

April 17, 2003

Mr. Ronald L. Simard
Nuclear Energy Institute (NEI)
1776 I Street, NW, Suite 400
Washington, DC 20006-3708

SUBJECT: RESOLUTION OF ESP-5, MECHANISM FOR DOCUMENTING RESOLUTION
OF ESP ISSUES (REVISION 1)

Dear Mr. Simard:

The purpose of this letter is to update and revise our understanding and expectation regarding the mechanism to document the resolution of Early Site Permit (ESP) issues. The original staff letter (ADAMS Accession No. ML022890245) dated November 5, 2002 was a response to your letter dated September 10, 2002. The changes to the understandings and expectations are necessary in order to reflect the change in operating priorities that focus on the review of the first ever ESP applications now scheduled to be filed in June and September 2003. We confirm the revised understandings and expectations cited in your letter effective immediately as listed below:

ESP-5 understandings and expectations:

1. A mechanism for tracking progress and documenting resolution of generic ESP issues has been important for providing timely feedback to ESP applicants on matters regarding the preparation of ESP applications and for providing all stakeholders with a means to stay informed of progress toward resolution of ESP related issues. Although the receipt of the first ESP application means that the NRC staff will focus primarily on applicant specific issues, there continues to be a role for generic interactions.
2. The NRC will implement an evolving issue tracking system consistent with that used during license renewal interactions to define, identify status, and document the resolution of ESP applicants and/or NRC staff concerns through the end of the pre-application period. Use of this or a similar system may be extended to address generic issues that may be identified during the NRC review of ESP applications.
3. The NRC staff will maintain issue tracking summary sheets similar to the listing provided on September 22, 2002, that will summarize, on a quarterly or as-needed time interval, the status of each generic ESP issue based on the interactions to-date.
4. Resolution of generic ESP issues, i.e., confirmation of significant understanding and expectations, will be documented via an exchange of letters between NEI and the NRC as described during the public meeting held on May 28, 2002. Attachment 1, which was discussed during the public meeting held on September 22, 2002, provides the typical

steps for issue resolution, as well as a delineation between those issues which should be handled as generic issues versus those issues which should be handled on an applicant-specific basis.

5. To ensure timely resolution of ESP issues, the following priority scheme should guide the issuance of NEI and NRC responses: (1) The first ESP issue resolution letter on an ESP Topic transmitted by April 30, 2003 would be completed within 30 days, and (2) any second or supplemental issue resolution letter or issue resolution letter transmitted after April 30, 2003, would be completed as resources permit on a mutually agreed upon due date.
6. It is the NRC's expectation that the appropriate resolution of generic ESP issues will result in greater efficiency and effectiveness in regulatory processes.

Please contact Ronaldo Jenkins, the ESP Senior Project Manager at 301-415-2985 if you have any questions on this matter.

Sincerely,

/RA by Jerry Wilson for/

James E. Lyons, Director
New Reactor Licensing Project Office
Office of Nuclear Reactor Regulation

Project No. 689

Enclosure: As stated

cc w/encl: See next page

steps for issue resolution, as well as a delineation between those issues which should be handled as generic issues versus those issues which should be handled on an applicant-specific basis.

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DATE	04/17/03	04/17/03	04/17/03	

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MECHANISM FOR RESOLUTION OF ESP ISSUES

Project No. 689			Project Nos. 720/719/718		
NEI/ ESP Applicant	Generic Meetings	NEI Letter	Applicant Meetings		
			Submittals		
NRC Staff	Generic Meetings	Staff Letter	Site Visits	*Inspections	Staff Reports
			Trip Reports	Requests for Information (RAIs)	
OUTCOMES					
INFORM/ OBTAIN FEEDBACK		GENERIC ISSUE RESOLUTION	(PRE) APPLICATION REVIEW DISPOSITION		
<u>Steps for Issue Resolution</u>					
1- Define Problem					
2- Discuss the Problem and Implications on Parties Involved					
3- Discuss Alternatives					
4- Discuss Implementation of Proposed Approach					
5- NEI/ Applicant submit proposed resolution					
6- Staff issue final position					
* IF APPLICABLE					

ESP-Generic

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