the public document room, based on it may be proprietary or classified in nature, may still be necessary to support our review.

And I think what Ted is saying, it still not quite clear yet where the line is drawn between the extent or level of detail to be in the ISA summary submitted to the NRC for review here in headquarters versus whether the more extensive level of detail that is in the ISA summary. So I think that it is still -- excuse me, in the ISA in Item 3(b), but there's a difference between those two for sure.

I think there's still a line -- I think we recognize there is a line but I think we still probably have some more work as to the extent of the detail in the ISA summary.

MR. KILLAR: May I add something along that line, Bill? You had proposed or actually included a summary or an ISA summary in the SRP that you had sent out.

The industry -- we through Westinghouse, General Electric and B&W have all submitted ISAs to the NRC already and, in our view, they are in different levels of detail and that is really what the question is -- how much detail needs to be there.

If you could give us some indication as to which one, not necessarily this is 100 percent the correct way to do it, but as far as looking at those and giving back to us an idea of, okay, this is the detail that is adequate for our needs, it would give us a better handle because that is something we prepared.

Now we looked at what you had put in the SRP and we think that is somewhat fairly comparable to the one General Electric I believe prepared, but I don't know that for a fact.

Our perception and your perception sometimes aren't necessarily the same so -- and since your perception is sign on the dotted line, we are very interested in your perception.

MR. GOODWIN: Let me add that Westinghouse has submitted I believe four ISAs as well, and I think we are working on the fifth right now. It will be submitted shortly.

MR. BRACH: We don't have the answer right this minute but I think your comment and question is along the same line I was trying to suggest too, that there is really a level of detail to be in the ISA -- to support our review and activities here. There's really details in the ISA that are retained at the site that we may have to have a site visit to go and review and your example of looking maybe at some of the recent ISAs that have been submitted, the pieces of the ISAs, is to see to where that line could be drawn on the level of detail that is need to support review here and the level of detail that clearly should be retained at the site for onsite review. That is what I was trying to say before is that where that line is drawn we need to look at your reference to taking a look at a few that have come in the last year or so is probably a good basis to look at to see how we can best identify where that line is as well.

MR. VAUGHAN: Yes. Before we sent in our first summary, we had some informal discussion with the NRC because there weren't really any good guidelines about how you do this, so we kind of supposed that this information that we sent in would (a) be used to support the NRC review process in writing the SER, and that the second thing it would do is it would point out those particular high risk situations at the plant -- not that those are the only ones that are looked at, but to provide notice that these are the key items and you probably ought to look at these closely, even though you may want to verify some other things, so that was the objective that we started out to write and maybe we didn't meet the mark but at any rate that was where our objective in the absence of any particular formal guidance.

MR. PERSINKO: On your chart up there, I see controls in two areas. I see it in the ISA summary. I see it in the management control Section 10.

Are there controls embedded in Sections 4, 5, 6 and 7 as

well, when you say implementation through ISA results?

MR. ELLIOTT: That do you mean by controls?

MR. PERSINKO: Process controls that you would rely on to reduce the risk to an acceptable level.

MR. ELLIOTT: Yes, there are controls -- the ones in 4 and 5 are determined through the results of the ISA.

MR. PERSINKO: And the controls though then, since it is in the licence, the controls would also be specified then in the license?

MR. ELLIOTT: No.

MR. VAUGHAN: No. The reason the check is there is because the Radiation Safety Program, which is (4) and the Criticality Safety Program requirements, there's detail under the current concept -- there are detailed programmatic commitments in the license, and that is what -- that is what drives what comes out of the ISA in terms of how radiological safety and criticality safety are applied.

MR. PERSINKO: But then if you are relying on controls to reduce you out of the high risk regime into an acceptable risk regime, those controls then -- there would be management controls which would be in the license, requiring pre-approval by NRC, and that is the only place then that I see controls.

Any other types of controls could be done without NRC approval or knowledge, I guess.

MR. VAUGHAN: If that is your understanding, and I don't doubt that, then we have miscommunicated slightly, okay?

MR. PERSINKO: I am trying to get clarification actually.

MR. ELLIOTT: Let me -- the management control systems that are in (10) are a description of the control systems such as configuration management, maintenance, training, QA, procedures, audits and assessments, incident investigation and records.

The application of those programs and controls to specific

items and scenarios in the facility are in 3(b) --

MR. PERSINKO: 3(b) --t

MR. ELLIOTT: So they would never require any NRC interaction on that. You have already approved those controls through the descriptions of those controls and how they will be applied --

MR. PERSINKO: Oh. Where?

MR. ELLIOTT: In 10.

MR. VAUGHAN: Let me --

MR. PIERSON: I'd like to say something.

MR. VAUGHAN: Okay.

MR. PIERSON: Because what you proposed here really is very similar to what we talked about several years ago -- it's not that different from what I thought the process should be -- this is Bob Pierson, NRC.

This is not that different a process than what we started out when we were first volunteering to do ISA.

The problem that we ran into from the Staff's perspective following this scenario is in two items.

One is items relied on for safety and the other is control. What the Staff felt they needed is a better definition and a better commitment on your part in terms of what is needed, items relied on for safety, how those items relied on for safety are maintained -- which boils down to the control section, so the Staff's perspective at least as I saw it is what they felt the weak link here was that they didn't understand how they could maintain control over the items relied on for safety, maintain control over controls that are relied on, that implement that items relied on for safety.

I guess from your perspective, and I am just sort of trying to play the broker here since I was involved in a lot of the initial discussion, if we get to that point where we are trying to define items

relied on for safety and to control the items relied on for safety then immediately what happens is in the ISA summary section a lot of information that you felt is not reasonable for us to be asking for has to come in on the docket to support that ability of our staff to make that judgment, so I guess in looking at this what I would say is the real issue here that you need to discuss and figure out what you are going to do is that items relied on for safety and the controls, but this isn't a bad process.

For my perspective it is a reasonable process, but the Staff would have to be willing to accept the fact that they don't always know what items are relied on for safety, that it's going to change with the facility, and they don't always know what the controls are for items relied on for safety. If the Staff can't agree with that, then conversely, we're going to have to decide, you know, it's not just that one block.

You are going to end up with that ISA summary section -- there's a lot of information there that is going to have to come in to support that moving the items relied on for safety controls up into something the Staff would either put on the docket or in the license.

But this is from my perspective. I sort of felt in the past couple of years everybody is talking past each other and you just have to define what you are willing to give and what the Staff is willing to accept and move forward because unless you can do that you'll still be talking.

MR. PERSINKO: See, if you had in the ISA summary where the controls are listed you have overview -- I don't mean in getting down to every pressure gauge for every little component but controls that you are relying on to reduce you down from the high risk regime, but the Staff would have some element of control itself and the changes if the Section 3(c) still contained at 70.72 provision, but if you eliminate

that, then there is no interaction from the Staff.

MR. PIERSON: But originally when we talked about this method, what the Staff -- when we represented Staff were willing to do -- we were willing to accept a methodology that described how industry was defining either the ability to either select the control or define how you are moving through to define the control, so in other words, we were willing not only to accept a control like the pressure gauge but some sort of a process to say, well, how do you use -- how do you make a pressure gauge a safety control, how do you make a level gauge a safety control? What do you have to do to make that happen?

The same thing in terms of calculations. How do you go about defining low moderator or how do you go about defining a geometrical control, and we are willing at least in my opinion, we should have been willing at that point to select it because at that point you were still volunteering to do ISAs.

We were trying to work through a conundrum of what is enough but still represent something that we can use for a license -- that is the nub of the issue right there. You just have to decide what you want to do and move forward.

MR. ELLIOTT: Well, those methods that you just described are or should be in 3(a).

MR. PIERSON: Yes, let me go -- I agree. I agree. That’s what I’m saying.

MR. ELLIOTT: Okay.

MR. PIERSON: I agree that what you propose here is not that different from the ground rules that we laid out several years ago in terms of how to work through the process.

MR. KILLAR: Right, and basically that is the premise we continue to work on, and our vision of this is that through the license commitments we will identify the type program that we will put in place

and describe those programs. We will describe how we will control criticality safety, how we will control radiation protection.

If through the ISA we decide we need fire safety programs, how we will do those fire safety programs and things along that line, and then through the ISA process at the site we'll identify the high risk areas and what -- I don't know whether we will use the word "controls" -- but what are the items relied on for safety, and then t he controls that go on those items relied on for safety and then we provide a summary of that information to the NRC.

