**NRC INSPECTION MANUAL** IRIB

INSPECTION PROCEDURE 94302

STATUS OF WATTS BAR UNIT 2 READINESS FOR AN OPERATING LICENSE

PROGRAM APPLICABILITY: 2517

BACKGROUND:

10 CFR Part 50, “Domestic Licensing of Production and Utilization Facilities,” (Part 50) contains a two-step licensing approach. In this approach, a construction permit is issued to allow construction of a reactor; an operating license must be issued before full power operation can commence. The NRC findings that must be made before a Part 50 operating license can be issued are identified in 10 CFR 50.57, “Issuance of operating license.” The findings include the following: “(a)(1) Construction of the facility has been substantially completed, in conformity with the construction permit and the application as amended…;” “(a)(2) the facility will operate in conformity with the application as amended…;” and (a)(3)(ii) there is reasonable assurance that facility will be operated in accordance with the regulations….”

The Regions have historically supported NRR by implementing construction inspection programs. These inspections identify issues that require resolution and form the basis for making the findings required by 10 CFR 50.57(a)(1), 50.57(a)(2), and 50.57(a)(3)(ii). Specifically, completion of the inspections identified in Inspection Manual Chapter (IMC) 2512, “Light Water Reactor Inspection Program – Construction Phase,” supports the finding required by 10 CFR 50.57(a)(1). Completion of the inspections identified in IMC 2513, Appendix A, “Light Water Reactor - Preoperational Testing Phase,” supports the finding required by 10 CFR 50.57(a)(2). Completion of the inspections identified in IMC 2513, Appendix B, “Light Water Reactor - Operational Preparedness Phase,” supports the finding required by 10 CFR 50.57(a)(3)(ii).

Previously, the Regions used IP 94300, “Status of Plant Readiness for an Operating Licensee,” to inform NRR about a plant’s operating readiness following the construction phase. Under IP 94300, a Region provided a series of memoranda to document the status of open construction items. A final memorandum would be issued to indicate the Region had substantially completed the required inspections and that the inspections results supported the three 10 CFR 50.57 findings described above.

As described in IMC 2517, “Watts Bar Unit 2 Construction Inspection Program,” the NRC established a Watts Bar Reactivation Assessment Group (WRAG) consisting of participants from NRR and Region II. The WRAG’s responsibility is to oversee project completion, serve as the focal point for status of the project, and coordinate between the Region and Headquarters. The WRAG assesses emergent issues and identifies to Region II any inspection activities that may be necessary to address these new issues. These additional inspections and the

inspections identified in the IMC 2517 inspection scoping processes are tracked in the “Inspection Planning and Scheduling (IP&S) database.

The WRAG has enabled frequent communication regarding the status of Watts Bar Nuclear Unit 2 (WBN2), and has eliminated the need for the IP 94300 90-day status report and subsequent status report updates. IP 94302 was written specifically for WBN2 and will be used in lieu of IP 94300. IP 94302 provides updated guidance to support reporting the status of WBN2 readiness for an operating license.

94302-01 INSPECTION OBJECTIVES

01.01 Inform the Director, NRR of when Region II has completed the inspections necessary to support the findings required by 10 CFR 50.57(a)(1), 50.57(a)(2), and 50.57(a)(3)(ii).

01.02 Inform the Director, NRR of any incomplete inspections or open items (including their significance) when Region II communicates its conclusions for item 01.01.

01.03 Inform the Director, NRR of any significant issues in the construction or testing of WBN2 that could affect the conclusions associated with item 01.01. Provide an updated list of any incomplete inspections or open items and their significance at that time.

INSPECTION REQUIREMENTS

Report on inspection status and readiness for an operating license. The Tennessee Valley Authority (TVA) has agreed to notify the NRC in writing when it determines that construction of WBN2 is substantially complete. Additionally, TVA will provide a list of remaining construction and preoperational test activities that must be addressed prior to loading fuel.

