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DATE OF MEETING

01/10/2002

The attached document(s), which was/were handed out in this meeting, is/are to be placed in the public domain as soon as possible. The minutes of the meeting will be issued in the near future. Following are administrative details regarding this meeting:

Docket Number(s)

Project 689

Plant/Facility Name

NA

TAC Number(s) (if available)

NA

Reference Meeting Notice

12/19/01Purpose of Meeting
(copy from meeting notice)**To discuss inspections, tests, analyses, and acceptance****criteria (ITAAC) implementation and early site permit****issues.**

NAME OF PERSON WHO ISSUED MEETING NOTICE

Joseph M. Sebrosky

TITLE

Project Manager

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Agenda for January 10, 2002, Meeting with NEI
to Discuss Inspections, Tests, Analyses and Acceptance Criteria (ITAAC) and
the Early Site Permit Process (ESP) Related to Nuclear Power Plant Construction

Topic	Presenter
I. Overview of November 20, 2001 white paper regarding ITAAC implementation	NEI
II NRC's observations	NRC
III. Discussion of how to proceed regarding ITAAC	All
IV Discussion of Early Site Permit Process	All
V Discussion of future licensing and inspection readiness assessment	All

NRC Preliminary Comments on NEI's inspections, tests, analyses and acceptance criteria (ITAAC)
implementation paper dated November 20, 2001

Comm ent #	Section of Paper	Comment
1	Section 3 - NRC Construction Under Part 52	Purpose of the construction inspection program is broader than what is described by NEI.
2	Section 3 - NRC Construction Under Part 52	Quality Assurance Program discussion does not seem to be consistent with position in SECY-00-0092 that was approved by the Commission.
3	Section 4 - Engineering Design Verification	NEI states that the Engineering Design Verification is distinct from ITAAC. What if an inspection performed during the engineering design verification discovers an issue that could have a direct impact on whether or not ITAAC are met? The staff would also like to discuss the timing of these inspections.
4	Section 5 - ITAAC process implementation	<p>The staff has questions regarding statements like those found on page 21 of the document (e.g., "Unless there is a deficiency that indicates an ITAAC has not been successfully completed, the staff would be expected to make the required 52.99 finding of ITAAC completion, while corrective action proceeds separately under the QAP...Absent significant new information, the staff's 52.99 finding will be binding, and would not be reconsidered by the NRC staff."</p> <p>NEI's paper does not recognize that NRC inspections are audit based. Information that is obtained later may have an impact on NRC's findings.</p>
5	Section 5 - ITAAC process implementation	The staff has questions regarding what is meant by staff confirmation that ITAAC have been met, the types of interactions NEI envisions before an ITAAC determination letter is sent to the staff, and the 30 day timeframe in which NEI believes an ITAAC verification by the staff can be made.
6	Section 5 - ITAAC process implementation	The staff has questions regarding what is meant by ITAAC-focused oversight activities

7	Section 5 - ITAAC process implementation	How can a deficiency in the ITAAC determination basis not be material to the ITAAC determination
8	Section 5 - ITAAC process implementation	The 52.99 notice could be issued and identify any deficiencies found in the ITAAC, why should the 52.99 notice be delayed?
9	Section 5 - ITAAC process implementation	NEI states "If a deficiency is material to the ITAAC determination, then the licensee must take appropriate corrective action before the ITAAC can be closed out." Why are ITAAC considered to be closed before the Commission makes its finding in accordance with 10 CFR 52.103(g)?
10	Section 6 - Preoperation Finding Process and Hearing Opportunity	The staff believes that 52.103(g) finding will not necessarily be based on the 52.99 notices. For example if new information is brought to light the 52.99 notice could be superseded by events.
11	Section 7 - Assuring operation readiness under Part 52	Not consistent with SECY-00-0092
12	Section 8 - Transition to Operation Under Part 52	Footnote is not consistent with SECY-00-0092. These issues appears to have already been resolved in SECY-00-0092.

Early Site Permit Issues

No.	Issue	Description
ESP-1	Bounding Plant Parameter Envelope (PPE) vs. optional configurations	<p>Part 51, Subpart A delineates the information that must be included in a early site permit application. In some instances, this information is a value. For example, §52.17(a)(1)(iv) states that the application must contain the maximum level of radiological and thermal effluents each facility will produce and §52.17(a)(1)(v) requires a description of the type of cooling systems, intakes, and outflows that may be associated with each facility.</p> <p>For certified designs, the associated PPE may have values that could be used to satisfy the two examples cited above. However, if the reactor type has not been selected, it is not clear how the rule provisions, noted in the examples, would be satisfied.</p> <p>This approach raises several questions: 1) what is NRC's expectation; can more than one value be provided in an ESP application, 2) if a value is provided for a new technology and no bounding PPE exists, what kind of NRC review is conducted?</p>
ESP-2	§52.17 - "analysis and evaluation of the major structures, systems, and components of the facility that bear significantly on the acceptability of the site under the radiological consequence evaluation factors identified in §50.34(a)(1)..."	<p>Similar to issue ESP-1, this language becomes problematic when the applicant has not decided on the reactor type. Would NRC grant an exemption from the requirement and/or defer the requirement until such time that the reactor type is known?</p>

No.	Issue	Description
ESP-3	Seismic Evaluation (10CFR App S)	Appendix S is new and to the best of our knowledge, never exercised. The seismic analysis will no doubt be the area where significant resources are spent. We would like to discuss the NRC's vision of the Appendix S process before moving to far forward with the expenditures anticipated
ESP-4	§51.45(b)(3) Alternatives and §52.17(a)(2) alternative sites	This issue is addressed in the NEI rulemaking petition.
ESP-5	§ 51.51 Fuel Cycle Environmental Data and §51.52 Transportation of Fuel and Waste	This issue is a question of how Tables S-3 and S-4 (in Part 51) apply to new technologies. Also, does the NRC have any plans for updating these tables?
ESP-6	Environmental Justice	Is an environmental justice evaluation required for an Early Site Permit application?
ESP-7	NRC acceptance of existing operating plant environmental data	This is the issue of use of existing information.
ESP-8	NRC acceptance of relevant findings from 10CFR Part 51, Appendix B to Subpart A – License Renewal	10 CFR Part 51, Appendix B codifies findings related to environmental impacts for license renewal. In some instances it would seem that the generic evaluation underlying the findings in Appendix B might be applicable to early site permitting. Has the NRC considered whether any findings from Appendix B can be applied to early site permitting?
ESP-9	Level of detail in the redress plan	We would like to discuss the NRC's expectation relative to the level of detail in the redress plan.

ESP-10	Permit holder and permit	Subpart A stipulates that "Any person..." may file an ESP application. As the electric power industry moves to deregulation, it is likely that the early site permit holder may not be the owner/operator of the nuclear power plant that is ultimately constructed. Is this an acceptable practice? Are there any restrictions on transferring the permit? What if the permit holder has a subsidiary company that owns and operates an existing facility that is on the site evaluated in the ESP application? Can the existing information from the existing plant be utilized?
ESP-11	Initial duration of permit	The regulations state that the permit is valid for not less than 10 years nor greater than twenty. What, if any, differences are there in the ESP application if a "twenty"-year permit is desired?
ESP-12	QA Program	What are the NRC's expectations regarding the use of a QA program for preparing the application? Must the entire application be prepared under Appendix B or only certain portions such as the seismic analyses? Also, in light of issue ESP-10, can an existing QA program be utilized if it is from a subsidiary company?