Now the idea that we had is because we have described the program, if we decide that we are going to make a different control on that item relied on for safety, as long as it is within our program that we have previously described to you, we can make that change without going back to the NRC for any type of review of approval, because it is within the approved program.

That was our vision and that is how we thought this process would work is that what we are doing is we're getting approval of the programs of how we will ensure safety in our facilities, and we would through the ISA process identify all the various risks in the high risk categories in the items relied on for safety and then through the summary provide you an overview on how we are implementing both the programs and how they apply to the high risk areas.

Our vision will give you confidence that we know what we are doing and we are controlling the right things, but it would also give us the ability to make changes without coming back to the NRC because we are within the programs that we have defined.

MR. LEWIS: Under the approach that you have outlined, if you have a control in place under 3(c) and you now make a change to that control and you go through your internal site change control procedure and decide that if you do make the change it will result in a new high

risk accident, what is the threshold that you would think you would need to come to NRC for approval?

MR. ELLIOTT: What would be a new high risk accident?

MR. LEWIS: If you were to change out a particular -- decide to go from a system of where you have two pumps that can perform a safety function and you want to eliminate one of the pumps and have only one pump.

MR. ELLIOTT: Or you wanted to replace a centrifugal pump with a positive displacement pump -- I wouldn't think that would be of any concern.

MR. VAUGHAN: Can I make a little comment on that?

We said earlier that we didn't think there ought to be a 70 -- whatever that number is that deals with changes, but quite frankly, either in the regulation or in everybody's license, there has to be a ground rule established of how the licensee and the NRC are going to interface on things that change and that is an area that I think some of the most current thinking on that is in our license where we have a fair addressing of that subject but clearly not complete enough to handle the ISA world, but we need to come to agreement on ground rules as to when the licensee has the ability to make changes because they are of a kind that the NRC just doesn't need to bother themselves with, and when what kinds of changes that the licensee may make that in fact the Commission does feel like that there should be some involvement and improvement.

So whether you call it 70 point something or whether you put conditions in everybody's license, one of those needs to be addressed and we need to have a meeting of the minds on how that is going to work.

DR. PAPERIELLO: I agree. I am listening to the discussions here. That is really what I think this thing is all about. When I look at what you have up here, I can accept most of it. I think the devil is

going to be in the details. I think the devil is going to be in 10 -- what our management control systems -- and in the ISA summary what will be the accident sequences and what will be the controls and what is explicitly going to be in the license and, you're right, somewhere along the line -- there's a lot of things that I frankly want you to be able to change without getting our approval.

I mean you turn around and change one counting instrument and buy another model, even a different principle of operation, frankly I can think of five different ways of counting beta contamination. You can too. I don't need to prove that. Somewhere perhaps if you have some huge pressure vessel and you are going to change it to something else -- I don't know what -- maybe we need to get involved, you know, we need to turn around -- and I think we are probably going to need another meeting to work this one out, but I think that is going to be -- that is the issue, but fundamentally what you have described here I don't have too much of a problem with.

Again, some of thing I think is to details and I think this looks good.

MR. VAUGHAN: A little different aspect of this that I also wanted to make a comment on, but I appreciate those comments, that is, there is a lot of discussion about the subjects of controls and whether those controls are in the license or not and there seems to be some feeling that if those controls aren't written in the license then they are not enforceable, and I tell you, I feel like all of my controls are very enforceable whether they are in the license or not and the reason is my license tells me all of the ground rules, both from a management standpoint as well as a safety standpoint what the rules of engagement are to identify and implement and maintain controls so if I don't have controls or they don't work, et cetera, I am automatically in trouble with what is already there.

In addition, we have talked about the commitment in the ISA section which will be a new piece, but we have always indicated that our intent is to commit to perform ISAs and use the results and maintain them.

I think the licensee's proposal has been sensitive to what the NRC's objective may very well be. It's just maybe a little simpler roadmap to get there, we think, and so that is the other piece of that question.

MR. PIERSON: If I could add something right now, to go back to what Rob said a little bit, when we initially started talking about this, we were thinking in terms of what you could do to change the controls.

As an example, if you asked the NRC as part of your license application the process you use to determine geometrical control, you didn't need to back anew every time you changed a container because we had already reviewed the process and accepted the process for how you are going to define what the size of the container was in the first place.

If, on the other hand, in your application you sent in and you said our control is this geometrical container with nothing more to substantiate it, and then you wanted to change out that geometrical container, then you would have to come in and make the change.

That is kind of the philosophy we were using to work through this process and I had a lot of conversation with Charlie and with others initially and I don't think this really is that different from what you proposed --

MR. COMFORT: I guess I have a question on if you do not come in for preapproval for changes, you know, get a hold of the ISA summary on the docket and you are making changes, to a certain level I agree we have to decide what level would require you to come in on, but

is there any consideration of providing updates to the ISA summary or would that only be presumed to be done on a renewal basis?

MR. ELLIOTT: We have talked about some type of frequency. We haven't proposed one but clearly there would have to be some routine frequent updates of the information.

MR. COMFORT: Yes, because my concern there is that if, as a project manager, you are making changes and I don't get a general idea of what is going on on the site and there is some kind of event and I don't have the knowledge of the something that was changed that may have caused it, even if it is after the fact that you submitted it and stuff, it would still be useful on a periodic basis to get that.

MR. ELLIOTT: Yes, I agree. Now when we get to events, you know, a lot of times I could have sent you an update a month ago and an event occurs and your information is not up to date and we of course have the capability to send you that information via fax, E-mail, what have you, for you to be able to assess during those periods, but I don't think that neither we nor you would want a frequency update that frequent to where you could think that you could go and pull and have the exact information for any event at any time.

MR. COMFORT: I agree with that. It's more of, you know, you don't want to get in a position that there is an event and it is two years later that we heard about something and all.

MR. ELLIOTT: Yes.

DR. DAMON: My name is Dennis Damon. I am a license reviewer and I want to bring up a different devil that hasn't been mentioned yet.

Before I do, I want to compliment you. I think this is an excellent layout, an excellent format to permit discussions like this and I would like to confirm one of the previous devils, which is the difficulty of summarizing what the controls are. I think that is really

a key point. It's an art form really for you to write a description of the control that is sufficient for the reviewer to tell that that is an adequate control and yet not be too specific about what it is so that you can change things and you don't really have to update that information.

It is an art form and that is where if you manage that program, focus your attention on exactly how good those are because we have received things that go in both directions.

We have received things here that are too specific. We have received things that just say it is a moderation control or it is a concentration control and that's it. There is not enough information there.

But that is not the devil I was going to bring up. The devil is you are going to submit only high risk accident sequences and the devil in there -- there's a couple of them.

One of them is what is high risk? What is a high risk accident sequence? What I mean is all high consequence accident sequences like all criticality sequences or some other think like the ones you think are the likely criticality sequences are what, you know, so that is one devil that has to be resolved as to what that really means.

The other devil that is in there is one of the things the reviewer like myself is looking for, he's looking for where you have made a mistake, where you have categorized something as a low risk sequence, whatever that is, and in fact it is high risk, so the difficulty faced with it, if you only send in the highs and he doesn't see the lows, he doesn't -- how does he know that you have done that correctly?

There are ways of doing that. I am not saying there is no possible solution here. Obviously he can go to your plant and look at

some of the low risk sequences to see if you did them right, but I think more importantly, I think a reviewer should do that but more importantly is there has to be a very clear description of how you do what it is you do so that things get into that high risk versus low risk, and what I mean by that is there has to be a very good description of the methods in the areas of rad releases and chem accidents, there has to be a very good description of how you do the consequence calculations that you did, what criteria, what methods.

Basically there has to be a commitment that gets sent in with all this other material describing exactly how you did them, because there is a lot of different ways you could do that, and you could have calculated that, oh, yeah, the guy gets a 1 rem dose whereas if you did it according to a method the NRC would regard as adequate, it might be much higher, so that is the devil in there is that the Division here has put out a thing called Accident Analysis Handbook. It has in there guidance on doing those kind of calculations, but what we need in the application is a commitment either to those methods or something equivalent, so that the reviewer doesn't have to look at your low risk accident sequences to find out what methods you in fact are using.