Upon receipt of the TVA “substantially complete” notification, the WRAG will assess the status of the facility as described in TVA’s notification and will review the results of completed inspections and the status of any planned inspections that have not been completed. After concluding that sufficient construction and testing of WBN2 has been completed and verified acceptable by the required inspections, the WRAG will recommend that the Region II Regional Administrator notify the Director, NRR that it is reasonable to conclude that the findings can be made in accordance with 10 CFR 50.57(a)(1), 50.57(a)(2), and 50.57(a)(3)(ii).

The WRAG recommendation will be in the form of a draft memorandum from the Regional Administrator to the Director entitled “Readiness of Watts Bar 2 to Receive an Operating License.” The draft memorandum will include appendices that identify inspection items that remain to be completed; pending or open enforcement issues; and an assessment of whether any open allegations affect a determination of reasonable assurance of the three findings. Inspection items remaining to be completed should be discussed in sufficient detail to understand their impact on the proposed issuance of the operating license. As appropriate, remaining inspection items should be linked to milestones to provide further clarification on any impact to issuance of the operating license.

The basis for supporting the conclusion that 10 CFR 50.57(a)(1) has been satisfied will be that the inspections identified in IMC 2512 and the IP&S database, as described in IMC 2517 for Watts Bar 2, have been substantially completed and there are no outstanding issues for which the licensee has not developed adequate corrective actions.

The basis for supporting the conclusion that 10 CFR 50.57(a)(2) has been satisfied will be that the inspections identified in IMC 2513, Appendix A, as described in IMC 2517 for Watts Bar 2, have been substantially completed and there are no outstanding issues for which the licensee has not developed adequate corrective actions.

The basis for supporting the conclusion that 10 CFR 50.57(a)(3)(ii) has been satisfied will be that the inspections identified in IMC 2513, Appendix B, as described in IMC 2517 for Watts Bar 2, have been substantially completed and there are no outstanding issues for which the licensee has not developed adequate corrective actions. This will include the completion of an Operational Readiness Assessment Team inspection.

Region II may consider an inspection “substantially completed” without completing all of the inspection activities identified in the applicable inspection procedures. For example, several inspections identified in the WBN2 Inspection Planning and Scheduling System cannot be completed prior to fuel load or start-up testing. In addition, some system tests require inspection between the time TVA submits its substantially complete letter and the actual date when the facility will be ready for fuel load. Consequently, the WRAG recommendation to the Region II Regional Administrator should be based on the completion of a sufficient amount of inspection to have reasonable assurance of the ability of the system, structure, component, or operational program to perform as described in the application or applicable regulation.

The Region II Regional Administrator will issue the Readiness Memorandum after determining, based on the contents of the WRAG memorandum, his familiarity with the status of the site, and the results of the periodic performance assessments described in IMC 2517, that there is reasonable assurance that the findings of 10 CFR 50.57(a)(1), 50.57(a)(2), and 50.57(a)(3)(ii) have been met.

If TVA experiences significant delays in the closure of remaining open items and/or testing after the Readiness Memorandum is issued, Region II and NRR should discuss whether a follow-up Readiness Memorandum should be issued. Region II will promptly notify the Director, NRR of any significant performance deficiencies or test failures that occur after the Readiness Memorandum is issued, but prior to issuance of the Operating License. Any issues identified after issuance of the Operating License will be addressed through the NRC’s normal assessment and enforcement processes.

Late-filed allegations should be handled in accordance with Allegation Guidance Memorandum 2011-001, “Late-Filed Allegations.” (ADAMS Accession No. ML11227A241)

END

Attachment 1

Revision History for IP 94302

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| --- | --- | --- | --- | --- |
| Commitment Tracking Number | Accession Number  Issue Date  Change Notice | Description of Change | Description of Training Required and Completion Date | Comment and Feedback Resolution Accession Number  (Pre-Decisional, Non-Public) |
|  | ML15029A735  01/30/2015  CN 15-002 | This is an initial issuance, which has been created to accommodate the readiness for an operating license solely for Watts Bar 2 | n/a | n/a |
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