MR. ELLIOTT: Dennis, I think that maybe on that point we need to recognize that the NRC can't demonstrate to the public the safety of a facility solely through the licensing process in a vacuum, and I think that if we describe to you the qualifications of people we use, the methods that we use, how we apply those methods to the different processes at our plant, there needs to be some factor of verification of performance when we do those things so that whether I have categorized a certain accident sequence in the proper manner would seem to fall over into the verification part of the NRC's assessment of our performance.

DR. DAMON: I was not really referring to, say, lack of

competence or mistakes that were made or anything of that manner.

I am referring to the fact that if you get into the area of calculating offsite dose received from, say, a radiation release or exposure in chemicals there are different methods that can be used and some professionals would say this is good and somebody else would say something different, and there could be easily a factor of three difference.

I think we all just ought to be working on a level playing field here that all the licensees ought to be able to work to the same rules, whatever they are, and not allow one to do something different simply to allow them to categorize something as low risk so that it doesn't have to be submitted.

That is what I am getting at, that it would be nicer if we had a lot more uniformity and everybody knew what was being done, because it's not very well defined because there are such a variety of methods.

You know, like in some other areas, in the chemical industry itself, people use standardized computer codes that everybody knows what it is. That is what they use so everybody knows, and in the nuclear reactor, the NRR side that is the way things are. There are certain codes that are used and people doing that kind of calculation say, well, I used the standard code -- end of discussion -- but here we are not in that boat yet.

There is a much wider variety of what you can do. I am not going to get into the technical details but there's a lot that's very technical in dose calculations and some things that are done are very rude and crude and some are fairly accurate. I think we have to kind of agree that we all understand what kind of calculations are being done.

MR. KILLAR: Dennis, there's a couple things that I would like to mention in response to that.

I think, first off, from the perspective of the NRC and the NRC's reviewing an application for a license, they should know from their past experience where they would anticipate various events triggering -- you know, if you are not handling, let's say for instances you have six, if you are starting with powder or pellets, then you won't be worried about a UF6 release so if the Applicant comes in and has no words in there about UF6 or offsite release of UF6, then there should be a question.

On the other side, if the Applicant is starting with UF6 and he comes in and doesn't say anything about it, then I would think it is prudent of the reviewer to say, hey, guys, how come you didn't say anything about UF6? Have you gone through analysis to demonstrate UF6?

Similarly for, say, like a wet process for conversation and stuff, if they don't come in with anything talking about criticality safety and a wet process for a conversion, you say, well how come you guys don't have anything here about this?

So certainly we anticipate that we would know where the risks are and provide those risks but it also is incumbent upon the NRC to have a fundamental understanding of these facilities to raise the right questions, and so the onus isn't only on the licensee providing this but it is also the NRC asking the right questions.

At the same time, we can't spend our resources and your resources spending time on questions that should be asked. If we are starting with UO2, why would we get a question about UF6? So things along that line we need to have the right perspective.

One of the things that the members talked about is that making available office space for an NRC person to come down, a reviewer to come down and spend a month, six weeks, at a facility, and familiarize themselves with the facility so when they get these applications they get questions, they know what is basis behind the

operations and things on that line as part of, I would guess, sort of the training or indoctrination of NRC reviewers and it could be a criticality expert or it could be a health physics expert or what have you, but this way when an issue comes up, this person has familiarity with the facility and he can ask the right questions and we can avoid spending some time sometimes on -- I wouldn't say dumb questions because there's no such thing as a dumb question, but questions we spend a lot of time on that may be not as relevant as other questions, and so these are some things that we think we can do to help the NRC out and which in the long run help us out as well.

DR. DAMON: That is why I focused on this thing about the way you calculate consequences, because if what you are send into the high risk, and you are retaining all these low risk sequences at your site, and the reviewer says, well, how do I check to see if this -- that something hasn't been done that I need to review and it has been adequate.

I am saying the easiest way is for him to gain confidence that the way you did that assignment of high risk versus low risk was correct. Once he is at that point, he doesn't probably need to spend much time at your plant looking through those things. He already knows that you have done a good job, those are the low risk sequences, and he can focus on what you have send it.

But if he doesn't have that confidence that you did it correctly, then he has got to gain that first somehow, and one way to do is to come to your plant. Like I say, the inefficient way to do it is the way people have been doing it in the past. They have been going and looking at each individual thing, like each process and stuff. It takes a long time to get familiar with a process, and the analysis that was done for it and stuff, to conclude that, yeah, this was done correctly.

I say the efficient way is for him to review -- for you to

commit to methods, for him to review the methods and then once -- and then look at a few examples and see you did follow your methods, and then he goes home back to the NRC at headquarters and doesn't have to look at your low risk accident sequences anymore.

MR. KILLAR: Just a comment. I appreciate your discussion of the other devil in the details, and I can tell you, from a pretty significant experience at the Wilmington facility anyway, that subject that we were talking about, about what kind of calculations you do, what kind of line, where you put your lines on your matrix as you are trying to categorize these, was absolutely the most difficult task that we had to face with the team members and with management, because our management is very concerned about where we draw those lines, and our employees are concerned about doing it appropriately in accord with expectation.

And, of course, we started this without any of these lines drawn anywhere, so we had to go through a process of trying to figure out where we were going to put the lines to go with the process to make those decisions. And that was a very tough job, and I don't think we have closed that loop in regulated space yet either. So the devil that Dennis brought up is a real thing that has to happen, and we probably need to keep sight of that.

But I also agree with -- he is saying the same thing about the programmatic descriptions that we give and the commitments and affirmations and things like that. It is really the rules of engagement are the things that, hopefully, give you the right answers. And, so, we need to make sure that we have all the right rules of engagement written down and then we need to verify that that is being implemented, and, in fact, is being effective, you know, in place, so.

DR. DAMON: I would like to, you know, speak a note of optimism about that in this high risk concept. That's one of the first

questions I asked, is -- what do you mean by high risk? Because risk really does have both consequences and likelihoods involved, and what I was trying to communicate here is that on the consequence side only it is actually easier for you to send us only like -- if you say I am going to send you high consequence events, it is very easy, I think, for a reviewer to get to the point where he believes that you have done that correctly, because calculation of consequences follows fairly -- follows methods that, even though I said there is uncertainty in the values, they are a lot better defined than the methods for arriving at a likelihood. In other words, you give the same problem to two people on the consequence side, they will come up with about the same answer.

So I am just saying, in terms of a reviewer being convinced that what you sent him was something, if it is consequences, it is relatively easier. If you define the high risk thing with both consequences and likelihoods, then he has to also understand your method for assigning likelihoods and, you know, that could be problematic. That's why we took a shot at defining how you do that in the SRP ISA chapter, is because we recognized that there wasn't any guidance out there on how to make a judgment about likelihoods that was -- you know, where we could all agree we understood what the ground rules were.

MS. EYCK: Charlie, I have also one question. You were talking about that that was one of the more difficult tasks, was where you draw the line. Just thinking back, it seems like you were trying to do that task before we had published the draft Part 70, and I am just wondering where we define what we would consider high consequence or intermediate consequence now that is out there. Would that have helped you if that had that earlier on where to draw the line?

MR. VAUGHAN: It would, it certainly would have helped some. I am not sure that it gave us the -- I am not sure it would give you the final answer, but it would have helped some. I mean we were kind of

totally in a vacuum. And what we ended up doing is, as we began to look at other standards and other requirements, and the way some other things are regulated, and got some ideas about how they went at it, and then tried to translate those. I mean for chemical and things of that nature it is pretty easy, but then you have to get to the nuclear piece of this thing, and so you have to make a translation, and it was -- but, yeah, this information would help some, but I don't -- I still don't think it would have solved the problem.

MS. EYCK: Also, you had mentioned the thought that we look at the ISAs, or portions of the ISA that have been submitted to us to date and to kind of give some feedback on where we think is the right mark. We did use that as a basis for information when we put together our draft ISA summary. And, so, I think that it would be useful to us to get some feedback on where you think the draft ISA summary is way off the mark. Because I think we did use the submittals that we had to had to date as a basis when we put that together. And my concern now is where are the specific areas that you think that that is off the mark.

Now, I think we have already recognized that the items relied on for safety and the accident sequences are going to -- and the controls are going to be the things that it seems are being focused on. But are there any other areas in that draft ISA summary that you feel that haven't hit the mark?

MR. KILLAR: Unfortunately, we are not in a position to answer that today. We looked at it, but we didn't bring our notes and stuff along those lines, so we would have to go back and look at that. But that is certainly something we can go back and look at and provide you some RFIs on.

MR. PERSINKO: Let me ask -- first of all, let me say I think this is very workable. It is along some of the lines we have been thinking also. The question still is, though, I think it is fuzzy as to

when NRC involvement and preapproval comes into play. Clearly, if it is in the license, yes, it does, but there are other areas where it is not in the license and that is the fuzzy area.

70.72 was an attempt to try to clarify when that involvement initiated, but you are opposed to 70.72. I was wondering if you could elaborate on why you are opposed to a 70.72 type provision.

MR. KILLAR: I wouldn't necessarily say that we are opposed to 70.72 provision. I think Charlie articulated fairly clearly that we certainly have to have a clear understanding of what the NRC expectations are or when we will come in and ask for changes to the license, and ask for amendments and what-have-you, and also what we have the ability to change in-house without coming in to the NRC and making changes.

There's certainly, I think, in our perspective, certainly black and white areas. Any time we put in a new process, we would have to come in for the NRC. Any time that we have gone through an evaluation and making a change, we find out, as a result of that evaluation, that we cannot stay within the established program that we define for whatever it is, whether it is fire, or chemical, or criticality or radiation protection. We would have to come in and ask for a change to that program and demonstrate that this envelope will now capture that. And so there is no question those type changes that we would to come and ask for approval on.

On the other side of the coin is if we are making a change in a criticality control, and we describe how we will do our criticality control program, where we are changing from an administrative control to a geometry control or something along that line, since they are well within our program, we can make those changes without having to ask the NRC for approval. And so those are certainly clear.

I am sure there's going to be some gray areas, but, you

know, in our perspective it is very similar to what we are doing today.

MR. PERSINKO: You are going to be sending in a letter on the ISA issue. It may be useful if, in that letter, you try to describe the kind of things you were just saying as far as when does NRC involvement, preapproval involvement is required for items that are relied on for safety, but not in the license.

MR. SILVERMAN: I was just going to say, I mean I think that exercise is really important, because, as I am listening to everybody, I think there's two issues, two basis issues we are talking about, which are the two issues we need to resolve to get this overall problem resolved. The first one is level of detail in various sections, in the information that will be in our license, in the information that will be submitted on the docket. That is a subjective thing, it is always really hard to get your hands around, but we need to work on that, clearly.

The second one is, what are the mechanics of the change process? Because that, in fact, defines the regulatory significance of all these things. Now, I don't think we know right this minute what that change process ought to be, but I do think that is a critical issue. And I think if we solve that issue -- we may be able to solve that issue before we really come to a clear meeting of the minds on level of detail, because that is just really dicey stuff I think. But I think it is important that we do that, and it is important that we try to get a meeting of the minds on when we submit this thing called an ISA summary.

Under 3(c), what is our freedom or lack thereof to change it? When we have commitments in 3(a), what can we change and what can we not change? It may be a 70.72 type provision, it may be something different. But we do need to work that out. I think if we did that, we would really have gone a long way to solving this problem.

MR. PERSINKO: I think so, too. 70.72 was intended to provide flexibility, and that was the whole idea of it, so.

MS. ASTWOOD: I have another question. Previous, in other transcripts that I read of other meetings, you know, there was discussion about how much of the ISA goes in the license and if the ISA actually was in the license that there would be, you know, 800 amendments required for that kind of stuff.

In your proposal here, how many per year amendments do you see in this kind of regime?

MR. ELLIOTT: We were hoping that there would essentially be no significant increase in the amount that we have now.

MR. KILLAR: And potentially, maybe even a decrease, because we would have the programs defined. As long as we are operating within the programs, we wouldn't need amendments.

Now, certainly, if we are going to put in, like I say, a new process or something, there's no question we would have to have an amendment. So it is just a function of how things change.

MS. ASTWOOD: Yeah, you said that before, and I had a question on that. I am not quite sure how a new process would require you to come in under this. Because you could have your program described so broadly that the new program would fit under -- I mean the new process would fit under your programs. Is that not --

MR. GOODWIN: You also have your process description section in your license as well.

MS. ASTWOOD: Ah.

MR. GOODWIN: And if it is not included there in the minimum conditions of operation, then it would not be covered.

MS. ASTWOOD: All right.

MR. VAUGHAN: Yeah, that's a good question, and you have got some other things like Part 51 and a few things like that that trap you.

But, again, back to the change provision, in this new rule, you know, maybe the words right this minute aren't exactly right, but there needs to be something either in the rule, or in everybody's license that talks about these rules of engagement, you know. And that, I think, is where we need to get most of boundary worked out.

MR. PERSINKO: I agree, and I think 70.72 was an attempt to do that, but, you know, if you have suggestions, I would recommend that you put it in the letter that you are going to submit.

MR. KILLAR: That's our intent.

MR. ELLIOTT: Anything else?

[No response.]

MR. ELLIOTT: Thanks.

MR. SHERR: Okay. Drew Persinko is going to make a brief presentation now. Now, it is our attempt to try to sort out. We would be very interested in the feedback on this in terms of this is the general structure of what it means, what is on the docket and what is in the license, with some sense of things that would involve a 70.72 type change versus things that would be considered a license amendment.

MR. PERSINKO: One of the items from the previous public meeting, there was a lot of discussion about what is the license, what is on the docket, and I had a feeling everybody was sort of speaking about different things and using the terms differently. So we came up trying to more clearly define that in a new concept perhaps.

This, as it turns out, is similar to what you have just put up. I think the differences are now that -- of course, anything in the license does require NRC preapproval. On the right-hand side we are trying to limit that without getting into very specifics at this point. We are trying to limit that to the items of most importance.

The ISA summary, the key difference, I think, between what you put up and what we have here gets back to the idea of the change

process again, because in this idea, the ISA summary would be subject to 70.72 or a 50.59 like type change process, with the intent that you get flexibility and we get control where we think we need it, and that was the whole idea. It is similar to what you just put up, except for that key element, I believe.

We also, in your packet, had put down a set of definitions to accompany this slide in terms of in the license, on the docket, ISA summary, ISA, in order to try to hone in a little bit on what those terms really mean.

The thought here also is that the ISA summary would be the licensing -- would allow NRC -- would be sufficient to allow the NRC to reach its safety conclusion. And, as such, if the NRC relied upon it to reach a safety conclusion, the NRC still wants some measure of control over that document.

The other thing, the other item that this was addressing was your statement in the last meeting that the proposed rule would require you to have 800 amendments. That was confusing to me, I couldn't see why. And that is what I thought made -- you know, we all thought that perhaps the 70.72 provision was not being thought about in the same item that was intended in the proposed rule. So the task force sat down and tried to digest what happened at the previous meeting and that was one of the items we came up with, that maybe -- because we were just trying to figure out why you came up with 800 amendments.

MR. KILLAR: Yeah, I guess where the idea of the 800 amendments came from is -- there's two actual. One was that we still weren't clear whether the ISA summary was going to be in the license or out of the license. If it was in the license, certainly, we felt there was 800 -- the potential for 800 amendments.

Even with the idea of the ISA summary being on the docket and not part of the license, there was a concern, and I think you have

got it properly characterized here, measures relied on to ensure the availability and reliable items important to safety. As long as it is the measures and not the identification of the items important to safety that has to be on the summary, then, you know, we don't have a problem. We were concerned that you would want a list of the items by process and that it would be in the license, and then the only way we could change those is get a license amendment to change those. And the way you have it described is certainly the way we envisioned it. And so, certainly, we are not looking at 800 amendments under this scenario.

MR. PERSINKO: The task force looked at that very closely, and that's the only way we thought that you could come up with 800 amendments, if you thought that the entire ISA summary was in the license.

MR. SILVERMAN: Yeah, I think that's what we were thinking at that time. I have a question about what is up here, just to clarify. Up in the top right-hand box it says not in the license, not on the docket, measures to ensure the availability and reliability of items important to safety. Then you drop down and it says, again, in the license, on the docket, measures relied upon.

MR. PERSINKO: Well, we were thinking that when you did the ISA, you would also have them in there as well, although we don't -- wouldn't have any -- we wouldn't control that document. But they would be in that document as well. They would come out of the ISA and they would be in the ISA. Maybe that is a little confusing in the slide, but they would be there as well. That would be the source document that would be used to derive them.

MR. SILVERMAN: So they would be in the underlying ISA documentation, the working papers that the licensee has at the site, as well as, you are saying, in the license?

MR. PERSINKO: Yeah. Yeah.

MR. VAUGHAN: I kind of read the words measures relied on as not to be specific things, but to refer back to the use of the rules of engagement for providing assurance to safety-related systems. And in that regard, it is on the docket and it is available, as opposed to some kind of an itemized listing that is separate out of the license. Is that a bad interpretation?

MR. PERSINKO: At this point, that block is discussable. But the idea was it would be more specific, it wouldn't be just the process. It would be specifics. It would be the measures that you are relying on to do whatever, maybe perhaps move you from a high risk area.

MR. VAUGHAN: Our concept, I think, was a little bit clearer than that, and that resulted in a risk evaluation, and then, depending upon what the risk of a particular accident sequence was, then that would drive the graded implementation, which includes lots of things, and one of them are the measures to provide the assurance and reliability of the system, and there would be a set of rules of engagement, depending on what the risk of this particular sequence was that would be applied to those items that are relied on to control or mitigate that situation.

So, when I read measures, measures is a programmatic element in the program that you use to treat the various level risk items, as opposed to things or items, per se.

MR. PERSINKO: Like I said, we hadn't completely firmed up that box yet. But one item, one consideration may be similar to what Rob was saying earlier, was, if you are relying on two pumps, or whatever, to remove you from a high risk area into an acceptable, area, that would be a measure that you are relying on to remove you from the -- to make you an acceptable area. So the measure would be to have two pumps available to reach that acceptable area.

MR. SILVERMAN: I thought the pumps would be considered the

item relied on for safety.

MS. EYCK: Yes, they would be.

MR. SILVERMAN: Then you have the control to assure that the item remains available.

MS. EYCK: I think at this point we would I think rather wait and let's see what you provide from an ISA point of view. We have just done some preliminary looking at different options and whatever, but I think at this point we are a little ahead of our self in even addressing the issues, and I think it would be best if we got what you proposed first and then let us look at that. Because I think that this is misleading, the way this is up here, and that it should have included items relied on for safety and the measures to ensure their availability and reliability, as far as where we are right now.

So, I think I would rather wait and see what you provide and then we can start our discussions from that point on.

MR. SHERR: I would like to add, though, that I think what I took from your presentation, in relationship to this presentation, was that we seem to be on the same track, in terms of what is on the docket and what is in the license. Not in terms of the detail, but the type of things that would be in the docket versus the license. So I think we are -- that is a good framework then for us to continue our work on this.

Before we go on to the last agenda item, are there any other comments?

MS. GALLOWAY: I did just have one question. There's a bit of dichotomy for me that I haven't been able to resolve in my mind, and I am hoping that maybe someone else can. Part of the discussion on the SRP, I seemed to be hearing, when we talked about the fact that we had -- couldn't include a graded approach in the SRP, and we had to incorporate the highest level for the high risk consequences, you know,

incorporated that into the SRP. And I seem to understand that the industry felt that the ISA and the results of the ISA would very clearly establish that that higher level would not necessarily have to be met for each and every item addressed as part of the ISA, for all the consequences and all the accident scenarios.

But, yet, when we talked today about the level of detail that is going to be submitted, it seems to me that that level of detail isn't necessarily enough for the NRC to be able to conclude, as you have concluded, that, indeed, your ISA supports that you would not have to meet the highest standard as defined in the SRP. Is there some discussion that can be provided to help me with this?

MR. VAUGHAN: Let me comment on one thing that I had really been meaning to comment on for a period of time. One thing that didn't come out in the discussion about the acceptance criteria in the SRP yesterday was the point that, in defining only one point, particularly if it is either the maximum or the minimum, that single point does not form a framework within which to grade things. It is only a single point and, effectively, a single point doesn't define a line. So, someway, we have to figure out how to define this continuum or the line that we plan to distribute things on.

Now, you know, you can define the beginning and the end, or the top and the bottom. Conceivably, you could define a mid-point. I am not sure which is the best way. But a single point doesn't give us a continuum on which to grade things, and we need to have that straightened out.

I don't know whether I can -- I don't really have a complete answer for your other part of the question.

MR. LEWIS: Could I suggest that the definitions in the table that Drew just put up, I think they are clearer than maybe what was in the proposed rule as our meaning. And I would hope that the

industry could provide us some comments, because I think it is important that, as far as this terminology goes, that we come to the same page in a fairly quick manner.

MR. SHERR: Okay. I won't look for a commitment on that yet, but I would encourage you to do that.

There being no more other comments then, why don't we break for 15 minutes. Return at a quarter to 11:00.

[Recess.]

MR. SHERR: The last item on the agenda is a broad one, I guess.

It is preliminary ISA and other issues and NEI will be providing a presentation.

MR. KILLAR: Do you want me to mention about the criticality dates?

MR. SHERR: We have tentatively scheduled the critical meeting for January 13 and 14. We haven't been able to talk to all the potential participants but we think that would probably be a good date and at this point we see the agenda as basically one discussing various criticality issues that are raised in the letter that is forthcoming and secondly to discuss the specific changes to the Standard Review Plan that are desired on the basis of those discussions.

MR. KILLAR: The last item we have to talk about is the preliminary ISA. We said "other items" but we really don't have any other items because I think we have covered them throughout the meeting and the few that we still have open we will be getting in to you on the change process, 70.72 process, the design basis and the -- can't remember what the third one was -- but anyway -- the reporting, right, but we'll get a letter together rather than bring them up now, because we only have some preliminary thoughts on it.

We don't have a real firm position. We'll put those in a

letter.

On a preliminary IS, we have spent some time talking about that and our initial reaction or initial response is that it should be taken out of the rule because we had some real problems with the benefit of it being in the rule and how it was going to be implemented.

Our opinions have changed slightly since we read the SRM and thought well, maybe there is merit in having a preliminary ISA and so I think basically where we are coming from right now is that we don't have a problem with doing a preliminary ISA.

Where we have a problem is what is a preliminary ISA?

We looked through the Standard Review Plan and we see nothing in the Standard Review Plan that talks about describing what this preliminary ISA is and, you know, it's a concern, trying to put our handles around this as we have continued to have issues about what is an ISA, what is an ISA summary. Now we have a preliminary ISA -- what is that?

The other aspect of the preliminary ISA we have a concern about is the time involved and the burden of it.

Certainly when we are out putting in a new process at a new facility and we start the design and construction of that facility, we go through and do some type of Haz Op analysis or what are the risk or things on that line, and then as we go through we can better define those and get to a point where we do have a complete ISA but in the early stages, all we have is just a basic what are the risks we have to mitigate or protect against so that we can take those and incorporate those into the design, and we don't have a detailed analysis of each of those risks.

It's maybe just a checklist or what have you. In fact, if you go back to the Chem Hazards Analysis book, they provide or provide provisions for that type of analysis in the initial design and that is

our vision of what we think this preliminary ISA should be.

The other aspect of it on the time issue was we are not going to spend a lot of time dealing with an ISA, preliminary ISA -- but the other aspect of it is that we don't want this to be a burden for us in dealing with the NRC in that when we go through and do this preliminary ISA, hazards analysis -- whatever -- checklist, whatever we end up calling it and doing, we submit it to the NRC for information and we're glad to sit down and talk to the NRC about it, but one of the concerns we have is that this is for information purposes and for sort of to put you on notice that this is the direction we are going and these are the hazards we are looking at.

We are not anticipating or we certainly are not encouraging to get, you know a whole bunch of requests for additional information on the preliminary ISA. That is one of the big concerns we have about the preliminary ISA.

I think in a nutshell that is basically what our concerns are with the preliminary ISA and the scope of it and direction it is going.

Is there anything else that I missed in our discussion that we want to bring up?

MR. GOODWIN: Well, I think you have pretty well covered it. I think any time any of us in industry decide to make a major change to a process or a facility that it certainly is prudent business practice to look at what you plan to do and what the risk issues are, the hazards, and I think for the most part all of us would go through some kind of a preliminary, if you will, hazards evaluation, whether it is a more detailed Haz Ops type -- that approach -- or a what-if checklist, whatever the case might be.

But it is prudent to look at the risk to make sure that we do design the facilities so that once it is completed that we can get

approval to introduce S&M to the process, so what I think our biggest concern with the preliminary ISA is the formality of it and the fact that it does to us I think resemble something like a construction permit, which we have never had to deal with in the past, and we would much prefer not to have to get a construction permit if we were to make a change, major change to our facility, but again I would like to underscore that we do look at the hazards.

We try to address them and it is done in an integrated fashion.

For example, in other words, we would look at what type of radiological issues would there be presented by this new facility or process, the criticality hazards, chem safety, the whole works, so it is done but in a less formal way, if you will.

MR. LEWIS: The reading of the draft rule was that the preliminary ISA is required to be performed and submitted but not reviewed by NRC so my understanding, and correct me, your position is you don't mind performing the preliminary ISA but you do not want to be required to submit it?

MR. KILLAR: Well, we don't have a problem submitting it. I guess the problem we have is after it is submitted what happens to it? It wasn't clear to us from the rule what happens to it after it is submitted to the NRC.

Certainly if you look at the history of Part 70 the NRC is not taking the position that it is a two-part license, that you get a construction permit or a construction licence and then an operating license and we certainly don't envision that this preliminary ISA drives us in that direction.

We certainly don't want it to drive us in that direction.

On the other side is that even when we submit the ISA, the preliminary ISA, to the Commission we anticipate you may have some

questions and stuff but recognizing that it is a preliminary ISA.

As we go through and refine the design we may change systems completely, change the layouts, things on that line.

Do we have to state then, are we dictated through this preliminary ISA how we make those changes and what kind of notification we give to the NRC that we are now going to go left instead of right on this process, and so it's more of an administrative concern that we have than anything else.

Certainly we recognize that there is not a review and approval process, but we are concerned about the administrative aspect of it.

MR. PIERSON: I just will give you some background on the preliminary ISA.

A real concern that the Staff was trying to address in the preliminary ISA is new construction of a new facility. There is probably a point at which an existing facility doesn't make a modification -- where a preliminary ISA has to be conducted -- but at least from our perspective our conceptual idea would be that you have about 30 percent of the design, the preliminary integrated safety analysis for new construction, the idea being that if you were taking credit for safety implications or standards or consequences that we felt that were not acceptable under our review process we could head you off early enough to say that is probably not going to work or we are probably not going to accept that.

That might be, say, an offsite consequence, criteria or something like that, and the idea is that it really applies to new design and probably this is a consequence of some of our working with the Department of Energy issues.

So as far as the existing facilities are concerned, there's probably a point where you need to do a preliminary ISA on new

construction but the question is where you need to work it out.

MR. KILLAR: I think, and I may be speaking a little bit out of school, I'm sure -- if I am, my members will beat me over the head, but I think we agree with you and I think in fact if you look at history, the industry is currently doing that, if we were coming in for a new process and a new design, we'll come in and talk to you about it, lay it out for you, and if we recognize that we are going to do a widget over here which is up and that you haven't accepted previously, we come in and make sure that you understand that, and if you have problems how we can address those problems.

MR. PIERSON: I think that is probably true -- G.E. with their dry conversion process -- is essentially moderator controlled, but that is the kind of thing that we would see conceptually captured in the preliminary ISA to make sure the staff didn't have any basic fundamental problem in terms of how you handling that modification.

MR. VAUGHAN: If I could just comment, regardless of what rules did or didn't say, I think our track record has been pretty good on coming to the NRC early on to give them -- I don't think we have ever given you a preliminary ISA, nothing that in my mind would ever come close to that definition, and I will talk a little more about that, but we are investing lots of money to do these things at our plant and we have business commitments and all of that and so we have to have some degree of appreciation that the NRC will ultimately approve the operation, so as soon as we understand the concepts and the general scope, we want to begin those discussions so that we stay in tune with what each other is doing and I think that is really the objective that we are trying to meet and we may be making it far too complicated when we talk about a preliminary ISA.

What actually happens I think in practice right this minute in the businesses is there is a hazards evaluation done I think --

people may call it different names, but I think in every case where you are looking at new processes, significant modifications and things like that, every business does a preliminary hazards evaluation to find out what hazards have to be addressed in the design and operation of that facility and then they make a qualitative assessment as to whether those are acceptable and that we believe that engineered solutions can be applied to those and once we have answered those questions then we feel comfortable to move ahead and that is part of the kind of information I think that has been shared informally with the NRC.

Now what we don't always do is the design is not always finalized before we break ground but from the hazards evaluation we know where the sensitive areas are and construction cannot proceed design until all of those safety or hazards-related subjects are resolved.

So again in that world it is very difficult to do what I would call a preliminary ISA.

MR. PIERSON: I think probably some of this has to do with what our definition and your definition of preliminary ISA is, because from my perspective what you have done is a preliminary ISA. Now that may not be what you have done in terms of what you think a preliminary ISA is because a preliminary ISA, as I said earlier, is not based on -- it is 20 to 30 percent of the design.

It's the conceptual part of the design that is essentially a hazards analysis or it may be more involved depending what the complexity is but in effect what you have done is a preliminary ISA.

MR. VAUGHAN: Well, I don't think the AICHE Handbook really gives too good guidance on preliminary ISA. It has some very simple methods in it, but even the very simple methods aren't exactly what we are doing at this stage and so part of our reaction is the fact that it has ISA tacked onto it, which puts us in a mode that says go to the AICHE book because we said we were going to follow that, and that

doesn't work for the early stages, but yet our performance has been pretty good I think as an industry, so we need to think about how we factor that in.

MR. SHERR: Charlie, you said hazards analysis might put you into the AICHE book too. That aside, in looking at the statement of considerations, from what I heard Felix say it sounds like we are in agreement in terms of what the intent of it is. I think the basic point is, well, the SRP doesn't provide clear guidance in terms of exactly what we expect, the degree of analysis or whatever as we would expect in a preliminary ISA and it may be it needs to be better defined, but in the statement of considerations itself, it made it clear that NRC was not going to be approving this.

It said the applicant is expected to submit the results of the preliminary ISA based on the modified design of the facility to NRC before construction, however approval is not necessary for the applicant to proceed with construction, and then it goes on to say in terms of what the underlying purpose is that the submittal of the preliminary ISA for review by NRC provides an opportunity for applicants to get early feedback on the design of their facilities or processes, looking at it in terms of you'd rather hear about at that stage in the process rather than after you have already committed to a certain construction situation.

MR. SILVERMAN: If I can, Ted, yes, that's right. When the issue first came up, when we first heard the concept it was preliminary ISA -- it was one bullet on one slide, and our first reaction was, wow, this sounds like a construction permit and probably -- I am guessing -- this language was inserted in response to that concern, and we recognize that language and it is good language, and I think we could close a piece of this out if we just carry it a little bit further into the rule itself, because I think there is a little bit of conflicting language in

the rule, and that is in 70.62 -- it's on page 49 of the rule.

While the statements of consideration say this is being submitted for information, we are not going to review and approve it, we are not going to hold up construction, if you look at (a)(3)(ii), each applicant for a license to operate a new facility or a new process at an existing facility shall perform a preliminary ISA and submit the results to NRC for construction -- the results of the ISA must demonstrate certain things and shall include certain things and it goes on and says before beginning operations you will update the preliminary ISA, correct any vulnerabilities.

This is a review and approval process the way it is written in the rule, and what you are really saying is if you are not going to use it as a construction permit type document then really what you want to review and approve is some form of ISA submittal before you authorize operations.

It is not the preliminary ISA. It is the final thing, so I think this language isn't entirely consistent with what is in the statements of consideration and fixing that up a bit would -- removing that mandatory language I think and making it consistent with the statement of intent earlier that you quoted would be helpful.

MR. VAUGHAN: Let me make a comment about statements of consideration.

We have talked a lot about what is in regulated space and what is not. Some of my past history there have been several situations that have come up, and I can't remember precisely what they were where during the inspection process there was a new interpretation, not really an interpretation but an inspector took a position with regard to the words in the regulation that was different than ours, different than we had implemented and in fact reading the statements of consideration it was fairly consistent with what we had done and the way we had

implemented it but was not consistent with the way the regulation was being used in that space.

We applied one or two of those a little bit and the word that we go back is that the regulation is the regulation, that statements of consideration are a part of it but they are not regulation and therefore if there is a question, the regulation is what guides it, so statements of consideration are good in the process because it gives you an opportunity to explain more what your real objective or purpose or things like that is of the provisions that you are putting in there and that gives the public an opportunity to look at that and then look at the words in the regulation and determine whether the words in the regulation communicate the same thing that is in the statements of consideration, but after the rule is written, the rule is the rule.

MR. SHERR: I think that's clear. We certainly want the statement of considerations and the words in the rule to be consistent and we'll work at that.

MR. ELLIOTT: Felix, I want to reiterate one other thing that Charlie probably talked about a little earlier is this preliminary ISA requirements in the rule certainly adds a degree of formality to probably what has been a current practice but it does say to submit the thing prior to construction and there is certain definitions of what construction is and certainly if you are starting a new building, that would be excavation and footings and things, and as we have talked among ourselves, sometimes there's a long period of time before we ever even get to ground level with the construction -- several months -- and during that time the design is evolving into maybe even a conceptual phase so to submit to you a preliminary whatever, hazards analysis, ISA, before construction may not be practical.

You may not wish for it at that time but the formality of the regulation is going to require it and we are going to have to be

cognizant of the compliance of that.

MR. SHERR: If I understand correctly, you are suggesting that we are careful on how we define construction or use of other terms.

MR. KILLAR: That's all I have. Are there any other comments or questions on this aspect?

[No response.]

MR. KILLAR: I turn it back over to Ted.

MR. SHERR: This gives me an opportunity to get a little exercise once awhile.

I think in terms of where we go from here, we talked a little bit about that earlier.

One thing, as I mentioned at the beginning, the transcript of the meeting along with the briefing charts and the correspondence as distributed at this meeting will be placed on the website.

The one slight caveat is that apparently we can only put on the website things that we get electronically so we ask that the briefing charts be transmitted to us in that manner. We also made a request or are making a request to the authors of the correspondence to do the same.

In terms of things that we have on track, by the end of this month, as I mentioned earlier, we plan to post for comment revised language relating to the overall performance requirements of the rule, which would deal with 70.60(b) on the consequence and with particular emphasis on the chemical safety aspects, on 70.60(c) on the levels of protection.

We anticipate next week or so we will be receiving the detailed written comments on nuclear criticality from NEI and that we have tentatively scheduled the meeting, as I mentioned earlier, for January 13th and 14th, at which time we plan to review the specific issues that have been raised as well as the SRP changes that might be

considered.

Also, as I mentioned earlier, we are still in the process of reviewing the SRP comments on the top ten issues and we will make changes to the SRP as they are considered warranted on the basis of these comments, and we will be providing an analysis of these comments which indicates the degree to which they have been adopted and this will be put on the website as well.

The indication was that we should be receiving additional comments on SRP issues at the end of January to the mid-February timeframe and we would anticipate conducting the same process at that time when we receive those comments.

If in fact, and apparently it is still an open issue, the NEI and industry representatives are able to provide a proposed revision to a particular SRP chapter we will examine that as a basis for looking at the overall format and content of all the corresponding SRP chapters.

I understand that particular comments will be provided on the ISA within the next few weeks and this will include matters in terms of what should be in the license and what is in the docket, the preliminary ISA, and other issues, and I think you mentioned reporting requirements, baseline criteria in 70.72 and together with those comments and the discussions today we will be looking for changes to various rule language.

The suggestion had been made for NRC to look at the submittals of ISA summaries that have been provided to NRC as a way of gaining insight in terms of what level we are looking at. We commented that that is essentially what we did when we provided the attachment to the Commission paper dealing with the example summary and so we have requested that perhaps we could get more specific feedback on that ISA summary in terms of what aspects of that seem to be reasonable and what aspects are problematical.

As I noted in the beginning, we talked about a lot of things being put on the website and you won't have to check the website every three minutes to see if something has popped up or something. We will provide you notification when something is put there to facilitate that in terms of things that are placed on there by NRC.

In terms of things that other people place on there, we won't necessarily be in a position to do that.

Before I get into some other matters, Liz, you want to make some comments about these other SRPs.

MS. EYCK: Yes. I just wanted to mention that recognizing that we are focusing on trying to be prepared to license other activities, we are planning to put out for public comment a draft SRP for use by AVLIS, for the licensing of AVLIS, and also a draft SRP that we would use for the tank waste remediation system.

Recognizing that Part 70 SRP was kind of the foundation document that we have been building on and we'll be modifying for other applications, the SRP that will go out will look very similar to what we have now in the draft one for Part 70.

Recognize that as we make changes during this process, putting out the Part 70 one, we will be also looking to modify the other SRP so I don't want you to think that just because that one looks like Part 70 and you got problems with Part 70 that that necessarily is going to be the way that the final format for the other SRPs, but we do need to, because of time constraints, put them out for public comment and so I didn't want you to be surprised to see something come out looking similar to the existing SRP.

MR. KILLAR: Liz, can you tell me what the schedule is for those, specific time periods?

MS. EYCK: Imminent.

MR. KILLAR: Imminent.

MR. PIERSON: They are going to be coming out in the next two or three weeks, and like Liz said, those are new construction facilities that -- with no operating history. We are trying to establish some basis for what we would use to license, so don't read from that that it necessarily implies that it is or is not a requirement for your facilities.

MR. SHERR: Carl, did you have some remarks?

DR. PAPERIELLO: I'm sorry I couldn't stay here this morning, I had a fire to put out. The Chairman is right now giving a press conference down in Georgia, and it turned out there was a newspaper article in yesterday's paper about a site in Georgia contaminated with both DDT and radioactive material on which there is now a children's camp. So it is -- the quantity of radioactive material is 200 millicuries of C14 and 15 millicuries of tritium that were buried under the old Part 20 two decades ago.

But it is amazing how you can -- that is kind of the environment we work in, that is part of the problem. You know, in terms of risk, you can say that is minuscule. I mean there's megacuries of C14 produced in the earth's atmosphere from cosmic rays, but, you know, 200 millicuries put in the ground 20 years ago, that has probably been dispersed, you know. The DDT is probably more -- but, anyway.

I think it was a good meeting, at least from the part that I attended, and, of course, I was here most of yesterday. I think we are converging on a number of issue. I think the Standard Review Plan is going to be more of a problem from talking to people on a one-on-one basis. It is just more pages. I mean the rules are just smaller and we can converge.

I want to talk about two other things that we have started doing, that I have talked to certain individuals about, but I haven't talked to the industry about, which I will come to. And that is, some

of the initiatives that are going on in the NRC on the reactor side, I want to bring over into my side of the house, particularly, both in inspection and enforcement, and in licensing.

In the inspection area, enforcement area, you may know that in the reactor side, we are going to a program where severity level 4 violations, most of them, rather than being sent to the licensee in a letter requiring a response, is being turned over to the licensee to follow up on in their own corrective action program. And that is an initiative I am trying to implement, I would like to implement, let me put it that way, with NMSS. Now, I am going to have to get the Commission's permission to do this, which they did on the reactor side. The Commission was told they may be hearing from NMSS, so we are working on that.

Part of my problem is I have many different kinds of licensees and most of my licensees do not have formal corrective action programs that look like the one that they have at nuclear power sites, and so the question is how to make this work. So we are launching some pilots. In fact, this morning I had a meeting with the task group on the pilots for the medical side, because we are going to try one in the medical because we do a lot of medical inspections.

The other side is looking at both the gaseous diffusion plants and fuel facilities -- how can we make it work? And what I want to do is meet with NEI later this month and talk about some options on how we could make it work. And, of course, when we set the meeting up, I assume they will invite any of you that they would like to invite.

But what I am trying to do is, if you read -- unfortunately, I wanted to bring the stuff here and I didn't have it with me, the handout, what the Commission voted on in terms of the -- on the reactor side. Essentially, what would happen is, for most severity level 4s, which you now get a NOV in a letter and it requires a response,

effectively, it would be turned over to you in the inspection report and said, you know, you fix it as part of the -- you know, the idea with the reactor side is they have corrective action programs and licensees are complaining, well, we have issues and you have issues, but your issues always take priority over our issues.

What we ought to do, it ought to be integrated. And so the ones which have the greatest risk ought to be taken care of first, and that is kind of what I am trying to pursue. The question is, is there a mechanism -- do you have a mechanism where, if I turn it over to you, you track it and fix it. And then, of course, at the reactor sites, what we would do is just periodically look at their corrective action program and see how things are being taken care of.

So that is kind of where I want to be, but I need to, one, define what the program would look like, and then tell the Commission and have the Commission say, yeah, we concur in that. I just don't feel it is something I can just do on my own.

With respect to the licensing, in spent fuel, because we have had a lot of problems and a backlog of licensing work on dual purpose casks, we set up a fairly rigorous, very disciplined program. We have teams reviewing each design. We have met with the industry and worked out an arrangement.

We are going to meet a schedule, but they have to meet a schedule. In other words, we are going to do reviews in two months with a team. But when we send out requests for additional information, we need a response in two months because you will lose your -- we don't have as many teams as we have case work. So what we are trying to do is one person's package here, soon as that team gets done, they are going to pick up the next person's package. When they are done, they have to have the response to the previous one so they can pick it up. That's one piece.

The other piece, though, is control of requests for additional information. That's a policy that is being implemented in NRR. I am going to do it across NMSS, but it will look different for different kinds of licensees. In other words, what works for spent fuel probably will not work with you, and certainly won't work with my small material licensees. I have something like four teams in each of the divisions working on how this would work.

And the goal, the goal is, frankly, a couple of things. I want to shorten the process. In fact, the backlog of licensing in NMSS since I came her has dropped drastically, but it still isn't where I want. I want to get rid of "stinkers," and what I mean by that is cases that are floating out there for years, and we have not made a licensing decision. That's wrong. And, usually, when it happens, you find out the reasons. Usually, somebody requests something that we, frankly, don't want to give them, and somebody won't say no. And my position on this is if we are going to say no, we are going to say no. And if we need the Commission's concurrence, we will get the Commission's concurrence on it. But I have to know about it, and if it is buried out there, you know.

And that is part of the characteristics of what they are doing in the spent fuel area. In other words, if there are issues that aren't getting resolved, we don't fool around, we don't get the "do loop" on letters, we escalate both in management here and management at the licensee's facility.

But you can see, if I do this on materials and I have a small engineering organization that happens to have some gauges, sometimes there's no place to escalate to, so I can't come up with a set of rules that work across NMSS, that is part of my problem. Things that we have done in spent fuel will probably work reasonably well in fuel cycle but won't work too well in others, so this is something we have

only been working on for about the last month.

But, anyway, I want to come in to talk to NEI about it, because one of the things I need to do is elicit cooperation. We need to get the word out to the thing, and, as I said, I don't regulate just one industry, I regulate -- somebody did, in part of a safety analysis, with a risk-based look, we have identified 40 different technologies that we license. It is -- another way of putting it, I regulate and license everything from tritium dial watches to spent fuel canisters, so it is -- and disposal. So it is -- the scaling factor is a problem.

But, anyway, there are things that -- our goal is to be more efficient, to be more timely, and I think it will do everybody good to do this. You know, it will be less of a burden on you and we will resolve issues faster.

But I am encouraged by this meeting, I think we have accomplished a lot here. I would like to thank you.

Any questions for me?

[No response.]

DR. PAPERIELLO: Okay. Thank you again.

MR. SHERR: I think we are all in agreement with Carl, I think it has been a very beneficial meeting and I would like acknowledge our appreciation for the significant NEI and industry participation, both at this meeting and in the two pieces of correspondence that is provided. This will be very helpful in us moving ahead on the rulemaking package and I look forward to future input and interactions as well. We thank you for your efforts.

I would also like to thank Cary Brown, Barry Mendelsohn and Jim Hennigan, who made significant contributions to making arrangements for this meeting. These things don't come off by themselves and we very much appreciate that work.

And, finally, I would like to thank Jon Hundley, who has

been recording our meeting and making sure that we are speaking into the microphones clearly. The transcript of this meeting will be very important and will help us in continuing to work on these matters and we thank you very much for your efforts. Thank you, all.

MR. GOODWIN: Ted, I have got just one last question for Carl. It's more with clarification. I understand -- we have been told by inspectors recently that there have been a couple of policy changes relative to severity level 4 type violations, in particular, those that have low safety significance. Is the matter you are talking about with the severity level 4s those with safety significance? I am just trying to --

DR. PAPERIELLO: Yes. The answer is yes. In other words, most 4s -- there's two issues. One, low significant severity level 4s should be treated as non-sited violations. We really, we are going to blur -- I think we will wind up blurring the distinction. The ones that would now not make that criteria, but are still severity level 4s, but are not willful, or not repetitive, and things like that, in the reactor side, are being turned over to the licensee to incorporated into the licensee's own corrective action program and prioritized. In other words, it gives you control over them relative to the other things that need to be fixed.

MR. GOODWIN: Okay. Yeah, I like that change.

DR. PAPERIELLO: You know, no, it goes beyond what you have been told. But I need -- I feel I need the Commission's permission to do this. I think I will get it, because they have been kind of put on notice, but I just -- and by the time it happens, you won't be surprised.

In other words, I am just saying this now, so, I got you here, I can tell you what my plan was, was to meet with NEI to use as sort of a broker and help get the word out on the street. Pardon? Of

our plans, yeah.

Yeah, because I want the plan. I want to make sure that there's -- you know, I have got a practical way to implement it. Then I will want to tell the Commission what I want to do and how it is going to be implemented, because they would ask what I would ask. Is there a corrective program or something that looks like it that you can put it into so that it won't get lost?

MR. GOODWIN: I know we have what we call a safety margin improvement program, which is exactly what you are talking about, so I guess we could implement that.

DR. PAPERIELLO: I am sure that everybody has something that looks like it, I just don't know what it is, so I have got to tell the Commission what it is going to live in. Okay.

MR. GOODWIN: Thank you.

[Whereupon, at 11:35 a.m., the meeting was concluded.]

PART 70 CONCEPT UNDER CONSIDERATION (ON THE DOCKET vs. IN THE LICENSE)

Not in the license	**Not on the docket**	**ISA (plus other safety analyses/design analyses and measures to ensure the availability and reliability of items important to safety)**
Not in the license	**On the docket / Relied on by NRC to establish safety basis**	**ISA Summary and other safety analyses relied on by NRC in staff SER**
In the license	**On the docket**	**Measures relied on to assure the availability and reliability of items important to safety (to prevent or mitigate certain events)**
In the license	**On the docket**	**License Conditions and Other Requirements**

– Items "in the license" can only be changed by license amendment requiring prior NRC approval; 50.59-like evaluations can only be applied to items relied on by NRC to reach its safety conclusion that are on the docket but not in the license. Changes resulting from 50.59-like evaluations can be made without prior NRC approval if the change does not result in more than a minimal increase in risk; otherwise, prior NRC approval is required

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ISA IN THE LICENSING ENVIRONMENT

	Commitment in License	On Docket	On Site (Configuration Management)
1.0 **General Site Information**	✓		
2.0 **Organization**	✓		
3.2 (a) **ISA (Program)** ➢ Commitment to Perform, Maintain and Implement Results ➢ Scope (Processes and Hazards to be Reviewed) ➢ Methods ➢ Team Member Qualifications ➢ Graded Approach ➢ Assurance Criteria ➢ Summary submittal and update frequency	✓		
3.0(b) **ISA (Implementation)** ➢ Process Descriptions ➢Accident Sequences ➢ Items relied on for safety ➢ Assurance applied to Items			✓
3.0(c) **ISA Summary** ➢ Site Description* ➢ Facility Description* ➢ Process Description ➢ ISA Method* ➢ ISA team* ➢ Accident sequences (High risk Only) ➢ Controls (Overview) * These items are available in other parts of the License i.e. 1 and 3(a)		✓	
4.0 **Radiation Safety** ➢ Performance Requirements ➢ Program Description ➢ Implementation through ISA results	✓		
5.0 **Criticality Safety** ➢ Performance Requirements ➢ Program Description ➢ Implementation through ISA results	✓		
6.0 **Chemical Safety** ➢ Implementation through ISA results	✓		
7.0 **Fire Safety** ➢ Implementation through ISA results	✓		
8.0 **Emergency Management**	✓		
9.0 **Decommissioning** (a) Funding Plan (70.25) (b) Decommissioning Plan (70.38) Performance Requirements Program Description Implementation	✓ TBD	 TBD	 TBD
10. **Management Control Systems**	✓		

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